自然美
NATURAL BEAUTY

Natural Beauty Bio-Technology Limited
自然美生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00157

ANNUAL REPORT 2021 年報

Mission Statement
我們的使命

Natural Beauty is dedicated to cultivate our staff, customers, students and franchisees to appreciate our education, products and services, which are the mission and belief of the brand and to make modern ladies beautiful, confident and wealthy.

我們致力於使員工、顧客、學員及加盟老師們存著一份感恩的心來到自然美，學習自然美容術及使用自然美產品及服務，這都是東森自然美這個品牌一直以來的使命與信念，幫助無數女性建立美麗、自信及財富。

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Corporate Information
公司資料

(As at 31 March 2022 ("the Latest Practicable Date"))
(於二零二二年三月三十一日(「最後實際可行日期」))

BOARD OF DIRECTORS
董事會

Executive Directors
執行董事

Dr. LEI Chien (alias Joanna LEI) *(Chairperson)* — 雷倩博士*(主席)*

Mr. PAN Yi-Fan (alias Ivan PAN) — 潘逸凡先生

Non-executive Directors
非執行董事

Ms. LU Yu-Min (alias Vicky LU) — 陸瑜民女士

Ms. LIN Shu-Hua — 林淑華女士

Mr. CHEN Shou-Huang — 陳守煌先生

Independent Non-executive Directors
獨立非執行董事

Mr. CHEN Ruey-Long (alias Steve CHEN) — 陳瑞隆先生

Mr. LU Chi-Chant — 盧啓昌先生

Mr. YANG Shih-Chien — 楊世緘先生

AUTHORISED REPRESENTATIVES
法定代表

Mr. PAN Yi-Fan (alias Ivan PAN) — 潘逸凡先生

Ms. HO Siu Pik — 何小碧女士

COMPANY SECRETARY
公司秘書

Ms. HO Siu Pik (FCG, FCS) — 何小碧女士(FCG, FCS)

MEMBERS OF THE AUDIT COMMITTEE
審核委員會成員

Mr. CHEN Ruey-Long (alias Steve CHEN) *(Chairman)* — 陳瑞隆先生*(主席)*

Ms. LIN Shu-Hua — 林淑華女士

Mr. LU Chi-Chant — 盧啓昌先生

Mr. YANG Shih-Chien — 楊世緘先生

(As at 31 March 2022 ("the Latest Practicable Date"))
(於二零二二年三月三十一日(「最後實際可行日期」))

MEMBERS OF THE REMUNERATION COMMITTEE

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

薪酬委員會成員

盧啓昌先生*(主席)*
雷倩博士
潘逸凡先生
陳瑞隆先生
楊世緘先生

MEMBERS OF THE EXECUTIVE COMMITTEE

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

執行委員會成員

雷倩博士*(主席)*
潘逸凡先生
陸瑜民女士
林淑華女士
陳守煌先生

MEMBERS OF THE NOMINATION COMMITTEE

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

提名委員會成員

楊世緘先生*(主席)*
雷倩博士
潘逸凡先生
陳瑞隆先生
盧啓昌先生

REGISTERED OFFICE

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

註冊辦事處

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

(As at 31 March 2022 ("the Latest Practicable Date"))
(於二零二二年三月三十一日(「最後實際可行日期」))

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

香港主要營業地點

香港
皇后大道東183號
合和中心
54樓

AUDITORS

RSM Hong Kong
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
29th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

核數師

羅申美會計師事務所
於香港法例第588 章《財務匯報局條例》下的註冊公眾利益實體核數師
香港
銅鑼灣
恩平道28號
利園二期29樓

LEGAL ADVISERS

Bird & Bird
6/F, The Annex, Central Plaza
18 Harbour Road
Hong Kong

法律顧問

鴻鵠律師事務所
香港
灣仔港灣道18號
中環廣場新翼6樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

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

主要股份過戶登記處

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

HONG KONG BRANCH SHARE REGISTRAR

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

香港股份過戶登記分處

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

(As at 31 March 2022 ("the Latest Practicable Date"))
(於二零二二年三月三十一日(「最後實際可行日期」))

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Stock Code: 00157

上市資料

香港聯合交易所有限公司
股份代號：00157

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

King's Town Bank Co., Ltd.
8F., No. 167, Dunhua N. Rd.
Taipei
Taiwan

CTBC BANK Co., Ltd.
8F, No. 168, Jingmao 2nd Road
Taipei
Taiwan

China Merchants Bank Co., Ltd.
Shanghai Branch, Jingansi Sub-branch
1465 Beijing Road (W)
Shanghai
The PRC

Bank of Communications Co., Ltd.
Shanghai Branch, Zhijiang Sub-branch
377 West Zhijiang Road
Shanghai
The PRC

CTBC BANK Co., Ltd.
Shanghai Branch
27F Shanghai World Financial Center
100 Central Avenue
Shanghai
The PRC

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號

京城商業銀行股份有限公司
台灣
台北
敦化北路167號8樓

中國信託商業銀行股份有限公司
台灣
台北
經貿二路168號8樓

招商銀行股份有限公司
上海市分行靜安寺支行
中國
上海
北京西路1465號

交通銀行股份有限公司
上海市分行芷江路支行
中國
上海
芷江西路377號

中國信托商業銀行股份有限公司
上海分行
中國
上海市
世紀大道100號
上海環球金融中心27F

WEBSITE

www.ir-cloud.com/hongkong/00157/irwebsite

網址

www.ir-cloud.com/hongkong/00157/irwebsite_c

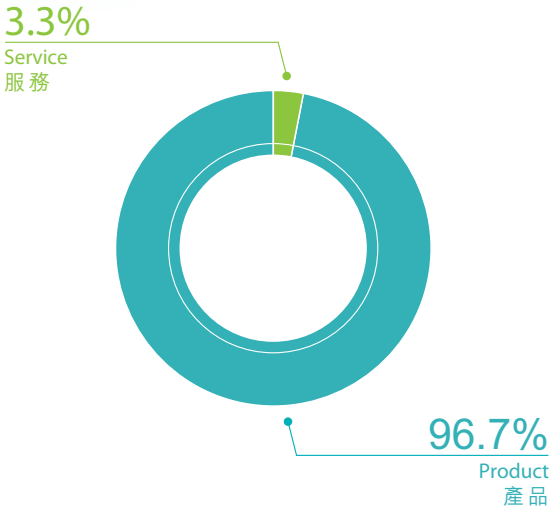
东森 自然美
NATURAL BEAUTY
NATURAL BEAUTY
NB-1
NB-1 Ultimé Restoration
NB-1 Age-Correcting
Activator

NATURAL BEAUTY
NB-1
NB-1 Ultimè Restoration
NB-1 Age-Correcting
Toning Extract
NATURAL BEAUTY
NB-1
NB-1 Ultimè Restoration
NB-1 Age-Correcting
Firming Crème

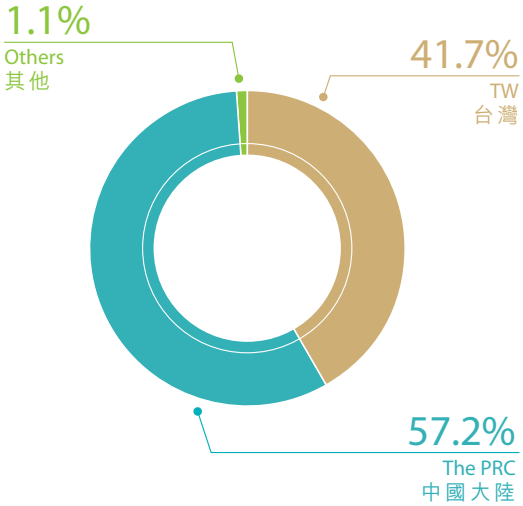
Financial Highlights
財務摘要

Selected Financial Data HK$'000 (except per share data)	**財務數據摘要** 千港元 (每股數據除外)	二零一七年 財政年度 FY2017	二零一八年 財政年度 FY2018	二零一九年 財政年度 FY2019	二零二零年 財政年度 FY2020	**二零二一年 財政年度 FY2021**
Revenue	收入	399,579	369,525	438,413	410,673	**487,810**
Cost of sales	銷售成本	94,467	146,665	172,843	170,248	**181,812**
Gross profit	毛利	305,112	222,860	265,570	240,425	**305,998**
Operating profit	經營溢利	146,738	39,157	38,331	10,641	**50,480**
Profit for the year	本年度溢利	105,388	26,259	21,908	7,758	**35,264**
Dividends	股利	112,117	29,031	0	6,006	**6,006**
Earning Per Share (EPS) – basic	每股盈利 – 基本	$0.0530	$0.0130	$0.0110	$0.0039	**$0.0176**
Dividend Per Share (DPS)	每股股利	$0.0560	$0.0150	$0	$0.0030	**$0.0030**
Total assets	總資產	777,885	678,966	757,400	831,972	**930,444**
Net asset value	資產淨值	650,746	551,855	567,793	611,230	**657,918**
Return on Equity (ROE)	股本回報	16.2%	4.8%	3.9%	1.3%	**5.4%**
Return on Assets (ROA)	資產回報	13.5%	3.9%	2.9%	0.9%	**3.8%**

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



TURNOVER BY SEGMENT BREAKDOWN (%)
按分部劃分之營業額 (%)



东森 自然美
NATURAL BEAUTY

SUPER PEPTIDE INTENSIVE
MOISTURIZING EMULSION
FOR WATERY BEAUTY
NB-1 TARGETED PRODUCT SERIES
SUPER PEPTIDE INTENSIVE
MOISTURIZING EMULSION
FOR WATERY BEAUTY
NB-1 TARGETED PRODUCT SERIES
SUPER PEPTIDE INTENSIVE
MOISTURIZING EMULSION
FOR WATERY BEAUTY
NB-1 TARGETED PRODUCT SERIES

Management Discussion and Analysis
管理層討論及分析

FINANCIAL REVIEW

Overview

Revenue of the Group in 2021 increased by 18.8% to HK$487.8 million as compared to HK$410.7 million in 2020. The increase was mainly due to an increase of HK$77.0 million in product sales, of which contributed to 96.7% of the Group's total revenue.

Revenue in the PRC market increased by 35.2% from HK$206.5 million in 2020 to HK$279.0 million in 2021. Revenue in the Taiwan market increased by 4.4% to HK$203.2 million as compared to HK$194.6 million in 2020.

Revenue from other regions, including Hong Kong, Malaysia and Macau, decreased by 41.5% from HK$9.6 million in 2020 to HK$5.6 million in 2021. Contribution from these regions remained at an insignificant level of just 1.1% of the Group's revenue.

The Group's overall gross profit margin increased from 58.5% in 2020 to 62.7% in 2021 mainly due to the change of the revenue mixture of the Group's product/beauty apparatus/service packages, and the increase in the proportion of higher-margin products in 2021.

財務回顧

概況

本集團之營業額由二零二零年的410,700,000港元增長18.8%至二零二一年的487,800,000港元。有關增加主要由於產品銷售增加77,000,000港元：該分部佔本集團總營業額的96.7%。

中國大陸市場之營業額由二零二零年的206,500,000港元增長35.2%至二零二一年的279,000,000港元；台灣市場之營業額則由二零二零年的194,600,000港元增長4.4%至203,200,000港元。

其他地區(包括香港、馬來西亞及澳門)之營業額下降41.5%，由二零二零年之9,600,000港元下降至二零二一年之5,600,000港元。該等地區對本集團營業額之貢獻維持輕微，僅佔本集團營業額1.1%。

本集團之整體邊際毛利率由二零二零年的58.5%增長至二零二一年的62.7%，主要由於本集團自產產品／美容儀器／服務收入組合發生變化，產品組合中邊際利潤率較高之產品佔比上升所致。

Revenue by activities	**按業務劃分之營業額**	**2021 二零二一年**		2020 二零二零年		Changes 變動	
		HK$'000 千港元	**% %**	HK$'000 千港元	% %	HK$'000 千港元	% %
Products	產品	**471,838**	**96.7%**	394,807	96.1%	77,031	19.5%
Services	服務	**15,972**	**3.3%**	15,866	3.9%	106	0.7%
Total	總計	**487,810**	**100.0%**	410,673	100.0%	77,137	18.8%

FINANCIAL REVIEW (Continued)

Products

The Group is principally engaged in manufacturing and sales of a range of products, including skin care, beauty and aroma-therapeutic products, health supplements and make-up products under the "Natural Beauty" brand and beauty apparatus. Product sales are the Group's key revenue source and primarily generated from franchised spas, online and other sales platforms, self-owned spas and concessionary counters at department stores. Product sales in 2021 amounted to HK$471.8 million, or 96.7% of the Group's total revenue, representing an increase of HK$77.0 million or by 19.5% when compared to product sales of HK$394.8 million in 2020. The increase in product sales was mainly driven by the increase in revenue in such segment in the PRC market by 33.1% to HK$263.7 million in 2021 as compared to HK$198.1 million in 2020.

Services

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

The Group provides skin treatment, beauty and spa services through its self-owned spas. The Group's strategy is to establish self-owned spas as model outlets in strategic locations to stimulate franchisees to join in. As at 31 December 2021, the Group has three self-owned spas and one self-owned medical cosmetology centers in the PRC and one self-owned spa in Malaysia.

財務回顧(續)

產品

本集團主要以「自然美」品牌製造及銷售護膚產品、美容及精油產品、健康食品及化妝品等各式各樣產品及美容儀器。產品銷售為本集團主要收入來源，且主要源自加盟水療中心、在線及其他銷售平台、自資經營水療中心及百貨公司專櫃。二零二一年之產品銷售額達471,800,000港元(或佔本集團總收入96.7%)，較二零二零年之產品銷售額394,800,000港元增加77,000,000港元或19.5%。產品銷售增加主要由於二零二一年該分部於中國大陸市場之營業額較去年同期之198,100,000港元增長33.1%至263,700,000港元所致。

服務

服務收益源自自資經營水療中心服務、醫療美容服務、培訓及其他服務。

本集團透過其自資經營水療中心提供肌膚護理、美容及水療服務。本集團之策略乃於戰略位置將自資經營水療中心打造成模範門店，以刺激加盟商的整體銷售並吸引新加盟商。截至二零二一年十二月三十一日，本集團在中國大陸擁有三家自資經營水療中心及一家自營醫療美容中心，並在馬來西亞擁有一家自資經營水療中心。

FINANCIAL REVIEW (Continued)

Services (Continued)

The Group does not share any service income generated from spas run by franchisees under its current franchise arrangements. In 2021, service income increased by 0.7% to HK$16.0 million as compared to HK$15.9 million in 2020.

財務回顧(續)

服務(續)

按現行加盟經營安排，本集團不能分佔加盟商經營水療中心所得之任何服務收益。於二零二一年，服務收益較二零二零年之15,900,000港元增長0.7%至16,000,000港元。

Service income	**服務收益**	**2021 二零二一年**		2020 二零二零年		Changes 變動	
		HK$'000 千港元	**%**	HK$'000 千港元	%	HK$'000 千港元	%
Training income	培訓收益	**24**	**0.2%**	89	0.6%	(65)	(73.0%)
Spa/Medical cosmetology service income	水療服務／醫療美容服務收益	**14,565**	**91.2%**	15,165	95.5%	(600)	(4.0%)
Others	其他	**1,383**	**8.6%**	612	3.9%	771	126.0%
Total	總計	**15,972**	**100.0%**	15,866	100.0%	106	0.7%

The PRC Market

The Group's revenue in the PRC market increased by 35.2% in 2021 to HK$279.0 million as compared with HK$206.5 million in 2020. The increase was mainly due to an increase in the sales of products. Gross margin on product sales decreased from 63.7% in 2020 to 61.6% in 2021. The key reasons are the changes in the mixture of products with different marginal gross profit and the revenue mixture of the Group's product/beauty apparatus/service package in the PRC in 2021.

中國大陸市場

本集團於中國大陸市場之營業額較二零二零年之206,500,000港元增長35.2%至二零二一年之279,000,000港元，有關增加主要由產品銷售額增加所致。產品銷售毛利率從二零二零年之63.7%下降至二零二一年之61.6%。主要原因為中國大陸於二零二一年不同邊際毛利產品結構發生變化，本集團自產產品／美容儀器／服務收入組合發生變化所致。

Taiwan Market

The Group's revenue in the Taiwan market increased by 4.4% from HK$194.6 million in 2020 to HK$203.2 million in 2021. The increase in total sales of the Taiwan market was mainly driven by the increase in revenue from online and other sales platforms. Gross profit margin on product sales decreased from 68.4% in 2020 to 68.1% in 2021. The key reason of the decrease in gross margin is that the marginal gross profit of the existing sales platforms is lower than the marginal gross profit of the original channels.

台灣市場

本集團於台灣市場之營業額由二零二零年之194,600,000港元增長4.4%至二零二一年之203,200,000港元。自然美台灣的銷售額增加主要受來自在線及其他銷售平台的產品銷售收入增加所推動。產品銷售毛利率由二零二零年之68.4%下降至二零二一年之68.1%。主要原因為現有銷售平台的產品銷售邊際毛利率低於原有銷售渠道的毛利率。

FINANCIAL REVIEW (Continued)

Taiwan Market (Continued)

Benefited from the operation strategy of Eastern Media International Corporation ("EMIC") Group, the Group's products were sold through the distribution channels of EMIC. In 2021, sales revenue from TV shopping, E-commerce and telemarketing channels in the Taiwan market contributed HK$139.4 million to the Group, accounting for 68.6% of the product sales in Taiwan.

財務回顧(續)

台灣市場(續)

得益於東森國際股份有限公司(「東森集團」)之營運策略，自然美產品透過東森旗下的分銷通路銷售。於二零二一年，台灣市場的電視購物、電子商務、電話行銷通路產品銷售收入對本集團貢獻達139,400,000港元，佔台灣地區產品銷售額之68.6%。

Revenue by geographical region	**按地域劃分之營業額**	**2021 二零二一年**	2020 二零二零年	Changes 變動	
		HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	% %
PRC	**中國大陸**				
Products	產品	**263,679**	198,083	65,596	33.1%
Services	服務	**15,367**	8,386	6,981	83.2%
PRC Total	**中國大陸總計**	**279,046**	206,469	72,577	35.2%
Taiwan	**台灣**				
Products	產品	**203,165**	187,324	15,841	8.5%
Services	服務	**7**	7,322	(7,315)	(99.9%)
Taiwan Total	**台灣總計**	**203,172**	194,646	8,526	4.4%
Others	**其他**				
Products	產品	**4,994**	9,400	(4,406)	(46.9%)
Services	服務	**598**	158	440	278.5%
Others Total	**其他總計**	**5,592**	9,558	(3,966)	(41.5%)

FINANCIAL REVIEW (Continued)

Other income and other gains

Other income and other gains decreased by 34.4% from HK$13.5 million in 2020 to HK$8.8 million in 2021 mainly due to a decrease of government grants in 2021 by 77.2% compared with that in 2020. Other income and other gains in 2021 mainly comprised rental income from properties and equipment, interest income and government grants of HK$3.2 million, HK$2.1 million and HK$1.8 million respectively.

Selling and administrative expenses

Distribution and selling expenses as a percentage of the Group's revenue increased to 37.2% in 2021 compared with 36.5% in 2020. The distribution and selling expenses increased by HK$31.8 million from HK$149.8 million in 2020 to HK$181.6 million in 2021. Staff costs in relation to distribution work increased by HK$14.0 million to HK$80.3 million in 2021 from HK$66.3 million in 2020. Other key expenses included advertising expenses of HK$45.1 million, depreciation and amortisation charges of HK$14.3 million, transportation charges of HK$9.6 million, consulting and service fees of HK$7.4 million, travelling and entertainment charges of HK$8.2 million and rental expenses of HK$5.4 million in 2021.

Total administrative expenses decreased by HK$0.6 million, to HK$83.6 million in 2021 as compared to HK$84.2 million in 2020. Administrative expenses mainly comprised staff costs and retirement benefits (including directors' emoluments) of HK$36.3 million, legal and professional fees of HK$16.6 million, depreciation and amortisation charges of HK$9.9 million and research, development expenses of HK$6.8 million and office and utility expense HK$4.9 million in 2021.

Other expenses and other losses

Other expenses and other losses decreased by HK$4.0 million, from HK$7.1 million in 2020 to HK$3.1 million in 2021. Other expenses and other losses mainly included related expenses of rental of other properties of HK$1.8 million, and exchange loss of HK$0.6 million in 2021.

Profit before tax

Taking into account of the fact that pre-tax profit margin increased to 9.9% in 2021 from 2.2% in 2020 in the Group, profit before tax increased by 439.5% from HK$9.0 million in 2020 to HK$48.5 million in 2021.

財務回顧(續)

其他收益和利得

其他收益和利得由二零二零年之13,500,000港元下降34.4%至二零二一年之8,800,000港元。主要由於二零二一年之政府補助金較二零二零年下降77.2%。於二零二一年，其他收益和利得主要包括物業及設備之租金收益、利息收益及政府補助金，分別為3,200,000港元、2,100,000港元及1,800,000港元。

銷售及行政開支

分銷及銷售開支佔本集團營業額之百分比由二零二零年之36.5%增長至二零二一年之37.2%。分銷及銷售開支由二零二零年149,800,000港元增加31,800,000港元至二零二一年之181,600,000港元。銷售人員成本由二零二零年之66,300,000港元增加14,000,000港元至二零二一年之80,300,000港元。於二零二一年，其他重要開支項目包括廣告費開支45,100,000港元、折舊開支14,300,000港元、銷貨運費9,600,000港元、諮詢及服務費用7,400,000港元、差旅及業務招待費用8,200,000港元以及租金支出5,400,000港元。

總行政開支由二零二零年之84,200,000港元減少600,000港元至二零二一年之83,600,000港元。於二零二一年，行政開支主要包括員工成本及退休福利(含董事酬金)36,300,000港元、法律及專業費用16,600,000港元、折舊及攤銷費用9,900,000港元、研究開發費用6,800,000港元以及辦公室和水電開支4,900,000港元。

其他支出和損失

其他支出和損失由二零二零年之7,100,000港元減少4,000,000港元至二零二一年之3,100,000港元。於二零二一年，其他支出和損失主要包括出租物業成本1,800,000港元以及匯兑損益600,000港元。

除税前溢利

鑒於本集團税前邊際利潤率從二零二零年之2.2%增長至二零二一年之9.9%，除税前溢利由二零二零年之9,000,000港元增長439.5%至二零二一年之48,500,000港元。

FINANCIAL REVIEW (Continued)

Taxation

Taxation expenses increased to HK$13.2 million in 2021 as compared to HK$1.2 million in 2020. The effective tax rates of the Group in 2020 and 2021 were 13.6% and 27.2% respectively.

Profit for the year

Profit for the year increased by 354.6% from HK$7.8 million in 2020 to HK$35.3 million in 2021.

Liquidity and financial resources

Cash generated from operating activities in 2021 was approximately HK$44.6 million (HK$30.1 million in 2020). As at 31 December 2021, the Group had cash and cash equivalents of approximately HK$184.5 million (HK$154.5 million as at 31 December 2020) with approximately HK$97.3 million of external bank borrowings (HK$67.5 million as at 31 December 2020).

In terms of gearing, the Group's gearing ratios (defined as total bank borrowings divided by shareholders' equity) in 2020 and 2021 were 11.0% and 14.8% respectively. Current ratios of the Group (defined as current assets divided by current liabilities) as at 31 December 2020 and 31 December 2021 were 1.96 times and 1.89 times respectively. As at 31 December 2021, the Group had no material contingent liabilities, other than those disclosed in its consolidated financial statements and the notes thereto. With the cash and bank balances in hand, the Group's liquidity position remains strong to meet its working capital requirements.

As at 31 December 2021, the Group's secured bank borrowings with maturities falling due within one year, in the second to fifth years without repayment on demand clause and in the second to fifth years with repayment on demand clause were HK$34.5 million (2020: HK$16.5 million), HK$9.5 million (2020: HK$13.3 million) and HK$53.3 million (2020: HK$37.7 million) respectively, and therefore the Group's net cash (exclude time deposits with maturities of over three months but less than one year) amounted to HK$87.2 million for the year ended 31 December 2021 (2020: HK$87.0 million). These bank borrowings were denominated in Renminbi ("RMB") and New Taiwan Dollars ("NTD") at floating rates during the year. The Group did not hedge its exposure to interest rate risk via interest rate swap.

財務回顧(續)

稅項

稅項支出由二零二零年之1,200,000港元增加至二零二一年之13,200,000港元。本集團於二零二零年及二零二一年之實際稅率分別為13.6%及27.2%。

本年度溢利

本年度溢利由二零二零年之7,800,000港元增長354.6%至二零二一年之35,300,000港元。

流動資金及財務資源

於二零二一年之經營業務所得現金約為44,600,000港元(二零二零年為30,100,000港元)。於二零二一年十二月三十一日，本集團之現金及現金等價物約為184,500,000港元(於二零二零年十二月三十一日為154,500,000港元)。並向外界銀行借款金額約為97,300,000港元(於二零二零年十二月三十一日為67,500,000港元)。

資產負債方面，於二零二零年及二零二一年，資產負債比率(界定為總銀行借款除以股東權益)分別為11.0%及14.8%。於二零二零年十二月三十一日及二零二一年十二月三十一日，本集團之流動比率(界定為流動資產除以流動負債)分別為1.96倍及1.89倍。於二零二一年十二月三十一日，除於綜合財務報表及有關附註披露者外，本集團並無重大或然負債。憑藉所持有之現金及銀行結存，本集團之流動資金狀況維持穩健，足以滿足其營運資金所需。

於二零二一年十二月三十一日，本集團於一年內、第二至第五年(無按要求償還條款)及第二至第五年(帶有按要求償還條款)到期之有抵押銀行借款分別為34,500,000港元(二零二零年：16,500,000港元)、9,500,000港元(二零二零年：13,300,000港元)及53,300,000港元(二零二零年：37,700,000港元)，因此本集團之淨現金(不包括三個月以上一年以下到期之定期存款)為87,200,000港元(二零二零年：87,000,000港元)。該等銀行借款於年內按浮動利率以人民幣及新台幣計值。本集團並未通過利率掉期對沖其面臨之利率風險。

FINANCIAL REVIEW (Continued)

Pledge of assets

As at 31 December 2021, the Group's secured short-term and long-term bank borrowings were secured by certain freehold land, buildings and right-of-use assets related to leasehold land, with carrying amounts of HK$102.4 million (HK$104.2 million as at 31 December 2020).

Treasury policies and exposure to fluctuations in exchange rates

Most of the Group's revenues are denominated in RMB and NTD as its operations are mainly located in the PRC and Taiwan. As at 31 December 2021, approximately 68.0% (67.2% as at 31 December 2020) of the Group's bank balances and cash was denominated in RMB, while approximately 27.6% (26.6% as at 31 December 2020) was denominated in NTD. The remaining 4.4% (6.2% as at 31 December 2020) was denominated in United States Dollars, Hong Kong Dollars and Malaysian Ringgit. The Group continues to adopt a conservative approach in its foreign exchange exposure management. For the year ended 31 December 2021, the Group does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group reviews its foreign exchange risks periodically and uses derivative financial instruments to hedge against such risks when necessary.

BUSINESS REVIEW

Distribution channels

For revenue by sales channel, the Group achieved HK$341.4 million sales from franchised/self-owned spas, medical cosmetology centers and counters in 2021 which increased by HK$51.6 million as compared to the figure in 2020 (2020: HK$289.8 million), representing 70.0% of the Group's total revenue (2020: 70.6%).

財務回顧(續)

資產抵押

於二零二一年十二月三十一日，本集團之有抵押短期及長期銀行借款以賬面值102,400,000港元之若干永久業權土地、樓宇及與租賃土地有關之使用權資產作抵押(於二零二零年十二月三十一日為104,200,000港元)。

理財政策及所承受匯率波動風險

基於本集團業務主要位於中國大陸及台灣，故其大部份收入乃以人民幣及新台幣計值。於二零二一年十二月三十一日，在本集團之銀行結存及現金中，約68.0%(於二零二零年十二月三十一日為67.2%)以人民幣計值，另約27.6%(於二零二零年十二月三十一日為26.6%)以新台幣計值。餘下4.4%(於二零二零年十二月三十一日為6.2%)則以美元、港元及馬來西亞幣計值。本集團繼續就外匯風險管理採取審慎政策。截至二零二一年十二月三十一日止年度，本集團並無就外幣交易、資產及負債制定外幣對沖政策。本集團定期檢討其所承受之外匯風險，並於有需要時使用衍生金融工具對沖有關風險。

業務回顧

分銷管道

按分銷管道看，本集團來自加盟／自資經營水療中心、醫療美容中心及百貨專櫃等渠道的營業額上漲51,600,000港元至二零二一年之341,400,000港元(二零二零年為289,800,000港元)，佔集團營業額70.0%(二零二零年為70.6%)。

BUSINESS REVIEW (Continued)

Distribution channels (Continued)

For sales from E-commerce, TV shopping and telemarketing channels, the Group achieved HK$146.4 million sales which increased by HK$25.5 million compared to 2020 (2020: HK$120.9 million), representing 30.0% of the Group's total revenue (2020: 29.4%).

業務回顧(續)

分銷管道(續)

來自電子商務、電視購物及電話行銷等行銷通路的營業額上漲25,500,000港元至二零二一年之 146,400,000港元(二零二零年為120,900,000港元)，佔集團營業額30.0%(二零二零年為29.4%)。

Store Number by Ownership	**按擁有權劃分之店舖數目**	**Franchisee-owned Spa 加盟商擁有水療中心**	**Self-owned Spa 自資經營水療中心**	**Total Spa 水療中心總計**	**Self-owned Counter 自資經營專櫃**	**Self-owned Medical Cosmetology Center 自營醫療美容中心**	**Total 總計**
As at 31 December 2021	**於二零二一年**						
PRC	中國大陸	**968**	**3**	**971**	**10**	**1**	**982**
Taiwan	台灣	**346**	**0**	**346**	**0**	**0**	**346**
Others	其他	**24**	**1**	**25**	**0**	**0**	**25**
Total	**總計**	**1,338**	**4**	**1,342**	**10**	**1**	**1,353**

Store Number by Ownership	按擁有權劃分之店舖數目	Franchisee-owned Spa 加盟商擁有水療中心	Self-owned Spa 自資經營水療中心	Total Spa 水療中心總計	Self-owned Counter 自資經營專櫃	Self-owned Medical Cosmetology Center 自營醫學美容中心	Total 總計
As at 31 December 2020	於二零二零年						
PRC	中國大陸	856	2	858	9	2	869
Taiwan	台灣	320	0	320	0	0	320
Others	其他	27	1	28	0	0	28
Total	總計	1,203	3	1,206	9	2	1,217

BUSINESS REVIEW (Continued)

Distribution channels (Continued)

The Group derives its income principally from its network of distribution channels, including spas and concessionary counters in department stores. As at 31 December 2021, there were 1,342 spas, 1 medical cosmetology center and 10 concessionary counters. Of these, 1,338 were franchised spas, while 4 spas, 1 medical cosmetology centers and 10 concessionary counters were directly operated and owned by the Group. No concessionary counters were entrusted to third-party operators. Franchised spas are owned by the franchisees who are responsible for the capital investment in these spas. They are obliged to use only Natural Beauty or "NB" products in their spas. A wide array of services including hydrotherapy, facial treatment, body care and skin care analysis, are provided in all spas, while skin care analysis is widely available at the concessionary counters in department stores.

Group-wide, a total of 255 (2020: 133) new stores were opened and 119 (2020: 99) stores were closed during the year ended 31 December 2021.

Research and Development

The Group puts significant emphasis on research and development which allows it to maintain its competitive edge, continuously improve the quality of its existing products and develop new products. The Group has been collaborating with overseas skin-care companies on technological development. The bio-technology materials used by NB products are imported from Europe, Japan and Australia. The Group's R&D team comprises a number of overseas consultants with experience and expertise in cosmetics, medicine, pharmacy and bio-chemistry. NB products are constantly enhanced and modified by the application of new ingredients developed by the team. The Group draws on its collaboration of experts with different expertise and experiences to continue to create high-quality beauty and skin care products. NB principally uses natural ingredients, adopts a unique formula and adapts to the physiological structure and characteristics of the skin. The use of advanced biotechnology R&D products can more effectively improve beauty efficacy and to better position NB as an international brand.

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

業務回顧(續)

分銷管道(續)

本集團收益主要來自其水療中心及百貨公司專櫃等分銷管道網絡。於二零二一年十二月三十一日，本集團共有1,342間水療中心、1家醫療美容中心及10個專櫃，當中包括1,338間加盟水療中心，以及由本集團直接經營的4間水療中心、1家醫療美容中心及10個專櫃。並無委託協力廠商經營者經營專櫃。加盟水療中心由加盟商擁有，彼等須承擔本身水療中心的資本投資。彼等之水療中心僅可使用自然美或「NB」品牌產品。各水療中心均提供多種服務，包括水療、面部及身體護理以及皮膚護理分析服務，而百貨公司專櫃廣泛提供皮膚護理分析。

以集團而言，於截至二零二一年十二月三十一日止年度內，本集團合共開設255間新店舖(二零二零年為133間)，另關閉119間店舖(二零二零年為99間)。

研究及開發

本集團非常著重於研究及開發，讓其保持競爭優勢，開發新產品以及持續改善現有產品的品質及功效。本集團一直與海外護膚品公司合作研發新技術。本集團用於旗下自然美產品之生物科技物料乃從歐洲、日本及澳洲引進。本集團之研究及開發隊伍由多名具備化妝品、醫學、藥劑及生物化學經驗與專業知識之海外顧問組成。本集團透過使用團隊研發之新成分不斷提升及改良自然美產品。本集團透過與團隊內具備不同專業知識及經驗之專家通力合作，將繼續開發優質美容及護膚產品。自然美產品主要使用天然成分，並採用獨特配方，順應皮膚的生理結構及特點，運用先進生物技術研發的產品，能更有效的發揮美容養顏功效。助力自然美邁向國際。

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

BUSINESS REVIEW (Continued)

Products

In 2021, the Group's flagship NB-1 series products accounted for 32.4% of total product sales, which reached HK$153.0 million. By continuously conducting research and product development on our beauty products and closely following the market demand, the Group has successfully listed the healthy basic package of Slimming Body and NB-1 sapphire polypeptide extract in the first half of 2021, generating sales of HK$22.0 million as of 31 December 2021 which further filled the gaps in. In September 2021, the Group has upgraded its mainstay series of natural beauty – Yam collagen firming series and improved its product image, thereby generated a revenue of HK$23.9 million.

Meanwhile, the e-commerce platform has incubated new brand for young consumers with international home care domain guru, expected to be listed in 2022.

Human Resources

As at 31 December 2021, the Group had a total of 583 employees, of whom 406 were based in the PRC, 156 in Taiwan and 21 in other countries and regions. Total remuneration (excluding directors' emoluments) in 2021 was approximately HK$146.1 million (HK$130.0 million in 2020), including retirement benefit related costs of HK$10.9 million (HK$2.9 million in 2020). Competitive remuneration packages are maintained to attract, retain and motivate capable staff members and are reviewed on a regular basis.

Capital Expenditures

The Group's capital expenditure of HK$38.1 million in 2021 was mainly related to the new plant construction in the PRC amounting to HK$26.2 million, opening of new stores, renovation and equipment amounting to HK$11.0 million.

業務回顧(續)

產品

於二零二一年，本集團旗艦產品NB-1系列產品佔產品銷售總額的32.4%，其銷售額達到153,000,000港元。本集團基於對美業的持續研究及產品發展規劃，緊扣市場需求點，在二零二一年上半年成功上市了健康體態管理基礎套餐和NB-1藍寶石多肽抗皺精萃液，創造了22,000,000港元的業績，豐富了產品空缺，又於9月升級了自然美的中流砥柱系列－自然美膠原緊致系列，創造了23,900,000港元的業績，提升了產品形象。

同年，電商與日化線國際品牌跨界孵化出全新年輕品牌，預計於二零二二年度上市。

人力資源

於二零二一年十二月三十一日，本集團合共僱用583名僱員，其中406名派駐中國大陸，台灣有156名，其他國家及地區則有21名。於二零二一年之總酬金(不包括董事酬金)約為146,100,000港元(二零二零年為130,000,000港元)，其中包括退休福利相關成本10,900,000港元(二零二零年為2,900,000港元)。為招聘、留聘及鼓勵表現卓越的僱員，本集團保持並定期檢討具競爭力之酬金組合。

資本開支

本集團於二零二一年之資本開支為38,100,000港元，其主要包括中國大陸新工廠建設26,200,000港元、新開店裝修及設備11,000,000港元。

BUSINESS REVIEW (Continued)

Right-of-use Assets and Lease Liability

Hong Kong Financial Reporting Standards No. 16 – Lease (HKFRS 16) came into effect on 1 January 2019. At the commencement date, the Group should recognise a right-of-use asset and a lease liability. The related right-of-use assets and lease liabilities are mainly located in the PRC and Taiwan. As at 31 December 2021, the Group's right-of-use assets were HK$81.7 million (HK$57.0 million as at 31 December 2020) and its lease liabilities were HK$31.8 million (HK$7.5 million as at 31 December 2020). In 2021, depreciation charges of right-of-use assets amounted to HK$9.0 million and interest charges of lease liabilities amounted to HK$0.9 million.

業務回顧(續)

使用權資產和租賃負債

《香港財務報告準則第16號 – 租賃》(香港財務報告準則第16號)於二零一九年一月一日正式生效。在開始日期，需對租賃事項確認使用權資產和租賃負債，相關使用權資產及租賃負債主要位於中國大陸及台灣地區。於二零二一年十二月三十一日，本集團之使用權資產為81,700,000港元(於二零二零年十二月三十一日為57,000,000港元)，租賃負債為31,800,000港元(於二零二零年十二月三十一日為7,500,000港元)。於二零二一年，使用權資產折舊費用共計9,000,000港元、租賃負債利息費用共計900,000港元。

OUTLOOK

For the long-term strategy, we consecutively integrate the Eastern Multimedia Group's (EMG) resources to optimize the quality of service, product development, and multi-channel deployment, as well as to expand our stores of franchisee, e-commerce, telemarketing, TV shopping channel, and OEM business to achieve rapid revenue growth via multi-channels operation.

In the short term, we will focus on digital investment due to the impacts on epidemic on brick-and-mortar stores. Another key strategy is to vigorously develop the home care domain product line and with the diversion of multi-channel products, the sales volume can be expected to augment within one year.

展望

長遠佈局仍持續運用集團資源，提升服務品質、產品研發、多管道佈局，開展連鎖加盟、電子商務、電話行銷、電視購物、代工事業，透過營收多元化快速成長。

短期因應疫情仍然對實體店產生衝擊，線上管道為重點投資。另一個重點策略大力發展平價日化線產品，配合多管道產品分流，一年內以平價產品線擴大銷售量能。

OUTLOOK (Continued)

Key Market Development Strategies

– Taiwan: Leveraging the abundant media resources of the EMG to rejuvenate brand image, and successfully promote the products to all virtual channels within the group, the revenue growth momentum continues to rise. A major addition to the popular high-end skincare products, we will focus on developing masstige products and amplifying online sales in 2021 and 2022.

– Mainland China: In 2021, the new policy of franchisee store expansion has achieved fruitful results, estimated more stores which doubles the numbers of annual new stores over the past 3 years, reaching a record high and expecting to increase in 2022.

In addition, the new channel deployment has been in process. Our OEM and e-commerce business started to gain revenue, and the flagship store launched on Tmall China, has become an important gateway to online sales and offline experience. Meanwhile the e-commerce platform has incubated new brand for young consumers with international home care domain guru, expected to be listed in 2022.

Our Group has made unremitting efforts to enhance its competitiveness, consolidate its core business, and explore new and innovative business opportunities, steadfastly making breakthroughs and pursuing maximum growth in the midst of the pandemic.

展望(續)

重要市場發展策略

– 台灣： 運用東森集團豐沛媒體資源廣告宣傳品牌及產品，並在集團內所有虛擬零售管道成功銷售本集團產品，營收成長動能持續上揚。另一方面，除高端保養品外，全力發展平價商品，加大線上銷售的動能為二零二一及二零二二年發展重點。

– 中國大陸： 二零二一年推動連鎖加盟拓店新制度成效明顯，新開店家數2倍數於二零二零年，創歷史新高，二零二二年將乘勝追擊加大力道。

另外新管道佈局仍持續；代工、電商開始已獲得營收；天貓旗艦店開立，成為線上銷售線下體驗的重要門戶；電商並與日化線國際品牌跨界孵化出全新年輕品牌，預計於二零二二年度上市。

本集團努力不懈提升競爭力，鞏固核心業務，同時探索創新的新商機，在疫情空隙中穩定於突破並進，追求最大成長。

Report on Corporate Governance
企業管治報告

The Board hereby presents this Corporate Governance Report in the Group's Annual Report for the year ended 31 December 2021.

董事會謹此提呈載列於本集團截至二零二一年十二月三十一日止年度年報內之企業管治報告。

CORPORATE GOVERNANCE OF THE COMPANY

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

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

本公司的企業管治常規

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

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

Compliance with the Listing Rules and the CG Code

The Board is of the view that throughout the year 2021, the Company applied the principles and complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The following summarizes the Company's corporate governance practices and explains deviations, if any, from the CG Code.

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

遵守上市規則及企業管治守則常規

董事會認為，在整個二零二一年度，本公司已應用及全面遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載《企業管治守則》(「企業管治守則」)之原則及所有守則條文。下文概述本公司之企業管治常規及闡述偏離企業管治守則(如有)之情況。

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

CORPORATE GOVERNANCE OF THE COMPANY

(Continued)

本公司的企業管治常規(續)

A. Directors

A1. Directors' attendance and training records

The Board currently comprises eight members, consisting of two Executive Directors, three Non-executive Directors and three Independent Non-executive Directors. The Board meets four times during a year as a minimum and, during 2021, it met six times. Details of composition of each of the Board Committees, the Directors' attendance records at the meetings of the Board and each of the Board Committees and the general meetings as well as the Directors' training records during the year ended 31 December 2021 are as follows:

A. 董事

A1. 董事出席及培訓記錄

董事會現由八名成員組成，其中包括兩名執行董事、三名非執行董事及三名獨立非執行董事。董事會每年至少舉行四次會議，於二零二一年舉行了六次會議。截至二零二一年十二月三十一日止年度內，各個董事委員會之成員組成詳情，每位董事於董事會會議、各個董事委員會會議和股東大會之出席記錄，以及董事培訓記錄如下：

		Remuneration Committee Meeting 薪酬委員會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Board Meeting 董事會會議	Annual General Meeting 股東週年大會	Training Course 培訓課程
Executive Directors	**執行董事**						
Dr. LEI Chien	雷倩博士	2/2	n/a 不適用	1/1	6/6	1/1	Notes a and b 附註a及b
Mr. PAN Yi-Fan	潘逸凡先生	2/2	n/a 不適用	1/1	6/6	0/1	Notes a and b 附註a及b
Non-executive Directors	**非執行董事**						
Ms. LU Yu-Min	陸瑜民女士	n/a 不適用	n/a 不適用	n/a 不適用	6/6	0/1	Note a 附註a
Ms. LIN Shu-Hua	林淑華女士	n/a 不適用	4/4	n/a 不適用	6/6	0/1	Notes a and b 附註a及b
Mr. CHEN Shou-Huang	陳守煌先生	n/a 不適用	n/a 不適用	n/a 不適用	6/6	0/1	Notes a and b 附註a及b
Independent Non-executive Directors	**獨立非執行董事**						
Mr. CHEN Ruey-Long	陳瑞隆先生	2/2	4/4	1/1	6/6	0/1	Note a 附註a
Mr. LU Chi-Chant	盧啓昌先生	2/2	4/4	1/1	6/6	1/1	Notes a and b 附註a及b
Mr. YANG Shih-Chien	楊世緘先生	2/2	4/4	1/1	6/6	0/1	Note a 附註a

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A1. Directors' attendance and training records (Continued)

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

Notes:

(1) No Executive Committee meeting was held during the year ended 31 December 2021.

(a) Attended training course that was organised by the Company and/or received training materials provided by the Company.

(b) Attended other continuous professional development training course(s) that was/were not organised by the Company and/or studied relevant reading materials.

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

本公司的企業管治常規(續)

A. 董事(續)

A1. 董事出席及培訓記錄(續)

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

附註：

(1) 執行委員會於截至二零二一年十二月三十一日止年度內並無舉行會議。

(a) 出席由本公司籌辦之培訓課程及／或取得本公司提供的培訓資料。

(b) 出席非本公司籌辦的其他持續專業進修培訓課程／閱讀相關材料。

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A1. Directors' attendance and training records (Continued)

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

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

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

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

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

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

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

本公司的企業管治常規(續)

A. 董事(續)

A1. 董事出席及培訓記錄(續)

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

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

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

企管指引允許董事徵詢獨立專業意見，費用由本公司支付。

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

本公司之細則有關表決及法定人數之規定符合企業管治守則規定。

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A2. Chairperson and Chief Executive Officer

Dr. LEI Chien serves as the Chairperson while Ms. LIN Yen-Ling is the Chief Executive Officer. The roles of the Chairperson and Chief Executive Officer are separate. The Chairperson focuses on Group strategic and Board issues while the Chief Executive Officer has the overall responsibility for operations and development.

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

Code provision A.2.7 (which has been renumbered as code provision C.2.7 with effect from 1 January 2022) stipulates that the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. The Chairperson met the independent non-executive Directors once without the presence of other Directors during the year ended 31 December 2021.

A3. Board composition

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

During the year ended 31 December 2021, the Board, at all times, met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors, representing at least one-third of the Board with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

Independence of Independent Non-executive Directors

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

本公司的企業管治常規(續)

A. 董事(續)

A2. 主席及行政總裁

雷倩博士出任主席，林燕玲女士為行政總裁。主席及行政總裁之角色由不同人士擔當。主席專注於本集團策略及董事會事務，而行政總裁則全面負責營運及發展事務。

主席有明確責任向全體董事會成員提供有關履行董事會職責之所有資料。

守則條文第A.2.7(其自二零二二年一月一日起已獲重新編號為守則條文C.2.7)條規定，主席應至少每年與獨立非執行董事舉行一次沒有其他董事出席的會議。於二零二一年十二月三十一日止年度，主席在沒有其他董事出席的情況下與獨立非執行董事會面一次。

A3. 董事會組成

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

截至二零二一年十二月三十一日止年度內，董事會一直符合上市規則有關委任至少三名獨立非執行董事，及董事會人數三分之一以上而其中至少一名獨立非執行董事具備適當專業資格，或會計或相關之財務管理專業知識的規定。

獨立非執行董事的獨立性

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A4. Appointments, re-election and removal

Directors with service contracts or letters of appointment, including Executive and Non-executive Directors, usually serve one-year term, and are subject to re-election pursuant to the Articles and the Listing Rules.

In accordance with Article 100 of the Articles, any new Director appointed shall hold office only until the first general meeting of the Company after his/her appointment and shall then be eligible for re-election.

In addition, in accordance with Article 117 of the Articles, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, shall retire from office by rotation at each annual general meeting ("AGM"). Dr. LEI Chien, Mr. YANG Shih-Chien and Ms. LU Yu-Min will retire by rotation according to the Articles and all of them, being eligible, will offer themselves for re-election at the forthcoming AGM.

To further enhance accountability, any appointment of an independent non-executive director who has served on the Board for more than nine years will be subject to a separate resolution to be approved by shareholders. We will state in the related circular and notice of the AGM the reason why we consider the independent non-executive director is still independent and our recommendation to shareholders to vote in favour of the re-election of such independent non-executive director.

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

Position(s) held with the other members of the Group

Ms. LIN Shu-Hua was appointed as a Director of some of the Company's subsidiaries on 1 July 2020, 13 July 2020, 3 August 2020 and 18 August 2020 respectively.

本公司的企業管治常規(續)

A. 董事(續)

A4. 委任、重選連任及撤換

訂有服務合約或委任函之董事(包括執行董事及非執行董事)一般任期為期一年，並須根據細則及上市條例重選連任。

根據細則第100條，任何新委任董事之任期將於其獲委任後舉行的首次本公司股東大會時屆滿，屆時彼符合資格膺選連任。

此外，根據細則第117條，在每屆股東週年大會(「股東週年大會」)上，三分之一的在職董事(或倘人數並非三或三之倍數，則不少於三分之一的董事)須輪值告退。雷倩博士、楊世緘先生及陸瑜民女士根據細則將於應屆股東週年大會輪值告退，彼等均符合資格並願意膺選連任。

為進一步提高問責性，凡服務董事會超過九年之獨立非執行董事，均須獲股東以獨立決議案形式批准後方可連任。本公司會在相關通函及股東週年大會通告中列明我們認為有關獨立非執行董事仍屬獨立人士之理由，以及建議股東投票贊成有關獨立非執行董事重選連任之理由。

根據上市規則第13.51B(1)條披露董事及行政總裁資料

在本集團其他成員擔任的職位

於二零二零年七月一日、二零二零年七月十三日、二零二零年八月三日及二零二零年八月十八日，林淑華女士獲委任為本公司若干附屬公司的董事。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

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

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

Other major appointments

Mr. Chen Ruey-Long, an Independent non-executive Director of the Company, was appointed as a director of Tatung Company (stock code: 2371), a company listed on the Taiwan Stock Exchange, on 10 November 2021.

Further, Mr. Chen ceased to act as the head of the Secretariat and was appointed as a vice president of Cross-Strait CEO Summit on 9 September 2021.

Mr. LU Chi-Chant, an Independent non-executive Director of the Company, ceased to act as the independent director of Nyquest Technology Co., Ltd. (stock code: 6494), a company listed on the Taiwan GreTai Securities Market, on 7 July 2021.

Mr. YANG Shih-Chien, an Independent non-executive Director of the Company, ceased to act as the director of TECO Electric and Machinery Co., Ltd. (stock code: 1504), a company listed on Taiwan Stock Exchange, on 22 July 2021.

Approval of Director's service contract

On 17 December 2021, the Board approved all the service contracts and letter of appointment entered into between the Company and each of the directors for a term of one year commencing on 1 January 2022.

(i) Pursuant to the service contracts, the annual Director's fee of Mr. CHEN Shou-Huang, the Non-executive Director, has been revised to HK$600,000 with effect from 1 January 2022.

(ii) Pursuant to the letter of appointments, the annual Director's fee of Mr. CHEN Ruey-Long, Mr. LU Chi-Chant and Mr. YANG Shih-Chien, the Independent Non-executive Directors, has been revised to HK$370,000 with effect from 1 January 2022.

(iii) On 20 January 2022, the Board has approved the special bonus of NT$600,000 and NT$500,000 to be awarded to Ms. LU Yu-Min and Ms. LIN Yen-Ling respectively.

本公司的企業管治常規(續)

A. 董事(續)

A4. 委任、重選連任及撤換(續)

根據上市規則第13.51B(1)條披露董事及行政總裁資料(續)

其他主要委任

本公司獨立非執行董事陳瑞隆先生於二零二一年十一月十日獲委任為台灣證券交易所上市的大同股份有限公司(股份代號：2371)之董事。

此外，陳先生於2021年9月9日不再擔任兩岸企業家峰會秘書長，同日獲委任為副理事長。

本公司獨立非執行董事盧啓昌先生於二零二一年七月七日不再擔任於中華民國證券櫃檯買賣中心上市的九齊科技股份有限公司(股份代號：6494)之獨立董事。

本公司獨立非執行董事楊世緘先生於二零二一年七月二十二日不再擔任於台灣證券交易所上市的東元電機股份有限公司(股份代號：1504)之董事。

批准董事服務合約

於二零二一年十二月十七日，董事會批准本公司與各董事訂立的所有服務合約及委任函，自二零二二年一月一日起生效，為期一年。

(i) 根據該服務合約，非執行董事陳守煌先生於二零二二年一月一日起的年度董事酬金調整為600,000港元。

(ii) 根據該委任函，獨立非執行董事陳瑞隆先生、盧啓昌先生及楊世緘先生於二零二二年一月一日起的年度董事酬金調整為370,000港元。

(iii) 於二零二二年一月二十日，陸瑜民女士及林燕玲女士分別獲發600,000及500,000新台幣的特別獎金。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A5. Nomination Committee

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

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

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

本公司的企業管治常規(續)

A. 董事(續)

A5. 提名委員會

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

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A5. Nomination Committee (Continued)

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

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

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

本公司的企業管治常規(續)

A. 董事(續)

A5. 提名委員會(續)

董事提名政策概述如下：

甄選及推薦董事人選所採納之標準
評估及挑選任何董事人選時須考慮以下準則：

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A5. Nomination Committee (Continued)

Nomination process

(a) Appointment of new director

(i) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

(ii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

(iii) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.

(iv) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

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

本公司的企業管治常規(續)

A. 董事(續)

A5. 提名委員會(續)

提名程序

(a) 委任新董事

(i) 提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，依據上述標準評估該候選人，以釐定該候選人是否適合擔任董事。

(ii) 如過程涉及一名或多名合適的候選人，提名委員會及／或董事會應根據本公司的需要及各候選人的背景調查(如適用)排列彼等的優先次序。

(iii) 提名委員會應隨後就委任合適候選人為董事向董事會提出推薦意見(如適用)。

(iv) 就任何於本公司股東大會上經由股東提名選舉為董事的人士，提名委員會及／或董事會應依據上述準則評估該候選人，以釐定該候選人是否符合董事資格。

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A5. Nomination Committee (Continued)

Nomination process (Continued)

(b) Re-election of Director at general meeting

(i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.

(ii) The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above.

(iii) The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

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

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

本公司的企業管治常規(續)

A. 董事(續)

A5. 提名委員會(續)

提名程序(續)

(b) 於股東大會上重選董事

(i) 提名委員會及／或董事會應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。

(ii) 提名委員會及／或董事會亦應檢討及確定退任董事是否仍然符合上述準則。

(iii) 提名委員會及／或董事會應隨後就於股東大會上重選董事的提案向股東提出推薦意見。

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A5. Nomination Committee (Continued)

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

The Nomination Committee held one meeting during the year ended 31 December 2021. During the year 2021, the Nomination Committee reviewed the Board Diversity Policy and the Director Nomination Policy and conducted an annual review of the structure, size, composition and diversity of the Board pursuant to the CG Guidelines and code provision A.5.2 (which has been renumbered as code provision B.3.1 with effect from 1 January 2022) of the CG Code. The Nomination Committee also assessed the independence of Independent Non-executive Directors. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained and no material matter was identified during the year.

Save as the above, the Nomination Committee has performed corporate governance functions set out in code provision D.3.1 (which has been renumbered as code provision A.2.1 with effect from 1 January 2022) of the Code on Corporate Governance for the year ended 31 December 2021.

本公司的企業管治常規(續)

A. 董事(續)

A5. 提名委員會(續)

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

提名委員會在截至二零二一年十二月三十一日止年度內舉行了一次會議。於二零二一年度內，提名委員會審閱了董事會多元化政策及董事提名政策，並已根據企管指引和企業管治守則守則條文第A.5.2(其自二零二二年一月一日起已獲重新編號為守則條文B.3.1)條對董事會之架構、規模、組成和多元化進行了年度審閱。提名委員會亦評估了獨立非執行董事的獨立性。提名委員會認為董事會維持著適當的多元化平衡，且於本年度尚未發現任何重大問題。

除上文所述外，提名委員會已於截至二零二一年十二月三十一日止年度內履行企業管治守則守則條文第D.3.1(其自二零二二年一月一日起已獲重新編號為守則條文A.2.1)條載列的企業管治職能。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A6. Responsibilities of Directors

On appointment, new Directors will be given comprehensive formal and tailored orientation training to explain the responsibilities and duties, and other regulatory requirements.

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

During the year 2021, all Independent Non-executive Directors are members of the Audit Committee, Remuneration Committee and Nomination Committee. Some Non-executive Directors are members of the Executive Committee and the Audit Committee.

The attendance records of individual Directors for all Board and Board Committee meetings in 2021 are set out under "Directors' Attendance and Training Records" on page 25 of this Annual Report.

Securities transactions made by Directors and relevant employees

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry with all Directors, all Directors have confirmed that the required standard of the Model Code has been complied with throughout the year ended 31 December 2021 and up to the date of this Annual Report.

The Company has adopted written guidelines (the "Company's Guidelines"), which are equally stringent as the Model Code, in respect of securities transactions by relevant employees of the Company who are likely to be in possession of unpublished inside information of the Company pursuant to code provision A.6.4 (which has been renumbered as code provision C.1.3 with effect from 1 January 2022). No incident of non-compliance with the Model Code or the Company's Guidelines by the Company's relevant employees has been noted after making reasonable enquiry.

本公司的企業管治常規(續)

A. 董事(續)

A6. 董事職責

新董事獲委任時將獲提供全面正式及定制的入職培訓，旨在説明職責、職務及其他監管規定。

公司秘書負責向全體董事提供上市規則及其他法定規定之最新資料。

於二零二一年度內，全體獨立非執行董事均為審核委員會、薪酬委員會及提名委員會成員。部分非執行董事為執行委員會及審核委員會成員。

個別董事出席所有二零二一年度之董事會會議及董事委員會會議之出席記錄載於本年報第25頁「董事出席及培訓記錄」部分。

董事和相關僱員進行之證券交易

本公司已採納有關董事進行證券交易之操守準則，有關操守準則條款不比上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)所載規定標準寬鬆。經向全體董事作出具體查詢後，全體董事已確認於截至二零二一年十二月三十一日止年度內及截至本年報日期期間一直遵守標準守則載列之規定標準。

就可能得知本公司未公開內幕消息之本公司相關僱員所進行的證券交易，本公司已根據守則條文第A.6.4(其自二零二二年一月一日起已獲重新編號為守則條文C.1.3)條採納不比標準守則寬鬆的書面指引(「公司指引」)。本公司於進行合理查詢後知悉並無相關僱員不遵守標準守則或公司指引之事宜。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A6. Responsibilities of Directors (Continued)

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs. The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to management team.

Continuing professional development for Directors

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills in order to ensure that their contribution to the Board remains informed and relevant. During the year ended 31 December 2021, the Company organised one Directors' training on the regulations in relation to the internal control and risk management of Hong Kong listed companies.

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

本公司的企業管治常規(續)

A. 董事(續)

A6. 董事職責(續)

董事會及管理層的職責、問責及貢獻

董事會負有領導及監控本公司的責任，並應集體負責統管並監督本公司的事務。董事會直接及間接透過其委員會帶領並指導管理層，其工作包括制定戰略和監督其實施、監督本集團的營運和財務表現，並確保建立健全的內部監控和風險管理系統。

董事會對本公司所有重要事項保留其決定，當中包括政策事項、策略及預算、內部監控及風險管理、重大交易(特別是可能涉及利益衝突的交易)、財務資料、董事委任及其他重要業務事宜。有關執行董事會決策、指導及協調本公司日常營運及管理之職責轉授予管理層。

董事之持續專業發展

本公司鼓勵全體董事參與持續專業發展以發展和更新彼等的知識與技能，從而確保彼等繼續在具備全面資訊及切合所需情況下對董事會作出貢獻。截至二零二一年十二月三十一日止年度內，本公司安排了一次董事培訓，培訓內容有關香港上市公司內部監控及風險管理之規則。

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

A. Directors (Continued)

A7. Supply of and access to information

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

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

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

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

B. Remuneration of Directors and senior management and board evaluation

B1. Remuneration Committee

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

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

本公司的企業管治常規(續)

A. 董事(續)

A7. 資料提供及使用

本公司致力不斷改善向董事發佈資料之質量與及時性。

董事會文件一般於舉行董事會／董事委員會會議日期前最少三日送交全體董事。

高級管理人員不時透過董事會會議及其他活動與董事會進行正式及非正式接觸。

董事會文件及會議記錄可供董事及董事委員會成員查閱。

B. 董事和高級管理人員薪酬及董事會表現評估

B1. 薪酬委員會

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

B. Remuneration of Directors and senior management and board evaluation (Continued)

B1. Remuneration Committee (Continued)

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

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

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

The Remuneration Committee held two meetings during the year ended 31 December 2021. During the year 2021, the Remuneration Committee has reviewed and recommended the approval of the proposed bonus awards for all employees and senior management; reviewed and recommended the adjustments of the Directors' fee of Mr. CHEN Shou-Huang, Mr. CHEN Ruey-Long, Mr. LU Chi-Chant and Mr. YANG Shih-Chien; and reviewed and recommended the renewal of Director's service contracts and letters of appointment of all Directors. With reference to the Remuneration Committee Charter, the Remuneration Committee members had carefully reviewed and considered the contribution of each of the Directors to the Group, the Directors' experience in the beauty and spa business and the market rate paid by comparable companies.

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

本公司的企業管治常規(續)

B. 董事和高級管理人員薪酬及董事會表現評估(續)

B1. 薪酬委員會(續)

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

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

B2. 薪酬水準和組成及披露

薪酬委員會在截至二零二一年十二月三十一日止年度內舉行了二次會議。於二零二一年度內，薪酬委員會審議並建議批准向全體僱員及高級管理人員建議發放的獎金；審議並建議修訂陳守煌先生、陳瑞隆先生、盧啓昌先生及楊世緘先生的董事服務合約及委任函。根據薪酬委員會憲章，各薪酬委員會成員仔細審閱及考慮了各董事對本集團作出之貢獻、董事於美容及水療業務之經驗及可資比較公司所付市值酬金。

合適情況下，薪酬委員會可尋求獨立專業意見以補充內部資源。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit

C1. Financial reporting

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

Directors are provided with reports on the management's strategic plans, updates on lines of business, financial objectives, plans and actions. The Directors are responsible for keeping proper accounting records and preparing accounts for each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 December 2021, the Directors have:

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

A statement by the auditors about their reporting responsibilities is included in the Independent Auditor's Report set out on pages 110 to 112.

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

本公司的企業管治常規(續)

C. 問責及審計

C1. 財務報告

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

董事獲提供有關管理層策略計劃、各業務最新資料、財務目標、計劃及行動之報告。董事負責存管恰當會計記錄及編製各財務期間之賬目，有關賬目須真實而公平地反映本集團於該期間之事務狀況、以及業績及現金流量。在編製截至二零二一年十二月三十一日止年度之賬目時，董事已：

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

核數師就其報告責任作出之聲明載於第110頁至112頁之獨立核數師報告書內。

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit (Continued)

C1. Financial reporting (Continued)

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

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

C2. Risk management and internal control

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

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

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

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

本公司的企業管治常規(續)

C. 問責及審計(續)

C1. 財務報告(續)

董事確認，彼等有責任編製賬目，而財務報表已按持續經營基準編製。

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

C2. 風險管理及內部監控

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

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

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit (Continued)

C2. Risk management and internal control (Continued)

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

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

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

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

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

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

本公司的企業管治常規(續)

C. 問責及審計(續)

C2. 風險管理及內部監控(續)

本公司的風險管理及內部監控系統乃按下列原則、特質及程序制定：

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

該等系統涵蓋控制環境、風險評估、控制活動、資訊與溝通及內部監督等要素。

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

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

管理層定期檢討風險管理及內部監控系統的有效性及是否符合最佳常規。管理層與部門主管共同評估出現風險的可能性，提供處理計劃並監察風險管理的進展，向審核委員會報告所有發現結果及系統的有效性。首席稽核顧問亦向審核委員會報告有關內部監控的執行情況。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit (Continued)

C2. Risk management and internal control (Continued)

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2021.

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

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

During the year ended 31 December 2021, the Board conducted a review of the risk management and internal control systems covering the year 2021 and considered that such systems of the Group had been implemented effectively and adequately. The Board's review will also consider the adequacy of resources, qualifications and experience of the staff of the Company's accounting and financial reporting function, and their training programmes and budget.

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

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

本公司的企業管治常規(續)

C. 問責及審計(續)

C2. 風險管理及內部監控(續)

管理層已向董事會及審核委員會確認截至二零二一年十二月三十一日止年度之風險管理及內部監控系統的有效性。

內部審核部門於二零一六年初設立，以適時提升風險管理及內部監控系統。內部審核部門負責對風險管理和內部監控系統的充分性和有效性進行獨立審查。內部審核部門檢查有關會計常規及所有重大監控的關鍵問題，並向審核委員會提供其執行的效益及改善建議。

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

截至二零二一年十二月三十一日止年度，董事會已就涵蓋二零二一年的風險管理及內部監控系統進行檢討，並認為本集團的有關係統已有效且充足實施。董事會檢討亦考慮到本公司會計及財務匯報職能的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。

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

本公司已執行監控程序，嚴禁未經授權而取得及使用內部消息。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit (Continued)

C2. Risk management and internal control (Continued)

The Board confirms that it has received confirmation from the management that the Company's risk management and internal control systems are effective.

C3. Audit Committee

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

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

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

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

本公司的企業管治常規(續)

C. 問責及審計(續)

C2. 風險管理及內部監控(續)

董事會確認已收到管理層的確認函，確認本公司的風險管理及內部監控系統乃屬有效。

C3. 審核委員會

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

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

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

C. Accountability and audit (Continued)

C3. Audit Committee (Continued)

The Audit Committee held four meetings during the year ended 31 December 2021. During the year 2021, the Audit Committee reviewed the annual results in respect of the year ended 31 December 2020 and interim results for the six months ended 30 June 2021 and significant issues on the financial reporting and compliance procedures and arrangements for employees to raise concerns about possible improprieties. During the year 2021, the Audit Committee also met with the external auditors twice to discuss audit issues, before recommending to the Board for approval of publication of results.

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

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

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

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

C4. Auditor's remuneration

During the year under review, the remuneration paid to the Group's auditors, in respect of audit services amounted to HK$2,344,000 and non-audit services of review of interim results amounted to HK$200,000 which were reviewed and approved by the Audit Committee.

本公司的企業管治常規(續)

C. 問責及審計(續)

C3. 審核委員會(續)

審核委員會在截至二零二一年十二月三十一日止年度內舉行了四次會議。於二零二一年度內，審核委員會已審閱截至二零二零年十二月三十一日止年度的年度業績和截至二零二一年六月三十日止六個月的中期業績，並已審閱財務報告和合規程序的相關重要事項及就僱員舉報可能發生之不正當行為的安排。於二零二一年度內，審核委員會與外聘核數師進行兩次會議以商討審計事項，然後建議董事會批准刊發有關業績。

本公司已商訂程序，審核委員會可尋求獨立專業意見，費用由本公司支付。

並無任何重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

就甄選及續聘外聘核數師而言，審核委員會與董事會所持意見並無分歧。

本公司設有舉報政策，其為僱員手冊之一部分。

C4. 核數師酬金

於回顧年度內，本集團就審計服務及非審計服務(中期報告審閱)已支付核數師之酬金分別為2,344,000港元及200,000港元，有關酬金已由審核委員會審閱及批准。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

D. Delegation by the Board

D1. Management functions

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

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

D2. Board Committees

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

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

本公司的企業管治常規(續)

D. 董事會權力之轉授

D1. 管理職能

本公司設有一個明確的預定計劃，列明須留待全體董事會批准之事項，包括：

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

D2. 董事委員會

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

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

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

D. Delegation by the Board (Continued)

D2. Board Committees (Continued)

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

Executive Committee

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

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

No Executive Committee meeting was held during the year ended 31 December 2021.

本公司的企業管治常規(續)

D. 董事會權力之轉授(續)

D2. 董事委員會(續)

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

執行委員會

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

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

執行委員會於截至二零二一年十二月三十一日止年度內並無舉行會議。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

E. Communication with shareholders

E1. Effective communication

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

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

The Company has held one AGM on 25 May 2021 since the issuance of the last annual report.

Code provision E.1.2 (which has been renumbered as code provision F.2.2 with effect from 1 January 2022) stipulates that the chairman of the board of a listed issuer should attend the AGM. The chairman of the board should also invite the chairmen of the audit, remuneration, nomination and any other committees to attend. In their absence, the chairman of the board should invite another member of the committee or failing this, his duly appointed delegate, to attend. These persons should be available to answer questions at the AGM.

On the AGM held on 25 May 2021, Mr. CHEN Ruey-Long, the chairman of the audit committee and Mr. YANG Shih-Chien, the chairman of the nomination committee, were unable to attend the Company's AGM. The Board arranged for Dr. LEI Chien, the Chairperson of the Board and Mr. LU Chi-Chant, an independent non-executive Director and a member of the audit committee and nomination committee, who are well versed in all business activities and operations of the Group, to attend the 2021 AGM to respond to shareholders' questions.

本公司的企業管治常規(續)

E. 與股東之溝通

E1. 有效溝通

於會議上，本公司會就每項實際獨立之事宜(包括選舉個別董事)個別提呈決議案。

董事會主席及董事委員會主席或彼等各自之委派代表須出席應屆股東週年大會。

自上一份年報刊發以來，本公司於二零二一年五月二十五日曾舉行一次股東週年大會。

守則條文第E.1.2(其自二零二二年一月一日起已獲重新編號為守則條文F.2.2)條規定，上市發行人之董事會主席應出席股東週年大會。董事會主席並應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會的主席出席。若有關委員會主席未克出席，董事會主席應邀請另一名委員(或如該名委員未能出席，則其正式委任的代表)出席。該等人士須在股東週年大會上回答提問。

於二零二一年五月二十五日舉行之股東週年大會，審核委員會主席陳瑞隆先生及提名委員會主席楊世緘先生未能親自出席本公司股東週年大會。董事會已安排對本集團一切業務活動及營運瞭如指掌的董事會主席雷倩博士及盧啓昌先生(本公司獨立非執行董事兼審核委員會及提名委員會成員)出席二零二一年度股東週年大會及回答股東提問。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

E. Communication with shareholders (Continued)

E1. Effective communication (Continued)

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

The Company arranged for the notice to shareholders for the 2021 AGM at least 20 clear business days before the meeting.

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

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

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

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

Address:	958 Changping Road, Jing'an District, Shanghai, China
Fax:	+86 21 5256-0455
Email:	ir@nblife.com

本公司的企業管治常規(續)

E. 與股東之溝通(續)

E1. 有效溝通(續)

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

就二零二一年度股東週年大會而言，本公司已安排在大會舉行前至少足二十個營業日向股東發送通知。

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

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

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

如欲向本公司董事會提出任何查詢，股東可通過以下方式發送查詢或請求：

地址：	中國上海市靜安區昌平路958號
傳真：	+86 21 5256-0455
電子郵件：	ir@nblife.com

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

E. Communication with shareholders (Continued)

E1. Effective communication (Continued)

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

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

E2. Voting by poll

Procedures for conducting a poll were set out in the notice of the AGM held on 25 May 2021. These procedures were also explained at the commencement of AGM held on 25 May 2021.

A representative of the Company's Share Registrar, Hong Kong Registrars Limited, was appointed as scrutineer during the AGM held on 25 May 2021.

Poll results were published on the same day following the AGM held on 25 May 2021 and posted on the website of the Stock Exchange and that of the Company at www.ir-cloud.com/hongkong/00157/irwebsite.

本公司的企業管治常規(續)

E. 與股東之溝通(續)

E1. 有效溝通(續)

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

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

E2. 按股數投票表決

進行按股數投票表決之程序載於於二零二一年五月二十五日舉行的股東週年大會通告內，該等程序亦已於二零二一年五月二十五日舉行的股東週年大會及股東特別大會開始時解釋。

本公司香港股份過戶登記處香港證券登記有限公司之代表獲委任為於二零二一年五月二十五日舉行的股東週年大會之監票員。

按股數投票表決結果在於二零二一年五月二十五日舉行的股東週年大會舉行後同日刊發，並在聯交所網站及本公司網站(www.ir-cloud.com/hongkong/00157/irwebsite_c)刊載。

CORPORATE GOVERNANCE OF THE COMPANY (Continued)

E. Communication with shareholders (Continued)

E2. Voting by poll (Continued)

Investor relations

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

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

E3. Dividend Policy

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

F. Company Secretary

During the year 2021, Ms. Ho Siu Pik of Tricor Services Limited, is an external service provider and was engaged by the Company as its Company Secretary. Her main contact person at the Company is Ms. Jenny ZHU (Chief Legal Counsel).

Ms. Ho has confirmed that she has undertaken no less than 15 hours of relevant professional training during the year 2021.

本公司的企業管治常規(續)

E. 與股東之溝通(續)

E2. 按股數投票表決(續)

投資者關係

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

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

E3. 股息政策

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

F. 公司秘書

於二零二一年度內，卓佳專業商務有限公司的何小碧女士為外部服務提供者，已獲委聘為本公司的公司秘書。其在本公司的主要聯絡人為朱旋女士(首席法律顧問)。

何女士確認於二零二一年度內已接受超過十五小時的相關專業培訓。

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

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

Aged 63, is the Chairperson of the Company. She was appointed as the Company's Executive Director on 26 October 2018. She is also the chairperson of Executive Committee and a member of Nomination Committee and Remuneration Committee. She is currently a director of some of the Company's subsidiaries. Dr. Lei is currently an executive director of Pacific Construction Co., Limited* (太平洋建設股份有限公司), a company listed on Taiwan Stock Exchange (TWSE: 2506). Dr. Lei is also serving on the board of a number of non-profit organisations such as the Chinese Childrenhome and Shelter Association* (中華育幼機構兒童關懷協會) and the National Women's League* (中華民國婦女聯合會). She has over 30 years of experience in the media and broadcasting sector and corporate management. Dr. Lei began her career as a media and development scholar at the University of Pennsylvania from 1984 to 1987. From 1987 to 1996, she worked in the media conglomerate Capital Cities/ABC, Inc. in New York. She was eventually promoted to Vice President and was one of the highest ranking Asians in mainstream American media. From 1997 to 2002, Dr. Lei was an investment partner of Baring Communication Equity Asia in Singapore. Her investment activities included equity investment, debt restructuring, and merger and acquisitions in telecom, media, and information technology industries across the Asia Pacific region excluding Japan. In 2000, Dr. Lei returned to Taiwan and from 2003 to 2004, she was an executive director of Eastern Broadcasting Company Co., Ltd ("EBC"). She has been elected as senator at the Legislative Yuan of the Republic of China in 2005 and until 2008. Dr. Lei was appointed as the chairman of a government-owned enterprise, Kinmen Kaoliang Liquor Co., Limited* (金門酒廠實業股份有限公司) in 2008. From 2009 to 2017, Dr. Lei has worked again in EBC as a board director. Dr. Lei served three consecutive terms as an independent director in the IBF Financial Holdings Co., Ltd., previously known as Waterland Financial Holding Co., Ltd.* (國票金融控股公司), a company listed on Taiwan Stock Exchange (TWSE: 2889). Dr. Lei obtained a bachelor of arts degree in foreign languages and literature from the National Taiwan University in June 1980. She has received a master of arts degree in June 1983 and a doctor of philosophy in June 1996 from the University of Pennsylvania (Philadelphia).

主席兼執行董事：
雷倩博士

63歲，為本公司主席。彼於二零一八年十月二十六日獲委任為本公司執行董事，彼亦為執行委員會主席、提名委員會及薪酬委員會成員。彼目前亦為本公司若干附屬公司的董事。雷博士目前為台灣證券交易所上市公司太平洋建設股份有限公司(TWSE：2506)之執行董事。雷博士亦擔任中華育幼機構兒童關懷協會及中華民國婦女聯合會等多個非牟利機構之董事會成員。雷博士在媒體及廣播領域以及公司管理方面擁有超過30年經驗。雷博士於一九八四年至一九八七年在賓夕法尼亞大學開展其事業，擔任媒體及發展學者。雷博士於一九八七年至一九九六年曾在位於紐約的媒體集團Capital Cities/ABC, Inc.工作。雷博士最終獲晉升為副總裁，並且是美國主流媒體中職位最高的亞洲人之一。一九九七年至二零零二年，雷博士為新加坡Baring Communication Equity Asia之一名投資合夥人。雷博士參與之投資活動包括股票投資、債務重組以及亞太區(不包括日本)之電訊、媒體及信息技術行業的併購。雷博士於二零零零年返回台灣，於二零零三年至二零零四年，彼擔任Eastern Broadcasting Company Co., Ltd (「EBC」)之執行董事。彼於二零零五年至二零零八年被選為中華民國立法院參議員。雷博士於二零零八年獲委任為政府所有企業金門酒廠實業股份有限公司之董事長。自二零零九年至二零一七年，雷博士再次加入EBC工作，擔任董事會董事。雷博士曾擔任三屆台灣證券交易所上市公司國票金融控股公司(TWSE：2889)之獨立董事。雷博士於一九八零年六月取得國立台灣大學外語及文學學士學位。彼於一九八三年六月取得賓夕法尼亞大學(費城)文學碩士學位及於一九九六年六月取得賓夕法尼亞大學(費城)哲學博士學位。

EXECUTIVE DIRECTOR:

MR. PAN YI-FAN (ALIAS IVAN PAN)

Aged 50, was appointed as the Company's Executive Director on 26 October 2018. He is also a member of Executive Committee, Nomination Committee and Remuneration Committee of the Company. Mr. Pan was the chief strategy officer at Eastern Media Group and worked as the general manager of Eastern Integrated Marketing, Inc. from 2017 to 2019. He has more than 10 years of experience in private equity investment and corporate management. Prior to joining Eastern Media Group and Eastern Integrated Marketing, Inc. in February 2017, Mr. Pan worked as a consultant at McKinsey & Co. from 1999 to 2005. He was then a vice president at Crimson Investment from 2005 to 2007 and a director at Deutsche Bank from 2007 to 2010. He has worked as a director at the CID Group in Shanghai from 2010 to 2017. Currently, Mr. Pan is a partner of NFC (Taiwan) Management Ltd. Mr. Pan obtained a bachelor of business administration degree from National Taiwan University in June 1993 and he received a master of business administration degree from the University of Michigan in April 1999.

執行董事：

潘逸凡先生

50歲，於二零一八年十月二十六日獲委任為本公司執行董事，彼亦為本公司執行委員會、提名委員會及薪酬委員會成員。潘先生曾任東森集團首席策略官，並於二零一七年至二零一九年擔任東森整合行銷股份有限公司總經理。潘先生在私募股權投資及企業管理方面擁有超過10年經驗。於二零一七年二月加入東森集團及東森整合行銷股份有限公司之前，潘先生於一九九九年至二零零五年曾在McKinsey & Co.擔任顧問。彼於二零零五年至二零零七年曾擔任Crimson Investment之副總裁，及於二零零七年至二零一零年在德意志銀行擔任董事。於二零一零年至二零一七年，彼曾在上海的CID Group擔任董事。現時，潘先生為豐新資本投資管理顧問有限公司的合夥人。潘先生於一九九三年六月取得國立台灣大學工商管理學士學位，並於一九九九年四月取得密西根大學工商管理碩士學位。

NON-EXECUTIVE DIRECTOR:

MS. LU YU-MIN (ALIAS VICKY LU)

Aged 57, was appointed as the Company's Non-executive Director on 16 November 2018. She is also a member of Executive Committee of the Company. Ms. Lu is the consultant for cosmetic business of Far Eastern Silo & Shipping (Panama) S.A. since October 2018. Ms. Lu has over 25 years of experience in the luxury retail and cosmetics industry with a solid understanding of Chinese consumers and the Chinese markets. Ms. Lu previously worked for The Estee Launder Companies for over 14 years, managing brands including Estee Lauder, Clinique, MAC Cosmetics, Bobbi Brown, Origins, La Mer, Darphin and Aramis as managing director of the beauty product group's Taiwan Affiliate from 1999 to 2011. Ms. Lu then became the vice president and general manager of Bobbi Brown International, overseeing five global regions based out of its New York headquarter. Ms. Lu also has experience in management of buying, operations, logistics, sales and marketing for global brands such as Celine, Salvatore Ferragamo and COACH when she worked for DFS from 1989 to 1990, and Bally Hong Kong from 1991 to 1992. From 2014 to 2016, Ms. Lu has also provided end-to-end e-commerce business services to Shanghai Baozun E-Commerce Limited* (上海寶尊電子商務有限公司). Ms. Lu obtained a bachelor's degree in journalism from National Chengchi University in June 1986.

非執行董事：

陸瑜民女士

57歲，於二零一八年十一月十六日獲委任為本公司非執行董事。彼亦為本公司執行委員會成員。陸女士自二零一八年十月起擔任遠東倉儲航運(巴拿馬)股份有限公司化妝品業務顧問。陸女士於奢侈品零售及化妝品行業擁有逾25年經驗，對中國消費者及中國市場有深入了解。陸女士曾於The Estee Launder Companies工作超過14年，於一九九九年至二零一一年擔任該美容產品集團台灣聯屬公司之董事總經理，管理Estee Lauder、Clinique、MAC Cosmetics、Bobbi Brown、Origins、La Mer、Darphin及Aramis等品牌。陸女士其後擔任Bobbi Brown International之副總裁兼總經理，負責監督其紐約總部以外之全球五大區域。陸女士於一九八九年至一九九零年於DFS，以及於一九九一年至一九九二年於Bally Hong Kong工作期間在Celine、Salvatore Ferragamo及COACH等全球品牌之採購、運營、物流、銷售及營銷方面亦擁有管理經驗。於二零一四年至二零一六年，陸女士亦向上海寶尊電子商務有限公司提供端對端電子商務業務服務。陸女士於一九八六年六月於國立政治大學獲得新聞學學士學位。

NON-EXECUTIVE DIRECTOR:
MS. LIN SHU-HUA

Aged 59, was appointed as the Company's Non-executive Director on 16 November 2018. She is also a member of both Executive Committee and Audit Committee of the Company. She is currently also a director of some of the Company's subsidiaries. Ms. Lin is currently an independent director of Cashbox Partyworld Co., Ltd. (TWSE: 8359), a company listed on the Taiwan Stock Exchange. Ms. Lin was the vice president of the finance department of Eastern Home Shopping & Leisure Co., Ltd.* (東森得易購股份有限公司) between January 2005 and September 2008. In April 2016, Ms. Lin re-joined the same company, holding the same position since then. After obtaining her qualification as a Certified Public Accountant of the Republic of China in August 1996, Ms. Lin has since then worked at the finance department of various companies, including Eastern Broadcasting Co., Ltd.* (東森電視事業股份有限公司), Eastern Multimedia Co., Ltd.* (東森媒體科技股份有限公司) and Sensen Home Shopping Co., Ltd.* (森森百貨股份有限公司), accumulating over 20 years of experience in total. Ms. Lin graduated from the Department of Accounting at National Chung Hsing University in 1987 and obtained an executive master degree of business administration from the National Taiwan University in 2016.

非執行董事：
林淑華女士

59歲，於二零一八年十一月十六日獲委任為本公司非執行董事。彼亦為本公司執行委員會及審核委員會成員。彼目前亦為本公司若干附屬公司的董事。林女士現為台灣證券交易所上市公司錢櫃股份企業有限公司(TWSE：8359)之獨立董事。林女士於二零零五年一月至二零零八年九月擔任東森得易購股份有限公司財務部副總裁。於二零一六年四月，林女士重新加入同一家公司，自此擔任同一職務。林女士於一九九六年八月取得中華民國註冊會計師資格後，曾於多家公司之財務部門工作，包括東森電視事業股份有限公司、東森媒體科技股份有限公司及森森百貨股份有限公司，共累積逾20年經驗。林女士於一九八七年畢業於國立中興大學會計系，並於二零一六年獲得國立台灣大學高級管理人員工商管理碩士學位。

NON-EXECUTIVE DIRECTOR:
MR. CHEN SHOU-HUANG

Aged 69, was appointed as the Company's Non-executive Director on 25 January 2019. He is also a member of Executive Committee of the Company. He obtained a master degree in law from the Chinese Culture University and subsequently obtained a doctoral degree in law from the National Taiwan Ocean University. He is currently a part-time professor in the Institute of Marine Law of the National Taiwan Ocean University. Mr. Chen used to serve as parliamentary vice minister of Taiwan Ministry of Justice, the prosecutor of the Supreme Court Prosecutor's Office, the Chief Prosecutor of the High Court of Taiwan and the Head Prosecutor of various districts in Taiwan. During the period when he served as the Chief Prosecutor of the High Court, he was appointed as the president of Taiwan After-Care Association and the Association for Victims Support.

非執行董事：
陳守煌先生

69歲，於二零一九年一月二十五日獲委任為本公司非執行董事。彼亦為本公司執行委員會成員。彼畢業於中國文化大學法律學研究所，取得法學碩士學位，其後於國立台灣海洋大學海洋法律研究所取得法學博士學位。陳先生現為國立台灣海洋大學海洋法律研究所兼任教授。陳先生曾擔任台灣法務部政務次長、最高法院檢察署檢察官、台灣高等法院檢察署檢察長以及台灣多個地區的主任檢察官等職務。擔任台灣高等法院檢察署檢察長期間，彼同時擔任財團法人台灣更生保護會、財團法人犯罪被害人保護協會董事長。

INDEPENDENT NON-EXECUTIVE DIRECTOR:

MR. CHEN RUEY-LONG (ALIAS STEVE CHEN)

Aged 73, was appointed as the Company's Independent Non-executive Director on 1 February 2010. He is also the Chairman of the Audit Committee and a member of both the Remuneration Committee and Nomination Committee of the Company. He obtained his Bachelor degree of Economics from National Chung-Hsing University in 1970. He was the Minister of the Ministry of Economic Affairs of Taiwan from 2006 to 2008. Prior to that, he held various positions and represented the Ministry of Economic Affairs of Taiwan in various countries and was based in Switzerland from 1987 to 1996 and in Belgium from 1974 to 1979. Mr. Chen was the Board Chairman of the Institute for Information Industry in Taiwan from 2008 to 2009. Mr. Chen is currently the Board Chairman of SINOCON Industrial Standards Foundation in Taiwan and the vice president of Cross-Strait CEO Summit. He is also a director of HannStar Board Corporation (TWSE: 5469), Asia Cement Corporation (TWSE: 1102), BES Engineering Corporation (TWSE: 2515) and Tatung Company (TWSE: 2371); a managing director and independent director of Formosa Chemicals and Fibre Corporation (TWSE: 1326); an independent director of INVENTEC CORPORATION (TWSE: 2356), which are listed on the Taiwan Stock Exchange. Starting from 31 January 2020 and 27 March 2020 respectively, he is the Board Chairman and Chief Executive Officer of China Petrochemical Development Corporation, Ltd. (TWSE: 1314), listed on the Taiwan Stock Exchange and ceased to be an independent director on 31 January 2020. From June 2011 until 10 June 2014, he was an independent director of E-Ton Solar Tech. Co., Ltd. (GTSM: 3452), listed on the Taiwan GreTai Securities Market. He was a director of GINTECH ENERGY CORPORATION (TWSE: 3514), listed on the Taiwan Stock Exchange, until 30 October 2017. He was an independent director of Walsin Lihwa Corporation (TWSE: 1605), listed on the Taiwan Stock Exchange, until 29 May 2020. He was the Board Chairman and Chief Operating Officer of Powerchip Technology Corporation (GTSM: 5346), listed on the Taiwan GreTai Securities Market, until 12 August 2020. He was also a director of Bank of Panhsin in Taiwan, Teknowledge Development Corporation and Powerchip Semiconductor Manufacturing Corp.

獨立非執行董事：

陳瑞隆先生

73歲，於二零一零年二月一日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席、薪酬委員會及提名委員會成員。彼於一九七零年獲國立中興大學頒授經濟學學士學位。彼於二零零六年至二零零八年期間擔任台灣經濟部部長。在此之前，彼曾出任多個要職，並在多個國家代表台灣經濟部，並於一九八七年至一九九六年獲派駐瑞士及於一九七四年至一九七九年獲派駐比利時。陳先生於二零零八年至二零零九年出任台灣財團法人資訊工業策進會董事長。陳先生現為台灣財團法人華聚產業共同標準推動基金會董事長及兩岸企業家峰會副理事長。彼同時也是在台灣證券交易所上市的瀚宇博德股份有限公司(TWSE：5469)、亞洲水泥股份有限公司(TWSE：1102)、中華工程股份有限公司(TWSE：2515)及大同公司(TWSE:2371)董事；台灣化學纖維股份有限公司(TWSE：1326)常務董事及獨立董事；及英業達股份有限公司(TWSE：2356)之獨立董事。彼於二零二零年一月三十一日及於二零二零年三月二十七日分別開始擔任在台灣證券交易所上市的中國石油化學工業開發股份有限公司(TWSE：1314)董事長及執行長，並於二零二零年一月三十一日不再擔任獨立董事。於二零一一年六月至二零一四年六月十日，彼曾擔任在台灣證券櫃檯買賣中心上市的益通光能科技股份有限公司(GTSM：3452)獨立董事。直至二零一七年十月三十日，彼擔任在台灣證券交易所上市的昱晶能源科技股份有限公司(TWSE：3514)之董事。直至二零二零年五月二十九日，彼擔任在台灣證券交易所上市的華新麗華股份有限公司(TWSE：1605)之獨立董事。直至二零二零年八月十二日，彼擔任在台灣證券櫃檯買賣中心上市的力晶科技股份有限公司(GTSM：5346)董事長及營運總監。彼亦曾任台灣板信商業銀行、智仁科技開發股份有限公司及力晶積成電子製造股份有限公司董事。

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

Aged 70, was appointed as the Company's Independent Non-executive Director on 18 December 2015. He is also the Chairman of Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company. He is currently an independent non-executive director of Eagle Nice (International) Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 02368), and an independent director of LEALEA ENTERPRISE CO., LTD (TWSE: 1444), HannStar Board Corp. (TWSE: 5469) and Global Brands Manufacture Ltd. (TWSE: 6191), all listed on the Taiwan Stock Exchange. From May 2015 to July 2021, Mr. Lu was an independent director of Nyquest Technology Co., Ltd., a company listed on the Taiwan GreTai Securities Market (GTSM: 6494). From June 2015 to June 2018, Mr. Lu was an independent director of Li Peng Enterprise Co., Ltd. (TWSE: 1447), a company listed on the Taiwan Stock Exchange. From June 2014 to May 2017, Mr. Lu was an independent director of K Laser Technology Inc. (TWSE: 2461), a company listed on the Taiwan Stock Exchange. From 2012 to 2013, Mr. Lu was an independent director of First Sino Bank, a licensed bank established in the People's Republic of China. Mr. Lu obtained a bachelor's degree in Mechanical Engineering from National Taiwan University in 1974 and passed the professional qualification examinations in Taiwan for certified public accountant in 1983 and for securities investment analyst in 1988. During the period from 1976 to 1984, Mr. Lu worked as a mechanical engineer in Formosa Plastics Corporation, a company established in Taiwan which is principally engaged in the manufacturing of plastic raw materials and products. Mr. Lu joined Deloitte & Touche Taiwan as an auditor in 1984 and he became a partner there in 1986. Mr. Lu left Deloitte & Touche Taiwan in 2011.

獨立非執行董事：
盧啓昌先生

70歲，於二零一五年十二月十八日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席、審核委員會及提名委員會成員。彼現為鷹美(國際)控股有限公司(一家於聯交所主板上市之公司，股份代號：02368)之獨立非執行董事，同時亦為於台灣證券交易所上市的力麗企業股份有限公司(TWSE：1444)、瀚宇博德股份有限公司(TWSE：5469)及精成科技股份有限公司(TWSE：6191)之獨立董事。盧先生曾於二零一五年五月至二零二一年七月期間擔任台灣證券櫃檯買賣中心上市之九齊科技股份有限公司(GTSM：6494)之獨立董事，於二零一五年六月至二零一八年六月期間擔任力鵬企業股份有限公司(一家於台灣證券交易所上市之公司，TWSE：1447)的獨立董事，於二零一四年六月至二零一七年五月期間擔任光群雷射科技股份有限公司(一家於台灣證券交易所上市之公司，TWSE：2461)的獨立董事，以及於二零一二年至二零一三年期間擔任華一銀行(一家於中華人民共和國成立的持牌銀行)之獨立董事。盧先生於一九七四年獲得國立台灣大學機械工程學士學位，並分別於一九八三年及一九八八年在台灣通過執業會計師及證券投資分析師之專業資格考試。於一九七六年至一九八四年期間，盧先生出任台灣塑膠工業股份有限公司(一家於台灣成立之公司，主要從事生產塑膠原材料及產品)之機械工程師。盧先生於一九八四年加入勤業眾信聯合會計師事務所出任核數師，並於一九八六年成為其合夥人。盧先生於二零一一年離開勤業眾信聯合會計師事務所。

INDEPENDENT NON-EXECUTIVE DIRECTOR:

MR. YANG SHIH-CHIEN

Aged 77, was appointed as the Company's Independent Non-executive Director on 16 November 2018. He is also the Chairman of Nomination Committee and a member of both Audit Committee and Remuneration Committee. He is currently the chairman and chief executive officer of Global Strategic Investment Management Inc., a board director of Tecom Co., Ltd. (TWSE: 2321), Yageo Corporation (TWSE: 2327) and Mitac Inc. (formerly listed TWSE: 8122), an independent director of TOPKEY Corporation (TWSE: 4536), WUS Printed Circuit Co., Ltd (TWSE: 2316) and Tong Hsing Electronic Industries, Ltd. (TWSE: 6217). He was a board director of TECO Electric and Machinery Co., Ltd (TWSE: 1504) from June 2018 to July 2021. Mr. Yang was a national policy advisor to the President of the Republic of China between January 2009 and May 2016. Prior to that, Mr. Yang already worked in the government of the Republic of China for more than 28 years, such as the director of the Planning and Evaluation Division of the National Science Council, Senior Vice Minister of the Ministry of Economic Affairs and Minister of State. Mr. Yang also worked as a research engineer at the Chung Shan Institute of Science & Technology between November 1973 and January 1978. Mr. Yang obtained a bachelor's degree in electrical engineering from the National Taiwan University in June 1967. Mr. Yang subsequently obtained a master and a doctor degree in electrical engineering from Northwestern University in June 1971 and August 1973 respectively.

獨立非執行董事：

楊世緘先生

77歲，於二零一八年十一月十六日獲委任為本公司獨立非執行董事。彼亦為本公司提名委員會主席、審核委員會及薪酬委員會成員。彼目前為全球策略管理顧問(股)公司董事長兼行政總裁、東訊股份有限公司(TWSE：2321)、國巨公司(TWSE：2327)及神通電腦股份有限公司(前TWSE上市8122)之董事以及拓凱實業股份有限公司(TWSE：4536)、楠梓電子股份有限公司(TWSE：2316)及同欣電子工業股份有限公司(TWSE：6217)之獨立董事。彼於二零一八年六月至二零二一年至七月曾為東元電機股份有限公司(TWSE：1504)擔任董事。楊先生於二零零九年一月至二零一六年五月擔任中華民國總統府之國策顧問。在此之前，楊先生已於中華民國政府工作超過28年，例如國家科學委員會企劃考核處(Planning and Evaluation Division)處長、經濟部政務次長及行政院政務委員。楊先生於一九七三年十一月至一九七八年一月亦於中山科學研究院擔任副研究員。楊先生於一九六七年六月獲得國立台灣大學電機工程學士學位。楊先生其後於一九七一年六月及一九七三年八月分別獲得西北大學電機工程碩士及博士學位。

GROUP CHIEF EXECUTIVE OFFICER:

MS. LIN YEN-LING

Aged 58, was appointed as the Chief Executive Officer of the Group on 26 October 2018. She is currently also a director of some of the Company's subsidiaries. She graduated with a Bachelor of Arts degree from National Chengchi University in Taiwan. Ms. Lin has been working in Eastern Group since May 2018 as Chief Marketing & Sales Officer of Eastern Media International Corp., Chief Marketing Officer of Eastern Home Shopping & Leisure Co., Ltd., and Chief Sales Officer of ETtoday Co., Ltd. Prior to this appointment, Ms. Lin was the general manager of Lintas China Group from 2016 to 2017. From 1997 to 2016, Ms. Lin had worked at Eastern Broadcasting Co., Ltd. as Chief Operation and Sales Officer and Havas Worldwide as Executive Vice President of Greater China and Chief Executive Officer of Taiwan.

集團行政總裁：

林燕玲女士

58歲，於二零一八年十月二十六日獲委任為本集團行政總裁。彼目前亦為本公司若干附屬公司的董事。彼畢業於台灣國立政治大學，取得文學學士學位。林女士從二零一八年五月開始服務於東森集團，擔任東森國際公司業務執行長，東森得易購公司行銷長及東森新聞雲公司業務長。在此之前，林女士於二零一六年至二零一七年期間，擔任中國靈獅廣告公司總經理。自一九九七年至二零一六年，林女士曾先後任職於東森電視公司擔任營銷長及漢威士靈智廣告公司擔任大中華區執行副總裁暨台灣區行政總裁。

COMPANY SECRETARY:

MS. HO SIU PIK

Ms. Ho, is an Executive Director of Corporate Services of Tricor Services Limited ("Tricor"), an Asia's leading business expansion specialist specializing in integrated business, corporate and investor services. Ms. Ho has over 20 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Ho is currently the company secretary of five listed companies on the Hong Kong Stock Exchange, including the Company, China Rundong Auto Group Limited (stock code: 1365), Goodbaby International Holdings Limited (stock code: 1086), SPT Energy Group Inc. (stock code: 1251), Summit Ascent Holdings Limited (stock code: 102) and Genor Biopharma Holdings Limited (stock code: 6998). Ms. Ho is a Chartered Secretary, a Chartered Governance Professional and a Fellow of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute in the United Kingdom. She is a holder of the Practitioner's Endorsement from The Hong Kong Chartered Governance Institute. (Note: The Company has engaged Tricor as external service provider and appointed Ms. Ho as the Company's company secretary since 26 February 2021.)

* For identification purpose only.

公司秘書：

何小碧女士

何女士現為卓佳專業商務有限公司(「卓佳」)企業服務部執行董事，該公司是亞洲領先的業務拓展專家，為客戶提供商務、企業及投資者綜合服務。何女士於企業服務範疇擁有逾20年經驗，一直為香港上市公司，以及跨國公司、私人公司及離岸公司提供專業的企業服務。何女士目前為五間香港聯交所上市公司之公司秘書，包括本公司、中國潤東汽車集團有限公司(股份代號：1365)、好孩子國際控股有限公司(股份代號：1086)、華油能源集團有限公司(股份代號：1251)、凱升控股有限公司(股份代號：102)及嘉和生物藥業(開曼)控股有限公司(股份代號：6998)。何女士為特許秘書、特許企業管治專業人員，以及香港公司治理公會(前稱香港特許秘書公會)及英國特許公司治理公會的資深會員。何女士持有由香港公司治理公會發出的執業者認可證明。(註：本公司聘用卓佳為外聘服務機構及自二零二一年二月二十六日起委任何女士為本公司的公司秘書。)

* 僅供識別

The Directors have pleasure to present their annual report and the audited consolidated financial statements for the year ended 31 December 2021.

董事欣然呈交彼等截至二零二一年十二月三十一日止年度之年度報告書及經審核綜合財務報表。

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group is principally engaged in (a) manufacturing and sales of a range of products including skin care, beauty, aroma-therapeutic products, health supplements and make-up products under the "Natural Beauty" brand and beauty apparatus and (b) provision of skin treatments, beauty and spa services, medical cosmetology services, skin care consulting and beauty training. The activities of its principal subsidiaries are set out in note 24 to the consolidated financial statements.

主要業務

本公司為投資控股公司。本集團主要從事(a)以「自然美」品牌製造及銷售護膚產品、美容及精油產品、健康食品和化妝品等各式各樣產品及美容儀器及(b)提供肌膚護理、美容及水療服務、醫療美容服務、肌膚護理顧問服務及美容培訓。本集團主要附屬公司之業務載於綜合財務報表附註24。

BUSINESS REVIEW

Please refer to the section headed "Management discussion and analysis" for the discussion of business review of the Group's businesses for the year ended 31 December 2021.

業務回顧

有關本集團截至二零二一年十二月三十一日止年度業務之業務回顧的討論，請參閱「管理層討論及分析」一節。

Management of Major Risks

Since the Group operates in a highly dynamic and competitive landscape, continuous and effective risk management is vital for survival in hard periods affected by the current COVID-19 pandemic. Some major risks currently being managed are:

主要風險的管理

集團在瞬息萬變和市場競爭激烈的環境下營運，又面臨新型冠狀病毒疫情肆虐的影響，持續及有效的風險管理乃企業逆境生存的關鍵。目前管理的若干主要風險為：

Product Competitiveness

Facing increasingly fierce competition in the industry, it is particularly important to maintain brand and product competitiveness. The Group will continue to invest, actively develop new product lines and promote the diversification of the customer base in order to pursue greater development.

產品競爭力

行業競爭日趨激烈，保持品牌及產品競爭力顯得尤為重要，集團將持續投入，積極開拓新的產品線及推動客戶群多元化，以追求更大的發展。

Inventory management

Inventory management and control plays a significant role in the Company's liquidity since bloated inventories will tie up unnecessary funds.

庫存管理

管理和監控庫存在公司的資金流動性中極其重要，過多的庫存會捆縛不必要的資金。

Online Threats

Online business is the current hot spot in the market. Since 2019, the Group introduced Korean brands to open its self-owned online business in the mainland. In the future, in the face of fierce competition in the online business, the Group will continue to interact with customers through a diversified channel strategy and provide services to customers of different consumption and age levels.

線上業務的挑戰

線上業務是目前市場熱點，集團自二零一九年引進韓國品牌開啓大陸地區自營的線上業務，未來，面對線上業務的激烈競爭，集團將持續透過渠道多元化的策略與客戶互動、為不同消費和年齡層級的客戶提供服務。

BUSINESS REVIEW (Continued)

Donations for charity

The Group made donations for charity to a total amount of HK$890,000 in year 2021.

Compliance with the relevant laws and regulations

As far as the Board of Directors and management are aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 December 2021, there was no material breach of, or non-compliance, with the applicable laws and regulations by the Group.

Relationship with employees

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

Relationship with suppliers, customers and other stakeholders

The Group understands the importance of maintaining good relationships with its suppliers and customers to meet its immediate and long-term goals. During the year ended 31 December 2021, there were no material and significant disputes between the Group and its suppliers, customers and other stakeholders.

Environmental policies and performance

The Group is committed to the long-term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavors to comply with the applicable environmental laws and regulations and to adopt effective measures to ensure the efficient usage of resources, energy conservation and waste reduction. Such initiatives include the recycling of used papers, the adoption of energy saving measures. During the year ended 31 December 2021, the Group had not been subject to any fines or other penalties due to any non-compliance with health, safety or environmental regulations.

For details of the Company's environment policy and performance, please refer to the Environmental, Social and Governance Report of the Company for the year 2021, which will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ir-cloud.com/hongkong/00157/irwebsite) under the section of "Announcements" in due course.

業務回顧(續)

公益捐贈

本集團在二零二一年公益捐贈支出金額為890,000港元。

遵守相關法例及規例

據董事會及管理層所知，本集團於所有重大方面皆已遵守對本集團業務及營運具重大影響之相關法例及規例。於截至二零二一年十二月三十一日止年度內，本集團概無嚴重違反或不遵守適用法例及規例。

僱員關係

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

供應商、客戶和其他持份者關係

本集團深明與供應商及客戶維持良好關係對達成其短期及長期目標的重要性。於截至二零二一年十二月三十一日止年度內，本集團與其供應商、客戶及其他持份者並無發生重大糾紛。

環境政策和績效

本集團致力於其經營環境和社區的長期可持續發展。以對環境負責任的方式行事，本集團努力遵守有關環境保護的法例及規例，並採取有效措施，以實現資源的高效利用，節省能源和減少廢物。該等舉措包括廢紙回收利用及採用節能措施。於截至二零二一年十二月三十一日止年度，本集團概無因不遵守健康、安全或環境法規遭處以任何罰款或其他懲處。

有關本公司的環境政策及表現之詳情，請參閱本公司二零二一年度的環境、社會及管治報告，其將於適當的時候刊載聯交所之網站(www.hkexnews.hk)及本公司網站(www.ir-cloud.com/hongkong/00157/irwebsite_c)之「公告」部分。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2021 are set out in the consolidated statement of profit or loss and other comprehensive income on page 113.

No interim dividend (2020: Nil) was paid to the shareholders during the year. At the Board meeting held on 22 March 2022, the Directors propose a final dividend of HK$0.003 per share (2020: HK$0.003 per share). Details of the dividends are set out in note 17 to the consolidated financial statements.

業績及分派

本集團截至二零二一年十二月三十一日止年度之業績載於第113頁之綜合損益及其他全面收益表。

年內，本公司概無向股東派發中期股息(二零二零年：無)。於二零二二年三月二十二日召開之董事會會議上，董事建議派付末期股息每股0.003港元(二零二零年：每股0.003港元)。有關股息詳情載於綜合財務報表附註17。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, about 14.3% and 31.5% of the Group's revenue from sales of goods or rendering of services were attributable to the Group's largest customer and the 5 largest customers combined.

During the year, about 10.9% of the Group's total purchases (health food) was attributable to the Group's largest supplier, and about 28.6% of the Group's total purchases was attributable to the Group's 5 largest suppliers combined. To the best knowledge of the Directors after making all reasonable enquiries, no Director, close associate of each Director, or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the number of issued shares of the Company) has any interest in the suppliers and/or customers mentioned above.

主要客戶及供應商

年內，本集團最大客戶及五大客戶合計佔本集團銷售貨品或提供服務所得收入分別為14.3%和31.5%。

年內，保健食品第一大供應商的採購金額佔本集團總採購額比例約為10.9%及五大供應商的總採購額佔本集團總採購額的比例約為28.6%。據董事經作出一切合理查詢後所知，有關任何董事、董事的緊密聯繫人或本公司任何股東(據董事所知擁有本公司已發行股份數目5%以上的股東)在上述供應商及／或客戶中不佔有任何權益。

INVESTMENT PROPERTIES

The Group's investment properties as at 31 December 2021 were fair valued by an independent firm of professional property valuers. The fair value gain on investment properties amounted to HK$533,000 has been recognised in the consolidated statement of profit or loss and other comprehensive income.

Details of movements during the year in the investment properties of the Group are set out in note 20 to the consolidated financial statements.

投資物業

於二零二一年十二月三十一日，本集團之投資物業由獨立專業物業估值師行按公平值基準進行估值。投資物業之公平值收益533,000港元已確認在綜合損益及其他全面收益表。

本集團之投資物業於年內之變動詳情載於綜合財務報表附註20。

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group are set out in note 19 to the consolidated financial statements.

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註19。

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 35 to the consolidated financial statements.

股本

本公司之股本於年內之變動詳情載於綜合財務報表附註35。

FIVE-YEAR SUMMARY

A summary of the results for the year and of the assets and liabilities of the Group as at 31 December 2021 and for the previous four financial years are set out on page 8 of this Annual Report.

五年概要

本集團截至二零二一年十二月三十一日止年度及過去四個財政年度的業績、資產及負債概要，載於本年報第8頁。

DIRECTORS

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

董事

年內及截至本報告刊發日期，本公司董事如下：

Executive Directors:
Dr. LEI Chien (alias Joanna LEI)
Mr. PAN Yi-Fan (alias Ivan PAN)

執行董事：
雷倩博士
潘逸凡先生

Non-executive Directors:
Ms. LU Yu-Min (alias Vicky LU)
Ms. LIN Shu-Hua
Mr. CHEN Shou-Huang

非執行董事：
陸瑜民女士
林淑華女士
陳守煌先生

Independent Non-executive Directors:
Mr. CHEN Ruey-Long (alias Steve CHEN)
Mr. LU Chi-Chant
Mr. YANG Shih-Chien

獨立非執行董事：
陳瑞隆先生
盧啓昌先生
楊世緘先生

In accordance with Article 100 of the Company's Articles, any Director appointed by the Board to fill a causal vacancy shall hold office only until the first general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

根據本公司細則第100條，任何由董事會委任以填補臨時空缺的董事之任期將於其獲委任後舉行首次本公司股東大會時屆滿，屆時該名董事將符合資格於該大會上膺選連任。

In addition, in accordance with Article 117 of the Company's Articles, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, shall retire from office by rotation at each annual general meeting. Dr. LEI Chien, Mr. YANG Shih-Chien and Ms. Lu Yu-Min shall retire by rotation pursuant this article.

此外，根據本公司細則第117條，在每屆股東週年大會上，三分之一的在職董事(或倘人數並非三或三之倍數，則不少於三分之一的董事)須輪值告退。根據該細則，雷倩博士、楊世緘先生及陸瑜民女士將輪值退任。

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

所有上列董事皆符合資格，並願意於下屆股東週年大會上膺選連任。

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

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

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

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

CHAIRPERSON AND BOARD COMMITTEES

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

Chairperson

Dr. LEI Chien *(Chairperson of the Board)*

Members of Audit Committee:

Mr. CHEN Ruey-Long *(Chairman)*
Mr. LU Chi-Chant
Ms. LIN Shu-Hua
Mr. YANG Shih-Chien

Members of Remuneration Committee:

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

Members of Executive Committee:

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

Members of Nomination Committee:

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

主席及董事委員會

年內及截至本報告書刊發日期，董事會主席及本公司轄下各委員會之成員如下：

主席

雷倩博士*(董事會主席)*

審核委員會成員：

陳瑞隆先生*(主席)*
盧啓昌先生
林淑華女士
楊世緘先生

薪酬委員會成員：

盧啓昌先生*(主席)*
陳瑞隆先生
楊世緘先生
雷倩博士
潘逸凡先生

執行委員會成員：

雷倩博士*(主席)*
潘逸凡先生
陸瑜民女士
林淑華女士
陳守煌先生

提名委員會成員：

楊世緘先生*(主席)*
陳瑞隆先生
盧啓昌先生
雷倩博士
潘逸凡先生

CHAIRPERSON AND BOARD COMMITTEES (Continued)

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

主席及董事委員會(續)

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

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

Notes:

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

附註：

C 有關董事委員會的主席
M 有關董事委員會的成員

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2021, in the opinion of the Directors of the Company, the Company's reserves available for distribution to shareholders were approximately HK$10,610,000 which represents the share premium and retained profits of the Company.

本公司之可供分派儲備

於二零二一年十二月三十一日，本公司董事認為，本公司可供分派予股東之儲備約為10,610,000港元，該等儲備乃本公司之股份溢價及保留溢利。

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors and Non-executive Directors has entered into a Director's service contract with the Company for an initial term of one year from 1 January 2022, which may be terminated by either party giving to the other party at least one month's notice in writing.

Each of the Independent Non-executive Director has entered into a letter of appointment with the Company for an initial term of one year from 1 January 2022, which may be terminated by either party giving to the other party at least one month notice's in writing.

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

董事服務合約

各執行董事及非執行董事已與本公司訂立董事服務合約，自二零二二年一月一日起初步為期一年，可由任何一方透過向對方發出至少一個月之書面通知予以終止。

各獨立非執行董事已與本公司訂立立委任函，自二零二二年一月一日起初步為期一年，可由任何一方透過向對方發出至少一個月之書面通知予以終止。

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

Management contracts

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed during the year 2021.

管理層合約

於二零二一年度，本公司概無訂立涉及管理及／或執行本公司業務的全部或任何主要部分的合約，亦無有關合約存在。

DIRECTORS' SERVICE CONTRACTS (Continued)

Remuneration of Directors, chief executives and senior management

Details of the remuneration of the Directors and chief executives on a named basis and the senior management by band, are set out in notes 15 and 16 to the consolidated financial statements respectively.

Permitted indemnity

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

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

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2021, so far as known to any Directors, none of the Directors or chief executives of the Company or any of their close associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to section 347 of the SFO and the Model Code, to be notified to the Company and the Stock Exchange.

董事服務合約(續)

董事、主要行政人員及高級管理人員的薪酬

董事及主要行政人員以名列形式及高級管理人員按薪酬範圍劃分的薪酬詳情分別載於綜合財務報表附註15及16。

獲准許的彌償

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

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

董事及主要行政人員持有之股份權益

於二零二一年十二月三十一日，就任何董事所知，概無董事或本公司主要行政人員或彼等任何緊密聯繫人於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中，擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文彼等被當作或視為擁有的權益及淡倉)，或須登記於根據證券及期貨條例第352條本公司須予存置的登記冊的權益或淡倉，或根據證券及期貨條例第347條及標準守則須知會本公司及聯交所的權益或淡倉。

SHARE OPTIONS

The Company

Particulars of the Company's share option scheme are set out in note 38 to the consolidated financial statements.

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

During the year ended 31 December 2021, no share option was granted, cancelled or lapsed under the share option scheme.

認股權

本公司

本公司認股權計劃之詳情載於綜合財務報表附註38。

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

於截至二零二一年十二月三十一日止年度期間，無認股權根據認股權計劃被授出、取消或失效。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

Purchase, sale or redemption of the Company's listed securities

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2021.

購買股份或債券之安排

除上文所披露之認股權計劃外，於年內任何時間，本公司、其控股公司、其任何附屬公司或同系附屬公司均無參與訂立任何安排，致令本公司董事可藉收購本公司或任何其他法人團體之股份或債券而獲得利益。

購買、出售或贖回本公司上市證券

截至二零二一年十二月三十一日止年度內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2021, within the knowledge of the Directors, the following persons or corporations had or deemed or taken to have an interest or a short position in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東

於二零二一年十二月三十一日，就董事所知，下列人士或法團於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉，或須登記於根據證券及期貨條例第336條本公司須予存置的登記冊的權益或淡倉：

SUBSTANTIAL SHAREHOLDERS (Continued)

主要股東(續)

Long position in shares and underlying shares of the Company

於本公司股份及相關股份之好倉

Ordinary shares of HK$0.10 each of the Company

本公司每股面值0.10港元之普通股

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

(L) : Long position

(L) ：好倉

SUBSTANTIAL SHAREHOLDERS (Continued)

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

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

Notes:

(1) Far Eastern Silo & Shipping (Panama) S.A. is a wholly-owned subsidiary of EMIC. As such, the shares of the Company in which Far Eastern Silo & Shipping (Panama) S.A. is interested were attributable to EMIC.

(2) Insbro Holdings Limited is wholly owned by Good Titanic Limited, which is in turn owned as to 100% by Mr. CHAO Shih-Heng. Mr. CHAO Shih-Heng is the sole director of each of Insbro Holdings Limited and Good Titanic Limited. As such, the shares of the Company in which Insbro Holdings Limited is interested were attributable to Good Titanic Limited and Mr. CHAO Shih-Heng.

(3) Dr. TSAI Yen-Yu directly owns 40% of Next Focus Holdings Limited. Next Focus Holdings Limited is therefore a controlled corporation of Dr. TSAI Yen-Yu and interest of 445,315,083 shares of the Company owned by Next Focus Holdings Limited was attributable to Dr. TSAI Yen-Yu.

(4) Mr. LEE Ming-Ta is the spouse of Dr. TSAI Yen-Yu and accordingly, is deemed to be interested in the 445,315,083 shares of the Company attributable to Dr. TSAI Yen-Yu pursuant to the SFO.

(5) Next Focus Holdings Limited directly holds 152,356,559 shares of the Company and directly owns 100% of Starsign International Limited. Starsign International Limited is the sole shareholder of Standard Cosmos Limited, which, in turn, is the sole shareholder of Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited. As such, the 290,618,524 shares of the Company collectively held by Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited and 2,340,000 shares of the Company held directly by Standard Cosmos Limited (totalling 292,958,524 shares of the Company) were attributable to Standard Cosmos Limited and Starsign International Limited.

Save as disclosed above, as at 31 December 2021, the Directors are not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

主要股東(續)

於本公司股份及相關股份之好倉(續)

本公司每股面值0.10港元之普通股(續)

附註：

(1) 遠東倉儲航運(巴拿馬)股份有限公司為東森國際之全資附屬公司。因此，遠東倉儲航運(巴拿馬)股份有限公司所擁有之本公司股份權益可歸於東森國際。

(2) 保經控股有限公司由Good Titanic Limited全資擁有，而Good Titanic Limited由趙世亨先生擁有100%權益。趙世亨先生為保經控股有限公司及Good Titanic Limited各自之唯一董事。因此，保經控股有限公司所擁有之本公司股份權益可歸於Good Titanic Limited及趙世亨先生。

(3) 蔡燕玉博士直接擁有Next Focus Holdings Limited的40%權益。Next Focus Holdings Limited因此為蔡燕玉博士之受控制法團，且Next Focus Holdings Limited所擁有之445,315,083股本公司股份之權益可歸於蔡燕玉博士。

(4) 李明達先生為蔡燕玉博士之配偶，根據證券及期貨條例，李明達先生被視作於蔡燕玉博士應佔之445,315,083股本公司股份中擁有權益。

(5) Next Focus Holdings Limited直接持有本公司152,356,559股股份，且直接擁有Starsign International Limited 100%權益。Starsign International Limited為Standard Cosmos Limited之唯一股東，而Standard Cosmos Limited為Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited之唯一股東。因此，由Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited共同持有之290,618,524股本公司股份以及由Standard Cosmos Limited直接持有之2,340,000股本公司股份(合共292,958,524股本公司股份)權益可歸於Standard Cosmos Limited及Starsign International Limited。

除上文所披露者外，於二零二一年十二月三十一日，董事並不知悉任何其他人士(董事或本公司主要行政人員除外)於本公司股份或相關股份中擁有已登記於根據證券及期貨條例第336條本公司須予存置的登記冊的權益或淡倉。

CONNECTED TRANSACTIONS AND DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

The Group had the following significant transactions with connected persons:

1. On 16 April 2019, Natural Beauty Bio-Technology Company Limited (自然美生物科技股份有限公司) ("Taiwan NB"), an indirect wholly-owned subsidiary of the Company, entered into a goods procurement agreement (the "New Eastern Health Procurement Agreement") with Eastern Health Biomedical Co., Ltd. (東森健康生醫有限公司) ("Eastern Health"). Major terms of the New Eastern Health Procurement Agreement are summarised below:

Nature of transactions	During the term of the New Eastern Health Procurement Agreement, Taiwan NB may from time to time make wholesale purchase of products from Eastern Health such as health supplements for on-sale to end customers.
交易性質	於新東森健康採購協議期限內，台灣自然美可不時向東森健康批量採購產品(例如保健品)，以向終端客戶轉售。
Purpose	The Directors consider that the New Eastern Health Procurement Agreement provides a framework to allow the Group to purchase products which the Group currently has no in-house capability to manufacture but does sell to end customers as one of its ordinary and usual course of business, e.g. health supplements at a discount, thereby reducing the procurement costs of the Group and would help improve the financial performance of the Group.
目的	董事認為，新東森健康採購協議提供一個框架，以令本集團按折扣價採購本集團現時並無內部能力生產但須向終端客戶出售之產品，作為其中一個日常及一般業務過程(如保健品)，從而降低本集團的採購成本並有助於改善本集團之財務表現。
Pricing	Depending on the nature of the products, at 60%–70% discount to the relevant market retailing price.
定價	根據產品性質，相關市場零售價之60%至70%折扣。

關連交易及董事於重大合約之權益

本集團曾與關連人士進行下列重大交易：

1. 於二零一九年四月十六日，自然美生物科技股份有限公司(「台灣自然美」)(本公司之間接全資附屬公司)與東森健康生醫有限公司(「東森健康」)訂立商品採購協議(「新東森健康採購協議」)。新東森健康採購協議之主要條款概述如下：

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

1. (Continued)

關連交易及董事於重大合約之權益(續)

1. (續)

Annual caps

年度上限

Pursuant to the terms of the New Eastern Health Procurement Agreement, the annual cap in respect of the aggregate amount of goods to be purchased under the New Eastern Health Procurement Agreement shall be as follows:

根據新東森健康採購協議之條款，根據新東森健康採購協議將予採購之商品總金額的年度上限如下：

- NT$30,000,000 (equivalent to approximately HK$7,644,675) from 1 June 2019 to 31 December 2019;
- 於二零一九年六月一日至二零一九年十二月三十一日應為新台幣30,000,000元(相當於約7,644,675港元)；

- NT$80,000,000 (equivalent to approximately HK$20,385,801) from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日應為新台幣80,000,000元(相當於約20,385,801港元)；

- NT$150,000,000 (equivalent to approximately HK$38,223,377) from 1 January 2021 to 31 December 2021; and
- 於二零二一年一月一日至二零二一年十二月三十一日應為新台幣150,000,000元(相當於約38,223,377港元)；及

- NT$80,000,000 (equivalent to approximately HK$20,385,801) from 1 January 2022 to 31 May 2022.
- 於二零二二年一月一日至二零二二年五月三十一日應為新台幣80,000,000元(相當於約20,385,801港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 17 May 2019, where HK$1.00 = NT$3.9243)

(附註：為作説明用途，年度上限乃基於本公司日期為二零一九年五月十七日之通函所披露的匯率(即1.00港元兑新台幣3.9243元)達致)

Term

期限

From 1 June 2019 to 31 May 2022.

自二零一九年六月一日至二零二二年五月三十一日。

As at 31 December 2021, Far Rich International Corporation (遠富國際股份有限公司) ("Far Rich") could, directly or indirectly, control the composition of a majority of the board of directors of EMIC. As such, Far Rich was considered the holding company of EMIC for the purposes of the Listing Rules. As Eastern Health was an indirect non-wholly owned subsidiary of Far Rich owned indirectly as to 90% of its shareholding by Far Rich, Eastern Health was a connected person of the Company for the purposes of the Listing Rules and the transactions contemplated under the New Eastern Health Procurement Agreement constituted continuing connected transactions of the Company.

於二零二一年十二月三十一日，遠富國際股份有限公司(「遠富」)直接或間接控制東森國際董事會大多數成員的組成。因此，根據上市規則，遠富被視為東森國際之控股公司。由於東森健康為遠富之間接非全資附屬公司，由遠富間接擁有其90%股權，根據上市規則，東森健康為本公司之關連人士，而東森健康採購協議項下擬進行之交易則構成本公司之持續關連交易。

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

2. On 16 April 2019, Natural Beauty China Holding Company Limited (自然美中國控股有限公司) ("NB China"), a direct wholly-owned subsidiary of the Company, entered into a service agreement ("New Strawberry Service Agreement") in relation to the provision of Strawberry Services (as defined below) with Strawberry Cosmetics (Greater China) Limited ("Strawberry"), pursuant to which NB China will, within the validity period of the New Strawberry Service Agreement, provide the Strawberry Services to Strawberry for a service fee ("Service Fees").

Strawberry Services refer to services relating to the marketing and sales of a variety of goods sold by Strawberry through the Strawberry Website (being a website with domain name http://www.strawberrynet.com owned and operated by Strawberry), including without limitation skincare, make-up and haircare products, perfume, men's cologne and health foods ("Strawberry Goods") through the NB Website (being a website with domain name http://strawberrynet.nblife.com owned and operated by NB China), including (a) goods display and merchandising, goods search, purchase order creation, transaction management, payment and customer services enhancement; and (b) increasing goods exposure, integrated brand marketing, training for operations and sales, to be provided by NB China to Strawberry.

Major terms of the New Strawberry Service Agreement are summarised below:

關連交易及董事於重大合約之權益(續)

2. 於二零一九年四月十六日，自然美中國控股有限公司(「自然美中國」)(本公司之直接全資附屬公司)與Strawberry Cosmetics (Greater China) Limited(「Strawberry」)就提供Strawberry服務(定義如下)訂立服務協議(「新Strawberry服務協議」)。據此自然美中國將在新Strawberry服務協議之有效期內向Strawberry提供Strawberry服務，以收取服務費(「服務費」)。

Strawberry服務指自然美中國將透過自然美網站(即由自然美中國擁有及營運域名為http://strawberrynet.nblife.com之網站)向Strawberry提供有關營銷及銷售Strawberry在Strawberry網站(即由Strawberry擁有及營運域名為http://www.strawberrynet.com之網站)出售之各種商品(包括但不限於護膚品、彩妝及護髮產品、香水、男士古龍水及健康食品(「Strawberry商品」))之服務，包括(a)商品展示及銷售、商品搜索、採購訂單生成、交易管理、付款及客戶服務提升；及(b)增加商品曝光率、整合品牌營銷、營運及銷售培訓。

新Strawberry服務協議之主要條款概述如下：

Subject matter	NB China will, within the validity period of the New Strawberry Service Agreement, provide the Strawberry Services to Strawberry for the Service Fees.
主旨事項	自然美中國將在新Strawberry服務協議之有效期內向Strawberry提供Strawberry服務，以收取服務費。

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

關連交易及董事於重大合約之權益(續)

2. (Continued)

2. (續)

Nature of transactions
交易性質

During the provision of the Strawberry Services by NB China:
於自然美中國提供Strawberry服務的期間：

(a) the parties will actively cooperate with a view to determine (and NB China shall have the discretion to make the final decision on) the specific items and price of the Strawberry Goods to be displayed, and the manner of such display, on the NB Website;
(a) 訂約方將積極展開合作，旨在釐定(及自然美中國將擁有酌情權以就下列事項作出最終決定)在自然美網站展示之Strawberry商品的特定物品、價格及展示方式；

(b) NB China will provide the Strawberry Services with a view to promote and/or facilitate the placing of purchase orders ("Purchase Orders") and payment of purchase price by customers for the Strawberry Goods through the NB Website;
(b) 自然美中國將提供Strawberry服務，旨在推動及／或促使客戶在自然美網站下達Strawberry商品的採購訂單(「採購訂單」)及支付採購價格；

(c) NB China will, promptly upon receipt of Purchase Orders, pass the Purchase Orders to Strawberry. Upon receipt of the Purchase Orders from NB China, Strawberry will promptly pack and deliver the ordered Strawberry Goods in accordance with the Purchase Orders to the customers in a manner mutually agreed by the parties;
(c) 自然美中國將於收到採購訂單後即時將採購訂單轉交Strawberry。於收到自然美中國的採購訂單後，Strawberry將即時根據採購訂單包裝訂購的Strawberry商品並按訂約方相互協定之方式交付客戶；

(d) NB China will, through payment services available to customers on the NB Website, collect the purchase price for the Strawberry Goods purchased through the NB Website from the customers for and on behalf of Strawberry; and
(d) 自然美中國將透過客戶在自然美網站使用的付款服務代表Strawberry向客戶收取在自然美網站所採購Strawberry商品的採購價；及

(e) NB China will, after deducting the Service Fees and other relevant charges, return the collected purchase price to Strawberry in accordance with the terms and conditions under the New Strawberry Service Agreement.
(e) 自然美中國將於扣除服務費及其他相關費用後，根據新Strawberry服務協議之條款及條件向Strawberry退還所收取的採購價。

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

2. (Continued)

關連交易及董事於重大合約之權益(續)

2. (續)

Service Fees

NB China is entitled to the Service Fees. For each Purchase Order accepted by Strawberry, NB China will charge Service Fees at 25% of the gross item price of the Strawberry Goods ordered therein as indicated on the Strawberry Website as at the date of such Purchase Order.

服務費

自然美中國有權收取服務費。就Strawberry接納的每個採購訂單而言，自然美中國將按於採購訂單日期Strawberry網站所示所採購Strawberry商品的物品總價的25%收取服務費。

Annual caps

Pursuant to the terms of the New Strawberry Service Agreement, the annual cap of the Services Fees payable by Strawberry to NB China thereunder shall be as follows:

年度上限

根據新Strawberry服務協議之條款，Strawberry據此應向自然美中國支付之服務費的年度上限如下：

- HK$5,250,000 from 1 June 2019 to 31 December 2019;
- 於二零一九年六月一日至二零一九年十二月三十一日應為5,250,000港元；

- HK$9,000,000 from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日應為9,000,000港元；

- HK$9,000,000 from 1 January 2021 to 31 December 2021; and
- 於二零二一年一月一日至二零二一年十二月三十一日應為9,000,000港元；及

- HK$3,750,000 from 1 January 2022 to 31 May 2022.
- 於二零二二年一月一日至二零二二年五月三十一日應為3,750,000港元。

Term

From 1 June 2019 to 31 May 2022.

期限

自二零一九年六月一日至二零二二年五月三十一日。

As disclosed in item 5 below, the Directors voluntarily treat Eastern Home as a connected person of the Company. As at 31 December 2021, since (a) Strawberry is an indirect non-wholly owned subsidiary of Eastern Home Shopping & Leisure Co., Ltd. ("Eastern Home") owned indirectly as to 76% of its shareholding by Eastern Home and (b) the New Strawberry Service Agreement was entered into on the same date as the other connected transactions disclosed in items 1 and 3 of this section, the Directors consider that it is also appropriate to voluntarily treat Strawberry as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly. As such, the transactions contemplated under the Strawberry Service Agreement constitute continuing connected transactions of the Company.

誠如下文第5項所披露，董事將東森得易購自願視為本公司之關連人士。於二零二一年十二月三十一日，由於(a) Strawberry為東森得易購股份有限公司(「東森得易購」)之間接非全資附屬公司，由東森得易購間接擁有其76%股權及(b)新Strawberry服務協議乃與本節第1及3項中披露的其他關連交易於同日訂立，故此，董事認為將Strawberry自願視為本公司之關連人士亦屬適當，且須相應遵守上市規則第十四A章。因此，新Strawberry服務協議項下擬進行之交易構成本公司之持續關連交易。

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

3. On 16 April 2019, NB China as licensor entered into a licence agreement with Eastern Home as licensee (the "Eastern Home Trademark Licence Agreement"). Major terms of the Eastern Home Trademark Licence Agreement are summarised below:

關連交易及董事於重大合約之權益(續)

3. 於二零一九年四月十六日，自然美中國(作為許可方)與東森得易購(作為被許可方)訂立許可協議(「東森得易購商標許可協議」)。東森得易購商標許可協議的主要條款概述如下：

Nature of transactions

NB China agreed to grant Eastern Home a non-exclusive licence to use the certain trademarks owned by the Company (the "Trademarks") in respect of products mutually agreed between the parties.

In respect of such mutually agreed products, Eastern Home will be able to (i) reproduce and/or print the Trademarks on the packaging and marketing materials of such products and (ii) broadcast, transmit, distribute and/or publish such marketing materials during the process of marketing and sales of such products.

交易性質

自然美中國同意向東森得易購授予非專屬許可，以就雙方相互協定的產品使用本公司擁有的若干商標(「商標」)。

對於該等雙方相互協定的產品，東森得易購將能夠(i)在該等產品的包裝及營銷材料上複製及／或影印商標；及(ii)在該等產品的營銷及銷售過程中廣播、傳播、分發及／或發佈該等營銷材料。

Purpose

The Directors consider that the Eastern Home Trademark Licence Agreement will increase the exposure of the Group's brand name while simultaneously generate a new revenue stream for the Group without substantial additional costs.

目的

董事認為，東森得易購商標許可協議將提升本集團品牌名的曝光度，同時為本集團帶來新的收入來源，而不會產生大量額外成本。

Royalty

Eastern Home shall pay NB China a royalty for the licence to use the Trademarks (the "Royalty") at 3% of the net proceeds from the sale of mutually agreed products through various channels operated by Eastern Home (including but not limited to television, internet and catalogues etc.) to the end customers.

使用費

東森得易購應就獲許可使用商標向自然美中國支付使用費(「使用費」)，金額為透過東森得易購經營的各種渠道(包括但不限於電視、網絡及產品手冊等)向終端客戶銷售雙方相互協定的產品所得款項淨額的3%。

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

3. (Continued)

關連交易及董事於重大合約之權益(續)

3. (續)

Annual caps

年度上限

Pursuant to the Eastern Home Trademark Licence Agreement, the annual cap in respect of the aggregate Royalty payable by Eastern Home to NB China thereunder shall be as follows:
根據東森得易購商標許可協議，東森得易購據此應向自然美中國支付之總使用費的年度上限如下：

- NT$15,000,000 (equivalent to approximately HK$3,822,338) from 1 June 2019 to 31 December 2019;
- 於二零一九年六月一日至二零一九年十二月三十一日應為新台幣15,000,000元(相當於約3,822,338港元)；

- NT$20,000,000 (equivalent to approximately HK$5,096,450) from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日應為新台幣20,000,000元(相當於約5,096,450港元)；

- NT$30,000,000 (equivalent to approximately HK$7,644,675) from 1 January 2021 to 31 December 2021; and
- 於二零二一年一月一日至二零二一年十二月三十一日應為新台幣30,000,000元(相當於約7,644,675港元)；及

- NT$15,000,000 (equivalent to approximately HK$3,822,338) from 1 January 2022 to 31 May 2022.
- 於二零二二年一月一日至二零二二年五月三十一日應為新台幣15,000,000元(相當於約3,822,338港元)。

If the annual cap is reached for a particular year, there will not be any further Royalty payable by Eastern Home to NB China for that year. Notwithstanding the foregoing, Eastern Home will continue to be able to use the Trademarks.
如於某一年度達到年度上限，則東森得易購於該年度將不會向自然美中國支付更多使用費。儘管有上述規定，東森得易購仍可繼續使用商標。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 17 May 2019, where HK$1.00 = NT$3.9243)
(附註：為作説明用途，年度上限乃基於本公司日期為二零一九年五月十七日之通函所披露的匯率(即1.00港元兑新台幣3.9243元)達致)

Term

期限

From 1 June 2019 to 31 May 2022.
二零一九年六月一日至二零二二年五月三十一日。

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

3. (Continued)

As disclosed in item 5 below, the Directors consider that it is appropriate to voluntarily treat Eastern Home as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly. As such, the transactions contemplated under the Eastern Home Trademark Licence Agreement constitute continuing connected transactions of the Company.

4. On 22 July 2020, Taiwan NB, an indirect wholly-owned subsidiary of the Company, entered into the ET New Media Supplemental Agreement with ET New Media Holding Limited Company (東森新媒體控股股份有限公司)("ET New Media") to amend the Existing ET New Media Cooperation Agreement.

On 23 October 2020, Taiwan NB entered into the ET New Media Supplemental Agreement (II) with ET New Media to further amend the Existing ET New Media Cooperation Agreement. For the avoidance of doubt, the Existing ET New Media Cooperation Agreement as amended by the ET New Media Supplemental Agreement and the ET New Media Supplemental Agreement (II) ("Amended ET New Media Agreement") is one single contract.

The major terms of the Amended ET New Media Agreement are summarised as follows:

關連交易及董事於重大合約之權益(續)

3. (續)

誠如下文第5項所披露，董事認為將東森得易購自願視為本公司之關連人士屬適當，且須相應遵守上市規則第十四A章。因此，東森得易購商標許可協議項下擬進行交易構成本公司之持續關連交易。

4. 於二零二零年七月二十二日，台灣自然美與東森新媒體控股股份有限公司(「東森新媒體」)訂立東森新媒體補充協議以修訂現有東森新媒體合作協議。

於二零二零年十月二十三日，台灣自然美與東森新媒體訂立東森新媒體補充協議(二)以進一步修訂現有東森新媒體合作協議。為免生疑，經東森新媒體補充協議及東森新媒體補充協議(二)修訂的現有東森新媒體合作協議(「經修訂東森新媒體協議」)為一份單獨合約。

經修訂東森新媒體協議之主要條款概述如下：

Advertising Service

Taiwan NB agrees to engage ET New Media to produce, publish and broadcast advertisements and to organise media events, with a view to enhancing the image of the "Natural Beauty" brand and to raise public awareness on the brand ("Advertising Service"). Taiwan NB may from time to time instruct ET New Media to carry out advertising projects. The parties shall separately agree on the timing, manner and fees of each specific advertising project at the appropriate time.

廣告服務

台灣自然美同意委聘東森新媒體製作、發佈及廣播廣告及組織媒體活動，旨在提升「自然美」品牌形象及增加此品牌的公眾知名度(「廣告服務」)。台灣自然美可不時指示東森新媒體開展廣告項目。訂約方應適時分別協定各個特定廣告項目之時間、方式及費用。

Pricing of Advertising Service

For each advertising project, ET New Media shall offer at least 50% discount to the list price of such project (being prices ET New Media offer to its clients which are Independent Third Parties).

廣告服務定價

就各個廣告項目而言，東森新媒體應對該項目的標價(即東森新媒體向其獨立第三方客戶提供之價格)提供至少50%折扣。

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

4. (Continued)

關連交易及董事於重大合約之權益(續)

4. (續)

Annual Cap

年度上限

The fees payable by Taiwan NB to ET New Media under the Amended ET New Media Agreement shall be subject to the following annual caps:

根據經修訂東森新媒體協議之條款，台灣自然美據此應向東森新媒體支付之費用的年度上限如下：

- NT$21,000,000 (equivalent to approximately HK$5,472,455) from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日應為新台幣21,000,000元(相當於約5,472,455港元)；

- NT$35,000,000 (equivalent to approximately HK$9,120,759) from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為新台幣35,000,000元(相當於約9,120,759港元)；

- NT$56,000,000 (equivalent to approximately HK$14,593,214) from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為新台幣56,000,000元(相當於約14,593,214港元)；及

- NT$70,000,000 (equivalent to approximately HK$18,241,518) from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為新台幣70,000,000元(相當於約18,241,518港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)

(附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑新台幣3.8374元)達致)

Term

期限

From 1 June 2019 to 31 August 2023.

自二零一九年六月一日至二零二三年八月三十一日。

As of 31 December 2021, FESS is a controlling shareholder of the Company, and EMIC is the 100% shareholder of FESS. As ET New Media is a direct non-wholly owned subsidiary of EMIC owned directly as to approximately 93.90% of its shareholding by EMIC, ET New Media is a connected person of the Company for the purposes of the Listing Rules. As such, the transactions contemplated under the Amended ET New Media Agreement constitute continuing connected transactions of the Company.

於二零二一年十二月三十一日，遠東倉儲航運為本公司控股股東，而東森國際為遠東倉儲航運之100%權益股東。由於東森新媒體為東森國際之直接非全資附屬公司，東森國際直接擁有其約93.90%的股權，根據上市規則，東森新媒體為本公司之關連人士。因此，經修訂東森新媒體協議項下擬進行之交易構成本公司之持續關連交易。

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

5. On 22 July 2020, Taiwan NB entered into the Eastern Home Supplemental Agreement with Eastern Home, a company incorporated in Taiwan with limited liability, to amend the Existing Eastern Home Consignment Agreement.

   On 23 October 2020, Taiwan NB entered into the Eastern Home Supplemental Agreement (II) with Eastern Home to further amend the Existing Eastern Home Consignment Agreement. For the avoidance of doubt, the Existing Eastern Home Consignment Agreement as amended by the Eastern Home Supplemental Agreement and the Eastern Home Supplemental Agreement (II) (the "Amended Eastern Home Agreement") is one single contract.

   Major terms of the Amended Eastern Home Agreement, are summarised below:

關連交易及董事於重大合約之權益(續)

5. 於二零二零年七月二十二日，台灣自然美與東森得易購(一間在台灣註冊成立的有限公司)訂立東森得易購補充協議以修訂現有東森得易購代銷協議。

   於二零二零年十月二十三日，台灣自然美與東森得易購訂立東森得易購補充協議(二)以對現有東森得易購代銷協議作出進一步修訂。為免生疑，經東森得易購補充協議及東森得易購補充協議(二)修訂的現有東森得易購代銷協議(「經修訂東森得易購協議」)為一份單獨合約。

   經修訂東森得易購協議的主要條款概述如下：

Products Procurement

Taiwan NB will engage Eastern Home to sell certain products manufactured, distributed or sold by Taiwan NB (the "Target Products") which are selected by Eastern Home as target products (the "Products Procurement"). Taiwan NB shall authorise Eastern Home to sell the Target Products to end customers and to use related promotional materials for such purpose. Eastern Home shall be responsible for marketing and selling the Target Products to end customers through its own distribution channels or third party distribution channels.

產品採購

台灣自然美將委聘東森得易購銷售台灣自然美所製造、分銷或銷售之若干產品(「目標產品」)，而東森得易購選擇該等產品作為目標產品(「產品採購」)。台灣自然美授權東森得易購向終端客戶銷售目標產品及就該目的使用相關宣傳材料。東森得易購負責透過其本身分銷渠道或第三方分銷渠道向終端客戶推銷及銷售目標產品。

Pricing of Products Procurement

The price of the Target Products sold by Taiwan NB to Eastern Home shall be at 50% to 70% discount to their retail price, or 80% to 90% discount to their retail price if they are test products, sales-only products or near expiry products.

產品採購價格

台灣自然美向東森得易購出售之目標產品價格須為其零售價50%至70%之折扣，或倘為測試產品、僅銷售產品或接近到期之產品，則其價格須為其零售價80%至90%之折扣。

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

5. (Continued)

關連交易及董事於重大合約之權益(續)

5. (續)

Sale Commission

Taiwan NB shall pay an annual sale commission to Eastern Home as follows: (a) if the product sales from Taiwan NB to Eastern Home for Products Procurement in a year amounts to NT$300,000,000 to NT$500,000,000, 5% of the product sales amount; (b) if the product sales from Taiwan NB to Eastern Home for Products Procurement in a year amounts to NT$500,000,000 to NT$800,000,000, 7% of the product sales amount exceeding NT$500,000,000; and (c) if the product sales from Taiwan NB to Eastern Home for Products Procurement in a year amounts to more than NT$800,000,000, 10% of the product sales amount exceeding NT$800,000,000.

銷售佣金

台灣自然美須向東森得易購支付年度銷售佣金如下：(a)倘某年度台灣自然美就產品採購對東森得易購之產品銷售額達到新台幣300,000,000元至新台幣500,000,000元，則為產品銷售額的5%；(b)倘某年度台灣自然美就產品採購對東森得易購之產品銷售額達到新台幣500,000,000元至新台幣800,000,000元，則為超過新台幣500,000,000元產品銷售額的7%；及(c)倘某年度台灣自然美就產品採購對東森得易購之產品銷售額超過新台幣800,000,000元，則為超過新台幣800,000,000元產品銷售額的10%。

Costs

Taiwan NB shall be responsible for the costs in relation to the sale of Product Procurements to end customers, including the costs associated with the marketing, transportation and programme production (the "Costs").

成本

台灣自然美須承擔向終端客戶銷售產品採購有關的成本，包括與營銷、運輸及規劃生產相關的成本(「成本」)。

Trademark licence

Eastern Home shall pay Taiwan NB a royalty for licence to use the Trademarks (the "Royalty").

商標許可

東森得易購須就獲許可使用商標向台灣自然美支付使用費(「使用費」)。

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

5. (Continued)

關連交易及董事於重大合約之權益(續)

5. (續)

Pricing of Trademark licence

商標許可定價

The Royalty is calculated at 3%–10% of the selling price (before tax; and after deduction of any discount) from the sale of mutually agreed products.

使用費按銷售共同協定產品售價(除稅前；及經扣除任何折扣)之3%至10%計算。

Annual Cap

The annual caps under the Existing Eastern Home Consignment Agreement were determined based on net proceeds of sale of Target Products to end customers from Eastern Home (i.e. sale proceeds from end customers after deduction of commission and costs of sales) ("Net Proceeds").

Pursuant to the terms of the Eastern Home Supplemental Agreement and the Eastern Home Supplemental Agreement (II), the annual caps in respect of Products Procurement (covering the Sale Commission) will be determined based on the sales amount that Eastern Home would pay to Taiwan NB when Eastern Home made the purchase.

Such annual caps in relation to Products Procurement, and annual caps relating to the aggregate Costs payable by Taiwan NB and the aggregate Royalty payable by Eastern Home under the Amended Eastern Home Agreement are set out as follows:

年度上限

現有東森得易購代銷協議項下之年度上限乃根據東森得易購向終端客戶銷售目標產品之所得款項淨額(即扣除銷售佣金及成本後來自終端客戶之銷售所得款項)(「所得款項淨額」)釐定。

根據東森得易購補充協議及東森得易購補充協議(二)之條款，產品採購相關年度上限(涵蓋銷售佣金)將根據東森得易購將在東森得易購作出採購時向台灣自然美支付之銷售額釐定。

根據經修訂東森得易購協議，有關產品採購的年度上限以及與台灣自然美應付總成本及東森得易購應付總使用費相關的年度上限載列如下：

- NT$280,000,000 (equivalent to approximately HK$72,966,071) for the Net Proceeds, NT$42,000,000 (equivalent to approximately HK$10,944,911) for the Costs and NT$70,000,000 (equivalent to approximately HK$18,241,518) for the Royalty from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日，所得款項淨額的年度上限應為新台幣280,000,000元(相當於約72,966,071港元)，成本的年度上限應為新台幣42,000,000元(相當於約10,944,911港元)，使用費的年度上限應為新台幣70,000,000元(相當於約18,241,518港元)；

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

5. (Continued)

關連交易及董事於重大合約之權益(續)

5. (續)

- NT$560,000,000 (equivalent to approximately HK$145,932,142) for the Net Proceeds, NT$67,200,000 (equivalent approximately HK$17,511,857) for the Costs and NT$140,000,000 (equivalent to approximately HK$36,483,035) for the Royalty from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日所得款項淨額的年度上限應為新台幣560,000,000元(相當於約145,932,142港元)，成本的年度上限應為新台幣67,200,000元(相當於約17,511,857港元)，使用費的年度上限應為新台幣140,000,000元(相當於約36,483,035港元)；

- NT$840,000,000 (equivalent to approximately HK$218,898,212) for the Net Proceeds, NT$105,000,000 (equivalent to approximately HK$27,362,277) for the Costs and NT$280,000,000 (equivalent to approximately HK$72,966,071) for the Royalty from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日所得款項淨額的年度上限應為新台幣840,000,000元(相當於約218,898,212港元)，成本的年度上限應為新台幣105,000,000元(相當於約27,362,277港元)，使用費的年度上限應為新台幣280,000,000元(相當於約72,966,071港元)；及

- NT$1,050,000,000 (equivalent to approximately HK$273,622,765) for the Net Proceeds, NT$140,000,000 (equivalent to approximately HK$36,483,035) for the Costs and NT$280,000,000 (equivalent to approximately HK$72,966,071) for the Royalty from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日所得款項淨額的年度上限應為新台幣1,050,000,000元(相當於約273,622,765港元)，成本的年度上限應為新台幣140,000,000元(相當於約36,483,035港元)，使用費的年度上限應為新台幣280,000,000元(相當於約72,966,071港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)
(附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑新台幣3.8374元)達致)

Term
期限

From 1 June 2019 to 31 August 2023.
自二零一九年六月一日至二零二三年八月三十一日。

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

5. (Continued)

For the year ended 31 December 2018, Eastern Home was accounted for and consolidated in the audited consolidated accounts of EMIC as a subsidiary thereof since EMIC could during the relevant time, directly or indirectly, control the composition of a majority of the board of directors of Eastern Home. Since 1 January 2019, EMIC can no longer directly or indirectly control the composition of a majority of the board of directors of Eastern Home, and since then Eastern Home has not been and will not be accounted for and consolidated in the audited consolidated accounts of EMIC as a subsidiary thereof.

However, given that (a) EMIC is holding, directly or indirectly, altogether approximately 25.87% of the shareholding in Eastern Home, (b) one member of the board of directors of Eastern Home, namely Mr. Liao Shang-Wen, is also the chairperson of EMIC, (c) FESS is a controlling shareholder of the Company, and EMIC is the 100% shareholder of FESS, (d) the vice president of Eastern Home, namely Mr. Chao Shih Heng, is the sole ultimate beneficial owner of Insbro which is holding 22.76% of the issued Shares, (e) one member of the board of directors of Eastern Home, namely Dr. Lei Chien, is also the chairperson and an executive Director of the Company, (f) the finance vice president of Eastern Home, namely Ms. Lin Shu-Hua, is also a non-executive Director of the Company; and (g) the Eastern Home Supplemental Agreement and the Eastern Home Supplemental Agreement (II) were entered into within a short period of time as the other transactions disclosed in item 4 and items 6 to 13 of this section, the Directors consider that it is appropriate to voluntarily treat Eastern Home as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly. As such, the transactions contemplated under the Amended Eastern Home Agreement constitute continuing connected transactions of the Company.

關連交易及董事於重大合約之權益(續)

5. (續)

截至二零一八年十二月三十一日止年度，東森得易購作為東森國際之附屬公司於東森國際之經審核綜合賬目內合併入賬，乃由於東森國際於相關期間內可直接或間接控制東森得易購董事會大多數成員的組成。自二零一九年一月一日起，東森國際不再直接或間接控制東森得易購董事會大多數成員的組成，而自此，東森得易購概無且將不再作為東森國際之附屬公司於東森國際之經審核綜合賬目內合併入賬。

然而，由於(a)東森國際直接或間接持有東森得易購合共約25.87%股權；(b)東森得易購之一名董事會成員(即廖尚文先生)亦為東森國際之主席；(c)遠東倉儲航運為本公司之控股股東，及東森國際為擁有遠東倉儲航運100%股權之股東；(d)東森得易購之副董事長(即趙世亨先生)為保經之唯一最終實益擁有人，其持有22.76%之已發行股份；(e)東森得易購之一名董事會成員(即雷倩博士)亦為本公司之主席兼執行董事；(f)東森得易購之財務副總裁(即林淑華女士)亦為本公司之非執行董事；及(g)東森得易購補充協議及東森得易購補充協議(二)如同本節第4項及第6至13項所披露之其他交易於短時期內訂立，董事認為將東森得易購自願視為本公司之關連人士屬適當，且須相應遵守上市規則第14A章。因此，經修訂東森得易購協議項下擬進行之交易構成本公司之持續關連交易。

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

6. On 22 July 2020, Taiwan NB entered into the Eastern Global Supplemental Agreement with Eastern Global Business Co., Ltd. (東森全球事業股份有限公司), formerly known as Eastern Tenmax Direct Co., Ltd. (東森天美仕直銷股份有限公司), a company incorporated in Taiwan with limited liability ("Eastern Global") to amend the Existing Eastern Global Procurement Agreement.

   On 23 October 2020, Taiwan NB entered into the Eastern Global Supplemental Agreement (II) with Eastern Global to further amend the Existing Eastern Global Procurement Agreement. For the avoidance of doubt, the Existing Eastern Global Procurement Agreement as amended by the Eastern Global Supplemental Agreement and the Eastern Global Supplemental Agreement (II) (the "Amended Eastern Global Agreement") is one single contract.

   The major terms of the Amended Eastern Global Agreement are summarised as follows:

關連交易及董事於重大合約之權益(續)

6. 於二零二零年七月二十二日，台灣自然美與東森全球事業股份有限公司(前稱東森天美仕直銷股份有限公司，一間於台灣註冊成立之有限公司，「東森全球」)，訂立東森全球補充協議以修訂現有東森全球採購協議。

   於二零二零年十月二十三日，台灣自然美與東森全球訂立東森全球補充協議(二)以對現有東森全球採購協議作出進一步修訂。為免生疑問，經東森全球補充協議及東森全球補充協議(二)修訂的現有東森全球補充協議(「經修訂東森全球協議」)為一份單獨合約。

   經修訂東森全球協議的主要條款概述如下：

Nature of transactions	Eastern Global may from time to time make wholesale purchase of Taiwan NB products such as health supplements, skin-care products and cosmetic products, and Taiwan NB shall sell such products to Eastern Global at 60%–70% discount to relevant retail price for on-sale by Eastern Global.
交易性質	東森全球可不時批量採購台灣自然美產品(例如保健品、護膚品及化妝品)及台灣自然美應按相關零售價之60%至70%之折扣向東森全球出售該等產品，以由東森全球進行轉售。

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

6. (Continued)

關連交易及董事於重大合約之權益(續)

6. (續)

Annual Cap

年度上限

The aggregate amount of purchase to be made by Eastern Global under the Amended Eastern Global Agreement shall be subject to the following annual caps:

根據經修訂東森全球協議之條款，東森全球購據此所作出之採購總金額年度上限如下：

- NT$140,000,000 (equivalent to approximately HK$36,483,035) from 1 January 2020 to 31 December 2020;
- 於二零二零年一月一日至二零二零年十二月三十一日應為新台幣140,000,000元（相當於約36,483,035港元）；

- NT$350,000,000 (equivalent to approximately HK$91,207,588) from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為新台幣350,000,000元（相當於約91,207,588港元）；

- NT$700,000,000 (equivalent to approximately HK$182,415,177) from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為新台幣700,000,000元（相當於約182,415,177港元）；及

- NT$840,000,000 (equivalent to approximately HK$218,898,212) from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為新台幣840,000,000元（相當於約218,898,212港元）。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)

（附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率（即1.00港元兑新台幣3.8374元）達致）

Term

期限

From 1 June 2019 to 31 August 2023.

自二零一九年六月一日至二零二三年八月三十一日。

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

6. (Continued)

As at 31 December 2021, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of Eastern Global and its ultimate beneficial owners was an Independent Third Party. However, given that (a) one member of the board of directors of Eastern Global, namely Mr. Chao Shih Heng, is the sole ultimate beneficial owner of Insbro which is holding 22.76% of the issued Shares, and (b) the Eastern Global Supplemental Agreement and Eastern Global Supplemental Agreement (II) were entered into within a short period of time as the other connected transactions disclosed in items 4, 5 and 7 to 13 of this section, the Directors consider that it is appropriate to voluntarily treat Eastern Global as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly. As such, the transactions contemplated under the Amended Eastern Global Agreement constitute continuing connected transactions of the Company.

7. On 22 July 2020, Taiwan NB entered into the ET New Retail Procurement Agreement with Eastern New Retail Department Co., Ltd. (東森新零售百貨股份有限公司), a company incorporated in Taiwan with limited liability ("ET New Retail").

On 23 October 2020, Taiwan NB entered into the ET New Retail Procurement Supplemental Agreement with ET New Retail to amend certain terms of the ET New Retail Procurement Agreement.

Major terms of the ET New Retail Procurement Agreement and the ET New Retail Procurement Supplemental Agreement are summarised below:

關連交易及董事於重大合約之權益(續)

6. (續)

於二零二一年十二月三十一日，據董事作出一切合理查詢後所知、所悉及所信，東森全球及其最終實益擁有人各自為獨立第三方。然而，鑒於(a)東森全球之一名董事會成員(即趙世亨先生)為保經之唯一最終實益擁有人，而保經持有22.76%之已發行股份；及(b)東森全球補充協議及東森全球補充協議(二)如同本節第4、5及第7至13項所披露之其他關連交易於短時期內訂立，董事認為將東森全球自願視為本公司之關連人士屬適當，且須相應遵守上市規則第14A章。因此，經修訂東森全球協議項下擬進行之交易構成本公司之持續關連交易。

7. 二零二零年七月二十二日，台灣自然美與東森新零售百貨股份有限公司(一間於台灣註冊成立之有限公司，「新零售」)訂立東森新零售採購協議。

於二零二零年十月二十三日，台灣自然美與東森新零售訂立東森新零售採購補充協議以修訂東森新零售採購協議的若干條款。

東森新零售採購協議及東森新零售採購補充協議之主要條款概述如下：

Product Procurements

Taiwan NB will engage ET New Retail to sell certain products (the "Target Products") supplied by Taiwan NB (the "Products Procurement"). Taiwan NB shall authorise ET New Retail to sell the Target Products to end customers and to use related promotional materials for such purpose. ET New Retail shall be responsible for marketing and selling the Target Products to end customers through its own distribution channels or third party distribution channels.

產品採購

台灣自然美將委聘東森新零售銷售台灣自然美所供應的若干產品(「目標產品」)(「產品採購」)。台灣自然美授權東森新零售向終端客戶銷售目標產品及就該目的使用相關宣傳材料。東森新零售負責透過其本身分銷渠道或第三方分銷渠道向終端客戶推銷及銷售目標產品。

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

7. (Continued)

關連交易及董事於重大合約之權益(續)

7. (續)

Pricing of Products Procurement	At 50%–70% discount to the relevant market retail.
產品採購定價	按相關市場零售價折讓50%至70%。
Costs of Products Procurement	Taiwan NB shall be responsible for the costs associated with the marketing, transportation and programme production ("Costs") incurred by ET New Retail relating to the procurement and sale of Target Products.
產品採購成本	台灣自然美將負責東森新零售就採購及銷售目標產品所產生的營銷、運輸及計劃生產的相關成本(「成本」)。
Annual Reward – Products Procurement	3% of the total purchase by ET New Retail will be to ET New Retail when the aggregated annual purchase amount reaches NT$100,000,000 (equivalent to approximately HK$26,059,311); 5% of the aggregated annual purchase amount that exceeds NT$100,000,000 to NT$300,000,000 by ET New Retail will be rebated to ET New Retail when the aggregated annual purchase amount reaches NT$100,000,000 to NT$300,000,000 (equivalent to approximately HK$26,059,311 to HK$78,177,933); and 7% of the aggregated annual purchase amount that exceeds NT$300,000,000 by ET New Retail will be rebated to ET New Retail when the aggregated annual purchase amount reaches NT$300,000,000 (equivalent to approximately HK$78,177,933) or above.
年度獎勵 – 產品採購	當綜合年度採購金額達新台幣100,000,000元(相當於約26,059,311港元)時，東森新零售的採購總額3%將返還予東森新零售；當綜合年度採購金額達新台幣100,000,000元至新台幣300,000,000元(相當於約26,059,311港元至78,177,933港元)時，東森新零售超過新台幣100,000,000元至新台幣300,000,000元年度採購總額5%將返還予東森新零售；及當綜合年度採購金額達新台幣300,000,000元(相當於約78,177,933港元)或以上時，東森新零售超過新台幣300,000,000元年度採購總額7%將返還予東森新零售。
Trademark Licence	Taiwan NB agrees to grant ET New Retail a non-exclusive licence to use the Trademarks ("Trademark Licence").
商標許可	台灣自然美同意向東森新零售授予非專屬許可以使用商標(「商標許可」)。
Pricing of Trademark Licence	ET New Retail shall pay Taiwan NB a royalty fee ("Royalty") at 3%–10% of the selling price (before tax; and after deduction of any discount) from the sale of mutually agreed products to the end customers.
商標許可定價	東森新零售將會就銷售雙方協定產品向台灣自然美支付使用費(「使用費」)，相當於售價的3%至10%(除稅前；且扣除任何折扣後)。

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

7. (Continued)

關連交易及董事於重大合約之權益(續)

7. (續)

Annual Cap

Under the ET New Retail Procurement Agreement, the parties agreed to the annual caps on the aggregate amount of purchase (covering the annual reward) and the aggregate Royalty payable by ET New Retail under the ET New Retail Procurement Agreement and the aggregate Costs payable by Taiwan NB. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the ET New Retail Procurement Supplemental Agreement, the parties agreed to adjust such annual caps downwards by approximately 30%. Details of the annual caps are set out as follow:

年度上限

根據東森新零售採購協議，訂約雙方同意有關東森新零售根據東森新零售採購協議(涵蓋年度獎勵)應付採購總金額及使用費及台灣自然美應付成本的年度上限。考慮到COVID-19疫情對營商環境的影響，根據東森新零售採購補充協議的條款，訂約雙方同意將該年度上限下調約30%。年度上限的詳情載列如下：

- NT$70,000,000 (equivalent to approximately HK$18,241,518) for the aggregate amount of purchase, NT$21,000,000 (equivalent to approximately HK$5,472,455) for the Royalty and NT$21,000,000 (equivalent to approximately HK$5,472,455) for the Costs from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日，採購金額的年度上限應為新台幣70,000,000元(相當於約18,241,518港元)，使用費的年度上限應為新台幣21,000,000元(相當於約5,472,455港元)，成本的年度上限應為新台幣21,000,000元(相當於約5,472,455港元)；

- NT$140,000,000 (equivalent to approximately HK$36,483,035) for the aggregate amount of purchase, NT$35,000,000 (equivalent to approximately HK$9,120,759) for the Royalty and NT$35,000,000 (equivalent to approximately HK$9,120,759) for the Costs from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日採購金額的年度上限應為新台幣140,000,000元(相當於約36,483,035港元)，使用費的年度上限應為新台幣35,000,000元(相當於約9,120,759港元)，成本的年度上限應為新台幣35,000,000元(相當於約9,120,759港元)；

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

7. (Continued)

關連交易及董事於重大合約之權益(續)

7. (續)

- NT$210,000,000 (equivalent to approximately HK$54,724,553) for the aggregate amount of purchase, NT$56,000,000 (equivalent to approximately HK$14,593,214) for the Royalty and NT$56,000,000 (equivalent to approximately HK$14,593,214) for the Costs from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日採購金額的年度上限應為新台幣210,000,000元(相當於約54,724,553港元)，使用費的年度上限應為新台幣56,000,000元(相當於約14,593,214港元)，成本的年度上限應為新台幣56,000,000元(相當於約14,593,214港元)；及

- NT$350,000,000 (equivalent to approximately HK$91,207,588) for the aggregate amount of purchase, NT$70,000,000 (equivalent to approximately HK$18,241,518) for the Royalty and NT$70,000,000 (equivalent to approximately HK$18,241,518) for the Costs from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日採購金額的年度上限應為新台幣新台幣350,000,000元(相當於約91,207,588港元)，使用費的年度上限應為新台幣70,000,000元(相當於約18,241,518港元)，成本的年度上限應為新台幣70,000,000元(相當於約18,241,518港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)
(附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑新台幣3.8374元)達致)

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As at 31 December 2021, ET New Retail is a wholly-owned subsidiary of Eastern Home. As disclosed in item 5 above, the Directors consider that it is appropriate to voluntarily treat Eastern Home as a connected person of the Company. As such, the Directors consider that it is also appropriate to voluntarily treat ET New Retail as a connected person of the Company and to comply with Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the ET New Retail Procurement Agreement as amended by Eastern New Retail Procurement Supplemental Agreement constitute continuing connected transactions of the Company.

於二零二一年十二月三十一日，東森新零售為東森得易購的全資附屬公司。如上文第5項所披露，董事認為將東森得易購自願視為本公司之關連人士屬適當。因此，董事認為，自願性將東森新零售視作本公司的關連人士並相應遵守上市規則第14A章，亦屬適當。因此，東森新零售採購協議(經東森新零售採購補充協議修訂)項下擬進行之交易構成本公司之持續關連交易。

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

8. On 22 July 2020, Taiwan NB entered into the Focus Media Cooperation and Procurement Agreement with Focus Media Dayear Taiwan Co., Ltd (分眾傳媒股份有限公司), a company incorporated in Taiwan with limited liability ("Focus Media").

   On 23 October 2020, Taiwan NB entered into the Focus Media Cooperation and Procurement Supplemental Agreement with Focus Media to adjust the annual caps under the Focus Media Cooperation and Procurement Agreement.

   The major terms of the Focus Media Cooperation and Procurement Agreement and the Focus Media Cooperation and Procurement Supplemental Agreement are as follows:

關連交易及董事於重大合約之權益(續)

8. 於二零二零年七月二十二日，台灣自然美與分眾傳媒股份有限公司(一間於台灣註冊成立之有限公司，「分眾傳媒」)訂立分眾傳媒合作及採購協議。

   於二零二零年十月二十三日，台灣自然美與分眾傳媒訂立分眾傳媒合作及採購補充協議，以根據分眾傳媒合作及採購協議對年度上限作出調整。

   分眾傳媒合作及採購協議及以及分眾傳媒合作及採購補充協議之主要條款如下：

Advertising Service	Taiwan NB agrees to engage Focus Media to produce, publish and broadcast advertisements and to organise media events, with a view to enhancing the image of the "Natural Beauty" brand and to raise public awareness on the brand ("Advertising Service").
廣告服務	台灣自然美同意委聘分眾傳媒製作、發佈及廣播廣告，並組織媒體活動，以提高「自然美」品牌的形象及提升公眾對品牌的認識度(「廣告服務」)。台灣自然美或會不時指示分眾傳媒開展廣告項目。訂約雙方應在適當的時候就各特定廣告項目之時間、方式及費用進行單獨協商。
Pricing of Advertising Service	For each advertising project, Focus Media shall offer at least 50% discount to the list price of such project (being prices Focus Media offer to its clients which are Independent Third Parties).
廣告服務定價	就各廣告項目而言，分眾傳媒應提供較該項目標價(即分眾傳媒向其身為獨立第三方之客戶提供之價格)至少50%之折讓。
Products Procurement	Taiwan NB shall supply and sell Taiwan NB's products ("Target Products") to Focus Media ("Products Procurement"). Taiwan NB shall authorise Focus Media to sell the Target Products to end customers and to use related promotional materials for such purpose. Focus Media shall be responsible for marketing and selling the Target Products to end customers through its own distribution channels or third party distribution channels.
產品採購	台灣自然美應向分眾傳媒供應及銷售台灣自然美產品(「目標產品」)(「產品採購」)。台灣自然美應授權分眾傳媒向終端客戶銷售目標產品，並為此目的使用相關的促銷材料。
Pricing of Products Procurement	50%–70% discount to the Target Products' retail price.
產品採購定價	較目標產品零售價折讓50%至70%。

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

8. (Continued)

關連交易及董事於重大合約之權益(續)

8. (續)

Annual Cap

Under the Focus Media Cooperation and Procurement Agreement, the parties agreed to annual caps in respect of fees payable by Taiwan NB to Focus Media under Advertising Service and the annual caps in respect of the amount of product sales by Taiwan NB to Focus Media under Products Procurement. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the Focus Media Cooperation and Procurement Supplemental Agreement, the parties agreed to adjust such annual caps downwards by approximately 30%. Details of the annual caps are as follows:

年度上限

根據分眾傳媒合作及採購協議，訂約雙方同意有關台灣自然美根據廣告服務應向分眾傳媒支付的費用的年度上限及有關台灣自然美根據產品採購向分眾傳媒銷售產品的金額的年度上限。考慮到COVID-19疫情對營商環境的影響，根據分眾傳媒合作及採購補充協議的條款，訂約雙方同意將該年度上限下調約30%。年度上限的詳情如下：

- NT$21,000,000 (equivalent to approximately HK$5,472,455) for the Advertising Service and NT$21,000,000 (equivalent to approximately HK$5,472,455) for the Products Procurement from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日，廣告服務的年度上限應為新台幣21,000,000元(相當於約5,472,455港元)，產品採購的年度上限應為新台幣21,000,000元(相當於約5,472,455港元)；

- NT$35,000,000 (equivalent to approximately HK$9,120,759) for the Advertising Service and NT$35,000,000 (equivalent to approximately HK$9,120,759) for the Products Procurement from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日廣告服務的年度上限應為新台幣35,000,000元(相當於約9,120,759港元)，產品採購的年度上限應為新台幣35,000,000元(相當於約9,120,759港元)；

- NT$56,000,000 (equivalent to approximately HK$14,593,214) for the Advertising Service and NT$56,000,000 (equivalent to approximately HK$14,593,214) for the Products Procurement from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日廣告服務的年度上限應為新台幣56,000,000元(相當於約14,593,214港元)，產品採購的年度上限應為新台幣56,000,000元(相當於約14,593,214港元)；及

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

8. (Continued)

關連交易及董事於重大合約之權益(續)

8. (續)

- NT$70,000,000 (equivalent to approximately HK$18,241,518) for the Advertising Service and NT$70,000,000 (equivalent to approximately HK$18,241,518) for the Products Procurement from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日廣告服務的年度上限應為新台幣新台幣70,000,000元(相當於約18,241,518港元)，產品採購的年度上限應為70,000,000元(相當於約18,241,518港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)
(附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑新台幣3.8374元)達致)

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As of 31 December 2021, FESS was a controlling shareholder of the Company, and EMIC was the 100% shareholder of FESS. As Focus Media is identified as a related party of EMIC under the laws of Taiwan, the Directors consider that it is appropriate to voluntarily treat Focus Media as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly.

於二零二一年十二月三十一日，遠東倉儲航運為本公司之控股股東，及東森國際為擁有遠東倉儲航運100%股權之股東。由於分眾傳媒根據台灣法律被識別為東森國際之關聯方，董事認為自願將分眾傳媒視為本公司的關連人士並據此遵守上市規則第14A章屬適當。

9. On 22 July 2020, NB China, a direct wholly-owned subsidiary of the Company, entered into the Eastern Global HK Procurement Agreement with Eastern Global Business Hong Kong Co., Ltd. (東森全球事業香港股份有限公司), a company incorporated in Hong Kong with limited liability ("Eastern Global HK").

On 23 October 2020, Taiwan NB entered into the Eastern Global HK Procurement Supplemental Agreement with Eastern Global HK to amend certain terms of the Eastern Global HK Procurement Agreement.

The major terms of the Eastern Global HK Procurement Agreement and the Eastern Global HK Procurement Supplemental Agreement are as follows:

9. 於二零二零年七月二十二日，自然美中國(本公司之直接全資附屬公司與東森全球事業香港股份有限公司)(一間於香港註冊成立之有限公司，「東森全球香港」)訂立東森全球香港採購協議。

於二零二零年十月二十三日，台灣自然美與東森全球香港訂立東森全球香港採購補充協議，以修訂東森全球香港採購協議的若干條款。

東森全球香港採購協議及東森全球香港採購補充協議之主要條款如下：

Nature of transactions
交易性質

During the term of the Eastern Global HK Procurement Agreement, Eastern Global HK may from time to time make wholesale purchase of products from NB China such as food and cosmetic products for on-sale to end customers.
於東森全球香港採購協議期限內，東森全球香港可不時向自然美中國批量採購產品(例如食品及化妝品)，以向終端客戶轉售。

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

9. (Continued)

關連交易及董事於重大合約之權益(續)

9. (續)

Pricing
定價

At 50% to 70% discount to the relevant market retailing price.
較相關市場零售價折讓50%至70%。

Annual Cap
年度上限

Under the Eastern Global HK Procurement Agreement, the parties agreed to annual caps in respect of the aggregate amount of goods to be purchased. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the Eastern Global HK Procurement Supplemental Agreement, the parties agreed to adjust such annual caps downwards by approximately 30%. Details of the annual caps are as follow:
根據東森全球香港採購協議，訂約雙方同意有關將購買的商品總額的年度上限。考慮到COVID-19疫情對營商環境的影響，根據東森全球香港採購協議的條款，訂約雙方同意將該年度上限下調約30%。年度上限的詳情如下：

- HK$5,250,000 from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日應為5,250,000港元；

- HK$10,500,000 from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為10,500,000港元；

- HK$17,500,000 from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為17,500,000港元；及

- HK$26,250,000 from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為26,250,000港元。

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As of 31 December 2021, Eastern Global HK is a wholly-owned subsidiary of Eastern Global. As disclosed in item 5 above, the Directors consider that it is appropriate to voluntarily treat Eastern Global as a connected person of the Company. As such, the Directors consider that it is also appropriate to voluntarily treat Eastern Global HK as a connected person of the Company and to comply with Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Eastern Global HK Procurement Agreement as amended by Eastern Global HK Procurement Agreement constitute continuing connected transactions of the Company.

於二零二一年十二月三十一日，東森全球香港為東森全球的全資附屬公司。如上文第5項所披露，董事認為將東森全球自願視為本公司關連人士乃屬適宜。因此，董事認為將東森全球香港自願視為本公司關連人士亦屬適宜，且符合上市規則第14A章。因此，東森全球香港採購協議(經東森全球香港採購協議修訂)項下擬進行交易構成本公司之持續關連交易。

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

10. On 22 July 2020, Shanghai Natural Beauty Haili Cosmetics Company Limited (上海自然美海麗化妝品有限公司), an indirect wholly-owned subsidiary of the Company ("NB Shanghai"), entered into the Eastern Zhenyu Procurement Agreement with Eastern Zhenyu e-Commerce Company Limited (東森震宇電子商務有限公司), a company incorporated in the PRC with limited liability ("Eastern Zhenyu").

    On 23 October 2020, NB Shanghai entered into the Eastern Zhenyu Procurement Supplemental Agreement with Eastern Zhenyu to amend certain terms of the Eastern Zhenyu Procurement Agreement.

    The major terms of the Eastern Zhenyu Procurement Agreement and the Eastern Zhenyu Procurement Supplemental Agreement are as follows:

關連交易及董事於重大合約之權益(續)

10. 於二零二零年七月二十二日，上海自然美海麗化妝品有限公司(本公司之間接全資附屬公司，「自然美上海」)與東森震宇電子商務有限公司(一間於中國註冊成立之有限公司，「東森震宇」)訂立東森震宇採購協議。

    於二零二零年十月二十三日，自然美上海與東森震宇訂立東森震宇採購補充協議，以修訂東森震宇採購協議的若干條款。

    東森震宇採購協議及東森震宇採購補充協議之主要條款如下：

Nature of transactions

During the term of the Eastern Zhenyu Procurement Agreement, Eastern Zhenyu may from time to time make wholesale purchase of products from NB Shanghai such as food and cosmetic products for on-sale to end customers.

交易性質

於東森震宇採購協議期限內，東森震宇可不時向自然美上海批量採購產品(例如食品及化妝品)，以向終端客戶轉售。

Pricing

At 50% to 70% discount to the relevant market retail price.

定價

較相關市場零售價折讓50%至70%。

Annual Cap

Under the Eastern Zhenyu Procurement Agreement, the parties agreed to the annual caps in respect of the aggregate amount of goods to be purchased. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the Eastern Zhenyu Procurement Supplemental Agreement, the parties agreed to adjust such annual caps downward by approximately 30%. Details of the annual caps are as follow:

年度上限

根據東森震宇採購協議，訂約方同意有關將購買的商品總額的年度上限。考慮到COVID-19疫情對營商環境的影響，根據東森震宇採購補充協議的條款，訂約雙方同意將該年度上限下調約30%。年度上限的詳情如下：

- RMB15,400,000 (equivalent to approximately HK$16,854,547) from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日應為人民幣15,400,000元(相當於約16,854,547港元)；

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

10. (Continued)

關連交易及董事於重大合約之權益(續)

10. (續)

- RMB79,800,000 (equivalent to approximately HK$87,337,200) from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為人民幣79,800,000元(相當於約87,337,200港元)；

- RMB127,400,000 (equivalent to approximately HK$139,433,074) from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為人民幣127,400,000元(相當於約139,433,074港元)；及

- RMB91,000,000 (equivalent to approximately HK$99,595,053) from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為人民幣91,000,000元(相當於約99,595,053港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = RMB0.9137)
(附註：為作説明用途，年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑人民幣0.9137元)達致)

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As of 31 December 2021, Eastern Zhenyu is indirect wholly-owned by Mr. Chao Shih Heng, who is the sole ultimate beneficial owner of Insbro which is holding 22.76% of the issued Shares. As such, Eastern Zhenyu is a connected person of the Company for the purposes of the Listing Rules and the transactions contemplated under the Eastern Zhenyu Procurement Agreement as amended by Eastern Zhenyu Procurement Supplemental Agreement constitute continuing connected transactions of the Company.

於二零二一年十二月三十一日，東森震宇由趙世亨先生間接全資擁有，趙世亨先生為保經之唯一最終實益擁有人，而保經持有22.76%之已發行股份。因此，根據上市規則，東森震宇為本公司之關連人士，且東森震宇採購協議(經東森震宇採購補充協議修訂)項下擬進行交易構成本公司之持續關連交易。

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

11. On 22 July 2020, NB China entered into the Strawberry Procurement Agreement with Strawberry Cosmetics (Services) Limited, a company incorporated in Hong Kong with limited liability ("Strawberry II").

On 23 October 2020, NB China entered into the Strawberry Procurement Supplemental Agreement with Strawberry II to amend certain terms of the Strawberry Procurement Agreement.

The major terms of the Strawberry Procurement Agreement and the Strawberry Procurement Supplemental Agreement are as follows:

關連交易及董事於重大合約之權益(續)

11. 於二零二零年七月二十二日，自然美中國與Strawberry Cosmetics (Services) Limited(一間於香港註冊成立之有限公司，「Strawberry II」)訂立Strawberry採購協議。

於二零二零年十月二十三日，自然美中國與Strawberry II訂立Strawberry採購補充協議，以修訂Strawberry採購協議的若干條款。

Strawberry採購協議及Strawberry採購補充協議之主要條款如下：

Nature of transactions

During the term of the Strawberry Procurement Agreement, Strawberry II may from time to time make wholesale purchase of products from NB China such as food and cosmetic products for on-sale to end customers.

交易性質

於Strawberry採購協議期限內，Strawberry II可不時向自然美中國批量採購產品(例如食品及化妝品)，以向終端客戶轉售。

Pricing

At 50% to 70% discount to the relevant market retailing price.

定價

較相關市場零售價折讓50%至70%。

Annual Cap

Under the Strawberry Procurement Agreement, the parties agreed on the annual caps in respect of the aggregate amount of goods to be purchased. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the Strawberry Procurement Supplemental Agreement, the parties agreed to adjust such annual caps downwards by approximately 30%. Details of the annual caps are as follows:

年度上限

根據Strawberry採購協議，訂約雙方同意有關將購買的商品總額的年度上限。考慮到COVID-19疫情對營商環境的影響，根據Strawberry採購補充協議的條款，訂約雙方同意將該議年度上限下調約30%。建議年度上限的詳情如下：

- HK$5,250,000 from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日應為5,250,000港元；

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

11. (Continued)

- HK$10,500,000 from 1 January 2021 to 31 December 2021;
- HK$17,500,000 from 1 January 2022 to 31 December 2022; and
- HK$26,250,000 from 1 January 2023 to 31 August 2023.

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As disclosed in item 5 above, the Directors voluntarily treat Eastern Home as a connected person of the Company. As of 31 December 2021, since (a) Strawberry II is a direct non-wholly owned subsidiary of Eastern Home owned directly as to 76% of its shareholding by Eastern Home; and (b) the Strawberry Procurement Agreement and the Strawberry Procurement Supplemental Agreement entered into within a short period of time as the other connected transactions disclosed in items 4 to 10, 12 and 13 of this section, the Directors consider that it is also appropriate to voluntarily treat Strawberry II as a connected person of the Company. As such, the transactions contemplated under the Strawberry Procurement Agreement as amended by Strawberry Procurement Supplemental Agreement constitute continuing connected transactions of the Company.

12. On 22 July 2020, Taiwan NB entered into the Eastern Home Franchise Agreement with Eastern Home.

On 23 October 2020, Taiwan NB entered into the Eastern Home Franchise Supplemental Agreement with Eastern Home to amend certain terms of the Eastern Home Franchise Agreement.

關連交易及董事於重大合約之權益(續)

11. (續)

- HK$10,500,000港元 from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為10,500,000港元；
- HK$17,500,000港元 from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為17,500,000港元；及
- HK$26,250,000港元 from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為26,250,000港元。

誠如上文第5項所披露，董事自願將東森得易購視為本公司關連人士。於二零二一年十二月三十一日，由於(a) Strawberry II為東森得易購直接非全資附屬公司，由東森得易購直接擁有其76%股權；及(b) Strawberry採購協議及Strawberry採購補充協議如同本節第4至10、12及13項所披露之其他關連交易於短時期內訂立，董事認為自願將Strawberry II視為本公司關連人士亦屬適當。因此，Strawberry採購協議(經Strawberry採購補充協議修訂)項下擬進行的交易構成本公司的持續關連交易。

12. 於二零二零年七月二十二日，台灣自然美與東森得易購訂立東森得易購加盟協議。

於二零二零年十月二十三日，台灣自然美與東森得易購訂立東森得易購加盟補充協議，以修訂東森得易購加盟協議的若干條款。

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

12. (Continued)

關連交易及董事於重大合約之權益(續)

12. (續)

The major terms of the Eastern Home Franchise Agreement and the Eastern Home Franchise Supplemental Agreement are as follows:

東森得易購加盟協議及東森得易購加盟補充協議之主要條款如下：

Nature of transactions

Taiwan NB agreed to grant Eastern Home a non-exclusive licence to use certain Trademarks in respect of certain skin care products and provide Eastern Home with consultancy services in connection with Eastern Home's operation and management of spa business under the brand name "Natural Beauty". Eastern Home may from time to time make wholesale purchase of Taiwan NB products, and Taiwan NB shall sell such products to Eastern Home at certain discount to relevant retail price for on-sale by Eastern Home.

交易性質

台灣自然美同意授予東森得易購一項非獨家許可權，以就若干護膚品使用商標，並就東森得易購經營及管理「自然美」品牌旗下水療業務向東森得易購提供諮詢服務。東森得易購可不時批量採購台灣自然美產品及台灣自然美將按相關零售價之一定折扣向東森得易購出售該等產品，以由東森得易購進行轉售。

Pricing

Same pricing with other franchisees, which varies from time to time ranging from 50% to 70% discount to the relevant market retailing price.

定價

與其他特許經營商的定價相同，不時會有所不同，較相關市場零售價折讓50%至70%。

Annual Cap

Under the Eastern Home Franchise Agreement, the parties agreed to annual caps in respect of the aggregate amount of goods to be purchased. Given the impacts of the outbreak of COVID-19 on the business landscape, pursuant to the terms of the Eastern Home Franchise Supplemental Agreement, parties agreed to adjust such annual caps downwards by approximately 30%. Details of the annual caps are as follow:

年度上限

根據東森得易購加盟協議，訂約雙方同意有關將購買的商品總額的年度上限。考慮到COVID-19疫情對營商環境的影響，根據東森得易購加盟補充協議的條款，訂約雙方同意將該年度上限下調約30%。年度上限的詳情如下：

- NT$42,000,000 (approximately HK$10,944,911) from 16 November 2020 to 31 December 2020;
- 於二零二零年十一月十六日至二零二零年十二月三十一日應為新台幣42,000,000元(約10,944,911港元)；

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

12. (Continued)

關連交易及董事於重大合約之權益(續)

12. (續)

- NT$140,000,000 (approximately HK$36,483,035) from 1 January 2021 to 31 December 2021;
- 於二零二一年一月一日至二零二一年十二月三十一日應為新台幣140,000,000元(約36,483,035港元);

- NT$245,000,000 (approximately HK$63,845,312) from 1 January 2022 to 31 December 2022; and
- 於二零二二年一月一日至二零二二年十二月三十一日應為新台幣245,000,000(約63,845,312港元);及

- NT$350,000,000 (approximately HK$91,207,588) from 1 January 2023 to 31 August 2023.
- 於二零二三年一月一日至二零二三年八月三十一日應為新台幣350,000,000(約91,207,588港元)。

(Note: For illustration purpose, the annual caps were arrived at based on the exchange rate as disclosed in the circular of the Company dated 30 October 2020, where HK$1.00 = NT$3.8374)
(附註:為作説明用途,年度上限乃基於本公司日期為二零二零年十月三十日之通函所披露的匯率(即1.00港元兑新台幣3.8374元)達致)

Term
期限

From 16 November 2020 to 31 August 2023.
自二零二零年十一月十六日至二零二三年八月三十一日。

As disclosed in item 5 above, the Directors consider that it is appropriate to voluntarily treat Eastern Home as a connected person of the Company and to comply with Chapter 14A of the Listing Rules accordingly. As such, the transactions contemplated under the Eastern Home Franchise Agreement as amended by Eastern Home Franchise Supplemental Agreement constitute continuing connected transactions of the Company.

誠如上文第5項所披露,董事認為自願將東森得易購視為本公司關連人士並就此遵守上市規則第14A章屬適當。因此,東森得易購加盟協議(經東森得易購加盟補充協議修訂)項下擬進行交易構成本公司之持續關連交易。

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

For further details regarding:

(a) the agreements discussed in items 1 through 3 above, please refer to the announcement of the Company dated 16 April 2019 and the circular of the Company dated 17 May 2019;

(b) the agreements discussed in items 4 through 12 above, please refer to the announcements of the Company dated 22 July 2020 and 23 October 2020 and the circular of the Company dated 30 October 2020;

The above transactions are regarded as "continuing connected transactions" and "connected transactions" of the Company pursuant to Chapter 14A of the Listing Rules.

The Group confirms that the above disclosure has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

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

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

關連交易及董事於重大合約之權益(續)

有關：

(a) 上文第1至3項所述協議的進一步詳情，請參閱本公司日期為二零一九年四月十六日的公告及本公司日期為二零一九年五月十七日的通函；

(b) 上文第4至12項所述協議的進一步詳情，請參閱本公司日期為二零二零年七月二十二日及二零二零年十月二十三日的公告及本公司日期為二零二零年十月三十日的通函；

根據上市規則第十四A章，上述交易被視為本公司之「持續關連交易」及「關連交易」。

本集團確認上述披露已符合上市規則第十四A章的披露規定。

獨立非執行董事已確認，上述交易乃於本集團的一般及日常業務過程中訂立(水療業務轉讓協議除外)，其條款不遜於獨立第三方提供予本集團之條款並由本集團經公平磋商後協定及進行，且按一般商務條款及根據監管有關交易之協議條款訂立，而交易條款屬公平合理，且符合本集團及其股東之整體利益。

董事會確認，本集團核數師已確認載於上市規則第14A.56條的事項。

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

Save as disclosed above:

(i) no contracts of significance subsisted to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2021 or at any time during such year; and

(ii) there were no related party transactions of the Group for the year ended 31 December 2021 as set out in note 42 to the consolidated financial statements which need to be disclosed as connected transactions or continuing connected transaction (as the case may be) in accordance with the requirements of the Listing Rules.

關連交易及董事於重大合約之權益(續)

除上文披露者外：

(i) 本公司或其任何附屬公司概無訂立本公司董事直接或間接於其中擁有重大權益，且於截至二零二一年十二月三十一日止年度末或該年內任何時間仍然生效之任何重大合約；及

(ii) 並無任何綜合財務報表附註42所載本集團截至二零二一年十二月三十一日止年度之其他關聯人士交易需要按照上市規則之規定披露為關連交易或持續關連交易(視情況而定)。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

董事於競爭業務的權益

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

EMOLUMENT POLICY

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

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

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 38 to the consolidated financial statements.

酬金政策

本集團僱員之酬金政策由董事會根據僱員之專長、資歷及能力而採納。

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

本公司已採納一項認股權計劃，以獎勵董事及合資格僱員。該計劃之詳情載於綜合財務報表附註38。

PRE-EMPTIVE RIGHTS

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

優先購買權

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

PUBLIC FLOAT

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

公眾持股量

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

AUDITORS

Messrs. Deloitte Touche Tohmatsu, who acted as the auditor of the Company since 9 December 2004, resigned on 31 July 2020 and RSM Hong Kong was appointed as auditor of the Company with effect from 25 August 2020. The consolidated financial statements for the three financial years ended 31 December 2021, 2020 and 2019 have been audited by RSM Hong Kong. RSM Hong Kong will retire and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of RSM Hong Kong will be proposed at the forthcoming annual general meeting of the Company.

核數師

由二零零四年十二月九日開始作為本公司核數師的德勤•關黃陳方會計師行於二零二零年七月三十一日辭任，而羅申美會計師事務所於二零二零年八月二十五日起獲委聘為本公司之核數師。截至二零二一、二零二零年及二零一九年十二月三十一日止三個財政年度的綜合財務報表已經由羅申美會計師事務所審核。羅申美會計師事務所將任滿告退，惟合資格並願意膺選連任。有關續聘羅申美會計師事務所的決議案將於本公司應屆股東週年大會上提呈。

MAJOR EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any major events requiring disclosure that has taken place subsequent to 31 December 2021 and up to the date of this report.

報告期後之重大事項

在二零二一年十二月三十一日後及截至本年報日期期間，董事並不知悉任何須予披露之重大事項。

REVIEW OF AUDITED 2021 ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended 31 December 2021 have been reviewed by the Audit Committee which is of the opinion that such statements comply with the applicable accounting standards, legal requirements and the Listing Rules, and that adequate disclosures have been made.

經審核二零二一年年度財務報表之審閱

本公司截至二零二一年十二月三十一日止年度之經審核綜合財務報表已由審核委員會審閱。審核委員會認為該等報表符合適用的會計準則、法律規定及上市規則，並已作出充分披露。

On behalf of the Board

LEI Chien
Chairperson
Hong Kong
22 March 2022

代表董事會

雷倩
主席
香港
二零二二年三月二十二日

Independent Auditor's Report
獨立核數師報告書

RSM

TO THE SHAREHOLDERS OF
NATURAL BEAUTY BIO-TECHNOLOGY LIMITED
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Natural Beauty Bio-Technology Limited (the "Company") and its subsidiaries (the "Group") set out on pages 113 to 232, which comprise the consolidated statement of financial position as at 31 December 2021, 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 December 2021, 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

致自然美生物科技有限公司股東

(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第113頁至第232頁有關自然美生物科技有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零二一年十二月三十一日的綜合財務狀況報表，與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實和公平地反映了　貴集團於二零二一年十二月三十一日的綜合財務狀況和　貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照《公司條例》的披露規定妥善編製。

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.

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

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. The key audit matters we identified are:

1. Valuation of allowance for obsolete inventories
2. Impairment assessment on trade receivables
3. Impairment assessment of Cash Generating Units (CGUs)

關鍵審計事項

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

1. 陳舊存貨撥備估值
2. 貿易應收賬款減值評估
3. 現金產生單位減值評估

KEY AUDIT MATTERS (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 在審計中對關鍵審計事項的處理方法
1. Valuation of allowance for obsolete inventories **1. 陳舊存貨撥備估值** Refer to note 25 to the consolidated financial statements 請參閱綜合財務報表附註25 The Group's inventories include raw materials and finished goods. The Group has recognised an allowance for obsolete inventories of approximately HK$17.1 million in arriving at a total inventories value of approximately HK$121.0 million as at 31 December 2021. 貴集團存貨包括原材料及製成品。於二零二一年十二月三十一日，貴集團在達致存貨總值約121,000,000港元時，已確認陳舊存貨撥備約17,100,000港元。 As set out in note 5(g) to the consolidated financial statements, the management of the Group reviews inventories on a product-by-product basis at the end of each reporting period and makes allowance for obsolete inventories or slow-moving inventories that are no longer suitable for use in production or trading. The management estimates the net realisable value for such items with reference to the recent selling prices, subsequent sales and the market conditions. 如綜合財務報表附註5(g)所載，貴集團管理層於各報告期間結算日逐項產品審查存貨，並就不再適合用作生產或交易之陳舊或滯銷存貨項目計提撥備。管理層參考近期售價、其後銷售及市場狀況估計該等項目之可變現淨值。 Management was required to exercise significant judgements and estimations in determining the net realisable value and allowance for obsolete inventories. Accordingly, these areas are considered a key audit matter. 管理層須在釐定陳舊存貨之可變現淨值及撥備時作出重大判斷及估計。因此，該等方面被視為關鍵審計事項。	Our audit procedures included: 我們的審計程序包括： • Obtaining an understanding of the management controls over the identification of obsolete inventories and the assessment of their net realisable value; • 瞭解管理層就識別陳舊存貨及評估其可變現淨值之控制方法； • Evaluating the reasonableness of the methods and estimation used in determining the net realisable value of inventories; • 評估就釐定存貨可變現淨值所使用的方法及估值之合理性； • Testing the inventory aging reports generated by the application system and checking to the supporting documents for their accuracy, on a sample basis; and • 測試應用系統所生成的存貨庫齡報告，並就其準確性以抽樣方式檢查支持性文件；及 • Evaluating whether inventories were stated at the lower of cost or net realisable value at the reporting date by comparing the carrying amounts of inventories at reporting date to the sales price of inventories subsequent to the reporting date. • 通過比較報告日期的存貨賬面值與報告日期後的存貨售價來評估於報告日期存貨是否以成本或可變現淨值較低者入賬。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 在審計中對關鍵審計事項的處理方法
2. Impairment assessment on trade receivables **2. 貿易應收賬款減值評估** Refer to note 26 to the consolidated financial statements 請參閱綜合財務報表附註26 The Group has recognised an allowance for credit losses of approximately HK$0.6 million in arriving at net trade receivables of approximately HK$115.2 million as at 31 December 2021. 於二零二一年十二月三十一日， 貴集團在達致貿易應收賬款淨額約115,200,000港元時，已確認信貸虧損撥備約600,000港元。 As set out in note 4(aa) to the consolidated financial statements, the Group always recognises lifetime Expected Credit Losses ("ECL") for trade receivables and estimates the ECL using historical credit loss experience adjusted for factors that are specific to the debtors. 誠如綜合財務報表附註4(aa)所載， 貴集團一直就貿易應收賬款確認存在期預期信貸虧損(「預期信貸虧損」)，並利用過往信貸虧損經驗(按債務人特定因素作出調整)來估計預期信貸虧損。 Management was required to exercise significant judgements and estimations in grouping debtors with similar loss pattern and in determining whether a particular debtor is considered to be in default. The impact of economic factors, both current and future, historical experience and forward-looking factors specific to the debtors were also considered in management's assessment of the likelihood of recovery from customers. Accordingly, these areas are considered a key audit matter. 管理層在對具有相似虧損模式的債務人進行分組，並釐定特定債務人是否被視為違約時須作出重大判斷及估計。在管理層評估自客戶收回款項的可能性時亦考慮了目前及未來經濟因素、過往經驗及債務人特定前瞻性因素的影響。因此，該等方面被視為關鍵審計事項。	Our audit procedures included: 我們的審計程序包括： • Assessing the controls over the monitoring of trade receivables; • 評估關於監控貿易應收賬款之控制方法； • Evaluating the methodologies, inputs and assumptions used by the Group in calculating the ECL allowance; • 評估 貴集團在計算預期信貸虧損撥備時所使用的方法、輸入數據及假設； • Understanding and challenging the judgements made by management in calculating the ECL allowance; • 瞭解並質疑管理層在計算預期信貸虧損撥備時作出的判斷； • Assessing the relevance and reliability of the data used to determine historical loss rates and the appropriateness of any adjustments for forward-looking factors or factors specific to the debtors; and • 評估用於釐定過往虧損率的數據之相關性及可靠性以及就前瞻性因素或債務人特定因素作出任何調整之適當性；及 • Assessing the adequacy of the allowance recorded by reviewing subsequent settlements after the reporting period. • 通過審閱報告期後的後續結算來評估所記錄的撥備是否充足。

KEY AUDIT MATTERS (Continued) 關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 在審計中對關鍵審計事項的處理方法
3. Impairment assessment of Cash Generating Units (CGUs) **3. 現金產生單位減值評估** Refer to note 22 to the consolidated financial statements 請參閱綜合財務報表附註22 As at 31 December 2021, goodwill with total carrying amount of approximately HK$29.6 million was allocated to the Sale of Cosmetic Products in the PRC CGU ("CGU A") and Medical Aesthetics Services in the PRC CGU ("CGU B"). These CGUs are tested for impairment at least annually or whenever there is an impairment indicator by comparing the carrying amounts including goodwill with the respective recoverable amounts of the CGUs. 於二零二一年十二月三十一日，賬面總值約為29,600,000港元的商譽被分配至於中國大陸銷售美容產品之現金產生單位(「現金產生單位A」)及於中國大陸銷售醫療美容服務之現金產生單位(「現金產生單位B」)。該等現金產生單位至少每年或在出現減值跡象時進行減值測試，方法是比較賬面值(包括商譽)與現金產生單位各自的可收回金額。 At 31 December 2021, the result of the Group's CGU A and CGU B impairment assessment concluded that there was no impairment loss for these CGUs. 於二零二一年十二月三十一日， 貴集團現金產生單位A及現金產生單位B減值評估的結果表明，該等現金產生單位不存在減值虧損。 The impairment assessments were based on value in use models and management was required to exercise significant judgements and estimations including sales growth rates, gross profit margin and long-term growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows of the underlying CGUs. Accordingly, these areas are considered a key audit matter. 減值評估乃基於使用價值模型作出，且管理層須作出重大判斷及估計，包括用於估計未來現金流量的銷售增長率、毛利率及長期增長率，以及應用於相關現金產生單位預測未來現金流量的貼現率。因此，該等方面被視為關鍵審計事項。	Our audit procedures included: 我們的審計程序包括： • Understanding and evaluating management's key controls over the impairment assessment process; • 瞭解並評估管理層就減值評估過程的主要控制； • Obtaining and evaluating management's approved cash flow forecasts, testing the mathematical accuracy of the underlying value in use calculations and agreeing them to the approved cash flow forecasts; • 獲得並評估管理層批准的現金流量預測，測試相關使用價值計算的數學準確性以及同意其有關批准的現金流量預測； • Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and • 基於我們對業務及行業的瞭解，對主要假設的合理性提出質疑；及 • Assessing the appropriateness of the discount rates used with the assistance of our internal valuation specialists. • 在我們內部估值專家的協助下，評估所使用的貼現率之適當性。

OTHER INFORMATION

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

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

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

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

其他資料

董事須對其他資料負責。其他資料包括年報內所包含的所有資料，惟綜合財務報表及我們就此發出的核數師報告書除外。

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

在我們審計綜合財務報表時，我們的責任是閱讀其他資料，在此過程中，考慮其他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有重大抵觸或者是否似是有重大錯誤陳述。

基於我們已執行的工作，如果我們的結論是其他資料有重大錯誤陳述，我們需要報告該事實。我們在這方面並無內容可報告。

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

董事就綜合財務報表承擔的責任

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

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

審核委員會協助董事履行監督　貴集團財務報告過程的責任。

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標是合理確定整體而言此等綜合財務報表是否不存在由於欺詐或者錯誤而導致的重大錯誤陳述，並發出包含我們意見的核數師報告書。我們僅向　閣下整體報告我們的意見，且並無其他目的。我們概不會就本報告內容向任何其他人士承擔或負上任何責任。

合理確定屬高層次的核證，但不能擔保根據香港審計準則進行的審計工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估綜合財務報表中由於欺詐或錯誤而導致的重大錯誤陳述風險，因應這些風險設計及執行審計程序，獲取充足及適當的審計證據為我們的意見提供基礎。由於欺詐可能涉及串通、偽造、故意遺漏、誤導性陳述或凌駕於內部監控之上，因此未能發現由此造成的重大錯誤陳述風險比未能發現由於錯誤而導致的重大錯誤陳述的風險更高。

- 瞭解與審計有關的內部監控，以設計適當的審計程序，但並非旨在對　貴集團內部監控的有效性發表意見。

- 評估所採用會計政策是否適當，會計估計及董事作出的相關披露是否合理。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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, action 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適當性作出結論，並根據所獲取的審計證據，確定是否存在與事項或情況有關的重大不確定性，從而可能對　貴集團的持續經營能力產生重大影響。倘若我們總結認為存在重大不確定因素，我們需要在核數師報告書中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂我們的意見。我們的結論是基於截至核數師報告書日期止所取得的審計證據。然而，未來事項或情況可能導致　貴集團不再具有持續經營能力。

- 評估綜合財務報表(包括資料披露)的整體呈報方式、結構及內容，以及綜合財務報表是否已公允地反映及呈報相關交易及事項。

- 就　貴集團內實體或業務活動的財務資料獲取充足適當的審計證據，以就綜合財務報表發表意見。我們須負責指導、監督和執行　貴集團的審計工作。我們須為我們的審計意見承擔全部責任。

我們就審計工作的計劃範圍和時間、在審計過程中的重大發現(包括內部監控的重大缺陷)及其他事項與審核委員會進行溝通。

我們亦向審核委員會作出聲明，確認我們已遵守有關獨立性的相關道德要求，並就所有被合理認為可能影響核數師獨立性的關係和其他事宜以及為消除威脅而採取的行動或相關保障措施(如適用)，與審核委員會溝通。

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. Szeto Tai Shun.

核數師就審計綜合財務報表承擔的責任(續)

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

出具本獨立核數師報告書的審計項目合夥人為司徒大信先生。

RSM Hong Kong
Certified Public Accountants
29th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

22 March 2022

羅申美會計師事務所
執業會計師
香港
銅鑼灣
恩平道28號
利園二期29樓

二零二二年三月二十二日

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度

		Note 附註	**2021 二零二一年 HK$'000 千港元**	2020 二零二零年 HK$'000 千港元
Revenue	收入	8	**487,810**	410,673
Cost of sales	銷售成本		**(181,812)**	(170,248)
Gross profit	**毛利**		**305,998**	240,425
Other income and other gains	其他收益和利得	9	**8,833**	13,475
Impairment losses, net of reversal	減值虧損(扣除撥回)	10	**3,980**	(2,053)
Distribution and selling expenses	分銷及銷售開支		**(181,591)**	(149,839)
Administrative expenses	行政開支		**(83,638)**	(84,221)
Other expenses and other losses	其他開支和損失		**(3,102)**	(7,146)
Profit from operations	**經營溢利**		**50,480**	10,641
Finance costs	融資成本	12	**(1,822)**	(1,658)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	39(a)	**(199)**	–
Profit before tax	**除稅前溢利**		**48,459**	8,983
Income tax expense	所得稅開支	13	**(13,195)**	(1,225)
Profit for the year	**本年度溢利**	14	**35,264**	7,758
Other comprehensive income:	**其他全面收益：**			
Item that will not be reclassified to profit or loss:	*不會被重新分類至損益表之項目：*			
Remeasurement (losses)/gains on defined benefit pension plans	定額福利退休金計劃之重新計量(虧損)／收益		**(673)**	151
Item that may be reclassified to profit or loss:	*可能被重新分類至損益表之項目：*			
Exchange differences on translating foreign operations	換算海外業務產生之匯兑差額		**18,103**	35,528
Other comprehensive income for the year, net of tax	**本年度其他全面收益，扣除稅項**		**17,430**	35,679
Total comprehensive income for the year	**本年度全面收益總額**		**52,694**	43,437

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度

		Note 附註	**2021** **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Profit for the year attributable to:	**以下人士應佔本年度溢利：**			
Owners of the Company	本公司擁有人		**35,264**	7,758
Total comprehensive income for the year attributable to:	**以下人士應佔本年度全面收益總額：**			
Owners of the Company	本公司擁有人		**52,694**	43,437
Earnings per share	**每股盈利**	18		
Basic	基本		**HK cents 1.76** **1.76港仙**	HK cents 0.39 0.39港仙
Diluted	攤薄		**N/A** **不適用**	N/A 不適用

Consolidated Statement of Financial Position
綜合財務狀況報表

At 31 December 2021
於二零二一年十二月三十一日

		Note 附註	2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Non-current assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	19	**335,099**	309,540
Investment properties	投資物業	20	**9,532**	8,817
Right-of-use assets	使用權資產	21	**81,701**	57,037
Goodwill	商譽	22	**29,613**	28,818
Intangible assets	無形資產	23	**5,651**	14,054
Deposits for purchase of property, plant and equipment	購買物業、廠房及設備之按金		**255**	2,982
Deferred tax assets	遞延稅項資產	33	**18,262**	10,243
			480,113	431,491
Current assets	**流動資產**			
Inventories	存貨	25	**120,961**	103,280
Trade and other receivables	貿易及其他應收賬款	26	**131,969**	130,896
Contract costs	合約成本	27	**319**	699
Pledged bank deposits	抵押銀行存款	28	**3,745**	3,628
Bank and cash balances	銀行及現金結存	28	**193,337**	161,978
			450,331	400,481
Current liabilities	**流動負債**			
Trade and other payables	貿易及其他應付賬款	29	**109,777**	123,338
Amount due to related parties	應付關聯方款項	42(b)	**544**	329
Contract liabilities	合約負債	31	**13,552**	11,830
Borrowings	借款	30	**87,801**	54,273
Lease liabilities	租賃負債	32	**7,015**	5,213
Current tax liabilities	即期稅項負債		**19,277**	9,682
			237,966	204,665
Net current assets	**流動資產淨值**		**212,365**	195,816
Total assets less current liabilities	**總資產減流動負債**		**692,478**	627,307

		Note 附註	**2021** **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Non-current liabilities	**非流動負債**			
Borrowings	借款	30	**9,482**	13,254
Lease liabilities	租賃負債	32	**24,776**	2,281
Retirement benefit obligations	退休福利責任	34(b)	**302**	542
			34,560	16,077
NET ASSETS	**資產淨值**		**657,918**	611,230
Capital and reserves	**股本及儲備**			
Share capital	股本	35	**200,210**	200,210
Reserves	儲備		**457,708**	411,020
TOTAL EQUITY	**總權益**		**657,918**	611,230

Approved by the Board of Directors on 22 March 2022 and are signed on its behalf by:

於二零二二年三月二十二日獲董事會批准，並由以下代表簽署：

Dr. LEI Chien
雷倩博士

Mr. PAN Yi-Fan
潘逸凡先生

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

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital 股本 HK$'000 千港元 (note 35) (附註35)	Capital surplus 資本盈餘 HK$'000 千港元 (note 37(b)(i)) (附註37(b)(i))	Share premium 股份溢價 HK$'000 千港元 (note 37(b)(ii)) (附註37(b)(ii))	Statutory reserve 法定儲備 HK$'000 千港元 (note 37(b)(iii)) (附註37(b)(iii))	Translation reserve 匯兑儲備 HK$'000 千港元 (note 37(b)(iv)) (附註37(b)(iv))	Remeasurement of defined benefit pension plans 定額福利退休金計劃重新計量 HK$'000 千港元	Retained earnings 保留溢利 HK$'000 千港元	Total equity 權益總額 HK$'000 千港元
At 1 January 2020	於二零二零年一月一日	200,210	42,554	41,016	179,375	59,643	2,240	42,755	567,793
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	35,528	151	7,758	43,437
Transfer to statutory reserve	轉撥至法定儲備	–	–	–	203	–	–	(203)	–
Changes in equity for the year	本年度權益變動	–	–	–	203	35,528	151	7,555	43,437
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	200,210	42,554	41,016	179,578	95,171	2,391	50,310	611,230
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	18,103	(673)	35,264	52,694
Dividend paid (note 17)	已付股息(附註17)	–	–	(6,006)	–	–	–	–	(6,006)
Transfer to statutory reserve	轉撥至法定儲備	–	–	–	142	–	–	(142)	–
Changes in equity for the year	本年度權益變動	–	–	(6,006)	142	18,103	(673)	35,122	46,688
At 31 December 2021	於二零二一年十二月三十一日	**200,210**	**42,554**	**35,010**	**179,720**	**113,274**	**1,718**	**85,432**	**657,918**

Consolidated Statement of Cash Flows
綜合現金流量表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度

		Note 附註	**2021 二零二一年 HK$'000 千港元**	2020 二零二零年 HK$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動所得之現金流量**			
Profit before tax	除稅前溢利		**48,459**	8,983
Adjustments for:	就下列各項調整：			
Interest income	利息收入		**(2,053)**	(1,742)
Finance costs	融資成本	12	**1,822**	1,658
Depreciation of property, plant and equipment	物業、廠房及設備折舊		**24,527**	25,591
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損		**158**	3,140
Fair value gain on investment properties	投資物業之公平值收益		**(533)**	(379)
Depreciation of right-of-use assets	使用權資產折舊		**9,040**	9,872
Loss/(gain) on disposal of right-of-use assets	出售使用權資產之虧損／(利得)		**37**	(93)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	39(a)	**199**	–
Amortisation of intangible assets	無形資產攤銷		**1,384**	1,797
(Reversal of allowance)/allowance for obsolete inventories	陳舊存貨(撥備撥回)／撥備		**(1,318)**	1,487
Inventories written-off	存貨撇銷		**13,255**	11,059
Impairment loss, net of reversal	減值虧損(扣除撥回)	10	**(3,980)**	2,053
Operating profit before working capital changes	營運資金變動前之經營溢利		**90,997**	63,426
Increase in inventories	存貨增加		**(27,032)**	(24,664)
Decrease in trade and other receivables	貿易及其他應收賬款減少		**6,744**	337
Decrease/(increase) in contract costs	合約成本減少／(增加)		**396**	(230)
Decrease in amount due from related parties	應收關聯方款項減少		**–**	136
(Decrease)/increase in trade and other payables	貿易及其他應付賬款(減少)／增加		**(16,555)**	12,707
Increase/(decrease) in amount due to related parties	應付關聯方款項增加／(減少)		**206**	(61)
Increase/(decrease) in contract liabilities	合約負債增加／(減少)		**1,325**	(16,362)
(Decrease)/increase in retirement benefit obligation	退休福利責任(減少)／增加		**(913)**	41
Cash generated from operations	經營業務所得之現金		**55,168**	35,330
Income tax paid	已付所得稅		**(9,569)**	(4,265)
Interest on lease liabilities	租賃負債利息		**(982)**	(925)
Net cash generated from operating activities	經營活動所得之現金淨額		**44,617**	30,140

		Note 附註	**2021 二零二一年 HK$'000 千港元**	2020 二零二零年 HK$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動所得之現金流量**			
Purchases of property, plant and equipment	購買物業、廠房及設備		**(37,862)**	(71,042)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項		**3,313**	20,072
Increase in deposits for purchase of property, plant and equipment	購買物業、廠房及設備之按金增加		**(251)**	(2,818)
(Increase)/decrease in time deposits with maturities of over three months but less than one year	三個月以上一年以下到期之定期存款(增加)／減少		**(1,252)**	3,160
Disposal of a subsidiary	出售一間附屬公司		**4,846**	–
Interest received	已收利息		**2,049**	1,738
Net cash used in investing activities	投資活動所用之現金淨額		**(29,157)**	(48,890)
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動所得之現金流量**			
Repayment of borrowings	償還借款		**(26,989)**	(6,450)
Borrowings raised	籌集借款		**54,236**	45,226
Principal elements of lease payments	租賃付款的本金部分		**(6,934)**	(8,926)
Bank loan interest paid	已付銀行貸款利息		**(3,885)**	(1,789)
Dividends paid to owners of the Company	已付本公司擁有人股息		**(6,006)**	–
Net cash generated from financing activities	融資活動所得之現金淨額		**10,422**	28,061
NET INCREASE IN CASH AND CASH EQUIVALENTS	**現金及現金等價物增加淨額**		**25,882**	9,311
Effect of foreign exchange rate changes	匯率變動之影響		**4,062**	9,655
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**於一月一日之現金及現金等價物**		**154,522**	135,556
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**於十二月三十一日之現金及現金等價物**		**184,466**	154,522
ANALYSIS OF THE CASH AND CASH EQUIVALENTS	**現金及現金等價物分析**			
Bank and cash balances	銀行及現金結存	28	**193,337**	161,978
Less: Time deposits with maturities of over three months but less than one year	減：三個月以上一年以下到期之定期存款		**(8,871)**	(7,456)
			184,466	154,522

1. GENERAL INFORMATION

Natural Beauty Bio-Technology Limited (the "Company") was incorporated in the Cayman Islands on 29 June 2001 as an exempted company with limited liability. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. The Company's shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 24 to the consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2021, Far Eastern Silo & Shipping (Panama) S.A, Insbro Holdings Limited and Next Focus Holdings Limited are substantial corporate shareholders of the Company.

1. 一般資料

自然美生物科技有限公司(「本公司」)於二零零一年六月二十九日在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處之地址為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands。其主要營業地點為香港皇后大道東183號合和中心54樓。本公司股份在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司是一家投資控股公司。其附屬公司的主要業務載於綜合財務報表附註24。

本公司董事認為，於二零二一年十二月三十一日，遠東倉儲航運(巴拿馬)股份有限公司、保經控股有限公司及Next Focus Holdings Limited為本公司主要企業股東。

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

2. 編製基準

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」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)編製。香港財務報告準則包括香港財務報告準則(「香港財務報告準則」)；香港會計準則(「香港會計準則」)及詮釋。該等綜合財務報表亦符合聯交所證券上市規則之適用披露條文及《公司條例》(第622章)之披露規定。本集團所採納主要會計政策於下文披露。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，該等準則於本集團當前會計期間首次生效或可供提早採納。附註3載列該等綜合財務報表內所反映於當前及過往會計期間因首次應用該等與本集團有關之新訂及經修訂準則而引致之任何會計政策變動的資料。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16
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號的修訂

In addition, the Group has early applied the Amendments to HKFRS 16, COVID-19-Related Rent Concessions beyond 30 June 2021.

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

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, Interest Rate Benchmark Reform – Phase 2

The amendments provide targeted reliefs from (i) accounting for changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities as modifications, and (ii) discontinuing hedge accounting when an interest rate benchmark is replaced by an alternative benchmark rate as a result of the reform of interbank offered rates ("IBOR reform").

The amendments do not have an impact on these financial statements as the Group does not have contracts that are indexed to benchmark interest rates which are subject to the IBOR reform.

3. 採納新訂及經修訂香港財務報告準則

(a) 應用新訂及經修訂香港財務報告準則

編製綜合財務報表時，本集團已首次應用於二零二一年一月一日或之後開始的年度期間強制生效的由香港會計師公會頒佈的香港財務報告準則的如下修訂：

Interest Rate Benchmark Reform – Phase 2

利率基準改革 – 第2階段

此外，本集團已提早應用香港財務報告準則第16號二零二一年六月三十日後新冠疫情相關租金優惠的修訂。

除下文所述者外，於本年度應用香港財務報告準則的修訂並無對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載披露資料造成重大影響。

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號利率基準改革 – 第2階段的修訂

該等修訂提供有關下列方面的針對情況豁免：(i)將釐定金融資產、金融負債及租賃負債的合約現金流量的基準的變動作為修訂進行會計處理；及(ii)由於銀行同業拆息改革(「銀行同業拆息改革」)，當利率基準被替代基準利率取代時，則終止對沖會計處理。

由於本集團並無與基準利率掛鉤且受銀行同業拆息改革規限的合約，因此該等修訂並不對該等財務報表產生影響。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised HKFRSs (Continued)

Amendment to HKFRS 16, COVID-19-Related Rent Concessions

The Group previously applied the practical expedient in HKFRS 16 such that as lessee it was not required to assess whether rent concessions occurring as a direct consequence of the COVID-19 pandemic were lease modifications, if the eligibility conditions are met (see note 4(f)). One of these conditions requires the reduction in lease payments affect only payments originally due on or before a specified time limit. The 2021 amendment extends this time limit from 30 June 2021 to 30 June 2022.

The Group has early adopted the 2021 amendment in this financial year. With the extended time limit, certain rent concessions that were previously ineligible for the practical expedient because of the original time limit, become eligible. Accordingly, these rent concessions, which were previously accounted for as lease modifications, are now accounted for as negative variable lease payments, and are recognised in profit or loss in the period in which the event or condition that triggers those payments occurred (see note 21).

The amendments do not have an impact on the Group's consolidated statement of financial position.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號新冠疫情相關租金優惠的修訂

本集團先前應用香港財務報告準則第16號中的可行權宜之法，故作為承租人，倘符合資格條件，則毋須評估因新冠疫情而直接導致的租金優惠是否屬於租賃修訂(見附註4(f))。其中一項條件要求租賃付款的減少僅影響在指定時限內或之前原訂到期的付款。二零二一年修訂將該時限由二零二一年六月三十日延長至二零二二年六月三十日。

本集團已於本財年提早採納二零二一年修訂本。隨著時間限制的延長，以前因原時間限制而不合資格使用可行權宜之法的若干租金優惠變得符合資格。因此，該等租金優惠(先前入賬列作租賃修改)現在於觸發付款的事件或情況發生的期間於損益表內入賬列作負可變租賃付款確認(見附註21)。

該等修訂並不對本集團綜合財務狀況表產生影響。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) New and revised HKFRSs in issue but not yet effective

Other than the amendments to HKFRS 16, COVID-19-Related Rent Concessions beyond 30 June 2021, the Group has not applied any new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2021. These new and revised HKFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

除香港財務報告準則第16號二零二一年六月三十日後新冠疫情相關租金優惠的修訂外，本集團並無應用已頒佈但尚未於二零二一年一月一日開始之財政年度生效之任何新訂及經修訂香港財務報告準則。該等新訂及經修訂香港財務報告準則包括以下可能與本集團有關之準則。

	Effective for accounting periods beginning on or after **於以下日期或之後開始之會計期間生效**
Amendments to HKFRS 3 Business Combination – Reference to the Conceptual Framework	1 January 2022
香港財務報告準則第3號業務合併－概念框架的提述的修訂	二零二二年一月一日
Amendments to HKAS 16 Property, Plant and Equipment: Proceeds Before Intended Use	1 January 2022
香港會計準則第16號物業、廠房及設備－作擬定用途前的所得款項的修訂	二零二二年一月一日
Amendments to HKAS 37 Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
香港會計準則第37號虧損合約－履行合約之成本的修訂	二零二二年一月一日
Annual Improvements to HKFRSs 2018–2020 Cycle	1 January 2022
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	二零二二年一月一日
Amendments to HKAS 1 Classification of Liabilities as Current or Non-Current	1 January 2023
香港會計準則第1號將負債分類為流動或非流動的修訂	二零二三年一月一日
Amendments to HKAS 1 Presentation of Financial Statements and HKFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies	1 January 2023
香港會計準則第1號呈列財務報表的修訂及香港財務報告準則實務公告第2號作出實質性判斷－披露會計政策	二零二三年一月一日

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

3. 採納新訂及經修訂香港財務報告準則(續)

(b) New and revised HKFRSs in issue but not yet effective (Continued)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

	Effective for accounting periods beginning on or after **於以下日期或之後開始之會計期間生效**
Amendments to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates 香港會計準則第8號會計政策、會計估計變動及錯誤 – 會計估計的定義的修訂	1 January 2023 二零二三年一月一日
Amendments to HKAS 12 Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction 香港會計準則第12號所得稅 – 與從單一交易產生的資產及負債有關的遞延稅項的修訂	1 January 2023 二零二三年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估該等修訂及新訂準則預期於首次應用期間的影響。直到目前為止，本集團認為採納該等修訂及新訂準則預期不會對綜合財務報表產生重大影響。

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. investment properties that are measured at fair value).

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any foreign currency translation reserve relating to that subsidiary.

4. 主要會計政策

除非下述會計政策另有提述(如按公平值計量的投資物業)，否則該等綜合財務報表乃根據歷史成本慣例編製。

綜合財務報表乃遵照香港財務報告準則編製，當中要求使用若干重要會計估計。其亦要求管理層於應用本集團會計政策過程中作出判斷。涉及高度判斷或複雜程度的範疇或對綜合財務報表而言屬重大假設及估計之範疇乃於附註5披露。

編製該等綜合財務報表時應用的重大會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司指受本集團控制的實體。當本集團可承擔或有權享有因參與實體營運而獲得之浮動回報，並有能力透過其權力影響實體的該等回報，則本集團對實體具有控制權。當本集團現有權利令其目前有能力主導相關活動(即對實體回報構成重大影響的活動)，則本集團對該實體擁有權力。

在評估是否擁有控制權時，本集團會考慮潛在表決權以及其他各方所持潛在表決權。潛在表決權僅於持有人擁有實質能力可行使該項權利時方予考慮。

附屬公司在控制權轉移至本集團當日起綜合入賬。附屬公司在控制權終止當日起停止綜合入賬。

因出售一家附屬公司而導致失去控制權的收益或虧損指(i)出售代價公平值加上於該附屬公司任何保留投資公平值與(ii)本公司應佔該附屬公司資產淨值加上與該附屬公司有關的任何餘下商譽及任何外幣匯兌儲備兩者之間的差額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

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

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

4. 主要會計政策(續)

(a) 綜合賬目(續)

集團內之交易、結餘及未變現溢利均予對銷。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值則作別論。附屬公司的會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

於本公司財務狀況報表內，於一家附屬公司之投資乃按成本扣除減值虧損列賬，惟分類為持作待售(或計入分類為持作待售之一組出售組別)之投資除外。

(b) 業務合併及商譽

收購法用於將業務合併中收購一家附屬公司入賬。業務合併中轉讓之代價乃按所獲資產於收購日期之公平值、所發行之股本工具、所產生之負債以及任何或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時，附屬公司之可識別資產及負債均按其於收購日期之公平值計量。

所轉讓代價總額超出本集團應佔附屬公司可識別資產及負債之公平淨值之差額乃列作商譽。本集團應佔可識別資產及負債之公平淨值超出所轉讓代價總額之差額乃於綜合損益內確認為本集團應佔議價購買收益。

對於分階段進行之業務合併，先前已持有之附屬公司之股權乃按其於收購日期之公平值重新計量，而由此產生之損益於綜合損益內確認。公平值會加入至業務合併之所轉讓代價總額以計算商譽。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination and goodwill (Continued)

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollars ("HK$") which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

4. 主要會計政策(續)

(b) 業務合併及商譽(續)

於初步確認後，商譽按成本減累計減值虧損計量。就減值測試而言，於業務合併中所獲商譽會分配至預期將受益於合併協同效應之各現金產生單位(「現金產生單位」)或現金產生單位組別。獲分配商譽之各單位或單位組別指本集團就內部管理目的而監察商譽之最低層次。須就商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。包含商譽之現金產生單位賬面值與可收回金額作比較，可收回金額為使用價值與公平值減出售成本之較高者。任何減值即時確認為開支，且其後不會撥回。

(c) 外幣換算

(i) 功能及呈列貨幣

本集團各實體的財務報表所列項目，均以該實體營運所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表乃以本公司的功能及呈列貨幣港元(「港元」)呈列。

(ii) 各實體財務報表中的交易及結餘

外幣交易於初步確認時採用於交易日期之現行匯率換算為功能貨幣。以外幣呈列的貨幣資產及負債按各報告期間結算日之匯率換算。因此換算政策產生的收益及虧損均於損益確認。

以外幣列值並以歷史成本計量的非貨幣資產及負債乃使用於交易日期適用的外匯匯率換算。交易日期為公司初始確認該非貨幣性資產或負債的日期。按公平值計量並以外幣呈列的非貨幣項目乃按釐定公平值當日之匯率換算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation (Continued)

(ii) Transactions and balances in each entity's financial statements (Continued)

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

4. 主要會計政策(續)

(c) 外幣換算(續)

(ii) 各實體財務報表中的交易及結餘(續)

當非貨幣項目之收益或虧損於其他全面收益確認時，該收益或虧損之任何匯兑部分於其他全面收益確認。當非貨幣項目之收益或虧損於損益確認時，該收益或虧損之任何匯兑部分於損益確認。

(iii) 綜合賬目時換算

本集團旗下所有實體之功能貨幣倘有別於本公司之呈列貨幣，則其業績及財務狀況須按以下方式換算為本公司之呈列貨幣：

- 各財務狀況報表所示資產及負債按該財務狀況報表日期的收市匯率換算；

- 收入及開支按期內平均匯率換算，除非此平均匯率不足以合理概約反映於交易日期現行匯率的累計影響，在此情況下，收入及開支則按交易日期的匯率換算；及

- 所有由此產生的匯兑差額於其他全面收益確認，並於外幣匯兑儲備累計。

於綜合賬目時，因換算為於海外實體投資淨額一部分的貨幣項目而產生的匯兑差額於其他全面收益確認，並於外幣匯兑儲備累計。當出售海外業務時，該等匯兑差額乃重新分類至綜合損益作為出售收益或虧損一部分。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation (Continued)

(iii) Translation on consolidation (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Property, plant and equipment

Property, plant and equipment are held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write-off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

4. 主要會計政策(續)

(c) 外幣換算(續)

(iii) 綜合賬目時換算(續)

因收購海外實體而產生之商譽及公平值調整被視為有關海外實體之資產及負債，並按收市匯率換算。

(d) 物業、廠房及設備

持作生產或供應貨品或服務或行政用途之物業、廠房及設備(除下述在建物業外)。物業、廠房及設備於綜合財務狀況報表按成本減日後累計折舊及日後累計減值虧損(如有)列賬。

僅在與項目相關的未來經濟利益有可能流入本集團並能夠可靠計量項目成本的情況下，其後成本方會計入資產賬面值或確認為獨立資產(視適用情況而定)。所有其他維修及維護成本於其產生期間在損益確認。

物業、廠房及設備以直線法於估計可使用年期內按足以撇銷其成本減去剩餘價值的比率計算折舊。主要年率如下：

Buildings	2.5% – 5%
樓宇	2.5% – 5%
Leasehold improvements	The shorter of the unexpired period of the lease and estimated useful lives of 3–10 years
租賃物業裝修	未屆滿租賃期間及估計可使用年期3至10年(以較短者為準)
Machinery	10% – 20%
機器	10% – 20%
Motor vehicles	12.5% – 20%
汽車	12.5% – 20%
Furniture, fixture and equipment	7% – 50%
傢具、裝置及設備	7% – 50%

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment (Continued)

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress represents buildings under construction and plant and equipment pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(e) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rentals and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment property are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time.

Gains or losses arising from changes in the fair value of investment properties are recognised in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is withdrawn from use. Any gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 4(s) to the consolidated financial statements.

4. 主要會計政策(續)

(d) 物業、廠房及設備(續)

剩餘價值、可使用年期及折舊方法於各報告期間結算日進行檢討及調整(如適用)，而任何估計變動的影響按預期基準入賬。

在建工程指在建樓宇以及待安裝廠房及設備，且按成本扣除減值虧損列賬。折舊於相關資產可供使用時開始計提。

出售物業、廠房及設備的收益或虧損指銷售所得款項淨額與有關資產賬面值兩者之間的差額，並於損益確認。

(e) 投資物業

投資物業是指為了賺取租金及／或為資本增值而以租賃權益擁有或持有之土地及／或樓宇，當中包括就目前尚未確定未來用途而持有的土地及正在興建或發展未來作為投資物業的物業。

投資物業按公平值列賬，除非投資物業於報告期間結算日尚在興建或發展中及其公平值於當時無法可靠計量。

投資物業公平值變動所產生之收益或虧損於產生期間在損益確認。

投資物業於出售或當投資物業之用途撤銷時終止確認。出售投資物業之任何收益或虧損為銷售所得款項淨額與物業賬面值兩者之間的差額，並會在損益確認。投資物業之租金收益按綜合財務報表附註4(s)所述入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) The Group as a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value. 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. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策(續)

(f) 租賃

於合約開始時，本集團會評估該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已識別資產使用的權利，則該合約為或包含租賃。倘客戶有權指示已識別資產的使用及從該使用中獲得絕大部分經濟利益，則表示擁有控制權。

(i) 本集團作為承租人

倘合約包含租賃組成部分及非租賃組成部分，本集團已選擇不分開非租賃組成部分並就所有租賃將各租賃組成部分及任何相關非租賃組成部分作為單一租賃組成部分入賬。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值租賃則除外。當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。與該等尚未資本化的租賃有關的租賃付款於租期內按系統化基準確認為開支。

倘租賃已資本化，則租賃負債初步於租期內按應付租賃付款的現值確認，並使用租賃中隱含的利率進行貼現，或倘該利率無法輕易釐定，則使用相關增量借款利率。於初步確認後，租賃負債按攤銷成本計量，而利息支出則使用實際利率法計算。不取決於指數或利率的可變租賃付款並不計入租賃負債的計量，故於其產生的會計期間自損益扣除。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) The Group as a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets 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, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for the right-of-use assets that meet the definition of investment property are carried at fair value in accordance with note 4(e).

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

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

4. 主要會計政策(續)

(f) 租賃(續)

(i) 本集團作為承租人(續)

於租賃資本化時確認的使用權資產初步按成本計量，當中包括租賃負債的初步金額加任何於開始日期或之前作出的租賃付款及所產生的任何初步直接成本。在適用的情況下，使用權資產成本亦包括拆卸及移除相關資產或將相關資產或相關資產所在地復原的成本估計，按其現值貼現並扣減任何已收租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬，惟根據附註4(e)符合按公平值列賬的投資物業定義的使用權資產除外。

本集團合理確定於租期結束時獲得相關租賃資產擁有權的使用權資產自開始日期起至可使用年期結束止計提折舊。否則，使用權資產於其估計可使用年期及租期兩者中的較短者按直線法計提折舊。

已支付可退還租賃按金根據香港財務報告準則第9號入賬，初步按公平值計量。初步確認時對公平值的調整被視為額外租賃付款，並計入使用權資產的成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) The Group as a lessee (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the COVID-19 pandemic and which satisfied the conditions set out in paragraph 46B of HKFRS 16. In such cases, the Group took advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

(ii) The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

4. 主要會計政策(續)

(f) 租賃(續)

(i) 本集團作為承租人(續)

倘未來租賃付款因指數或利率變動而出現變動，或本集團剩餘價值擔保項下預期應付的金額估計出現變動，或因重新評估本集團是否將合理確定行使購買、延長或終止選擇權而產生變動，則重新計量租賃負債。倘租賃負債以此方式重新計量，則對使用權資產的賬面值作出相應調整，或倘使用權資產的賬面值已調減至零，則於損益內列賬。

當租賃範疇發生變化或租賃合約原先並無規定的租賃代價發生變化(「租賃修訂」)，且未作為單獨的租賃入賬時，則亦對租賃負債進行重新計量。在此情況下，租賃負債根據經修訂的租賃付款及租賃期限，使用經修訂的貼現率在修訂生效日重新計量。唯一例外情況為因新冠疫情而直接產生的任何租金優惠，且其符合香港財務報告準則第16號第46B段所載的條件。在該等情況下，本集團利用不評估租金優惠是否屬於租賃修改的實務變通之法，並於觸發租金優惠的事件或條件發生期間於損益內按負租賃付款確認代價變動。

(ii) 本集團作為出租人

倘本集團擔任出租人，則於租賃開始時釐定各租賃是否為融資租賃或經營租賃。倘租賃將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人，則分類為融資租賃。倘不屬於以上情況，則租賃分類為經營租賃。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

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

Amortisation of intangible assets is charged to profit or loss on a straight-line basis over their estimated useful lives as follows:

Practice Licence of Medical Institution 醫療機構執業許可證	10 years 10年

The period and method of amortisation are reviewed annually.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. 主要會計政策(續)

(g) 無形資產

於業務合併中收購之無形資產

於業務合併中收購之無形資產於符合無形資產之定義及能可靠計量其公平值時與商譽分開識別及確認。該等無形資產之成本為彼等於收購日期之公平值。

於初步確認後，於業務合併中收購之無形資產按與單獨收購之無形資產相同之基準，以成本減累計攤銷及累計減值虧損呈報。

無形資產攤銷於其估計可使用年期內以直線法自損益扣除：

攤銷年期及方法均會每年予以審閱。

(h) 存貨

存貨以成本及可變現淨值較低者入賬。成本使用加權平均基準釐定。製成品及在製品的成本包括原材料、直接勞工及所有生產經常性開支的適當部分以及(如適用)分包費用。可變現淨值按日常業務過程中之估計銷售價減估計完成成本及進行銷售估計所需成本計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory, property, plant and equipment or intangible assets.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Incremental costs of obtaining a contract are capitalised when incurred if the costs are expected to be recovered, unless the expected amortisation period is one year or less from the date of initial recognition of the asset, in which case the costs are expensed when incurred. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract. Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

4. 主要會計政策(續)

(i) 其他合約成本

其他合約成本是取得客戶合約之遞增成本或履行客戶合約之成本，其並無資本化為存貨、物業、廠房及設備或無形資產。

取得合約之遞增成本是本集團為取得客戶合約而產生之該等成本，倘並無取得合約則不會產生該等成本。倘預期將可收回成本，取得合約之遞增成本於產生時資本化，惟除非預期攤銷期為自資產初步確認之日起一年或一年以下，則成本於產生時支銷。取得合約之其他成本於產生時支銷。

倘成本直接與現有合約或可特別認定的預計合約有關；產生或增加日後將用於提供貨品或服務的資源；及預期將被收回，完成合約的成本會資本化。直接與現有合約或可特別認定的預計合約有關的成本可能包括直接勞工、直接材料、費用分攤、可明確向客戶收取的成本及僅因本集團訂立合約而產生的其他成本。完成合約的其他成本(未資本化為存貨、物業、廠房及設備或無形資產)於產生時支銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Other contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised.

(j) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognised the related revenue. In such cases, a corresponding receivable would also be recognised.

(k) Recognition and derecognition of financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

4. 主要會計政策(續)

(i) 其他合約成本(續)

資本化合約成本按成本減累計攤銷及減值虧損列賬。當合約成本資產的賬面值超過(i)本集團預期因交換資產相關貨品或服務而將收取的代價餘額減(ii)尚未確認為開支的直接與提供該等貨品或服務相關的任何成本的淨額時，確認減值虧損。

資本化合約成本攤銷於確認資產相關收入時自損益扣除。

(j) 合約負債

當客戶在本集團確認相關收入前支付代價，則確認合約負債。倘本集團在確認相關收入前有無條件收取代價之權利，亦會確認合約負債。在此情況下，亦會確認相應之應收賬款。

(k) 確認及終止確認金融工具

當本集團旗下實體成為工具合約條文之訂約方時，便會於綜合財務狀況報表確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」)之金融資產及金融負債除外)直接產生之交易成本乃於初步確認時在金融資產或金融負債(視何者適用)之公平值計入或扣除。收購按公平值計入損益之金融資產或金融負債直接產生之交易成本即時於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Recognition and derecognition of financial instruments (Continued)

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(l) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

- Amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

4. 主要會計政策(續)

(k) 確認及終止確認金融工具(續)

本集團僅會於資產之現金流量合約權利屆滿時，或當本集團轉讓金融資產且有關資產擁有權之絕大部分風險及回報已轉移予另一實體時，終止確認有關金融資產。倘若本集團並無轉移或保留擁有權之絕大部分風險及回報，並繼續控制所轉讓資產，則本集團就可能需支付之金額確認資產及相關負債之保留權益。倘若本集團保留已轉讓金融資產擁有權之絕大部分風險及回報，則本集團將繼續確認有關金融資產，並就已收取所得款項確認有抵押借款。

本集團於(及僅於)其責任已被解除、註銷或屆滿時，終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價(包括已轉讓的任何非現金資產或所承擔的負債)之間的差額，乃於損益確認。

(l) 金融資產

所有正常途徑買賣的金融資產以交易日作為確認和終止確認基礎。正常途徑買賣是指須按一般市場規定或慣例在一定期間內交付資產的金融資產買賣。所有已確認金融資產其後根據該項金融資產的分類以其整體按攤銷成本或公平值計量。

債務投資

本集團持有的債務投資分類為以下其中一個計量類別：

- 攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為獲取本金及利息付款。投資所得利息收入乃使用實際利率法計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial assets (Continued)

Debt investments (Continued)

Debt investments held by the Group are classified into one of the following measurement categories: (Continued)

- Fair value through other comprehensive income ("FVTOCI") – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses ("ECLs"), interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

- FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

4. 主要會計政策(續)

(I) 金融資產(續)

債務投資(續)

本集團持有的債務投資分類為以下其中一個計量類別：(續)

- 按公平值計入其他全面收益(「按公平值計入其他全面收益」)– 可劃轉，倘投資之合約現金流量僅包括本金及利息付款，並且按目標為收回合約現金流量及銷售之業務模式持有投資。公平值之變動於其他全面收益確認，惟預期信貸虧損(「預期信貸虧損」)、利息收入(按實際利率法計算)及匯兑收益及虧損則於損益確認。於終止確認該投資時，於其他全面收益累計之金額由權益轉入損益。

- 按公平值計入損益，倘投資不符合按攤銷成本計量或按公平值計入其他全面收益(可劃轉)之標準。投資(包括利息)之公平值變動於損益確認。

股本投資

於股本證券之投資被分類為按公平值計入損益，除非有關股本投資並非以買賣目的而持有且於初步確認投資時，本集團選擇指定投資按公平值計入其他全面收益(不可劃轉)，因此，其後公平值變動於其他全面收益確認。該等選擇以個別工具基準作出，並僅於發行人認為投資符合股本定義時方可能作出。作出該選擇後，於其他全面收益累計之金額仍將保留在公平值儲備(不可劃轉)直至出售投資為止。於出售時，於公平值儲備(不可劃轉)累計之金額轉入保留溢利，且不會轉入損益。股本證券投資(不論分類為按公平值計入損益或按公平值計入其他全面收益)之股息於損益確認為其他收益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs.

(o) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out in notes (p) to (r) below.

(p) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. 主要會計政策(續)

(m) 貿易及其他應收賬款

應收賬款於本集團有無條件權利收取代價時予以確認。倘代價到期支付前只須時間流逝，則收取代價的權利為無條件。如收入在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產。

應收賬款使用實際利率法按攤銷成本減信貸虧損備撥列賬。

(n) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放在銀行及其他金融機構之活期存款，以及可隨時兑換作確定數目現金之短期高流通投資，該等投資之到期日為獲得日期起三個月內，且價值變動風險不大。現金及現金等價物已評估預期信貸虧損。

(o) 金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及香港財務報告準則有關金融負債及股本工具之定義進行分類。股本工具指證明於扣減本集團之所有負債後於其資產中餘下權益之任何合約。就特定金融負債及股本工具採納之會計政策載列於下文附註(p)至(r)。

(p) 借款

借款初步按公平值扣除所產生交易成本確認，其後則以實際利率法按攤銷成本計量。

除非本集團有無條件權利，可將負債的償還日期押後至報告期後至少12個月，否則借款分類為流動負債。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(r) Equity instruments

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

(s) Revenue and other income

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from the sale of skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus directly to the franchisees or other distributors is recognised when control of the goods has transferred, being when the goods have been shipped to the distributors and franchisees' specific locations (delivery). Following delivery, the franchisee has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the franchisee as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

4. 主要會計政策(續)

(q) 貿易及其他應付賬款

貿易及其他應付賬款初步按公平值確認，其後則以實際利率法按攤銷成本計量，除非貼現影響輕微，在該情況下按成本列賬。

(r) 股本工具

股本工具指能證明在實體之資產擁有剩餘權益(已扣除其所有負債)之任何合約。本公司發行之股本工具按已收取之所得款項經扣除直接發行成本後列賬。

(s) 收入及其他收益

收入於產品或服務控制權按本集團預期有權獲取之承諾代價金額(不包括代第三方收取之金額)轉讓予客戶時確認。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

直接向加盟商或其他分銷商銷售護膚產品、美容及精油產品、健康食品、化妝品及美容儀器之收入於貨品控制權轉讓時(即貨品運至分銷商及加盟商指定地點(交付)時)確認。於交付後，加盟商可全權酌情決定銷售貨品的分銷方式及價格，並承擔銷售貨品之主要責任及與貨品相關的陳舊及損失風險。本集團於貨品交付予加盟商時確認應收賬款，因為此乃收取代價的權利成為無條件的時間點，因付款到期前僅需時間流逝。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Revenue and other income (Continued)

Under the Group's contract terms, franchisees have a right of return or exchange of goods within an agreed period and amount. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned or exchanged. At the same time, the Group has a right to recover the product when customers exercise their right of exchange or return so consequently recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of exchanges and returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of exchanges or returns over previous years.

Revenue from the sale of skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus through retail outlet is recognised when control of the goods has transferred, being at the point the customer purchases the products at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the products.

Revenue from skin treatment, beauty and spa services through its self-owned spas and medical cosmetology services through its self-owned medical beauty clinics is recognised over time as the customers of the Group simultaneously receive and consume the benefits provided by the Group's performance as the Group performs. The progress towards complete satisfaction of a performance obligation is measured based on an output method, which recognises revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of the services.

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI income (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

4. 主要會計政策(續)

(s) 收入及其他收益(續)

根據本集團的合約條款，加盟商有權在協定的期限及金額內退貨或換貨。於銷售時，會就預期將退貨或換貨的該等產品確認退款負債及相應的收入調整。同時，當客戶行使其換貨或退貨權時，本集團有權收回產品，因此確認退貨資產權及對銷售成本之相應調整。本集團利用其積累的過往經驗以預期價值法估計組合層面的換貨及退貨次數。鑒於過往年度的換貨或退貨水平穩定，累計已確認收入極有可能不會出現重大撥回。

透過零售店銷售護膚產品、美容及精油產品、健康食品、化妝品及美容儀器之收入於貨品控制權轉讓時(即客戶在零售店購買產品時)確認。交易價格付款於客戶購買產品時立即支付。

透過其自資經營水療中心提供肌膚護理、美容及水療服務以及透過其自資經營醫療美容診所提供醫療美容服務之收入隨時間確認，乃由於本集團履約時，本集團客戶同時收取及耗用由本集團履約所帶來的利益。完成履約義務的進度按產出法計量，即根據直接計量迄今轉移至客戶的服務價值相對於合約項下承諾的剩餘服務來確認收入，其最能說明本集團在轉移服務控制權方面的表現。

利息收入於應計時使用實際利率法確認。就按攤銷成本或按公平值計入其他全面收益(可劃轉)計量且並無出現信貸減值之金融資產而言，實際利率適用於資產之賬面總值。就出現信貸減值之金融資產而言，實際利率適用於資產之攤銷成本(即扣除虧損撥備的賬面總值)。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Revenue and other income (Continued)

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

(t) Research and development expenditure

Expenditure on research activities is recognised as expenses in the period in which it is incurred.

(u) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

Obligation for contributions to the local government of the People's Republic of China (the "PRC") defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC are recognised as an expense in profit or loss as incurred.

4. 主要會計政策(續)

(s) 收入及其他收益(續)

經營租賃的應收租金收益於租期所涵蓋的期間內按分期等額於損益確認，惟出現另一個能更清楚地反映租賃資產所得利益之基準除外。

(t) 研發支出

研究活動支出在其產生之期間被確認為開支。

(u) 僱員福利

(i) 僱員應享假期

僱員應享年假及長期服務假期於賦予僱員時確認。截至報告期間結算日已就僱員因所提供服務享有的年假及長期服務假期的估計負債作出撥備。

僱員應享之病假及產假將於正式休假時方可確認。

(ii) 退休金責任

本集團設有多項僱員離職後計劃，包括定額福利及定額供款退休金計劃。

本集團向所有僱員適用之定額供款退休計劃供款。本集團及僱員向有關計劃作出之供款乃根據僱員之基本薪金的百分比計算。自損益扣除之退休福利計劃成本乃指本集團應付予基金之供款。

根據中華人民共和國(「中國」)有關勞動規則和法規對中國地方政府定額供款退休計劃供款的責任，於產生時在損益中確認為開支。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits (Continued)

(ii) Pension obligations (Continued)

For the defined benefit retirement plans, the liability (asset) recognised in the consolidated statement of financial position is the present value of the defined benefit obligation less the fair value of plan assets. When there is a surplus in a defined benefit plan, the net defined benefit asset is measured at the lower of the surplus in the defined benefit plan and the asset ceiling. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. If there is no deep market in such bonds, the market rates on government bonds denominated in that currency are used.

Remeasurements of the net defined benefit liability (asset) – which include actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)) – are recognised in other comprehensive income in the period in which they arise and will not be reclassified to profit or loss. Service costs and net interest on the net defined benefit liability (asset) are recognised immediately in profit or loss.

4. 主要會計政策(續)

(u) 僱員福利(續)

(ii) 退休金責任(續)

於綜合財務狀況報表就定額福利退休計劃確認的負債(資產)為定額福利債務現值減計劃資產的公平值。如定額福利計劃有盈餘，則定額福利資產淨值按定額福利計劃盈餘與資產上限之間的較低者計量。定額福利債務每年由獨立精算師採用預期單位信貸法計算。定額福利債務的現值通過採用優質公司債券的息率貼現估計未來現金流出釐定，該等債券乃以將予支付福利的貨幣計值，且屆滿年期與相關退休金責任的年期相若。倘有關債券並無交投活躍的市場，則採用以該貨幣計值的政府債券的市場息率。

重新計量定額福利負債(資產)淨額(包括精算盈虧；計劃資產回報(不包括定額福利負債(資產)淨額的利息淨額所包含的金額)；以及資產上限變動之影響(不包括定額福利負債(資產)淨額的利息淨額所包含的金額))於產生期間在其他全面收益確認，並將不會重新分類至損益。定額福利負債(資產)淨額的服務成本及利息淨額即時於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits (Continued)

(ii) Pension obligations (Continued)

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

(v) Share-based payments

The Group issues equity-settled share-based payments to certain employees and others providing similar services. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

4. 主要會計政策(續)

(u) 僱員福利(續)

(ii) 退休金責任(續)

利息淨額按期初定額福利負債或資產淨額的貼現率計算。然而，倘本集團於計劃修訂、削減或結算前重新計量定額福利負債或資產淨額，本集團將於計劃修訂、削減或結算後使用計劃及計劃資產所提供利益釐定計劃修訂、削減或結算後剩餘年度報告期間的利息淨額以及重新計量該定額福利負債或資產淨額所使用的貼現率，並計及期內因供款或福利付款而產生的定額福利負債或資產淨額的任何變動。

(iii) 終止服務福利

終止服務福利在以下兩種情況中以較早發生的日期時確認：當本集團不可撤回該等福利的要約，及當本集團確認重組成本並涉及支付終止服務福利。

(v) 以股份為基礎之付款

本集團向若干僱員及提供類似服務的其他人士發行以股本結算以股份為基礎付款。以股本結算以股份為基礎付款乃按股本工具於授出日期之公平值計量(撇除非市場歸屬條件之影響)。公平值乃於以股本結算以股份為基礎付款之授出日期釐定，並根據本集團估計最終歸屬股份按歸屬期和就非市場歸屬條件之影響作出調整以直線法支銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Borrowing costs

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

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation on rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Any specific borrowing that remain outstanding after the related asset is ready for its intend use or sales included in the general borrowing pool for calculation of capitalisation rate on general borrowing.

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

(x) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

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

4. 主要會計政策(續)

(w) 借款成本

直接用於購買、興建或生產合資格資產(即需待頗長時間方可達致其擬定用途或出售之資產)之借款成本，一律撥充作為該等資產之部分成本，直至該等資產大致上可作擬定用途或出售為止。特定借款於用作合資格資產開支前之臨時投資所賺取之投資收入於合資格資本化之借款成本中扣減。

倘借入資金之一般目的及用途為獲取合資格資產，合資格資本化之借款成本金額則採用資本化率計算該項資產開支之方法釐定。資本化率為適用於本集團該期間未償還借款之借款成本的加權平均值(為獲得合資格資產之特別借款除外)。任何於相關資產可作擬定用途或出售之後仍未償還的任何特別借款於計算一般借款的資本化率時計入一般借款池。

所有其他借款成本均於產生期間在損益內確認。

(x) 政府補助金

在能夠合理保證本集團將符合政府補助金所附帶之條件及將會獲取補貼時，本集團確認政府補助金。

本集團將可收取作為開支或已產生虧損之補償之政府補助金，或為了提供即時財務援助予本集團且並無日後相關成本之政府補助金，於其可予收取期間在損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

4. 主要會計政策(續)

(y) 稅項

所得稅指即期稅項及遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度之應課稅或可扣減收入或開支項目，亦不包括毋須課稅或可扣減之項目，故與在損益確認的溢利不同。本集團即期稅項負債按報告期間結算日已頒佈或實際上已頒佈稅率計算。

遞延稅項乃就綜合財務報表之資產及負債賬面值與計算應課稅溢利時作相應稅基用途之資產及負債賬面值兩者之間的差額確認。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產在很可能取得應課稅溢利而令可扣減暫時差額、未動用稅項虧損或未動用稅項抵免得以運用之情況下確認。如自商譽或於初步確認(業務合併除外)交易之其他資產及負債時產生暫時差額不影響應課稅溢利或會計溢利，則有關資產及負債不予確認。

本集團會就附屬公司投資產生之應課稅暫時差額確認遞延稅項負債，惟如本集團能控制有關暫時差額之撥回，且暫時差額可能不會於可見未來撥回則除外。

本集團會於各報告期間結算日檢討遞延稅項資產之賬面值予以調低，以不再可能取得足夠之應課稅溢利可供收回全部或部分資產為限。

遞延稅項乃按於報告期間結算日已頒佈或實際上已頒佈之稅率，按預期於清償負債或變現資產期間應用之稅率計算。遞延稅項乃於損益中確認，惟倘遞延稅項與在其他全面收益確認或直接於權益確認的項目有關時，則在此情況下亦會於其他全面收益或直接於權益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Taxation (Continued)

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and are held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties is measured based on the expected manner as to how the properties will be recovered.

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

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

4. 主要會計政策(續)

(y) 稅項(續)

遞延稅項資產及負債之計量反映本集團預期於報告期間結算日收回或償還資產及負債賬面值產生之稅務後果。

就計量遞延稅項而言，利用公平值模式計量之投資物業之賬面值乃假設通過銷售收回，除非該假設被推翻則除外。當投資物業可予折舊及於本集團之業務模式(其業務目標是隨時間流逝而非透過銷售消耗投資物業所包含之絕大部分經濟利益)內持有時，有關假設會被推翻。倘有關假設被推翻，該等投資物業之遞延稅項則按物業預期之收回方式計量。

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

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將香港會計準則第12號規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債之暫時差額並未於初步確認時於租期內確認。

當有可依法強制執行的權利將即期稅項資產與即期稅項負債抵銷，而其與同一稅務機構徵收的所得稅相關時，則可將遞延稅項資產與負債抵銷，且本集團擬按淨額基準結算其即期稅項資產及負債。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Taxation (Continued)

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

(z) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount 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. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. 主要會計政策(續)

(y) 稅項(續)

在評估所得稅處理方法的任何不確定性時，本集團考慮相關稅務機構是否可能接受獨立組別實體於其所得稅備案內所使用或擬使用的不確定稅項處理方法。若屬可能，即期及延遞稅項會按與所得稅備案一致的稅項處理方法釐定。若相關稅務機構不可能接受不確定稅項處理方法，各不確定性的影響會使用最近似金額或預期價值反映。

(z) 非金融資產減值

具有無限可使用年期或尚未可供使用的無形資產每年及每當有事件發生或環境出現變化顯示賬面值可能不可收回時檢討有否減值。

其他非金融資產之賬面值於各報告日期評估有無減值跡象，倘資產已減值，則作為開支透過綜合損益表撇減至其估計可收回金額。可收回金額就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組別之現金流入除外。在此情況下，可收回金額就資產所屬之現金產生單位釐定。可收回金額按個別資產或現金產生單位之使用價值與公平值減出售成本兩者中之較高者計算。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間價值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

現金產生單位減值虧損首先就該單位之商譽進行分配，然後按比例在現金產生單位其他資產間進行分配。因估計變動而造成其後可收回金額增加將撥回減值計入損益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets

The Group recognises a loss allowance for ECLs on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

4. 主要會計政策(續)

(aa) 金融資產減值

本集團就貿易應收賬款的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新以反映信貸風險自各金融工具初步確認以來的變動。

本集團一直就貿易應收賬款確認存續期預期信貸虧損。該等金融資產之預期信貸虧損基於本集團過往信貸虧損經驗、根據債務人特定因素、整體經濟狀況及於報告日期對當前狀況及未來狀況預測評估(包括貨幣時間價值，倘適用)調整之撥備矩陣進行估計。

就所有其他金融工具而言，本集團於初步確認以來信貸風險大幅增加時確認存續期預期信貸虧損。然而，倘金融工具信貸風險自初步確認以來並無大幅增加，本集團按相等於12個月預期信貸虧損之金額計量金融工具之虧損撥備。

存續期預期信貸虧損指於金融工具之預計年期內所有可能違約事件而產生的預期信貸虧損。相較之下，12個月預期信貸虧損指於報告日期後12個月內因可能發生的金融工具違約事件而預期產生的部分存續期預期信貸虧損。

信貸風險顯著增加

評估金融工具的信貸風險是否自初步確認以來顯著增加時，本集團比較金融工具於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險。作出該評估時，本集團會考慮合理及可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力即可得的前瞻性資料。所考慮的前瞻性資料包括本集團債務人所處行業的未來前景資料(來自經濟專家報告、財經分析員、政府機構、相關智庫和其他類似組織)，以及與本集團核心業務相關實際及預測經濟資料之多個外部來源的考慮因素。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

信貸風險顯著增加(續)

具體而言，評估信貸風險是否自初步確認以來顯著增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸測評的實際或預期顯著惡化；
- 特定金融工具的信貸風險的外部市場指標顯著惡化；
- 業務、財務或經濟情況目前或預期將有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 同一債務人其他金融工具之信貸風險大幅增加；
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30日，則金融資產的信貸風險自初步確認以來顯著增加，除非本集團有能説明信貸風險並無顯著增加的合理及可靠資料，則作別論。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) the financial instrument has a low risk of default;

(ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

信貸風險顯著增加(續)

儘管有上述規定，若於報告日期金融工具被判定為具有較低信貸風險，本集團會假設金融工具信貸風險自初步確認以來並無顯著增加。在下列情況下，金融工具會被判定為具有較低信貸風險：

(i) 金融工具具有較低違約風險；

(ii) 債務人有很強的能力履行近期的合約現金流量責任；及

(iii) 經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量責任的能力。

本集團認為，根據眾所周知的定義，若金融資產的外部信貸評級為「投資級」或在外部評級並不適用的情況下資產之內部評級為「表現良好」，則該資產具有低信貸風險。表現良好指對手方具備穩健的財務狀況及並無逾期款項。

本集團定期監察識別信貸風險是否顯著增加所用標準的有效性，並酌情修訂以確保該標準能夠在賬款逾期前識別信貸風險的大幅增加。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; or

4. 主要會計政策(續)

(aa) 金融資產減值(續)

違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗顯示符合以下任何一項條件之應收賬款一般無法收回。

- 對手方違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向其債權人(包括本集團)全額還款(不計及本集團持有的任何抵押品)。

無論上述分析如何，本集團認為，倘金融資產逾期超過90日，則已發生違約事件，除非本集團有能説明更寬鬆的違約標準更為合適的合理可靠資料，則作別論。

信貸減值金融資產

當已發生一件或以上事件對金融資產的估計未來現金流量產生不利影響時，則該金融資產信貸已減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- 發行人或對手方出現重大財務困難；
- 違約，例如：拖賬或逾期事件；
- 對手方的貸款人出於與對手方財務困難相關的經濟或合約原因，而向對手方授予貸款人原本不會考慮的優惠；或

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets (Continued)

Credit-impaired financial assets (Continued)

- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written-off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

信貸減值金融資產(續)

- 對手方未來可能破產或進行其他財務重組；或

- 該金融資產因財務困難而失去活躍市場。

撇銷政策

當有資料指出債務人陷入嚴重財務困難及沒有實際可回收的可能(包括債務人已遭清盤或已進入破產程序)時，或就貿易應收賬款而言，當有關金額逾期超過兩年(以較早者發生為準)，本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施執行行動，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

預期信貸虧損的計量及確認

預期信貸虧損的計量的依據為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率的依據為按上述前瞻性資料調整的過往數據。至於違約風險，就金融資產而言，其於資產於報告日期之賬面總值中反映。

就金融資產而言，預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預計收取的所有現金流量(按原實際利率貼現)之間的差額估算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Impairment of financial assets (Continued)

Measurement and recognition of ECL (Continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(ab) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(ac) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

預期信貸虧損的計量及確認(續)

倘本集團於上個報告期間以相等於存續期預期信貸虧損的金額計量一項金融工具的虧損撥備，但於本報告日期釐定該存續期預期信貸虧損的條件不再符合，則本集團於本報告日期按相等於12個月預期信貸虧損的金額計量虧損撥備，惟使用簡化法計算之資產除外。

本集團藉由透過虧損撥備賬調整所有金融工具的賬面值於損益中確認其減值收益或虧損。

(ab) 撥備及或然負債

如果本集團目前須就已發生的事件承擔法定或推定責任，並可能需要流出經濟利益以清償有關責任，且可作出可靠估計，本集團便會就不確定時間或金額之負債確認撥備。如果貨幣時間價值重大，有關撥備則按預計清償責任所需支出的現值列賬。

倘經濟利益流出之可能性較低，或無法可靠估計有關金額，則披露該責任為或然負債，惟經濟利益流出之機會極微者除外。可能責任須視乎一宗或多宗日後事件是否發生方可確認及披露為或然負債，惟經濟利益流出之可能性極微者除外。

(ac) 報告期後事項

為本集團於報告期間結算日之狀況提供額外資料之報告期後事項均屬於調整事項，並於綜合財務報表內反映。倘並非調整事項的報告期後事項屬重大時，則於綜合財務報表附註中披露。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) Distinction between investment properties and owner-occupied properties

Some properties comprise a portion that is held to earn rentals and another portion that is held for use in the production of goods. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the production of goods. Judgement is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Group considers each property separately in making its judgement.

(b) Deferred tax for investment properties

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the directors have adopted the presumption that investment properties measured using the fair value model are recovered through sale.

5. 重要判斷及主要估計

應用會計政策之重要判斷

在應用會計政策之過程中，董事已作出以下對綜合財務報表內所確認數額具最重大影響之判斷(涉及估計者於下文處理除外)。

(a) 區別投資物業與業主自用物業

若干物業包括持有作賺取租金的部分，而另一部分則持有作生產貨品。倘該等部分可分開出售或以融資租賃分開出租，則本集團會將有關部分分開入賬。倘該等部分不可分開出售，則僅在物業只有小部分持有作生產貨品的情況下方列作投資物業。本集團須判斷配套服務的重要程度，會否導致物業不合資格列作投資物業。本集團於作出判斷時就個別物業作出考慮。

(b) 投資物業的遞延稅項

就計量採用公平值模式計量的投資物業的遞延稅項而言，董事已檢討本集團之投資物業組合，並認為本集團投資物業並非根據其目標是隨時間(而非透過銷售)消耗投資物業所包含的絕大部分經濟利益的業務模式持有。因此，在釐定本集團投資物業之遞延稅項時，董事乃採納透過銷售收回採用公平值模式計量的投資物業之假設。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Critical judgements in applying accounting policies (Continued)

(c) Significant increase in credit risk

As explained in accounting policy disclosed in note 4(aa), ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(d) Determining the lease term

In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation.

Generally, periods covered by an extension option in other properties leases have not been included in the lease liability because the Group could replace the assets without significant cost or business disruption. See note 21 to the consolidated financial statements for further information.

The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. During the current financial year, no lease term has been reassessed.

5. 重要判斷及主要估計(續)

應用會計政策之重要判斷(續)

(c) 信貸風險顯著上升

誠如附註4(aa)披露的會計政策所述，預期信貸虧損就第1階段資產按等於12個月預期信貸虧損的撥備計量，就第2階段或第3階段資產按等於存續期預期信貸虧損的撥備計量。資產在其信貸風險自初步確認後顯著增加時轉入第2階段。香港財務報告準則第9號並無界定如何構成信貸風險顯著上升。在評估資產的信貸風險是否已顯著增加時，本集團考慮定性及定量的合理且有依據的前瞻性資料。

(d) 釐定租期

於包括本集團可行使的續期選擇權的租約的開始日期釐定租期時，本集團考慮為本集團行使選擇權創造經濟激勵的所有相關因素及情況(包括有利條款、進行的租賃物業裝修及相關資產對本集團經營的重要性)，評估行使續期選擇權的可能性。

一般而言，續期選擇權於其他物業租賃所涵蓋的期間並無計入租賃負債，乃由於本集團可在無重大成本或業務干擾下取代資產。進一步資料見綜合財務報表附註21。

當在本集團控制範圍內的情況下發生重大事件或重大變化，則租期會被重新評估。於本財政年度，並無租期被重新評估。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of 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 discussed below.

(a) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

During the year, approximately HK$13,195,000 (2020: HK$1,225,000) of income tax was charged to profit or loss based on the estimated assessable profits.

(b) Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

5. 重要判斷及主要估計(續)

估計不確定因素之主要來源

下文載述於報告期間結算日存在重大風險，可能導致須對下一財政年度資產及負債賬面值作出重大調整之未來主要假設及其他估計不確定因素之主要來源。

(a) 所得稅

本集團須繳納數個司法權區的所得稅。在釐定所得稅撥備時，須作出重大估計。在日常業務中有許多未能確定最終稅項之交易及計算。倘該等事項的最終稅務結果與初步入賬金額不同，該等差額將影響稅務釐定期內所得稅及遞延稅項撥備。

於本年度，根據估計應課稅溢利之所得稅約13,195,000港元(二零二零年：1,225,000港元)乃於損益內扣除。

(b) 物業、廠房及設備及使用權資產之減值

物業、廠房及設備及使用權資產乃按成本減累計折舊及減值列賬(如有)。在釐定資產是否減值時，本集團須行使判斷及作出估計，特別是評估：(1)是否有事件已發生或有任何指標可能影響資產價值；(2)資產賬面值是否能夠以可收回金額(如為使用價值)支持，即按照持續使用資產估計的未來現金流量的淨現值；及(3)將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。當無法估計個別資產(包括使用權資產)的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。假設及估計(包括現金流量預測之貼現率或增長率)變動，會對可收回金額造成重大影響。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(b) Impairment of property, plant and equipment and right-of-use assets (Continued)

Further, the cash flows projections, growth rate and discount rate are subject to greater uncertainties in the current year due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions in the Group's operation.

The carrying amount of property, plant and equipment and right-of-use assets as at 31 December 2021 were approximately HK$335,099,000 (2020: HK$309,540,000) and HK$81,701,000 (2020: HK$57,037,000) respectively.

(c) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than the expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise.

Furthermore, the estimated cash flows and discount rate are subject to higher degree of estimation uncertainties in the current year due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions of the Group's operations.

The carrying amount of goodwill at the end of the reporting period was approximately HK$29,613,000 (2020: HK$28,818,000), no impairment loss was recognised during the year (2020: Nil).

5. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(b) 物業、廠房及設備及使用權資產之減值(續)

此外，由於新冠疫情的發展及演變存在不確定性，以及金融市場的波動(包括對本集團經營的潛在干擾)，本年度的現金流量預測、增長率和貼現率存在較大不確定性。

於二零二一年十二月三十一日，物業、廠房及設備以及使用權資產的賬面值分別約為335,099,000港元(二零二零年：309,540,000港元)及81,701,000港元(二零二零年：57,037,000港元)。

(c) 商譽減值

釐定商譽有否減值須估計獲分配商譽之現金產生單位的使用價值。計算使用價值要求本集團估計預期自現金產生單位產生的未來現金流量及適當貼現率以計算現值。倘實際未來現金流量低於預期，或事實及情況變化導致未來現金流量下調或貼現率上調，則可能出現重大減值虧損或進一步減值虧損。

此外，由於新冠疫情的發展及演變存在不確定性，以及金融市場的波動(包括對本集團經營的潛在干擾)，本年度的估計現金流量及貼現率的預測存在高度估計不確定性。

報告期結算日商譽之賬面值約為29,613,000港元(二零二零年：28,818,000港元)，年內並無確認減值虧損(二零二零年：無)。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(d) Intangible assets and amortisation

The Group determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful lives of intangible assets are assessed to be either finite or indefinite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for the intangible assets with a finite useful life are reviewed by the management at least at the end of each reporting period. The Group assesses whether any indication of impairment in accordance with the accounting policy. The recoverable amounts of intangible assets have been determined based on value in use calculations of each CGU the intangible assets belonged which requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value.

The carrying amount of intangible assets as at 31 December 2021 was approximately HK$5,651,000 (2020: HK$14,054,000).

5. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(d) 無形資產及攤銷

本集團決定無形資產的預計可使用年期及有關攤銷。無形資產之可使用年期基於資產預期用途及市場需求或服務產出變動導致的技術過時而評估為有限或無限。有限可使用年期之無形資產於預計可用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時評估減值。管理層至少於各報告期間結算日評估有限可使用年期之無形資產之攤銷期及攤銷方法。本集團根據會計政策評估是否存在任何減值跡象。無形資產之可收回金額乃根據無形資產所歸屬之各現金產生單位的使用價值計算。為計算現值，本集團須估計該現金產生單位可能產生之未來現金流量及適當的貼現率。

於二零二一年十二月三十一日，無形資產的賬面值約為5,651,000港元(二零二零年：14,054,000港元)。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(e) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

Whilst the Group considers valuations of the Group's investment properties are the best estimates, the ongoing COVID-19 pandemic has resulted in greater market volatility depending on how the COVID-19 pandemic may progress and evolve, which have led to high degree of uncertainties in respect of the valuations in the current year.

The carrying amount of investment properties as at 31 December 2021 was approximately HK$9,532,000 (2020: HK$8,817,000) after recognition of the fair value gain of HK$533,000 (2020: HK$379,000) in the profit or loss during the year.

(f) Impairment of trade receivables

The management of the Group estimates the amount of impairment loss for ECL on trade receivables based on the credit risk of trade receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2021, the carrying amount of trade receivables is HK$115,157,000 (net of allowance for doubtful debts of HK$582,000) (2020: HK$113,712,000 (net of allowance for doubtful debts of HK$9,011,000)).

5. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(e) 投資物業的公平值

本集團委任一名獨立的專業估值師來評估投資物業的公平值。在確定其公平值時，估值師採用涉及若干估計的估值方法。董事判斷並信納所使用的估值方法及輸入數據能反映當前市場情況。

儘管本集團認為本集團投資物業的估值為最佳估計，但由於新冠疫情的持續已造成市場出現較大波動(取決於新冠疫情的發展及演變)，這導致本年度的估值存在高度不確定性。

年內，於損益確認公平值收益533,000港元(二零二零年：379,000港元)後，投資物業於二零二一年十二月三十一日的賬面值約為9,532,000港元(二零二零年：8,817,000港元)。

(f) 貿易應收賬款減值

本集團管理層根據貿易應收賬款的信貸風險估計貿易應收賬款之預期信貸虧損減值虧損金額。根據預期信貸虧損模型計算的減值虧損金額按照根據合約應付本集團的所有合約現金流量與本集團預期收到的所有現金流量之間的差額計算，並按初始確認時的實際利率貼現。如果未來現金流量低於預期，或因事實及情況變化而下調，則可能出現重大減值虧損。

於二零二一年十二月三十一日，貿易應收賬款之賬面值為115,157,000港元(扣除呆賬撥備582,000港元)(二零二零年：113,712,000港元(扣除呆賬撥備9,011,000港元))。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(g) Allowance for inventories

The Group reviews inventories on a product-by-product basis at the end of each reporting period, and recognised allowance for obsolete and slow-moving inventory items that are no longer suitable for use in production or trading. The management estimates the net realisable value for such items based primarily on the latest invoice prices, sales after year end and current market conditions less all estimated costs and expenses necessary to sell the products. As at 31 December 2021, the carrying amount of inventories, net of allowance for inventory of HK$17,123,000, was HK$120,961,000 (2020: net of allowance for inventory of HK$18,364,000, was HK$103,280,000).

(h) Actuarial assumptions on defined benefit retirement plans

Accounting for defined benefit plans may be complex because actuarial assumptions are required to measure the obligation and the expense, with the possibility that actual results differ from the assumed results. These differences are known as actuarial gains and losses. Defined benefit obligations are measured using the Projected Unit Credit Method ("PUCM"), according to which the Group has to make a reliable estimate of the amount of benefits earned in return for services rendered in current and prior periods, using actuarial techniques. In addition, in cases where defined benefit plans are funded, the Group has to estimate the fair value of plan assets. As a result, the use of the PUCM involves a number of actuarial assumptions. These assumptions include demographic assumptions such as mortality, turnover and retirement age and financial assumptions such as discount rates, salary and benefit levels. Such assumptions are subject to judgements and may develop materially differently than expected and therefore may result in significant impacts on defined benefit obligations.

The carrying amount of retirement benefit obligations as at 31 December 2021 was HK$302,000 (2020: HK$542,000).

5. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(g) 存貨撥備

本集團於各報告期間結算日因應個別產品審閱存貨，並會就已確認為不再適合用作生產或交易之陳舊及滯銷存貨項目作出撥備。管理層主要根據最近期發票價格、年結後銷售額及現行市況，減所有估計成本及銷售產品之必要開支，估計該等項目之可變現淨值。於二零二一年十二月三十一日，存貨之賬面值扣除存貨撥備17,123,000港元後為120,961,000港元(二零二零年：扣除存貨撥備18,364,000港元後為103,280,000港元)。

(h) 定額福利退休計劃之精算假設

定額福利計劃之入賬可能複雜，原因是需要精算假設以作責任及開支計量，實際結果與假定結果可能有差異。此等差異為精算收益與虧損。定額福利債務以預期單位信貸法(「預期單位信貸法」)計量，據此，本集團需使用精算技巧對以換取於即期及前期所提供服務而獲得的福利金額作可靠估計。此外，在定額福利計劃獲得資金的情況下，本集團必須估計計劃資產的公平值。因此，使用預期單位信貸法涉及多個精算假設。此等假設包括人口統計假設(如死亡率、營業額及退休年齡)及財務假設(如貼現率、薪酬及福利水平)。該等假設涉及判斷，可能與預期出現重大差異，因此，可能對定額福利債務構成重大影響。

於二零二一年十二月三十一日，退休福利責任的賬面值為302,000港元(二零二零年：542,000港元)。

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange translations and other financial instruments. The Group's exposure to credit risk arising from cash and cash equivalents and pledged bank deposits is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

6. 財務風險管理

本集團之業務承受各種財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃針對金融市場之難以預測性，並尋求將對本集團財務表現造成之潛在不利影響減至最低。

(a) 外幣風險

本集團大部分業務交易、資產及負債主要以集團實體的功能貨幣計值，因而承受極低外幣風險。本集團目前並無就外幣交易、資產及負債制定外幣對沖政策。本集團密切監察其外幣風險，並將於需要時考慮對沖重大外幣風險。

(b) 信貸風險

信貸風險為交易對手將無法履行其於金融工具或客戶合約項下責任而導致財務虧損之風險。本集團面對其經營活動(主要為貿易應收賬款)及其融資活動(包括銀行及金融機構存款、外匯交易及其他金融工具)產生之信貸風險。本集團所面對現金及現金等價物及抵押銀行存款產生之信貸風險有限，原因為交易對手為獲國際信貸評級機構評為高信貸評級之銀行及金融機構，就此，本集團認為信貸風險屬低。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits to customers are reviewed regularly. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. Normally, the Group does not obtain collateral from customers.

The Group has concentration of credit risk as 52% (2020: 57%) of the total trade receivables were due from the Group's seven largest customers as at 31 December 2021 and all of the customers are located in the PRC and Taiwan (2020: the PRC and Taiwan).

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. Customers with significant outstanding balances with gross carrying amounts of HK$5,962,000 as at 31 December 2021 were assessed individually (2020: HK$15,854,000).

6. 財務風險管理(續)

(b) 信貸風險(續)

貿易應收賬款

客戶信貸風險由各業務單位管理，並須受本集團所制定有關管理客戶信貸風險之政策、程序及監控規限。就所有要求信貸超過某特定金額之客戶進行個別信貸評估。為了盡量減低信貸風險，本集團管理層已委派一組人員，專責釐定信貸限額及審批信貸。接納任何新客戶前，本集團利用內部信貸系統對潛在客戶的信貸質素進行評估並且釐定其信用額度。本集團對客戶的額度進行定期審查。已建立其他監控程序以確保已採取後續動作收回逾期債務。一般而言，本集團並無自客戶取得抵押品。

於二零二一年十二月三十一日，本集團具有信貸集中風險，乃由於貿易應收賬款總額52%(二零二零年：57%)為應收本集團七大客戶款項，而所有客戶位於中國大陸及台灣(二零二零年：中國大陸及台灣)。

本集團採用撥備矩陣計算存續期預期信貸虧損之金額計量貿易應收賬款之虧損撥備。由於本集團過往信貸虧損經驗並無顯示不同客戶分類有顯著不同之虧損模式，故基於過往逾期狀況之虧損撥備無再進一步區分本集團不同客戶基礎。於二零二一年十二月三十一日，具重大未償還結餘賬面總值5,962,000港元的客戶已獲個別評估(二零二零年：15,854,000港元)。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2021 excluding balances assessed individually:

6. 財務風險管理(續)

(b) 信貸風險(續)

貿易應收賬款(續)

下表提供有關本集團於二零二一年十二月三十一日所面對貿易應收賬款之信貸風險及預期信貸虧損(不包括個別評估結餘)之資料：

		2021 二零二一年		
		Expected loss rate 預期虧損率 %	**Gross carrying amount 賬面總值 HK$'000 千港元**	**Loss allowance 虧損撥備 HK$'000 千港元**
Current (not past due)	即期(未逾期)	**0.16%**	**76,221**	**122**
1–180 days past due	逾期1至180日	**0.76%**	**30,900**	**235**
181–360 days past due	逾期181至360日	**2.91%**	**1,721**	**50**
More than 360 days past due	逾期超過360日	**18.72%**	**935**	**175**
Assessed individually	個別評估	**–**	**5,962**	**–**
			115,739	**582**

		2020 二零二零年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK$'000 千港元	Loss allowance 虧損撥備 HK$'000 千港元
Current (not past due)	即期(未逾期)	0.06%	96,283	58
1–180 days past due	逾期1至180日	0.49%	6,370	31
181–360 days past due	逾期181至360日	0.50%	3,421	17
More than 360 days past due	逾期超過360日	5.03%	795	40
Assessed individually	個別評估	55.92%	15,854	8,865
			122,723	9,011

Expected loss rates are based on actual loss experience over the past few year. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The grouping is regularly reviewed by management to ensure relevant information about specific customers is updated.

預期虧損率乃基於過往幾年之實際虧損經驗。該等比率已經調整以反映所收集過往數據涉及之期間之經濟狀況差異、當前狀況及本集團對應收賬款預計年期之經濟狀況之見解。有關分組乃定期由管理層審閱，以確保有關特定客戶資料已更新。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

6. 財務風險管理(續)

(b) 信貸風險(續)

貿易應收賬款(續)

本年度貿易應收賬款之虧損撥備賬變動如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
At 1 January	於一月一日	**9,011**	6,678
(Reversal of impairment)/impairment losses recognised for the year	本年度確認的(減值撥回)／減值虧損	**(3,980)**	2,053
Amounts written off during the year	年內撇銷金額	**(4,640)**	–
Exchange differences	匯兑差額	**191**	280
At 31 December	於十二月三十一日	**582**	9,011

The following significant changes in the gross carrying amounts of trade receivables contributed to the decrease in the loss allowance during 2021:

- settlement of certain trade receivables that formerly provided with loss allowance; and
- a write-off of trade receivables with aggregate gross carrying amount of HK$4,640,000.

於二零二一年，以下貿易應收賬款賬面總值之重大變動導致虧損撥備減少：

- 結算之前計提虧損撥備的若干貿易應收賬款；及
- 撇銷總賬面值為4,640,000港元的貿易應收賬款。

Financial assets at amortised cost

All of the Group's financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. Other instruments are considered to be low credit risk when they have a low of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The directors of the Company consider the ECL on these financial assets are insignificant as at 31 December 2021 and 2020.

按攤銷成本列賬之金融資產

本集團所有按攤銷成本列賬之金融資產之信貸風險均被視為偏低，故於期內確認之虧損撥備限於12個月預期虧損。倘其他工具違約率較低而發行人有較強能力於短期內履行合約規定之現金流責任，則其他工具之信貸風險視為較低。於二零二一年及二零二零年十二月三十一日，本公司董事認為該等金融資產的預期信貸虧損並不重大。

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's bank borrowings and other financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Company can be required to pay.

Specifically, for bank borrowings which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other financial liabilities is prepared based on the scheduled repayment dates.

6. 財務風險管理(續)

(c) 流動資金風險

本集團之政策為定期監察目前及預期之流動資金需要，從而確保本集團維持足夠現金儲備以應付其短期及較長期的流動資金需要。

下表列示本集團銀行借款及其他金融負債於報告期間結算日基於未貼現現金流量(包括採用合約利率或(倘為浮動利率)基於報告期間結算日的現行利率計算的利息付款)且本公司可能被要求付款之最早日期的剩餘合約到期日。

具體而言，就附帶按要求償還條款(可由銀行全權酌情行使)的銀行借款而言，分析顯示根據實體可能須付款的最早期間(即倘貸款人行使其無條件權利立即收回貸款)而釐定的現金流出。其他金融負債的到期日分析根據計劃還款日期編製。

		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未貼現現金流出					
		On demand 按要求 HK$'000 千港元	Within 1 year 一年內 HK$'000 千港元	Between 1 and 2 years 一至兩年 HK$'000 千港元	Between 2 to 5 years 兩至五年 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Total 總計 HK$'000 千港元
At 31 December 2021	**於二零二一年十二月三十一日**						
Trade and other payables	貿易及其他應付賬款	**–**	**109,777**	**–**	**–**	**–**	**109,777**
Amount due to related parties	應付關聯方款項	**–**	**544**	**–**	**–**	**–**	**544**
Borrowings	借款	**79,776**	**8,258**	**2,963**	**6,806**	**–**	**97,803**
Lease liabilities	租賃負債	**–**	**8,182**	**6,147**	**10,879**	**9,808**	**35,016**
At 31 December 2020	於二零二零年十二月三十一日						
Trade and other payables	貿易及其他應付賬款	–	123,338	–	–	–	123,338
Amount due to related parties	應付關聯方款項	–	329	–	–	–	329
Borrowings	借款	53,721	794	777	13,300	–	68,592
Lease liabilities	租賃負債	–	5,532	1,982	399	–	7,913

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

The following table summarises the maturity analysis of bank borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained above. Taking into account the Company's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

6. 財務風險管理(續)

(c) 流動資金風險(續)

下表概列帶有按要求償還條款的銀行借款根據貸款協議所載之協定還款時間表作出之到期日分析。有關金額包括運用合約利率計算之利息付款。因此，此等金額高於上文所載到期日分析中「按要求」時間範圍所披露之金額。計及本公司之財務狀況，董事認為銀行不太可能會行使要求即時還款的酌情權。董事相信，有關銀行借款將會根據貸款協議所載之預定還款日期而償還。

		Maturity Analysis – bank borrowings subject to a repayment on demand clause based on scheduled repayments 到期日分析－根據預定還款受按要求償還條款限制之銀行借款			
		Within 1 year 一年內 HK$'000 千港元	Between 1 and 2 years 一至兩年 HK$'000 千港元	Between 2 to 5 years 兩至五年 HK$'000 千港元	Total undiscounted cash outflows 未貼現現金流出總額 HK$'000 千港元
At 31 December 2021	**於二零二一年十二月三十一日**				
Borrowings	借款	**29,823**	**9,261**	**47,935**	**87,019**
At 31 December 2020	於二零二零年十二月三十一日				
Borrowings	借款	18,349	6,072	36,010	60,431

6. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

The Group has limited exposure to interest rate risk because the Group has no interest-bearing financial assets/liabilities other than bank balances and bank borrowings. The future variations in interest rates will not have a significant impact on the results of the Group, as the Group's variable-rate bank balances are all short-term in nature. Therefore, no interest rate sensitivity analysis is presented.

Other than the bank balances as mentioned above, the Group's fixed time deposits bear interest at fixed interest rates and therefore are subject to fair value interest rate risks.

(e) Categories of financial instruments at 31 December:

6. 財務風險管理(續)

(d) 利率風險

本集團承受之利率風險有限，乃因本集團並無銀行結存及銀行借款以外的計息金融資產／負債。由於本集團的浮動利率銀行結存均屬短期性質，故未來的利率變動將不會對本集團業績帶來重大影響。因此，概無呈列利率的敏感度分析。

除上述銀行結存外，本集團之定期存款按固定利率計息，故須承受公平值利率風險。

(e) 於十二月三十一日之金融工具類別：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Financial assets:	**金融資產：**		
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	**317,250**	287,458
Financial liabilities:	**金融負債：**		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	**207,604**	191,194

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

(f) 公平值

本集團於綜合財務狀況報表內反映之金融資產及金融負債賬面值與其各自公平值相若。

7. FAIR VALUE MEASUREMENTS

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 following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

7. 公平值計量

公平值指市場參與者之間於計量日，在有序交易中出售資產將收取或轉讓負債將支付的價格。下文公平值計量之披露資料使用將計量公平值所用估值方法之輸入數據歸類為三個層級之公平值層次結構：

第一級輸入數據： 本集團於計量日期可獲取之相同資產或負債於活躍市場的報價(未經調整)。

第二級輸入數據： 除一級所包括報價以外資產或負債直接或間接可觀察之輸入數據。

第三級輸入數據： 資產或負債不可觀察之輸入數據。

本集團之政策乃確認三個層級中截至引致轉撥之事件或情況變動當日之轉入及轉出。

7. FAIR VALUE MEASUREMENTS (Continued)

(a) Disclosure of level in fair value hierarchy at 31 December:

7. 公平值計量(續)

(a) 於十二月三十一日公平值層次結構之披露資料：

		Fair value measurements using: 公平值計量採用：			Total 總計
		Level 1 第一級 HK$'000 千港元	**Level 2 第二級 HK$'000 千港元**	**Level 3 第三級 HK$'000 千港元**	**2021 二零二一年 HK$'000 千港元**
Recurring fair value measurements:	**經常性公平值計量：**				
Investment properties – Commercial units – Taiwan (note 20)	投資物業 – 台灣商業單位（附註20）	**–**	**–**	**9,532**	**9,532**

		Fair value measurements using: 公平值計量採用：			Total 總計
		Level 1 第一級 HK$'000 千港元	Level 2 第二級 HK$'000 千港元	Level 3 第三級 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Recurring fair value measurements:	**經常性公平值計量：**				
Investment properties – Commercial units – Taiwan (note 20)	投資物業 – 台灣商業單位（附註20）	–	–	8,817	8,817

7. FAIR VALUE MEASUREMENTS (Continued)

(b) Reconciliation of assets measured at fair value based on Level 3:

7. 公平值計量(續)

(b) 根據第三級按公平值計量之資產對賬：

Description 描述		Investment properties 投資物業 HK$'000 千港元
At 1 January 2021	於二零二一年一月一日	8,817
Total gains or losses recognised in profit or loss (#)	於損益確認之收益或虧損總額(#)	533
Exchange difference	匯兑差額	182
At 31 December 2021	於二零二一年十二月三十一日	9,532
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期間結算日所持資產之收益或虧損	533
At 1 January 2020	於二零二零年一月一日	7,928
Total gains or losses recognised in profit or loss (#)	於損益確認之收益或虧損總額(#)	379
Exchange difference	匯兑差額	510
At 31 December 2020	於二零二零年十二月三十一日	8,817
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期間結算日所持資產之收益或虧損	379

The total gains or losses recognised in profit or loss including those assets and liabilities at end of reporting period are presented in the other income and other gains of the consolidated statement of profit or loss and other comprehensive income.

於損益確認之收益或虧損總額(包括該等於報告期間結算日之資產及負債)在綜合損益及其他全面收益表的其他收益和利得呈列。

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2021:

The Group's chief financial officer ("CFO") is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The CFO reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the CFO and the Board of Directors at least twice a year.

(c) 有關本集團所採用估值程序以及於二零二一年十二月三十一日之公平值計量所使用估值方法及輸入數據之披露資料：

本集團之首席財務官(「首席財務官」)負責財務申報所需資產與負債之公平值計量，包括第三級公平值計量。首席財務官直接向董事會匯報該等公平值計量。首席財務官與董事會每年最少兩次討論估值程序與有關結果。

7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2021: (Continued)

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

7. 公平值計量(續)

(c) 有關本集團所採用估值程序以及於二零二一年十二月三十一日之公平值計量所使用估值方法及輸入數據之披露資料：(續)

就第三級公平值計量而言，本集團一般會外聘具認可專業資格並有近期估值經驗之估值專家進行估值。

第三級公平值計量

Description 描述	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對公平值之影響	Fair value 公平值	
					2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Investment properties 投資物業	Mix of direct comparison method and income capitalisation method 直接比較法與收入資本化法結合	Yield 收益率	1.8% (2020: 1.9%) 1.8%（二零二零年：1.9%）	Decrease 減少	**9,532**	8,817
		Monthly market rent 每月市場租金	HK$39,146 – HK$40,273 /ping (2020: HK$36,173 – HK$37,277/ping) 39,146港元至40,273港元／坪（二零二零年：36,173港元至37,277港元／坪）	Increase 增加		

There were no transfers into or out of Level 3 fair value measurement during the year.

於年內，概無轉入或轉出第三級公平值計量。

8. REVENUE

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products and service lines for the year is as follows:

8. 收入

(a) 收入明細

本年度按主要產品及服務範圍劃分來自客戶合約之收入明細如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	**於香港財務報告準則第15號範圍內來自客戶合約之收入**		
Disaggregated by major products or service lines	按主要產品或服務範圍分類		
Sales of goods	貨品銷售	**471,838**	394,807
Service income	服務收益	**15,972**	15,866
		487,810	410,673

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major service lines and geographical regions:

本集團於下列主要服務範圍及地區隨時間及於某個時間點轉移貨品及服務產生收入：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Primary geographic markets	**主要地區市場**		
The PRC	中國大陸	**279,805**	212,480
Taiwan	台灣	**203,065**	194,161
Others	其他	**4,940**	4,032
		487,810	410,673

8. REVENUE (Continued)

(a) Disaggregation of revenue (Continued)

8. 收入(續)

(a) 收入明細(續)

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Timing of revenue recognition	**確認收入之時間**		
Products transferred at a point in time	於某個時間點轉移貨品	**471,838**	394,807
Products and services transferred over time	隨時間轉移貨品及服務	**15,972**	15,866
		487,810	410,673

(b) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2021 and the expected timing of recognising revenue as follows:

(b) 分配至與客戶合約的餘下履約義務之交易價格

於二零二一年十二月三十一日，分配至餘下(未獲達成或部分未獲達成)履約義務之交易價格及確認收入的預計時間如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Within one year	一年內	**13,552**	11,830

9. OTHER INCOME AND OTHER GAINS 9. 其他收益和利得

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Interest income on bank deposits	銀行存款利息收入	2,053	1,742
Fair value gain on investment properties	投資物業之公平值收益	533	379
Rental income from investment properties	投資物業之租金收益	241	213
Rental income from other properties and equipment	其他物業及設備之租金收益	2,977	2,405
Gain on disposal of right-of-use assets	出售使用權資產之利得	–	93
Government grants (note)	政府補助金(附註)	1,768	7,771
Others	其他	1,261	872
		8,833	13,475

Note: The government grants mainly represent unconditional tax refunds received from the local government in compensation for taxes incurred and paid by the PRC operating subsidiaries of the Group, and COVID-19 related subsidies to a Taiwan operating subsidiary by the local government.

附註： 政府補助金主要指本集團中國大陸經營附屬公司獲得來自地方政府的無條件稅收返還以補償其發生及支付的稅款以及一家台灣營運附屬公司獲得當地政府的新冠疫情相關補助。

10. IMPAIRMENT LOSSES, NET OF REVERSAL 10. 減值虧損(扣除撥回)

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
(Reversal of impairment)/impairment loss recognised on:	就下列項目確認(減值撥回)／減值虧損：		
Trade receivables	貿易應收賬款	(3,980)	2,053

11. SEGMENT INFORMATION

The Group has three (2020: three) reportable segments as follows:

1. The PRC
2. Taiwan
3. Others (Hong Kong and Malaysia)

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

The Group's other reportable segment includes certain inactive operations. None of the segments meets any of the quantitative thresholds for determining reportable segment. The information of the other operating segments is included in the 'others' column.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include central administration costs, directors' salaries and interest income.

The Chief Operating Decision Maker ("CODM") makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

11. 分部資料

本集團有以下三個(二零二零年：三個)可報告分部：

1. 中國大陸
2. 台灣
3. 其他(香港及馬來西亞)

本集團之可報告分部是提供不同產品和服務之策略業務單位。由於各業務需要不同技術及營銷策略，故彼等乃分開進行管理。

本集團的其他可報告分部包括若干不活躍業務。該等分部尚未達到決定作為可報告分部之量化門檻。該等其他經營分部之資料載於「其他」一欄。

經營分部之會計政策與綜合財務報表附註4所述者相同。分部損益不包括中央行政費用、董事薪酬及利息收入。

主要營運決策人(「主要營運決策人」)根據各分部的經營業績作出決策。由於主要營運決策人並未就資源分配及評估表現的目的定期審閱該等資料，故並無呈列分部資產及分部負債的分析。因此，僅呈列分部收入及分部業績。

11. SEGMENT INFORMATION (Continued)

11. 分部資料(續)

Information about reportable segment profit or loss, assets and liabilities:

可報告分部之損益、資產及負債資料：

		The PRC 中國大陸 HK$'000 千港元	Taiwan 台灣 HK$'000 千港元	Others 其他 HK$'000 千港元	Total 總計 HK$'000 千港元
Year ended 31 December 2021	**截至二零二一年十二月三十一日止年度**				
Revenue from external customers	來自外部客戶之收入	279,046	203,172	5,592	487,810
Segment (loss)/profit	分部(虧損)／溢利	(798)	65,490	(2,360)	62,332
Finance costs	融資成本	1,510	217	95	1,822
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,793	5,560	174	24,527
Depreciation of right-of-use assets	使用權資產折舊	6,843	1,583	614	9,040
Amortisation of intangible assets	無形資產攤銷	1,384	–	–	1,384
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	157	1	–	158
Loss/(gain) on disposals of right-of-use assets	出售使用權資產之虧損／(利得)	39	(2)	–	37
(Reversal of allowance)/allowance for obsolete inventories	陳舊存貨(撥備撥回)／撥備	(4,188)	2,051	819	(1,318)
Inventories write-off	存貨撇銷	13,255	–	–	13,255
(Reversal of allowance)/allowance for trade receivables	貿易應收賬款(撥備撥回)／撥備	(3,980)	–	–	(3,980)

11. SEGMENT INFORMATION (Continued)

11. 分部資料(續)

Information about reportable segment profit or loss, assets and liabilities: (Continued)

可報告分部之損益、資產及負債資料：(續)

		The PRC 中國大陸 HK$'000 千港元	Taiwan 台灣 HK$'000 千港元	Others 其他 HK$'000 千港元	Total 總計 HK$'000 千港元
Year ended 31 December 2020	**截至二零二零年十二月三十一日止年度**				
Revenue from external customers	來自外部客戶之收入	206,469	194,646	9,558	410,673
Segment (loss)/profit	分部(虧損)／溢利	(8,307)	33,431	322	25,446
Finance costs	融資成本	1,035	517	106	1,658
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,419	7,088	84	25,591
Depreciation of right-of-use assets	使用權資產折舊	4,581	4,715	576	9,872
Amortisation of intangible assets	無形資產攤銷	1,797	–	–	1,797
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	1,982	1,158	–	3,140
Gain on disposals of right-of-use assets	出售使用權資產之利得	(89)	–	(4)	(93)
(Reversal of allowance)/ allowance for obsolete inventories	陳舊存貨(撥備撥回)／撥備	(837)	2,143	181	1,487
Inventories write-off	存貨撇銷	11,059	–	–	11,059
Allowance for trade receivables	貿易應收賬款撥備	2,052	1	–	2,053

11. SEGMENT INFORMATION (Continued)

11. 分部資料(續)

Reconciliations of segment revenue, profit or loss and assets:

分部收入、損益及資產對賬：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Revenue	**收入**		
Total revenue of reportable segments	可報告分部總收入	**487,810**	410,673
Profit or loss	**損益**		
Total profit of reportable segments	可報告分部總溢利	**62,332**	25,446
Unallocated corporate expenses	未分配公司支出	**(15,926)**	(18,205)
Unallocated income	未分配收益	**2,053**	1,742
Consolidated profit before tax	除稅前綜合溢利	**48,459**	8,983

Geographical information:

The Group's information about its non-current assets by location of assets are detailed below:

地理資料：

本集團按資產所在地劃分的非流動資產之資料詳情呈列如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Non-current assets	**非流動資產**		
The PRC	中國大陸	**382,973**	359,225
Taiwan	台灣	**76,972**	59,688
Others	其他	**1,906**	2,335
Consolidated total	綜合總額	**461,851**	421,248

Note: Non-current assets excluded deferred tax assets.

附註： 非流動資產不包括遞延所得稅資產。

11. SEGMENT INFORMATION (Continued)

Revenue from major customers:

11. 分部資料(續)

來自主要客戶之收入：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Customer A	客戶A	**69,608**	34,056
Customer B	客戶B	**59,575**	76,343

Each of the major customers represented a single external customer whose sale transaction is generated from the Group's Taiwan segment.

各主要客戶指單一外部客戶，其銷售交易產生於本集團台灣分部。

12. FINANCE COSTS

12. 融資成本

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Interest on borrowings	借款利息	**3,885**	1,789
Interest expenses on lease liabilities (note 21)	租賃負債利息支出(附註21)	**982**	925
Total borrowing costs	總借款成本	**4,867**	2,714
Amount capitalised	資本化金額	**(3,045)**	(1,056)
		1,822	1,658

13. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

13. 所得稅開支

已於損益確認之所得稅如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Current tax – PRC Enterprise income tax ("EIT")	即期稅項－中國企業所得稅（「企業所得稅」）		
Provision for the year	年內撥備	**1,856**	267
Under provision in prior years	過往年度撥備不足	**181**	692
		2,037	959
Current tax – Taiwan Corporate income tax	即期稅項－台灣企業所得稅		
Provision for the year	年內撥備	**14,937**	7,361
Under provision in prior years	過往年度撥備不足	**107**	5
		15,044	7,366
Current tax – Hong Kong Profits Tax and others	即期稅項－香港利得稅及其他		
Provision for the year	年內撥備	**–**	–
Under/(over) provision in prior years	過往年度撥備不足／（超額撥備）	**–**	(5)
		–	(5)
Withholding tax	預扣稅	**1,820**	733
Deferred tax (note 33)	遞延稅項（附註33）	**(5,706)**	(7,828)
		13,195	1,225

PRC EIT has been provided at a rate of 25% (2020: 25%). The statutory withholding income tax rate for non-PRC resident is 10% (2020:10%).

中國企業所得稅按25%（二零二零年：25%）稅率計提撥備。非中國居民的法定預扣稅所得稅稅率為10%（二零二零年：10%）。

Pursuant to the relevant laws and regulations in the PRC and Taiwan, dividend withholding tax is imposed at a rate of 10% (2020: 10%) and 21% (2020: 21%) on dividends that are declared in respect of profits earned by the PRC and Taiwan subsidiaries respectively and that are received by non-local resident entities. Withholding tax on dividends of HK$752,000 (2020: Nil) and nil (2020: Nil) were recognised for the PRC and Taiwan respectively for the year ended 31 December 2021.

根據中國大陸及台灣相關法例及規例，就中國大陸及台灣附屬公司賺取的所得溢利而宣派並由非本地居民企業收取之股息，股息預扣稅率分別為10%（二零二零年：10%）和21%（二零二零年：21%）。截至二零二一年十二月三十一日止年度，就中國大陸確認股息預扣稅752,000港元（二零二零年：無）及概無就台灣確認股息預扣稅（二零二零年：無）。

13. INCOME TAX EXPENSE (Continued)

Corporate Income Tax in Taiwan has been provided at a rate of 20% (2020: 20%).

Under the two-tiered Profits Tax regime, the first HK$2 million of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25% (2020: 8.25%.), and profits above that amount will be subject to the tax rate of 16.5% (2020: 16.5%.). The profits of the group entities not qualifying for the two-tiered Profits Tax rate regime will continue to be taxed at a rate of 16.5% (2020: 16.5%.).

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group's subsidiaries operate, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax expense and the product of profit before tax multiplied by the PRC EIT rate is as follows:

13. 所得稅開支(續)

台灣企業所得稅按20%(二零二零年：20%)稅率計提撥備。

根據兩級利得稅制度，在香港成立的合資格集團實體的首2,000,000港元溢利將按8.25%(二零二零年：8.25%)稅率繳稅，而超過該金額的溢利將按16.5%(二零二零年：16.5%)稅率繳稅。兩級利得稅制度下非合資格集團實體溢利將繼續按16.5%(二零二零年：16.5%)稅率繳稅。

本集團已就其他地區所產生應課稅溢利根據旗下附屬公司營運所在司法權區之現有相關法例、詮釋及慣例，按其現行稅率計算稅項支出。

所得稅開支與除稅前溢利乘以中國企業所得稅稅率之結果對賬如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Profit before tax	除稅前溢利	**48,459**	8,983
Tax at the PRC EIT rate of 25% (2020: 25%)	按中國企業所得稅稅率25%(二零二零年：25%)計算稅項	**12,115**	2,246
Tax effect of expenses that are not deductible	不可扣稅支出之稅務影響	**6,468**	4,716
Tax effect of income that are not taxable	毋須課稅收益之稅務影響	**(1,849)**	(1,685)
Tax effect on deemed sale of gift item	視作出售禮品的稅務影響	**180**	127
Deferred tax liabilities on undistributed earnings of the PRC and Taiwan subsidiaries	有關中國大陸及台灣附屬公司之未分派盈利之遞延稅項負債	**(102)**	(2,129)
Tax effect of temporary difference and unused tax losses not recognised	未確認暫時差額及未動用稅項虧損之稅務影響	**(116)**	833
Tax effect of utilisation of tax losses not previously recognised	動用先前未確認稅項虧損之稅務影響	**(1,908)**	(2,136)
Under provision in prior years	過往年度撥備不足	**218**	692
Withholding tax on income earned by non-resident entities	非居民實體所賺取收入的預扣稅	**1,820**	733
Tax concession	稅項優惠	**–**	(184)
Tax effect of different tax rates of subsidiaries	附屬公司不同稅率之稅務影響	**(4,663)**	(1,736)
Others	其他	**1,032**	(252)
Income tax expense	所得稅開支	**13,195**	1,225

14. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

14. 本年度溢利

本集團本年度溢利已扣除／(計入)下列各項：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Amortisation of intangible assets	無形資產攤銷	**1,384**	1,797
Amortisation of contract costs	合約成本攤銷	**450**	369
Auditor's remuneration for audit services	核數師有關核數服務的酬金	**2,544**	7,818
– Audit services	– 核數服務	**2,344**	7,818
– Non-audit services	– 非核數服務	**200**	–
(Reversal of impairment)/impairment for trade receivables	貿易應收賬款(減值撥回)／減值	**(3,980)**	2,053
(Reversal of allowance)/allowance for obsolete inventories (included in cost of sales)	陳舊存貨(撥備撥回)／撥備(計入銷售成本)	**(1,318)**	1,487
Inventories write-off (included in cost of sales)	存貨撇銷(計入銷售成本)	**13,255**	11,059
Cost of inventories recognised as an expense	已確認為開支之存貨成本	**153,014**	117,242
Direct operating expenses of properties and equipment that generate rental income	可產生租金收益之物業及設備直接經營開支	**353**	291
Depreciation of property, plant and equipment	物業、廠房及設備折舊	**24,527**	25,591
Depreciation of right-of-use assets (included in cost of sales, distribution and selling expenses and administrative expenses)	使用權資產折舊(計入銷售成本、分銷及銷售開支及行政開支)	**9,040**	9,872
Fair value gain on investment properties	投資物業之公平值收益	**(533)**	(379)
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	**158**	3,140
Loss/(gain) on disposals of right-of-use assets	出售使用權資產之虧損／(利得)	**37**	(93)
Advertising and promotion expenses	廣告及推廣開支	**45,126**	33,862
Research and development cost	研發成本	**6,804**	5,605
Net exchange loss	匯兑虧損淨額	**560**	1,694

Cost of inventories sold included staff cost, depreciation and operating lease charges of approximately HK$43,028,000 (2020: HK$63,156,000) which are included in the amounts disclosed separately.

已售存貨成本包括員工成本、折舊及經營租賃費用約43,028,000港元(二零二零年：63,156,000港元)，並單獨計入已披露金額。

15. EMPLOYEE BENEFITS EXPENSE

15. 員工福利費用

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Employee benefits expense (including directors' emoluments):	員工福利費用(包括董事酬金)：		
Salaries, bonuses and allowances	薪金、花紅及津貼	**146,113**	131,548
Retirement benefit scheme contributions	退休福利計劃供款		
– Defined contribution plans	– 定額供款計劃	**10,902**	2,904
– Defined benefit plan	– 定額福利計劃	**19**	32
		157,034	134,484

Five highest paid individuals

The five highest paid individuals in the Group during the year ended 31 December 2021, one (2020: one) was the chief executive whose emoluments are reflected in the analysis presented in note 16(a) to the consolidated financial statements. The emoluments of the remaining four (2020: four) individuals are set out below:

五名最高薪酬人士

本集團截至二零二一年十二月三十一日止年度五名最高薪酬人士中的一名(二零二零年：一名)為主要行政人員，其酬金已於綜合財務報表附註16(a)所列分析內反映，其餘四名(二零二零年：四名)人士之酬金如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	**6,855**	6,104
Retirement benefit scheme contributions	退休福利計劃供款	**252**	57
		7,107	6,161

The emoluments fell within the following band:

其酬金組別如下：

		Number of individuals 人數	
		2021 二零二一年	2020 二零二零年
HK$1,000,001 to HK$1,500,000	1,000,001港元至1,500,000港元	**–**	3
HK$1,500,001 to HK$2,000,000	1,500,001港元至2,000,000港元	**3**	–
HK$2,000,001 to HK$2,500,000	2,000,001港元至2,500,000港元	**1**	1

During the year, no amount was paid or payable by the Group to the directors or any of the five highest paid individuals set out below as an inducement to join or upon joining the Group or as compensation for loss of office.

於本年度，本集團並無支付或應付下文所載董事或任何五名最高薪酬人士之款項，作為吸引彼等加盟或於加盟本集團時之獎勵，或作為離職時之補償。

16. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments and chief executive

The remuneration of each director and chief executive is set out below:

16. 董事福利及權益

(a) 董事酬金及主要行政人員

各董事及主要行政人員之薪酬載述如下：

2021	二零二一年	Fees 袍金 HK$'000 千港元	Salaries and allowances 薪金及津貼 HK$'000 千港元	Discretionary bonus 酌情花紅 HK$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃的供款 HK$'000 千港元	Total 總計 HK$'000 千港元
Executive directors	**執行董事**					
Dr. LEI Chien *(Chairperson)*	雷倩博士*(主席)*	1,097	-	-	-	1,097
Mr. PAN Yi-Fan	潘逸凡先生	250	-	-	-	250
		1,347	-	-	-	1,347
Non-executive directors	**非執行董事**					
Mr. CHEN Shou-Huang	陳守煌先生	1,013	-	-	-	1,013
Ms. LU Yu-Min	陸瑜民女士	1,044	-	-	-	1,044
Ms. LIN Shu-Hua	林淑華女士	240	-	277	-	517
		2,297	-	277	-	2,574
Independent non-executive directors	**獨立非執行董事**					
Mr. CHEN Ruey-Long	陳瑞隆先生	240	-	-	-	240
Mr. LU Chi-Chant	盧啓昌先生	240	-	-	-	240
Mr. YANG Shih-Chien	楊世緘先生	240	-	-	-	240
		720	-	-	-	720
Total directors' emoluments	董事酬金總計	4,364	-	277	-	4,641
Chief executive officer	**行政總裁**					
Ms. LIN Yen-Ling	林燕玲女士	-	2,972	458	30	3,460
Total for 2021	二零二一年總計	4,364	2,972	735	30	8,101

16. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

16. 董事福利及權益(續)

(a) Directors' emoluments and chief executive (Continued)

The remuneration of each director and chief executive is set out below: (Continued)

(a) 董事酬金及主要行政人員(續)

各董事及主要行政人員之薪酬載述如下：(續)

2020	二零二零年	Fees 袍金 HK$'000 千港元	Salaries and allowances 薪金及津貼 HK$'000 千港元	Discretionary bonus 酌情花紅 HK$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃的供款 HK$'000 千港元	Total 總計 HK$'000 千港元
Executive directors	**執行董事**					
Dr. LEI Chien *(Chairperson)*	雷倩博士*(主席)*	917	–	–	–	917
Mr. PAN Yi-Fan	潘逸凡先生	833	–	–	–	833
		1,750	–	–	–	1,750
Non-executive directors	**非執行董事**					
Mr. CHEN Shou-Huang	陳守煌先生	1,000	–	–	–	1,000
Ms. LU Yu-Min	陸瑜民女士	1,042	–	–	–	1,042
		2,042	–	–	–	2,042
Independent non-executive directors	**獨立非執行董事**					
Mr. CHEN Ruey-Long	陳瑞隆先生	240	–	–	–	240
Mr. LU Chi-Chant	盧啓昌先生	240	–	–	–	240
Mr. YANG Shih-Chien	楊世緘先生	240	–	–	–	240
		720	–	–	–	720
Total directors' emoluments	董事酬金總計	4,512	–	–	–	4,512
Chief executive officer	**行政總裁**					
Ms. LIN Yen-Ling	林燕玲女士	–	2,665	426	28	3,119
Total for 2020	二零二零年總計	4,512	2,665	426	28	7,631

16. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments and chief executive (Continued)

Neither the chief executive nor any of the directors waived any emoluments during the year (2020: Nil).

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

16. 董事福利及權益(續)

(a) 董事酬金及主要行政人員(續)

年內，主要行政人員及任何董事概無豁免收取任何酬金(二零二零年：無)。

(b) 董事於交易、安排或合約之重大權益

於年末或年內任何時間並無存續任何由本公司訂立而本公司董事及其關連人士直接或間接擁有重大權益且與本集團業務有關之重大交易、安排及合約。

17. DIVIDENDS

17. 股息

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
2020 Final of HK$0.003 (2020: 2019 Final Nil) per ordinary share	每股普通股二零二零年末期股息0.003港元(二零二零年：二零一九年末期股息零元)	**6,006**	–

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2021 of HK$0.003 per share has been proposed by the directors and is subject to approval by the shareholders at the forthcoming general meeting.

於報告期間結束後，董事建議派付截至二零二一年十二月三十一日止年度每股0.003港元之末期股息，惟須待股東於應屆股東大會上批准後方可作實。

18. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of approximately HK$35,264,000 (2020: HK$7,758,000) and the weighted average number of ordinary shares of approximately 2,002,100,932 (2020: 2,002,100,932) in issue during the year.

(b) Diluted earnings per share

No diluted earnings per share for the year ended 31 December 2021 and 2020 is presented as the Company had no potential ordinary shares outstanding.

18. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本公司擁有人應佔本年度溢利約35,264,000港元(二零二零年：7,758,000港元)及年內已發行普通股之加權平均數約2,002,100,932股(二零二零年：2,002,100,932股)計算。

(b) 每股攤薄盈利

截至二零二一年及二零二零年十二月三十一日止年度，由於本公司並無發行在外之潛在普通股，故並無呈列每股攤薄盈利。

19. PROPERTY, PLANT AND EQUIPMENT 19. 物業、廠房及設備

		Freehold land 永久業權土地 HK$'000 千港元	Buildings 樓宇 HK$'000 千港元	Leasehold improvements 租賃物業裝修 HK$'000 千港元	Machinery 機器 HK$'000 千港元	Motor vehicles 汽車 HK$'000 千港元	Furniture, fixtures and equipment 傢具、裝置及設備 HK$'000 千港元	Construction in progress 在建工程 HK$'000 千港元	Total 總計 HK$'000 千港元
Cost	**成本**								
At 1 January 2020	於二零二零年一月一日	17,220	175,790	72,743	41,478	4,191	90,576	105,850	507,848
Additions	增添	–	3,281	9,854	779	–	19,322	37,806	71,042
Construction expenditure capitalised	資本化建設開支	–	–	–	–	–	–	1,056	1,056
Disposals	出售	–	–	(25,739)	(4,267)	(802)	(13,494)	–	(44,302)
Transfer	轉移	–	–	1,380	–	–	236	(1,616)	–
Exchange difference	匯兑差額	1,068	11,108	3,789	2,368	221	5,944	8,766	33,264
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	18,288	190,179	62,027	40,358	3,610	102,584	151,862	568,908
Additions	增添	–	56	1,995	535	–	9,005	29,253	40,844
Construction expenditure capitalised	資本化建設開支	–	–	–	–	–	–	3,045	3,045
Disposals	出售	–	(26)	(11,211)	(351)	(359)	(8,464)	(648)	(21,059)
Transfer	轉移	–	123	1,531	251	–	5,648	(7,553)	–
Exchange difference	匯兑差額	364	5,735	1,635	1,225	77	3,019	5,348	17,403
At 31 December 2021	於二零二一年十二月三十一日	18,652	196,067	55,977	42,018	3,328	111,792	181,307	609,141
Accumulated depreciation	**累計折舊**								
At 1 January 2020	於二零二零年一月一日	–	83,730	56,613	31,527	2,276	65,511	–	239,657
Charge for the year	年內支出	–	4,850	5,626	2,486	436	12,193	–	25,591
Disposals	出售	–	–	(10,493)	(3,853)	(277)	(6,455)	–	(21,078)
Exchange difference	匯兑差額	–	5,486	3,293	1,882	150	4,387	–	15,198
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	–	94,066	55,039	32,042	2,585	75,636	–	259,368
Charge for the year	年內支出	–	5,231	4,010	2,321	243	12,722	–	24,527
Disposals	出售	–	(26)	(11,207)	(336)	(341)	(5,678)	–	(17,588)
Exchange difference	匯兑差額	–	2,926	1,480	1,006	57	2,266	–	7,735
At 31 December 2021	於二零二一年十二月三十一日	–	102,197	49,322	35,033	2,544	84,946	–	274,042
Carrying amount	**賬面值**								
At 31 December 2021	於二零二一年十二月三十一日	18,652	93,870	6,655	6,985	784	26,846	181,307	335,099
At 31 December 2020	於二零二零年十二月三十一日	18,288	96,113	6,988	8,316	1,025	26,948	151,862	309,540

19. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 December 2021, freehold land and buildings amounting to approximately HK$18,652,000 (2020: HK$18,288,000) and HK$77,025,000 (2020: HK$78,966,000) respectively were pledged as security for the Group's bank loan (note 30).

19. 物業、廠房及設備(續)

於二零二一年十二月三十一日，永久業權土地及樓宇分別約18,652,000港元(二零二零年：18,288,000港元)及77,025,000港元(二零二零年：78,966,000港元)已質押作為本集團銀行貸款之抵押品(附註30)。

20. INVESTMENT PROPERTIES

The Group leases out the investment properties under operating leases with rentals payable monthly. The leases typically run for an initial period of one to five years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

20. 投資物業

本集團根據經營租賃租賃投資物業，按月繳付租金。租賃的初始租期通常為一至五年。

在租賃安排下，由於所有租賃均以集團實體之相應功能貨幣計值，故本集團並無承受外幣風險。租賃合約並不包含殘值擔保及／或承租人於租賃完結時購買物業之選擇權。

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
At 1 January	於一月一日	**8,817**	7,928
Fair value gain	公平值收益	**533**	379
Exchange difference	匯兑差額	**182**	510
At 31 December	於十二月三十一日	**9,532**	8,817

The fair value of the Group's investment properties at 31 December 2021 and 2020 was valued on mix of direct comparison method and income capitalisation method. The valuation was performed by Euro-Asia Real Estate Appraisers Firm, an independent firm of chartered surveyors.

本集團投資物業於二零二一年及二零二零年十二月三十一日的公平值乃以直接比較法與收入資本化法結合估值。是項估值由獨立特許測量師行歐亞不動產估價師聯合事務所進行。

There was no change in the valuation approach for the years ended 31 December 2021 and 2020. The fair value of the Group's investment properties is within level 3 of the fair value hierarchy.

截至二零二一年及二零二零年十二月三十一日止年度之估值方法並無變動。本集團投資物業之公平值在公平值層級第三級範圍內。

21. RIGHT-OF-USE ASSETS 21. 使用權資產

		Leasehold lands 租賃土地 HK$'000 千港元	Leased properties 租賃物業 HK$'000 千港元	Total 總計 HK$'000 千港元
At 1 January 2020	於二零二零年一月一日	47,636	29,136	76,772
Additions	增添	–	8,029	8,029
Disposals	出售	–	(21,038)	(21,038)
Depreciation	折舊	(1,167)	(8,705)	(9,872)
Exchange differences	匯兑差額	2,902	244	3,146
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	49,371	7,666	57,037
Additions	增添	–	31,375	31,375
Disposals	出售	–	(474)	(474)
Depreciation	折舊	(1,253)	(7,787)	(9,040)
Exchange differences	匯兑差額	1,583	1,220	2,803
At 31 December 2021	於二零二一年十二月三十一日	49,701	32,000	81,701

Lease liabilities of HK$31,791,000 (2020: HK$7,494,000) are recognised with related right-of-use assets of HK$81,701,000 as at 31 December 2021 (2020 HK$57,037,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

於二零二一年十二月三十一日，租賃負債31,791,000港元(二零二零年：7,494,000港元)與有關使用權資產81,701,000港元(二零二零年：57,037,000港元)一同確認。除出租人持有的租賃資產之擔保權益外，租賃協議不施加任何契約。租賃資產不得用作借貸擔保。

21. RIGHT-OF-USE ASSETS (Continued)

21. 使用權資產(續)

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Depreciation on right-of-use assets	使用權資產折舊	**9,040**	9,872
Interest expense on lease liabilities (included in finance costs) (note 12)	租賃負債利息支出(計入融資成本)(附註12)	**982**	925
Expenses relating to leases of low value assets (included in administrative expenses and distribution and selling expenses)	有關低價值資產租賃的開支(計入行政開支及分銷及銷售開支)	**2,224**	1,910
Expenses relating to short-term lease (included in administrative expenses and distribution and selling expenses)	有關短期租賃的開支(計入行政開支及分銷及銷售開支)	**3,856**	6,604
COVID-19-Related Rent Concessions received	已收新冠疫情相關租金優惠	**–**	267

Details of total cash outflow for leases is set out in note 39(c) to the consolidated financial statements.

租賃現金流出總額詳情載於綜合財務報表附註39(c)。

As disclosed in note 3, the Group has early adopted the Amendments to HKFRS 16: COVID-19-Related Rent Concessions beyond June 2021, and applied the practical expedient to all eligible rent concessions received by the Group during the period.

如附註3所述，本集團提早採納香港財務報告準則第16號的修訂：二零二一年六月後新冠疫情相關租金優惠，並就本集團期內收取的所有合資格租金寬減應用可行權益方法。

For both years, the Group leases offices, factory plant and land for its operations. Lease contracts are entered into for fixed term of two to ten years (2020: two to five years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於兩個年度，本集團租賃辦公室、廠房及土地以進行經營。所訂立之租賃合約為期二至十年(二零二零年：二至五年)。租賃條款按個別基準進行磋商，並包含多種不同的條款及條件。於釐定租期及評估不可撤回期間之長度時，本集團應用合約定義及釐定合約可強制執行的期間。

In addition, the Group owns an office building located in the PRC. The Group is the registered owner of this property interest, including the underlying leasehold lands. Lump sum payments were made upfront to acquire the land interest. The leasehold land components of this owned property is presented separately only if the payments made can be allocated reliably.

此外，本集團擁有一幢位於中國大陸的寫字樓。本集團為此物業權益(包括相關租賃土地)之註冊擁有人。已作出一次性預付款以取得土地權益。此自有物業之租賃土地組成部分僅在能可靠分配所作出之付款時單獨呈列。

At 31 December 2021, the carrying amount of the Group's right-of-use assets related to leasehold lands of HK$6,859,000 (2020: HK$6,930,000) were pledged as security for the Group's bank loans (note 30).

於二零二一年十二月三十一日，本集團有關租賃土地的使用權資產賬面值6,859,000港元(二零二零年：6,930,000港元)已質押作為本集團銀行貸款之抵押品(附註30)。

22. GOODWILL 22. 商譽

		Sale of cosmetic products in the PRC ("CGU A") 於中國大陸銷售美容產品(「現金產生單位A」) HK$'000 千港元	Medical aesthetics services in the PRC ("CGU B") 於中國大陸銷售醫療美容服務(「現金產生單位B」) HK$'000 千港元	Total 總計 HK$'000 千港元
Cost	**成本**			
At 1 January 2020	於二零二零年一月一日	29,244	5,382	34,626
Exchange difference	匯兑差額	1,551	336	1,887
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	30,795	5,718	36,513
Exchange difference	匯兑差額	859	186	1,045
31 December 2021	於二零二一年十二月三十一日	31,654	5,904	37,558
Accumulated impairment losses	**累計減值虧損**			
At 1 January 2020	於二零二零年一月一日	3,716	3,527	7,243
Exchange difference	匯兑差額	232	220	452
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	3,948	3,747	7,695
Exchange difference	匯兑差額	128	122	250
At 31 December 2021	於二零二一年十二月三十一日	4,076	3,869	7,945
Carrying amount	**賬面值**			
At 31 December 2021	於二零二一年十二月三十一日	27,578	2,035	29,613
At 31 December 2020	於二零二零年十二月三十一日	26,847	1,971	28,818

22. GOODWILL (Continued)

In addition to goodwill, property, plant and equipment, right-of-use assets and other intangible assets that generate cash flows together with the related goodwill are also included in the respective CGU for the purpose of impairment assessment.

CGU A

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses a discounted cash flow method. Cash flow projections based on financial budgets approved by the management covering a five-year period and cash flows over five years using a growth rate of 2% (2020: 3%) and a discount rate of 16.9% (2020: 17.7%). Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue and gross margin, such estimation is based on the unit's past performance and the management's expectations for the market development. The management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of this unit to exceed the aggregate recoverable amount of this unit.

The cash flow projections, growth rates and discount rate have been reassessed as at 31 December 2021 taking into consideration higher degree of estimation uncertainties in the current year due to how the COVID-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions of the Group's sale of cosmetic products operations in the PRC.

During the year ended 31 December 2021 and 31 December 2020, the management of the Group determines that there is no impairment on CGU.

The recoverable amount calculated based on value in use exceeded carrying value by HK$68,447,000. A decrease in gross margin of 3% or a rise in discount rate to 20.4%, all changes taken in isolation, would remove the remaining headroom.

22. 商譽(續)

就減值評估目的而言，除商譽外，物業、廠房及設備、使用權資產及產生現金流量的其他無形資產，連同有關商譽亦計入各自現金產生單位。

現金產生單位A

此單位之可收回金額按使用價值計算釐定。該計算採用貼現現金流量法。現金流量預測乃根據管理層批准之五年期財務預算並且五年現金流量乃使用2%增長率(二零二零年：3%)及16.9%貼現率(二零二零年：17.7%)得出。使用價值計算方法之其他主要假設與估計現金流入／流出有關(包括預算收入及毛利率)，有關估計按現金產生單位之過往表現及管理層對市場發展之預期釐定。管理層相信，任何該等假設之任何合理可能變動均不會導致此現金產生單位之賬面總值超出此現金產生單位之可收回總金額。

現金流量預測、增長率及貼現率已於二零二一年十二月三十一日重新評估，當中計及本年度估計的高度不確定性，此乃由於新冠疫情的發展及演變態勢以及金融市場的波動(包括對本集團於中國大陸銷售美容產品業務的潛在干擾)。

截至二零二一年十二月三十一日及二零二零年十二月三十一日止年度，本集團管理層釐定現金產生單位並無減值。

以使用價值計算的可收回金額超過其賬面值68,447,000港元。毛利率減少3%或貼現率上升至20.4%，所有獨立發生之變更均將剔除剩餘限額。

22. GOODWILL (Continued)

CGU B

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period and discount rate of 16.4% (2020: 16.7%). Unit B's cash flows beyond the five-year period are extrapolated using a steady 2% (2020: 3%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Cash flow projections during the budget period for Unit B is also based on the budgeted sales and expected gross margins during the budget period. Expected cash inflows/outflows, which include budgeted revenue, gross margin have been determined on management's expectations for the market development and its business plan as well as consideration of past performance of comparable clinics.

The cash flow projections, growth rates and discount rate have been reassessed as at 31 December 2021 taking into consideration higher degree of estimation uncertainties in the current year due to how the COVID-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions of the Group's medical aesthetics services in the PRC.

During the year ended 31 December 2021 and 31 December 2020, management of the Group determines that there is no impairment on CGU.

The recoverable amount calculated based on value in use exceed carrying value by HK$7,991,000. A decrease in gross margin of 9% or a rise in discount rate to 30.0%, all change taken in isolation, would remove the remaining headroom.

22. 商譽(續)

現金產生單位B

此單位之可收回金額按使用價值計算釐定。該計算方式乃根據管理層批准之五年期財務預算及16.4%貼現率(二零二零年：16.7%)之現金流量預測所得出。超出五年期的單位B現金流量乃採用穩定的2%增長率(二零二零年：3%)推算。該增長率乃根據相關行業增長預測且不會超出相關行業的平均長期增長率。單位B預算期內的現金流量預測亦根據預算期內的預算銷售額及預期毛利率得出。預期現金流入／流出(包括預算收入及毛利率)已根據管理層對市場發展及其業務計劃的期望，以及可資比較診所的過往表現釐定。

現金流量預測、增長率及貼現率已於二零二一年十二月三十一日重新評估，當中計及本年度估計的高度不確定性，此乃由於新冠疫情的發展及演變態勢以及金融市場的波動(包括對本集團於中國大陸的醫療美容服務的潛在干擾)。

截至二零二一年十二月三十一日及二零二零年十二月三十一日止年度，本集團管理層釐定現金產生單位並無減值。

以使用價值計算的可收回金額超過其賬面值7,991,000港元。毛利率減少9%或貼現率上升至30.0%，所有獨立發生之變更均將剔除剩餘限額。

23. INTANGIBLE ASSETS

23. 無形資產

		Licenses 許可權 HK$'000 千港元
Cost	**成本**	
At 1 January 2020	於二零二零年一月一日	17,887
Exchange difference	匯兑差額	1,115
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	19,002
Disposals (note 39(a))	出售(附註39(a))	(10,827)
Exchange difference	匯兑差額	409
At 31 December 2021	於二零二一年十二月三十一日	8,584
Accumulated amortisation and impairment loss	**累計攤銷及減值虧損**	
At 1 January 2020	於二零二零年一月一日	2,870
Charge for the year	年內支出	1,797
Exchange difference	匯兑差額	281
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	4,948
Disposals (note 39(a))	出售(附註39(a))	(3,518)
Charge for the year	年內支出	1,384
Exchange difference	匯兑差額	119
At 31 December 2021	於二零二一年十二月三十一日	2,933
Carrying amount	**賬面值**	
At 31 December 2021	於二零二一年十二月三十一日	5,651
At 31 December 2020	於二零二零年十二月三十一日	14,054

Licenses represented Practice License of Medical Institution and are amortised on a straight-line basis over ten years.

許可權指醫療機構執業許可證並按十年以直線法進行攤銷。

24. INVESTMENTS IN SUBSIDIARIES

Particulars of major subsidiaries as at 31 December 2021 are as follows:

24. 於附屬公司之投資

於二零二一年十二月三十一日之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Principal country of operation/county of incorporation/ establishment/ kind of legal entity 主要經營所在國家／註冊／成立所在國家／法律實體類別	Issued capital/ registered capital 已發行資本／註冊資本	Percentage of ownership interest 擁有權權益之比例 Direct 直接	Indirect 間接	Principal activities 主要業務
上海自然美生物科技有限公司* (Shanghai Natural Beauty Bio-Technology Company Limited)#	The PRC	United States Dollars ("US$") 29,980,000	–	100%	Production and sale of skin care and beauty products
上海自然美生物科技有限公司*	中國大陸	29,980,000美元(「美元」)			生產及銷售護膚及美容產品
上海自然美三聯化粧品有限公司^ (Shanghai Natural Beauty Sanlian Cosmetics Company Limited)#	The PRC	RMB8,000,000	–	100%	Sale of skin care and beauty products and aroma-therapeutic products
上海自然美三聯化粧品有限公司^	中國大陸	人民幣8,000,000元			銷售護膚及美容產品及精油產品
上海自然美富麗化妝品有限公司@ (Shanghai Natural Beauty Fuli Cosmetics Company Limited)#	The PRC	US$14,800,000	–	100%	Production and sale of skin care and beauty products, aroma-therapeutic products, provision of skin treatment, beauty and Spa service
上海自然美富麗化妝品有限公司@	中國大陸	14,800,000美元			生產及銷售護膚及美容產品及精油產品及提供護膚、美容及水療服務
上海詠麗化妝品有限公司^ (Shanghai Yongli Cosmetics Company Limited)#	The PRC	RMB10,000,000	–	100%	Sale of skin care and beauty products and aroma-therapeutic products
上海詠麗化妝品有限公司^	中國大陸	人民幣10,000,000元			銷售護膚及美容產品及精油產品

24. INVESTMENTS IN SUBSIDIARIES (Continued) 24. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Principal country of operation/county of incorporation/ establishment/ kind of legal entity 主要經營所在國家／註冊／成立所在國家／法律實體類別	Issued capital/ registered capital 已發行資本／註冊資本	Percentage of ownership interest 擁有權權益之比例 Direct 直接	Indirect 間接	Principal activities 主要業務
自然美生物科技股份有限公司 (Natural Beauty Bio-Technology Company Limited)#	Taiwan	NT$201,000,000	–	100%	Production and sale of skin care and beauty products
自然美生物科技股份有限公司	台灣	新台幣201,000,000元			生產及銷售護膚及美容產品
輝躍投資股份有限公司 (Huei Yao Investment Company Limited)#	Taiwan	NT$126,086,450	–	100%	Investment holding
輝躍投資股份有限公司	台灣	新台幣126,086,450元			投資控股
瑞昇醫學美容科技企業股份有限公司 (Ray-Sen Medical Cosmetics Company Limited)#	Taiwan	NT$50,000,000	–	100%	Provision of beauty consulting and training
瑞昇醫學美容科技企業股份有限公司	台灣	新台幣50,000,000元			提供美容顧問服務及培訓
科美研生技股份有限公司 (Ke Mei Yan Bio-Technology Company Limited)#	Taiwan	NT$100,000,000	–	100% (2020: Nil)	Sale of skin care and beauty products
科美研生技股份有限公司	台灣	新台幣100,000,000元	–	100% (二零二零年：無)	銷售護膚及美容產品
Belem Holdings Sdn. Bhd.	Malaysia	MYR68,609,858 Class B shares MYR10,000 Class A shares	100%	–	Investment holding
Belem Holdings Sdn. Bhd.	馬來西亞	68,609,858馬幣B類股份 10,000馬幣A類股份			投資控股

24. INVESTMENTS IN SUBSIDIARIES (Continued) 24. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Principal country of operation/county of incorporation/ establishment/ kind of legal entity 主要經營所在國家／註冊／成立所在國家／法律實體類別	Issued capital/ registered capital 已發行資本／註冊資本	Percentage of ownership interest 擁有權權益之比例 Direct 直接	Indirect 間接	Principal activities 主要業務
Billion Synergy Sdn. Bhd. Billion Synergy Sdn. Bhd.	Malaysia 馬來西亞	MYR2 2馬幣	–	100%	Wholesale of skin care and beauty products 批發護膚及美容產品
Great Glamour Company Limited Great Glamour Company Limited	British Virgin Islands ("BVI") 英屬維爾京群島(「英屬維爾京群島」)	US$50,000 50,000美元	100%	–	Investment holding 投資控股
Next Success International Limited Next Success International Limited	BVI 英屬維爾京群島	US$100 100美元	100%	–	Investment holding 投資控股
Fortune Investment Global Limited Fortune Investment Global Limited	BVI 英屬維爾京群島	US$50,000 50,000美元	100%	–	Investment holding 投資控股
Natural Beauty Bio-Technology (Hong Kong) Company Limited 自然美生物科技(香港)有限公司	Hong Kong 香港	HK$10,000 10,000港元	–	100%	Sale of cosmetic products and provision of beauty treatments 銷售彩妝產品及提供美容護理
Natural Beauty China Holding Limited 自然美中國控股有限公司	Hong Kong 香港	HK$200,000 200,000港元	100%	–	Investment holding 投資控股
上海自然美生物醫學有限公司* (Shanghai Natural Beauty Bio-Med Company Limited)# 上海自然美生物醫學有限公司*	The PRC 中國大陸	US$2,600,000 2,600,000美元	–	100%	Manufacture and sale of health supplement 生產及銷售保健品

24. INVESTMENTS IN SUBSIDIARIES (Continued)

24. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Principal country of operation/county of incorporation/ establishment/ kind of legal entity 主要經營所在國家／註冊／成立所在國家／法律實體類別	Issued capital/ registered capital 已發行資本／註冊資本	Percentage of ownership interest 擁有權權益之比例 Direct 直接	Indirect 間接	Principal activities 主要業務
上海自然美海麗化妝品有限公司^ (Shanghai Natural Beauty Haili Cosmetics Company Limited)#	The PRC	RMB10,000,000	–	100%	Sale of skin care and beauty products and aroma-therapeutic products
上海自然美海麗化妝品有限公司^	中國大陸	人民幣10,000,000元			銷售護膚及美容產品及精油產品
上海力信醫療美容診所有限公司^ (Shanghai Lixin Medical Beauty Clinic Company Limited)#	The PRC	RMB4,000,000	–	– (2020: 100%)	Provision of medical beauty service and sale of skin care and beauty products
上海力信醫療美容診所有限公司^	中國大陸	人民幣4,000,000元			提供醫療美容服務及銷售護膚及美容產品
北京嘉韻醫療美容診所有限公司^ (Beijing Jiayun Medical Beauty Clinic Company Limited)#	The PRC	RMB2,000,000	–	100%	Provision of medical beauty service
北京嘉韻醫療美容診所有限公司^	中國大陸	人民幣2,000,000元			提供醫療美容服務

* These subsidiaries are foreign investment enterprises with limited liability established in the PRC.

^ These subsidiaries are domestic limited liability enterprises in the PRC.

@ The subsidiary is a Chinese-foreign joint venture established in the PRC.

Being English translated names.

* 該等附屬公司為於中國大陸成立的有限責任外資企業。

^ 該等附屬公司為於中國大陸成立的內資有限責任企業。

@ 該附屬公司為一間於中國大陸成立的中外合營企業。

名稱之英文翻譯。

25. INVENTORIES 25. 存貨

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Raw material	原材料	70,830	59,758
Finished goods	製成品	67,254	61,886
		138,084	121,644
Less: Allowance	減：撥備	(17,123)	(18,364)
		120,961	103,280

Reconciliation of allowance for inventories: 存貨撥備對賬：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
At 1 January	於一月一日	18,364	16,073
Write-off	撇銷	(299)	(371)
(Reversal of allowance)/allowance for the year	年內(撥備撥回)／撥備	(1,397)	1,858
Exchange differences	匯兑差額	455	804
At 31 December	於十二月三十一日	17,123	18,364

26. TRADE AND OTHER RECEIVABLES

26. 貿易及其他應收賬款

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Trade receivables	貿易應收賬款	**115,739**	122,723
Less: Allowance for credit loss	減：信貸虧損撥備	**(582)**	(9,011)
		115,157	113,712
Prepayments	預付款項	**12,056**	12,026
Deposits	按金	**3,338**	2,903
Other receivables	其他應收賬款	**1,273**	1,810
Right-of-return assets	退貨權資產	**145**	445
		131,969	130,896

The Group allows general credit period range from 30 to 120 days to its trade customers who are qualified for credit sales. The credit period provided to customers can vary based on a number of factors including the customer's credit profile and sales promotion policy.

本集團給予其符合信貸銷售資格之貿易客戶一般介乎30至120日之信貸期。提供客戶之信貸期可依據多項因素(包括客戶之信用狀況及促銷政策)而有所不同。

The ageing analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

根據發票日期，本集團貿易應收賬款(經扣除撥備)之賬齡分析如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Within 180 days	180日內	**104,751**	102,343
Over 180 days	超過180日	**10,406**	11,369
		115,157	113,712

26. TRADE AND OTHER RECEIVABLES (Continued)

The carrying amounts of the Group's net trade receivables are denominated in the following currencies:

26. 貿易及其他應收賬款(續)

本集團貿易應收賬款淨額之賬面值以下列貨幣計值：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
HK$	港元	**465**	74
Renminbi ("RMB")	人民幣(「人民幣」)	**51,596**	52,153
New Taiwan dollar ("NT$")	新台幣(「新台幣」)	**63,066**	61,151
Ringgit Malaysia ("MYR")	馬來西亞幣(「馬幣」)	**30**	334
		115,157	113,712

27. CONTRACT COSTS

27. 合約成本

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Incremental costs to obtain contracts	取得合約增量成本	**319**	699

Contract costs capitalised as at 31 December 2021 and 2020 relate to the incremental sales commissions paid to franchisees whose selling activities resulted in customers entering into sale and purchase agreements for the Group's services which are still not transferred at the reporting date. Contract costs are recognised as part of cost of sales in the consolidated statement of profit or loss in the period in which revenue from the related services sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was approximately HK$450,000 (2020: HK$369,000). There was no impairment in relation to the costs capitalised during the year.

於二零二一年及二零二零年十二月三十一日的資本化合約成本與已付加盟商的增量銷售佣金有關，該等加盟商的銷售活動導致客戶為本集團於報告日期尚未轉移的服務訂立買賣協議。合約成本於相關服務銷售收入確認期間內的綜合損益表中確認為銷售成本的一部份。年內於損益中確認的資本化成本金額約為450,000港元(二零二零年：369,000港元)。年內概無有關資本化成本的減值。

28. PLEDGED BANK DEPOSITS AND BANK AND CASH BALANCES

In 2015, the Group signed a guarantee agreement and placed bank deposits with China Merchants Bank of China ("CMBC"), in order for CMBC to issue guarantee letters to Fengxian government for the Group's construction project. The pledged bank deposits will be released upon the expirations of the guarantee letters.

As at 31 December 2021, the carrying amount of the pledged bank deposits was RMB3,054,000 (2020: RMB3,055,000) (equivalent to approximately HK$3,745,000 (2020: HK$3,628,000)), which will be release in 2022 (2020: in 2021).

28. 抵押銀行存款及銀行及現金結存

於二零一五年，本集團為建設項目與中國招商銀行(「招商銀行」)簽署保證協議及用銀行存款作為抵押以便招商銀行向奉賢區政府開出保函。抵押銀行存款將在保函期滿後解除抵押。

於二零二一年十二月三十一日，抵押銀行存款的賬面值為人民幣3,054,000元(二零二零年：人民幣3,055,000元)(相等於約3,745,000港元(二零二零年：3,628,000港元))，其將於二零二二年解除抵押(二零二零年：於二零二一年)。

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Bank and cash balances	銀行及現金結存	**184,466**	152,037
Time deposits mature within three months (note (a) & (b))	三個月內到期之定期存款(附註(a)及(b))	**–**	2,485
Time deposits with maturities of over three months but less than one year	三個月以上一年以下到期之定期存款	**8,871**	7,456
		193,337	161,978
Less: Time deposits with maturities of over three months but less than one year (note (a) & (c))	減：三個月以上一年以下到期之定期存款(附註(a)&(c))	**(8,871)**	(7,456)
Cash and cash equivalent	現金及現金等價物	**184,466**	154,522

Notes:

(a) The Group placed time deposits with banks with high credit-rating assigned by international credit-rating agencies in Taiwan, with fixed maturities and fixed interest rate which expose the Group to fair value interest rate risk; while time deposits with fixed maturities and floating interest rate are exposing the Group to cash flow interest rate risk.

The balance was denominated in NT$.

(b) The interest rate on short-term bank deposits was 0.58% per annum in 2020.

(c) Short term time deposits were made for a maximum period of one year (2020: one year) with ranging from 0.58% to 0.76% per annum (2020: 0.76% per annum).

附註：

(a) 本集團將定期存款存於獲國際信貸評級機構評為高信貸評級之台灣銀行，其有固定到期日及按固定利率計息，令本集團承受公平值利率風險；而有固定到期日及按浮動利率計息之定期存款，則令本集團承受現金流量利率風險。

該結餘以新台幣計值。

(b) 於二零二零年，短期銀行存款之年利率為0.58%。

(c) 短期定期存款的最長期限為一年(二零二零年：一年)，年利率介乎0.58%至0.76%(二零二零年：年利率為0.76%)。

28. PLEDGED BANK DEPOSITS AND BANK AND CASH BALANCES (Continued)

The carrying amounts of the Group's bank deposits are denominated in the following currencies:

28. 抵押銀行存款及銀行及現金結存(續)

本集團銀行存款之賬面值以下列貨幣計值：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
HK$	港元	**2,127**	2,862
RMB	人民幣	**130,340**	108,816
US$	美元	**5,333**	4,689
NT$	新台幣	**45,513**	35,661
MYR	馬幣	**1,153**	2,494
		184,466	154,522

As at 31 December 2021, the Group's bank and cash balances held by the PRC subsidiaries denominated in RMB amounted to approximately HK$125,491,000 (2020: HK$106,804,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於二零二一年十二月三十一日，本集團中國大陸附屬公司所持以人民幣計值之銀行及現金結存約125,491,000港元(二零二零年：106,804,000港元)。將人民幣兌換為外幣須遵循中國大陸外匯管制條例和結匯、售匯及付匯管理規定。

29. TRADE AND OTHER PAYABLES

29. 貿易及其他應付賬款

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Trade payables	貿易應付賬款	**15,151**	26,147
Deposits from franchisees	加盟商按金	**28,582**	29,322
Other tax payables	其他應付稅項	**8,913**	7,662
Accruals	應付費用	**46,040**	44,599
Other payables	其他應付賬款	**10,710**	14,428
Refund liabilities	退款負債	**381**	1,180
		109,777	123,338

29. TRADE AND OTHER PAYABLES (Continued)

The ageing analysis of the Group's trade payables, based on the date of receipt of goods or service consumed, is as follows:

29. 貿易及其他應付賬款(續)

根據收貨或享用服務日期，本集團貿易應付賬款之賬齡分析如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Within 90 days	90日內	**15,143**	25,539
91 days to 365 days	91日至365日	**8**	12
Over 365 days	365日以上	**–**	596
		15,151	26,147

The carrying amounts of the Group's trade payables are denominated in the following currencies:

本集團貿易應付賬款之賬面值以下列貨幣計值：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
RMB	人民幣	**4,881**	4,893
NT$	新台幣	**10,270**	20,531
US$	美元	**–**	723
		15,151	26,147

30. BORROWINGS AND BANKING FACILITIES

The analysis of the Group's bank loans is as follows:

30. 借款及銀行融資

本集團銀行貸款分析如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Secured bank loans	已抵押銀行貸款	**97,283**	67,527

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Within one year	一年以內	**34,484**	16,534
More than two years, but not more than five years	兩年以上五年以下	**9,482**	13,254
		43,966	29,788
Portion of bank loans that are due for repayment after one year but contain a repayment on demand clause (shown under current liabilities)	一年後到期償還但包含按要求還款條款的銀行貸款部分（於流動負債列示）	**53,317**	37,739
		97,283	67,527
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期應付款項（於流動負債列示）	**(87,801)**	(54,273)
Amount due for settlement after 12 months	12個月後到期應付款項	**9,482**	13,254

30. BORROWINGS AND BANKING FACILITIES (Continued)

The carrying amounts of the Group's bank loans are denominated in the following currencies:

30. 借款及銀行融資(續)

本集團銀行貸款之賬面值以下列貨幣計值：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
RMB	人民幣	**84,985**	53,721
NT$	新台幣	**12,298**	13,806
		97,283	67,527

The Group's bank loans are arranged at the following interest rates:

本集團之銀行貸款按下列利率計息：

		2021 **二零二一年**	2020 二零二零年
Bank loan at floating rate of HK$97,283,000 (2020: HK$67,527,000)	浮息銀行貸款97,283,000港元（二零二零年：67,527,000港元）	**0.96%–5.70%**	1.07%–5.70%

Borrowings of HK$97,283,000 (2020: HK$67,527,000) is arranged at floating interest rate which was exposing the Group to cash flow interest rate risk.

借款97,283,000港元(二零二零年：67,527,000港元)按浮動利率計息，令本集團承受現金流量利率風險。

As at 31 December 2021, the Group's banking facilities and bank loans totalling HK$97,283,000 (2020: HK$67,527,000) are secured by charge over the Group's right-of-use assets related to leasehold lands and buildings located in the PRC, freehold land and building located in Taiwan (note 19 and 21), and also personal guarantee from a director of certain subsidiaries.

於二零二一年十二月三十一日，本集團銀行融資及銀行貸款合共為97,283,000港元(二零二零年：67,527,000港元)，乃以本集團與位於中國大陸的租賃土地及樓宇有關的使用權資產、位於台灣的永久業權土地及樓宇(附註19及21)以及若干附屬公司董事的個人擔保所抵押。

As at 31 December 2021, the Group has approximately HK$214,652,000 (2020: HK$239,034,000) of available undrawn banking facilities.

於二零二一年十二月三十一日，本集團擁有約214,652,000港元(二零二零年：239,034,000港元)的可動用未提取銀行融資。

31. CONTRACT LIABILITIES

31. 合約負債

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Prepaid beauty treatment fees	預付美容護理費用	**4,477**	5,059
Sales of products	產品銷售	**9,075**	6,771
		13,552	11,830

The contract liability is the consideration received from the customers which represents the Group's obligation to transfer goods and services to customers that has not been completed. All the contract liabilities at the beginning of the year has been realised to revenue in the current year.

合約負債為自客戶收取之代價，指本集團尚未完成履行向客戶轉讓貨品及服務之義務。年初之所有合約負債已於本年計入收入。

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

對確認合約負債金額構成影響之一般支付條款如下：

Prepaid beauty treatment fees

The Group typically receives a 100% deposit before the services commence.

預付美容護理費用

本集團一般於服務開始前收取100%按金。

Sales of products

The amounts of consideration received in advance as prepayments by customers who are not qualified for credit sales are short term as the respective revenue is expected to be recognised within a few days when the goods are delivered to customers.

產品銷售

本集團向不符合信貸銷售資格之客戶提前收取代價金額作為預付款乃屬短期，原因為各收入預期於貨品交付客戶之後的數天內確認。

32. LEASE LIABILITIES

32. 租賃負債

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'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
Within one year	一年內	**8,182**	5,532	**7,015**	5,213
More than one year, but not exceeding two years	一年以上但不超過兩年	**6,147**	1,982	**5,348**	1,913
More than two year, but not more than five years	兩年以上但不超過五年	**10,879**	399	**9,890**	368
More than five years	五年以上	**9,808**	–	**9,538**	–
		35,016	7,913	**31,791**	7,494
Less: Future finance charges	減：日後財務費用	**(3,225)**	(419)	**N/A 不適用**	N/A 不適用
Present value of lease obligations	租賃責任現值	**31,791**	7,494		
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期應付款項(於流動負債列示)			**(7,015)**	(5,213)
Amount due for settlement after 12 months	12個月後到期應付款項			**24,776**	2,281

The carrying amounts of the Group's lease liabilities are denominated in the following currencies:

本集團租賃負債之賬面值以下列貨幣計值：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
RMB	人民幣	**10,379**	4,380
NT$	新台幣	**20,477**	1,870
MYR	馬幣	**935**	1,244
		31,791	7,494

The average incremental borrowing rates applied to lease liabilities ranged from 1.2% to 10.6% (2020: from 1.2% to 10.6%).

租賃負債所採用的平均增量借款利率介乎1.2%至10.6%(二零二零年：介乎1.2%至10.6%)。

33. DEFERRED TAX 33. 遞延稅項

		Allowance for bad and doubtful debts 呆壞賬撥備 HK$'000 千港元	Inventory provision 存貨撥備 HK$'000 千港元	Revaluation of properties 重估物業 HK$'000 千港元	Defined benefit liabilities 定額福利負債 HK$'000 千港元	Unrealised profits on inventories 未變現存貨溢利 HK$'000 千港元	Other short-term temporary differences 其他短期暫時差額 HK$'000 千港元	Intangible assets 無形資產 HK$'000 千港元	Undistributed earnings of PRC and Taiwan entities 中國大陸及台灣實體之未分派盈利 HK$'000 千港元	Tax losses 稅項虧損 HK$'000 千港元	Total 總計 HK$'000 千港元
At 1 January 2020	於二零二零年一月一日	1,668	3,793	1,140	130	2,661	3,522	(3,755)	(6,978)	–	2,181
Credit/(charge) to profit or loss for the year (note 13)	年內於損益表計入／(扣除)(附註13)	473	(175)	(694)	–	365	(3,720)	474	2,129	8,976	7,828
Charge to other comprehensive income for the year	年內於其他全面收益扣除	–	–	–	(30)	–	–	–	–	–	(30)
Exchange difference	匯兌差額	148	384	32	8	128	214	(233)	(433)	16	264
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	2,289	4,002	478	108	3,154	16	(3,514)	(5,282)	8,992	10,243
Credit/(charge) to profit or loss for the year (note 13)	年內於損益表計入／(扣除)(附註13)	(2,195)	(703)	(108)	–	(737)	940	387	102	8,020	5,706
Charge to other comprehensive income for the year	年內於其他全面收益扣除	–	–	–	134	–	–	–	–	–	134
Disposal of a subsidiary (note 39(a))	出售一間附屬公司(附註39(a))	–	–	–	–	–	–	1,827	–	–	1,827
Exchange difference	匯兌差額	68	153	9	(182)	188	3	(114)	(123)	350	352
At 31 December 2021	於二零二一年十二月三十一日	162	3,452	379	60	2,605	959	(1,414)	(5,303)	17,362	18,262

33. DEFERRED TAX (Continued)

The following is the analysis of the deferred tax balances for consolidated statement of financial position purpose:

33. 遞延稅項(續)

以下為就綜合財務狀況報表而進行的遞延稅項結餘分析：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Deferred tax assets	遞延稅項資產	**24,979**	19,039
Deferred tax liabilities	遞延稅項負債	**(6,717)**	(8,796)
		18,262	10,243

At the end of the reporting period, the Group has unused tax losses of approximately HK$84,117,000 (2020: HK$58,006,000) available to offset against future profits. A deferred tax asset has been recognised in respect of approximately HK$69,403,000 (2020: HK$35,980,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK$14,714,000 (2020: HK$22,026,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK$2,771,000 (2020: HK$5,578,000) that will expire after 5 years from the year of assessment they related to. Other tax losses may be carried forward indefinitely.

於報告期間結算日，本集團有未動用稅項虧損約84,117,000港元(二零二零年：58,006,000港元)可用作抵銷未來溢利。已就有關虧損約69,403,000港元(二零二零年：35,980,000港元)確認遞延稅項資產。由於日後溢利來源難以確定，因此並無就餘下之14,714,000港元(二零二零年：22,026,000港元)之稅項虧損確認遞延稅項資產。未確認稅項虧損包括將於其相關評稅年度起計五年後到期的虧損約2,771,000港元(二零二零年：5,578,000港元)。其他稅項虧損可無限期結轉。

Deferred taxation has been provided in full in respect of the undistributed earnings of the Group's PRC and overseas subsidiaries arising since 1 January 2008 as the directors consider that such earnings are estimated to be distributable in the foreseeable future. Deferred tax has been provided for in respect of the temporary differences attributable to such profits amounting to approximately HK$79,934,000 (2020: HK$53,551,000).

本集團已就旗下中國大陸及海外附屬公司自二零零八年一月一日起所產生之未分派盈利，作出全數遞延稅項撥備，原因為董事認為有關盈利估計於可見將來可作分派。本集團已就源自有關溢利之暫時差額作出遞延稅項撥備約79,934,000港元(二零二零年：53,551,000港元)。

34. RETIREMENT BENEFIT OBLIGATIONS

(a) Defined contribution plan

The Group contributes to defined contribution retirement plans which are available for eligible employees in Hong Kong, Taiwan and the PRC.

The Group operates a Mandatory Provident Fund scheme (the "HK MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for all employees employed under the jurisdiction of Hong Kong Employment Ordinance (Chapter 57 of the laws of Hong Kong) and Mandatory Provident Fund Scheme under the Labour Standards Law (as amended) in Taiwan (the "TW MPF Scheme"). The HK MPF Scheme and the TW MPF Scheme are defined contribution retirement plans administered by independent trustees. Under the HK MPF Scheme and TW MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% and 6%, respectively, of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000 (with effect from 1 June 2014) for the HK MPF Scheme while there is no cap to monthly income under the TW MPF Scheme. Contributions to the plans vest immediately.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefit plan operated by the PRC government. As stipulated by the regulations of the PRC, these relevant subsidiaries participate in various defined contribution retirement plans organised by the relevant authorities for its PRC employees. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The PRC government is responsible for the pension liabilities to these retired staff. The Group is required to make contributions to the retirement plans which are calculated based on certain prescribed rates and the salaries, bonuses and certain allowances of its PRC employees. The Group has no other material obligations for the payment of pension benefits associated with these plans beyond the annual contributions described above.

The total cost charged to profit or loss of HK$10,902,000 (2020: HK$2,904,000) represents contributions paid or payable to these schemes by the Group in respect of the current accounting period.

34. 退休福利責任

(a) 定額供款計劃

本集團向適用於香港、台灣及中國大陸的合資格僱員的定額供款退休計劃供款。

本集團根據強制性公積金計劃條例(香港法例第485章)為其僱傭受香港僱傭條例(香港法例第57章)管轄的所有僱員設立強制性公積金計劃(「香港強積金計劃」)，及根據台灣勞動基準法(經修訂)設立強制性公積金計劃(「台灣強積金計劃」)。香港強積金計劃及台灣強積金計劃為由獨立信託人管理之定額供款退休計劃。根據香港強積金計劃及台灣強積金計劃，僱主及僱員須各自向計劃作出供款，供款額分別相當於僱員有關收入5%及6%。香港強積金計劃之每月有關收入上限為30,000港元(由二零一四年六月一日起生效)，而台灣強積金計劃並無每月收入上限。計劃供款即時撥歸僱員所有。

本集團中國大陸附屬公司之僱員為中國政府經營之國家管理退休福利計劃成員。有關附屬公司已根據中國法規規定，為其中國大陸僱員參加多個由有關當局安排之定額供款退休計劃。僱員有權收取之退休金乃根據有關政府法規之規定，按彼等於退休時之基本薪金及服務年期計算。中國政府負責向有關退休員工發放退休金，而本集團則須向有關退休計劃作出供款，供款額按若干指定比率及其中國大陸僱員之薪金、花紅及若干津貼計算。就支付上述計劃之相關退休金福利而言，除了作出上述年度供款外，本集團再無其他重大責任。

計入損益表之總成本為10,902,000港元(二零二零年：2,904,000港元)，乃本集團就現行會計期間已付或應付該等計劃之供款。

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan

The Group's Taiwan subsidiaries participate in a central pension scheme providing benefits to certain employees in accordance with the Labour Standards Law (as amended) in Taiwan. The Group has an obligation to ensure that there are sufficient funds in the scheme to pay the benefits earned by the employees. The Group currently contributes at 2% of the total salaries monthly as determined and approved by the relevant government authorities. Under the scheme, the employees are entitled to retirement benefits equal to two months' salary for each year of service for the first 15 years and one month's salary for each year of service following the 15 years, but not more than 45 months' salary in aggregate on the attainment age of 60. No other post-retirement benefits are provided.

The Group's net obligation in respect of the pension scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the PUCM. An actuarial valuation as at 31 December 2021 and 2020 was carried out by an independent actuarial firm which is a member of The Actuarial Institute of the Republic of China.

34. 退休福利責任(續)

(b) 定額福利計劃

本集團台灣附屬公司根據台灣勞動基準法(經修訂)參加中央退休金計劃，以向若干僱員提供福利。本集團有責任確保有關計劃具有充裕資金，足以支付僱員賺取所得之福利。本集團現按薪金總額2%每月作出供款，有關比率由有關政府當局釐定及批准。根據有關計劃，僱員可享有之退休福利如下：於首15個服務年度，每年可享有相等於兩個月薪金之退休福利；於首15個服務年度之後，每年可享有相等於一個月薪金之退休福利，惟屆60歲時所得退休福利合共不得超過45個月薪金。本集團並無提供任何其他退休後福利。

本集團就退休金計劃而承擔之債務淨額，乃按僱員現時及過往期間提供服務而賺取所得之日後福利預計金額計算，有關福利會貼現以釐定現值，並會扣除任何計劃資產之公平值。有關計算由合資格精算師採用預期單位信貸法計算。於二零二一年及二零二零年十二月三十一日之精算估值乃由獨立精算公司進行，其為中華民國精算學會會員。

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

The plan in Taiwan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

34. 退休福利責任(續)

(b) 定額福利計劃(續)

台灣的計劃令本集團承受精算風險，例如投資風險、利率風險、長壽風險及薪金風險。

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the weighted average rate of long-term government bond and long-term bank deposit rate. Overall market condition is also taken into consideration. The change of discount rate was noted mainly because of the stable level of bank interest rate. The management of the Group considers that the general environment of Taiwan will not be changed materially over the coming years over which the relevant present value will be discounted. Currently the plan has a relatively balanced investment in various financial instruments and assets.

投資風險： 定額福利計劃負債的現值乃採用經參考長期政府債券及長期銀行存款利率加權平均利率後釐定的貼現率計算。整體市場情況亦納入考量。貼現率變動主要受到關注，原因乃為銀行利率的穩定水平。本集團管理層認為，台灣整體環境於未來幾年將不會出現令相關現值將貼現的重大變動。目前，該計劃相對而言擁有多種金融工具及資產的均衡投資。

Interest rate risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

利率風險： 債券利率減少將增加計劃負債，然而，此將因計劃的債務投資報酬增加而被部分抵銷。

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

長壽風險： 定額福利計劃負債的現值乃經參考計劃參與者於僱傭期間及其後之死亡率的最佳估計後計算。計劃參與者的平均壽命增加將增加計劃負債。

Salaries risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

薪金風險： 定額福利計劃負債的現值乃經參考計劃參與者的未來薪金後計算。因此，計劃參與者的薪金增加將增加計劃負債。

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

(i) The principal assumptions used for the purposes of the actuarial valuations were as follows:

34. 退休福利責任(續)

(b) 定額福利計劃(續)

(i) 在進行精算估值時所採用之主要假設如下：

		2021 **二零二一年**	2020 二零二零年
Discount rate	貼現率	**0.50%**	0.30%
Expected return on plan assets	計劃資產之預期回報	**0.50%**	0.30%
Expected rate of salary increases	預期薪金增加幅度	**2.50%**	2.50%

The actuarial valuation showed that the market value of plan assets was approximately HK$6,678,000 (2020: HK$7,487,000).

精算估值顯示計劃資產之市值約6,678,000港元(二零二零年：7,487,000港元)。

(ii) Amounts recognised in profit or loss in respect of the defined benefit plans are as follows:

(ii) 已於損益表中確認之定額福利計劃金額如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Current service cost	現時服務成本	**17**	28
Interest on obligations	債務利息	**24**	53
Expected return on plan assets	計劃資產之預期回報	**(22)**	(49)
		19	32

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

(iii) Amounts recognised in other comprehensive income/(expense) in respect of the defined benefit plans are as follows:

34. 退休福利責任(續)

(b) 定額福利計劃(續)

(iii) 已於其他全面收益／(開支)確認之定額福利計劃金額如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Remeasurement on the net defined benefit liability:	重新計量定額福利負債淨額：		
Actuarial loss arising from remeasurement	重新計量產生之精算虧損	(797)	(162)
Expected return on plan assets	計劃資產之預期回報	124	313
		(673)	151

(iv) The amounts included in the consolidated statement of financial position arising from the Group's obligations in respect of its defined benefit plans are as follows:

(iv) 已計入綜合財務狀況報表之定額福利計劃產生之本集團債務金額如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Present value of funded defined benefit obligations	已供款定額福利債務現值	6,980	8,029
Fair value of plan assets	計劃資產之公平值	(6,678)	(7,487)
Net liability arising from defined benefit obligations	定額福利債務產生之淨負債	302	542

Level of funding at the end of the reporting period are as follows:

於報告期間結算日之供款比例如下：

		2021 二零二一年	2020 二零二零年
Level of funding	供款比例	95.68%	93.25%

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

(v) Movements in the present value of the defined benefit obligations in the current year were as follows:

34. 退休福利責任(續)

(b) 定額福利計劃(續)

(v) 本年度定額福利債務現值之變動如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
At 1 January	於一月一日	**8,029**	8,744
Current service cost	現時服務成本	**17**	28
Interest on obligations	債務利息	**24**	53
Benefits paid	已付福利	**(1,111)**	(1,435)
Company payment	公司付款	**(913)**	–
Actuarial loss	精算虧損	**797**	162
Exchange difference	匯兑差額	**137**	477
At 31 December	於十二月三十一日	**6,980**	8,029

(vi) Movements in the fair value of the plan assets in the current year were as follows:

(vi) 本年度計劃資產公平值之變動如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
At 1 January	於一月一日	**7,487**	8,092
Contributions from the employer	僱主供款	**19**	32
Expected return on plan assets	計劃資產之預期回報	**22**	49
Actuarial gain	精算收益	**124**	313
Benefits paid	已付福利	**(1,111)**	(1,435)
Exchange difference	匯兑差額	**137**	436
At 31 December	於十二月三十一日	**6,678**	7,487
Actual return on plan assets	計劃資產之實際回報	**146**	364

The directors' assessment of the expected return is based on historical return trends and analysts' predictions of the market for the assets in the next twelve months.

董事所作預期回報評估乃根據過往回報走勢及分析員對資產市場未來十二個月之預測進行。

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

(vi) Movements in the fair value of the plan assets in the current year were as follows: (Continued)

The major categories of plan assets, and the percentage of the fair value at the end of the reporting period for each category are as follows:

34. 退休福利責任(續)

(b) 定額福利計劃(續)

(vi) 本年度計劃資產公平值之變動如下：(續)

計劃資產之主要類別以及於報告期結算日各類別佔計劃資產公平值之百分比如下：

		2021 **二零二一年** **%**	2020 二零二零年 %
Deposits with financial institutions	在金融機構的存款	**18.87**	12.24
Short-term bills	短期票據	**4.99**	3.02
Stocks	股票	**9.02**	11.27
Bonds	債券	**6.24**	6.87
Others	其他	**60.88**	66.60
		100.00	100.00

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by HK$500,000/(increase by HK$564,000) (2020: decrease by HK$551,000/(increase by HK$625,000)).

- If the expected salary growth increases/(decreases) by 1% (2020: 1%), the defined benefit obligation would increase by HK$474,000 /(decrease by HK$431,000) (2020: increase by HK$521,000/(decrease by HK$471,000)).

釐定定額債務所用主要精算假設為貼現率及預期薪金增加。以下敏感度分析乃根據各假設於報告期結算日之合理可能變動同時所有其他假設維持不變而釐定。

- 如果貼現率增加／(減少)100個基點，則定額福利債務將減少500,000港元／(增加564,000港元)(二零二零年：減少551,000港元／(增加625,000港元))。

- 如果預期薪金增長增加／(減少)1%(二零二零年：1%)，則定額福利債務將增加474,000港元／(減少431,000港元)(二零二零年：增加521,000港元／(減少471,000港元))。

34. RETIREMENT BENEFIT OBLIGATIONS (Continued)

(b) Defined benefit plan (Continued)

(vi) Movements in the fair value of the plan assets in the current year were as follows: (Continued)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the PUCM at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the consolidated statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at 31 December 2021 is 8 years (2020: 7 years). The Group expects to make a contribution of HK$19,000 (2020: HK$33,000) to the defined benefit plan during the next financial year.

34. 退休福利責任(續)

(b) 定額福利計劃(續)

(vi) 本年度計劃資產公平值之變動如下：(續)

上列敏感度分析可能並不代表定額福利債務之實際變動，因為若干假設可能互相關連，致使假設不太可能孤立於其他假設出現變動。

此外，呈列上述敏感度分析時，定額福利債務之現值已於報告期間結算日採用預期單位信貸法計算，計算於綜合財務狀況報表中確認之定額福利債務負債亦採用此種計算方式。

編製敏感度分析所用方法和假設較過往年度並無變動。

於二零二一年十二月三十一日，福利責任的平均年限為8年(二零二零年：7年)。本集團預期於下個財務年度對定額福利計劃作出19,000港元(二零二零年：33,000港元)的供款。

35. SHARE CAPITAL

35. 股本

		The Company 本公司	
		Number of shares 股份數目	Nominal value of shares 股份面值 HK$'000 千港元
Authorised: Ordinary shares of HK$0.1 each	**法定：** 每股面值0.1港元之普通股		
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	於二零二零年一月一日、二零二零年十二月三十一日、二零二一年一月一日及二零二一年十二月三十一日	4,000,000,000	400,000

		Number of shares 股份數目	Nominal value of shares 股份面值 HK$'000 千港元
Issued and fully paid: At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	**已發行及繳足：** 於二零二零年一月一日、二零二零年十二月三十一日、二零二一年一月一日及二零二一年十二月三十一日	2,002,100,932	200,210

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團管理資本之目標是確保本集團將可持續經營業務，並藉著完善債務及股本結餘，為股東爭取最大回報。

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts.

本集團通過考慮資金成本及各類資本之相關風險以不時檢討資本結構。本集團將透過派付股息、發行新股份及購回股份與發行新債務之方式，平衡其整體資本結構。

35. SHARE CAPITAL (Continued)

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, capital surplus, retained earnings and other reserves).

35. 股本(續)

本集團基於債務對經調整資本比率監察資本。該比率以債務淨額除以經調整資本計算。債務淨額以債務總額減現金及現金等價物計算。經調整資本包括權益的全部組成部分(即股本、股份溢價、資本盈餘、保留溢利及其他儲備)。

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Debt (a)	債務(a)	**129,074**	75,021
Less: Cash and cash equivalents	減：現金及現金等價物	**(184,466)**	(154,522)
Net debt	債務淨額	**N/A** **不適用**	N/A 不適用
Equity	權益	**657,918**	611,230
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	**N/A** **不適用**	N/A 不適用

(a) Debt is defined as borrowings and lease liabilities as detailed in note 30 and note 32 to the consolidated financial statements respectively.

(a) 債務界定為借款及租賃負債，詳情分別載於綜合財務報表附註30及附註32。

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

唯一外部實施的資本要求是本集團為維持在聯交所上市而必須有至少25%股份由公眾持有。

The Group checks the substantial share interests showing the non-public float through the Stock Exchange's website and it demonstrates continuing compliance with the 25% limit throughout the year. At 31 December 2021, 25% (2020: 25%) of shares were in public hands.

本集團透過聯交所網站查詢顯示非公眾持股量之主要股份權益，其顯示於本年度一直持續符合25%限額之規定。於二零二一年十二月三十一日，25%(二零二零年：25%)股份由公眾持有。

36. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

36. 本公司之財務狀況報表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況報表

			As at 31 December 於十二月三十一日	
		Note 附註	**2021 二零二一年 HK$'000 千港元**	2020 二零二零年 HK$'000 千港元
Non-current assets	**非流動資產**			
Investments in subsidiaries	於附屬公司之投資		**169,398**	169,398
Current assets	**流動資產**			
Deposits and prepayments	按金及預付款項		**879**	671
Amounts due from subsidiaries	應收附屬公司款項		**83,038**	78,993
Bank and cash balances	銀行及現金結存		**1,199**	2,686
			85,116	82,350
Current liabilities	**流動負債**			
Accruals and other payables	應付費用及其他應付賬款		**3,381**	4,131
Amounts due to subsidiaries	應付附屬公司款項		**40,313**	30,809
			43,694	34,940
Net current assets	**流動資產淨值**		**41,422**	47,410
NET ASSETS	**資產淨值**		**210,820**	216,808
Capital and reserves	**股本及儲備**			
Share capital	股本	35	**200,210**	200,210
Reserves	儲備	36(b)	**10,610**	16,598
TOTAL EQUITY	**總權益**		**210,820**	216,808

Approved by the Board of Directors on 22 March 2022 and are signed on its behalf by:

於二零二二年三月二十二日獲董事會批准，並由以下代表簽署：

Dr. LEI Chien
雷倩博士

Mr. PAN Yi-Fan
潘逸凡先生

36. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

36. 本公司之財務狀況報表及儲備變動(續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

		Share premium 股份溢價 HK$'000 千港元 (note 37(b)(ii)) (附註37(b)(ii))	Accumulated losses 累計虧損 HK$'000 千港元	Total 總計 HK$'000 千港元
At 1 January 2020	於二零二零年一月一日	41,016	(21,829)	19,187
Total comprehensive income for the year	本年度全面收益總額	–	(2,589)	(2,589)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	41,016	(24,418)	16,598
Total comprehensive income for the year	本年度全面收益總額	–	18	18
Dividend paid (note 17)	已付股息(附註17)	(6,006)	–	(6,006)
At 31 December 2021	於二零二一年十二月三十一日	35,010	(24,400)	10,610

37. RESERVES

37. 儲備

(a) The Group

The amounts of the Group's reserves and movements therein are presented in the Group's consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(a) 本集團

本集團之儲備金額及其變動於本集團之綜合損益及其他全面收益表以及綜合權益變動表呈列。

37. RESERVES (Continued)

(b) Nature and purpose of reserves

(i) Capital surplus

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

(ii) Share premium

Share premium represents premium arising from the issue of shares at a price in excess of their par value. Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(iii) Statutory reserve

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

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

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

37. 儲備(續)

(b) 儲備性質及目的

(i) 資本盈餘

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

(ii) 股份溢價

股份溢價乃指因按高於面值之價格發行股份而產生之溢價。根據開曼群島公司法，本公司股份溢價賬之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中到期之債務。

(iii) 法定儲備

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

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

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

37. RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(c) to the consolidated financial statements.

37. 儲備(續)

(b) 儲備性質及目的(續)

(iv) 匯兑儲備

匯兑儲備包括換算海外業務的財務報表所產生的所有外匯差額。本公司根據綜合財務報表附註4(c)所載會計政策處理該儲備。

38. SHARE-BASED PAYMENTS

Equity-settled share option scheme

Pursuant to the written resolution passed by the shareholders on 11 March 2002, the Company has adopted a share option scheme (the "Old Scheme") for the primary purpose of providing incentives to directors and eligible employees. Under the Old Scheme, the Company may grant options to full-time employees (including executive and non-executive Directors) of the Company or its subsidiaries to subscribe for the shares at a consideration of HK$1 for each lot of share options granted. Options granted must be taken up within 28 days of the date of grant. The Old Scheme will remain valid for a period of 10 years commencing on 11 March 2002. A new share option scheme ("New Scheme") with terms exactly the same as the Old Scheme with different exercisable periods was approved at the Annual General Meeting ("AGM") on 13 May 2011. Upon the approval of the New Scheme, the amended Old Scheme was terminated at the AGM on 13 May 2011.

Options granted under the New Scheme may be exercised during such period as would be determined by the board of directors of the Company (the "Board") and notified to each grantee upon grant of the option, but in any event not later than 10 years from the date of grant of the option. The subscription price for shares under the New Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the higher of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (b) the average of the closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the relevant option; and (c) the nominal value of the shares.

38. 以股份為基礎付款

以股本結算之認股權計劃

根據股東於二零零二年三月十一日通過之書面決議案，本公司採納了一項認股權計劃(「舊計劃」)，主要目的在於提供獎勵予董事及合資格僱員。根據舊計劃，本公司可向本公司或其附屬公司之全職僱員(包括執行董事及非執行董事)授出可認購股份之認股權，每批授出認股權之代價為1港元。有關人士必須於授出日期起計28日內接納獲授之認股權。舊計劃之有效期自二零零二年三月十一日起生效，為期十年。於二零一一年五月十三日舉行之股東週年大會(「股東週年大會」)上，股東批准新的認股權計劃(「新計劃」)，新計劃之條款與舊計劃之條款完全相同但行使期間不同。於新計劃獲批准後，本公司亦於二零一一年五月十三日舉行之股東週年大會上終止經修訂舊計劃。

認股權承授人可於本公司董事會(「董事會」)在新計劃下授出認股權時所決定並知會各承授人之期間行使認股權，惟在任何情況下，必須於認股權授出日期起計十年內行使。根據新計劃，股份認購價可由董事會全權酌情釐定，惟在任何情況下，認購價不得低於以下價格之較高者：(a)於認股權授出日期(必須為營業日)，股份於聯交所每日報價表所示收市價；(b)於緊接有關認股權授出日期前五個營業日，股份於聯交所每日報價表所示平均收市價；及(c)股份面值。

38. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in the 12-month period up to and including the date of such grant in excess of 0.1% of the Company's share capital in issue or with an aggregate value in excess of HK$5 million based on the closing price of the shares at the date of each grant must be approved in advance by the Company's shareholders.

The Company may grant share options under the New Scheme to specified participants over and above the scheme mandate limit or the refreshed scheme mandate limit referred to above subject to shareholders' approval in general meetings and the issue of a circular.

The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other schemes of the Company (or the subsidiary) must not exceed 30% of the relevant class of securities of the Company (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Company (or the subsidiary) if this will result in the limit being exceeded.

As at 31 December 2021 and 2020, the number of shares in respect of which options had been granted and remained outstanding under the New Scheme was nil.

38. 以股份為基礎付款(續)

以股本結算之認股權計劃(續)

未經本公司股東事先批准前，根據新計劃可能授出認股權所涉股份總數，不得超過本公司任何時間之已發行股份的10%。未經本公司股東事先批准前，任何人士在任何一個年度內已獲授及可能獲授之認股權予以行使時所獲發行及將獲發行之股份數目，不得超過本公司任何時間之已發行股份的1%。主要股東或獨立非執行董事於截至(並包括)授出日期止十二個月期間內獲授之認股權如超過本公司已發行股本的0.1%，或根據授出日期股份收市價計算之總值超過5,000,000港元，必須事先獲得本公司股東批准。

本公司可能根據新計劃向指定參與者授出超過上述計劃授權限額或更新計劃授權限額之認股權，惟須符合取得股東在股東大會作出批准及刊發通函之規定。

根據新計劃及本公司(或有關附屬公司)任何其他計劃已授出但尚未行使之所有認股權予以行使時可能發行之股份總數，不得超過本公司(或有關附屬公司)不時已發行之有關類別證券之30%。如授出認股權將會導致所發行證券超逾限額，則不得根據本公司(或有關附屬公司)之任何計劃授出認股權。

於二零二一年及二零二零年十二月三十一日，根據新計劃已授出但尚未行使之認股權所涉股份數目為零。

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Disposal of a subsidiary

On 30 June 2021, the Group and an independent third party entered into a sale and purchase agreement. Pursuant to which, the Group agreed to sell and the independent third party agreed to purchase 100% of the issued shares of a subsidiary of the Company, Shanghai Lixin Medical Beauty Clinic Company Limited ("Lixin"). The total cash consideration for the disposal was RMB4,500,000.

Lixin has been engaging in provision of medical beauty service and sale of skin care and beauty products. The completion of the disposal took place on 30 June 2021 in accordance with the terms and conditions of the sale and purchase agreement.

Net assets at the date of disposal were as follows:

39. 綜合現金流量表附註

(a) 出售一間附屬公司

二零二一年六月三十日，本集團與一名獨立第三方訂立買賣協議。據此，本集團同意出售而獨立第三方同意購買本公司一間附屬公司上海力信醫療美容診所有限公司(「力信」)的100%已發行股份。是項出售的總現金代價為人民幣4,500,000元。

力信一直從事提供醫療美容服務及銷售護膚及美容產品。根據買賣協議的條款和條件，是項出售已於二零二一年六月三十日完成。

於出售日期的資產淨值如下：

		HK$'000 *千港元*
Intangible assets (note 23)	無形資產(附註23)	7,309
Inventories	存貨	131
Bank and cash balances	銀行及現金結存	16
Trade and other payables	貿易及其他應付賬款	(16)
Deferred tax liabilities (note 33)	遞延稅項負債(附註33)	(1,827)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(199)
Total consideration	總代價	5,414
Consideration satisfied by	透過如下各項償付代價：	
Cash	現金	4,862
Deferred sales proceeds	遞延銷售所得	552
		5,414
Cash consideration received	已收現金代價	4,862
Cash and cash equivalent disposed of	已出售現金及現金等價物	(16)
		4,846

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

39. 綜合現金流量表附註(續)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

(b) 融資活動產生之負債對賬

下表顯示本集團融資活動產生之負債變動詳情(包括現金及非現金變動)。融資活動產生之負債為現金流量已於或未來現金流量將於本集團綜合現金流量表內分類為融資活動所得之現金流量之負債。

		1 January 2021 二零二一年一月一日 HK$'000 千港元	Additions of new leases 添置新租賃 HK$'000 千港元	Derecognition of lease liabilities 終止確認租賃負債 K$'000 千港元	Cash flows 現金流量 HK$'000 千港元	Interest expenses (note 12) 利息支出(附註12) HK$'000 千港元	Exchange difference 匯兑差額 HK$'000 千港元	31 December 2021 二零二一年十二月三十一日 HK$'000 千港元
Borrowings (notes 30)	借款(附註30)	67,527	-	-	26,407	840	2,509	97,283
Lease liabilities (note 32)	租賃負債(附註32)	7,494	31,375	(467)	(7,916)	982	323	31,791
		75,021	31,375	(467)	18,491	1,822	2,832	129,074

		1 January 2020 二零二零年一月一日 HK$'000 千港元	Additions of new leases 添置新租賃 HK$'000 千港元	Derecognition of lease liabilities 終止確認租賃負債 HK$'000 千港元	Cash flows 現金流量 HK$'000 千港元	Interest expenses (note 12) 利息支出(附註12) HK$'000 千港元	Exchange difference 匯兑差額 HK$'000 千港元	31 December 2020 二零二零年十二月三十一日 HK$'000 千港元
Borrowings (notes 30)	借款(附註30)	24,956	-	-	38,043	733	3,795	67,527
Lease liabilities (note 32)	租賃負債(附註32)	27,905	8,005	(20,087)	(9,851)	925	597	7,494
		52,861	8,005	(20,087)	28,192	1,658	4,392	75,021

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

39. 綜合現金流量表附註(續)

(c) Total cash outflow for leases

Amounts included in the cash flow statements for leases comprise the following:

(c) 租賃之現金流出總額

就租賃計入現金流量表之金額包括以下各項：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Within operating cash flows	計入經營現金流量	6,080	8,247
Within financing cash flows	計入融資現金流量	6,934	8,926
		13,014	17,173

These amounts relate to the following:

該等金額與以下各項有關：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Lease rental paid	已付租賃租金	13,014	17,173

(d) Non-cash transaction

Additions to property, plant and equipment during 2021 of HK$2,982,000 were transferred from deposits for purchase of property, plant and equipment.

(d) 非現金交易

於二零二一年，添置物業、廠房及設備2,982,000港元已自購買物業、廠房及設備之按金轉出。

40. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet incurred are as follows:

40. 資本承擔

於報告期間結算日已訂約但尚未產生之資本承擔如下：

		2021 二零二一年 HK$'000 千港元	2020 二零二零年 HK$'000 千港元
Property, plant and equipment	物業、廠房及設備	53,708	56,057

41. OPERATING LEASE ARRANGEMENTS

The Group as lessee

The Group regularly entered into short-term leases for offices. As at 31 December 2021, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in note 21.

As at 31 December 2021, the outstanding lease commitments relating to leasing of office under short-term leases is approximately HK$995,000 (2020: HK$2,901,000).

The Group as lessor

Operating leases relate to investment properties and an office building owned by the Group with lease terms of one to five years, with an option to renew the lease after the date at which time all terms are negotiated. All operating lease contracts contain market review clauses in the vent that the lessee exercises its options to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Minimum lease payments receivable on leases are as follows:

41. 經營租賃安排

本集團作為承租人

本集團定期就辦公室訂立短期租賃。於二零二一年十二月三十一日，短期租賃組合與附註21所披露之短期租賃支出之短期租賃組合相若。

於二零二一年十二月三十一日，有關短期租賃項下之辦公室租賃之未償還租賃承擔約995,000港元(二零二零年：2,901,000港元)。

本集團作為出租人

本集團所擁有與投資物業及寫字樓有關之經營租賃租期為一至五年，且可選擇於重新磋商一切條款後續租。所有經營租賃合約均包含承租人可選擇按照市場審視條款進行續租的條款。租期屆滿時，承租人並無購買物業的選擇權。

租賃之最低應收租賃付款如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Within the first year	一年內	**1,827**	2,243
In the second year	第二年	**347**	1,871
In the third year	第三年	**328**	1,608
In the fourth year	第四年	**324**	322
In the fifth year	第五年	**50**	313
After five years	五年後	**–**	49
Total	總計	**2,876**	6,406

The following table presents the amounts reported in profit or loss:

下表呈列於損益呈報之金額：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Lease income on operating leases	經營租賃之租賃收入	**3,218**	2,618

42. RELATED PARTY TRANSACTIONS

(a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had entered into the following transactions and balances with its related parties during the year.

42. 關聯人士交易

(a) 除於綜合財務報表其他章節所披露的該等關聯人士交易及結餘外，年內本集團與其關聯人士進行之交易及結餘如下。

Name of related parties 關聯方名稱	Relationship 關係	Nature of transactions 交易性質	**2021** **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Eastern Media International Corporation ("EMIC") 東森國際股份有限公司（「東森國際」）	Shareholder 股東	Sales of goods 貨品銷售	**884**	–
ET New Media Holding Co., Ltd. ("ET New Media") 東森新媒體控股股份有限公司（「東森新媒體」）	Subsidiary of EMIC 東森國際之附屬公司	Sales of goods 貨品銷售	**1**	50
		Advertising expenses 廣告費開支	**1,507**	605

42. RELATED PARTY TRANSACTIONS (Continued)

(b) Amounts due to related parties

42. 關聯人士交易(續)

(b) 應付關聯方款項

Name of connected parties 關聯方名稱	Relationship 關係	**2021** **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
ET New Media 東森新媒體	Subsidiary of EMIC 東森國際之附屬公司	**544**	329

The amounts due to related parties are unsecured, interest free and with normal credit term of 120 days upon receipt of invoice.

應付關聯方款項為無抵押、免息及於收取發票後，一般信貸期為120日。

(c) The compensation to the Group's key management personnel, including amounts paid to the Company's directors and certain of the highest paid employees, is disclosed in note 16 to the consolidated financial statements.

The remuneration of directors and other members of key management during the year was as follows:

(c) 本集團主要管理人員之報酬(包括支付予本公司董事及若干最高薪酬僱員之款項)於綜合財務報表附註16披露。

董事及其他主要管理人員於年內之酬金如下：

		2021 **二零二一年** **HK$'000** **千港元**	2020 二零二零年 HK$'000 千港元
Short-term benefits	短期福利	**8,071**	7,603
Post-employment benefits	僱員離職後福利	**30**	28
		8,101	7,631

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