



Union Medical Healthcare Limited
香港醫思醫療集團有限公司*

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: 2138)



Your Concierge of Health & Beauté
您的 健康 · 美麗 管家



ANNUAL REPORT 2016/17

年度報告



* For identification purpose only * 僅供識別

CONTENTS

目錄

| | | |
|--|------------------|-----|
| FINANCIAL HIGHLIGHTS | 財務摘要 | 2 |
| AWARDS AND RECOGNITION | 獎項及嘉許 | 4 |
| GEOGRAPHICAL COVERAGE | 地域覆蓋 | 6 |
| CHAIRMAN'S STATEMENT | 主席報告 | 7 |
| MANAGEMENT DISCUSSION AND ANALYSIS | 管理層討論及分析 | 10 |
| CORPORATE GOVERNANCE REPORT | 企業管治報告 | 28 |
| REPORT OF THE DIRECTORS | 董事會報告 | 41 |
| INVESTOR RELATIONS REPORT | 投資者關係報告 | 69 |
| BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT | 董事及高級管理人員 簡歷 | 72 |
| INDEPENDENT AUDITOR'S REPORT | 獨立核數師報告 | 79 |
| CONSOLIDATED STATEMENT OF PROFIT OR LOSS | 綜合損益表 | 88 |
| CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 綜合損益及 其他全面收益表 | 89 |
| CONSOLIDATED STATEMENT OF FINANCIAL POSITION | 綜合財務狀況表 | 90 |
| CONSOLIDATED STATEMENT OF CHANGES IN EQUITY | 綜合權益變動表 | 92 |
| CONSOLIDATED CASH FLOW STATEMENT | 綜合現金流量表 | 93 |
| NOTES TO THE FINANCIAL STATEMENTS | 財務報表附註 | 95 |
| CORPORATE INFORMATION | 公司資料 | 196 |
| DEFINITION | 釋義 | 198 |

FINANCIAL HIGHLIGHTS

財務摘要

For Year ended 31 March

截至三月三十一日止年度

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2015 二零一五年 HK\$ 港元 | 2014 二零一四年 HK\$ 港元 | 2013 二零一三年 HK\$ 港元 |
|---|-----------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Revenue | 收入 | 964,872,099 | 704,937,348 | 621,089,610 | 489,412,925 | 229,666,107 |
| Profit/(Loss) before tax | 除稅前溢利/(虧損) | 244,608,182 | 184,407,790 | 210,596,799 | 96,568,611 | (30,231,411) |
| Profit/(Loss) for the year | 年內溢利/(虧損) | 203,496,217 | 149,308,398 | 174,777,762 | 81,306,643 | (32,259,429) |
| Profit/(Loss) attributable to owners of the Company | 本公司擁有人應佔溢利/(虧損) | 200,702,539 | 148,663,969 | 174,415,159 | 81,121,682 | (32,301,003) |
| Earnings/(Loss) per share | 每股盈利/(虧損) | 0.21 | 0.20 | 0.24 | 0.11 | (0.04) |

As at 31 March

於三月三十一日

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2015 二零一五年 HK\$ 港元 | 2014 二零一四年 HK\$ 港元 | 2013 二零一三年 HK\$ 港元 |
|---|-------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total assets | 資產總值 | 1,199,253,190 | 1,155,563,031 | 467,666,980 | 483,200,564 | 337,198,739 |
| Total liabilities | 負債總額 | 409,400,867 | 424,285,947 | 464,713,119 | 500,121,265 | 435,514,964 |
| Net assets/(liabilities) | 資產/(負債)淨值 | 789,852,323 | 731,277,084 | 2,953,861 | (16,920,701) | (98,316,225) |
| Financial Metrics | 財務指標 | | | | | |
| Net profit margin ⁽¹⁾ | 淨溢利率 ⁽¹⁾ | 21.1% | 21.1% | 28.1% | 16.6% | N/A 不適用 ⁽⁶⁾ |
| Current ratio ⁽²⁾ | 流動比率 ⁽²⁾ | 2.49x | 2.54x | 0.85x | 0.86x | 0.67x |
| Quick ratio ⁽³⁾ | 速動比率 ⁽³⁾ | 2.44x | 2.50x | 0.82x | 0.84x | 0.66x |
| Return on equity ⁽⁴⁾ | 股本回報率 ⁽⁴⁾ | 25.8% | 20.4% | 5,916.9% | N/A 不適用 ⁽⁶⁾ | N/A 不適用 ⁽⁷⁾ |
| Return on average total assets ⁽⁵⁾ | 平均總資產回報率 ⁽⁵⁾ | 17.3% | 18.4% | 36.7% | 19.8% | N/A 不適用 ⁽⁷⁾ |
| Dividend per share (HK\$) | 每股股息(港元) | 0.20 | 0.19 | 0.21 | — | — |

Notes:

附註：

- Net profit margin equals profit for the year divided by revenue for the same period.
 - Current ratio equals current assets divided by current liabilities as at the end of the financial year.
 - Quick ratio equals current assets less inventories divided by current liabilities as at end of the financial year.
 - Return on equity equals profit for the year divided by the ending balance of total equity for the financial year.
 - Return on average total assets equals profit for the year divided by the arithmetic mean of the beginning and ending balances of total assets for the financial year.
 - Considered not meaningful to disclose as there is capital deficiency by the end of the relevant financial year.
 - Considered not meaningful to disclose as there is a loss for the year during the relevant financial year.
- 淨溢利率等於年內溢利除以同期的收入。
 - 流動比率等於財政年度末的流動資產除以流動負債。
 - 速動比率等於財政年度末的流動資產減存貨除以流動負債。
 - 股本回報率等於年內溢利除以財政年度的權益總額之年末結餘。
 - 平均總資產回報率等於年內溢利除以財政年度的資產總值之年初及年末結餘之算術平均數。
 - 由於在相關財政年度末出現資本虧絀，故披露並無意義。
 - 由於相關財政年度出現虧損，故披露並無意義。

FINANCIAL HIGHLIGHTS

財務摘要

A year-over-year analysis of certain key metrics of our revenue and clients are set out below:

收入及客戶的若干關鍵指標之同比分析載列如下：

| | | For the year ended 31 March 截至三月三十一日止年度 | | |
|---|--------------------------------|--|---------------|-------------------|
| | | 2017 二零一七年 | 2016 二零一六年 | % change 百分比變動 |
| Total revenue (HK\$) | 總收入(港元) | 964,927,119 | 704,937,348 | 36.9 |
| Sales contracts entered into during the year (HK\$) | 年內訂立的銷售合約(港元) | 969,770,195 | 671,822,226 | 44.3 |
| Approximate number of Key Clients | 重要客戶概約數目 | 16,200 | 9,400 | 72.3 |
| Number of clients who made at least one purchase of services or products | 至少購買一次服務或產品的客戶數目 | 52,446 | 32,159 | 63.1 |
| Revenue contributed by PRC clients (%) | 中國客戶貢獻的收入(%) | 25% | 14% | – |
| Material unfavourable feedback (Compensation and refund) (HK\$million) | 重大負面回饋(賠償及退款)(百萬港元) | 1.5 | 1.0 | 50.0 |
| Material unfavourable feedback (Compensation and refund) (% of total Revenue) | 重大負面回饋(賠償及退款)(佔總收入百分比) | 0.16% | 0.14% | – |
| Refunds and settlements to legal proceedings and claims (HK\$million) | 解決法律訴訟及申索的退款及結算金額(百萬港元) | 0.10 | 0.16 | (37.5) |
| Refunds and settlements to legal proceedings and claims (% of Recognised Medical Revenue) | 解決法律訴訟及申索的退款及結算金額(佔已確認醫療收入百分比) | 0.02% | 0.06% | – |

AWARDS AND RECOGNITION

獎項及嘉許



Hong Kong Institute of Marketing —
Market Leadership Award 2016
香港市務學會 — 2016年市場領導獎



Caring Company 2016/17
「商界展關懷」企業2016/17



Hong Kong Top Service Brand 2016
2016年香港服務名牌



Hong Kong Beauty & Wellness Association —
Top 10 Most Influential Brands
of Beauty Industry 2016
香港美容專家及保健協會 —
2016年美容業十大最有影響力品牌



Asian Hair Beauty Association —
Outstanding Enterprise Awards of Asian
Hairstyling & Make up Competition 2016
亞洲美髮美容協會 —
2016年亞洲髮型化妝大賽優秀企業獎



United Nations Millennium Development Goals —
Green Office Award 2016
聯合國千禧年發展目標 —
2016年綠色辦公室獎



Black Diamond Status —
2016 Invisalign Advantage Program
in Hong Kong
黑鑽供應商 —
2016年香港隱適美優勢項目



Merz Aesthetics — Golden Records Award
Year 2016 for Ultherapy
香港正貨 — 2016年Ultherapy記錄金獎

AWARDS AND RECOGNITION 獎項及嘉許



Botox — Highest Sales Achievement for
Consecutive 7 Years from 2010 to 2016
within Hong Kong
Botox — 2010–2016連續7年全港銷售冠軍



Dysport — Highest Sales Achievement for
Consecutive 9 Years from 2008 to 2016
within Hong Kong
Dysport — 2008–2016連續9年全港銷量冠軍



Juvederm — Highest Sales Achievement for
Consecutive 7 Years from 2010 to 2016
within Hong Kong
Juvederm — 2010–2016連續7年全港銷售冠軍



Restylane — Highest Sales Achievement for
Consecutive 7 Years from 2010 to 2016
within Hong Kong
Restylane — 2010–2016連續7年全港銷量冠軍



Sculptra — Highest Sales Achievement for
Consecutive 7 Years from 2010 to 2016
within Hong Kong
Sculptra — 2010–2016連續7年全港銷量冠軍



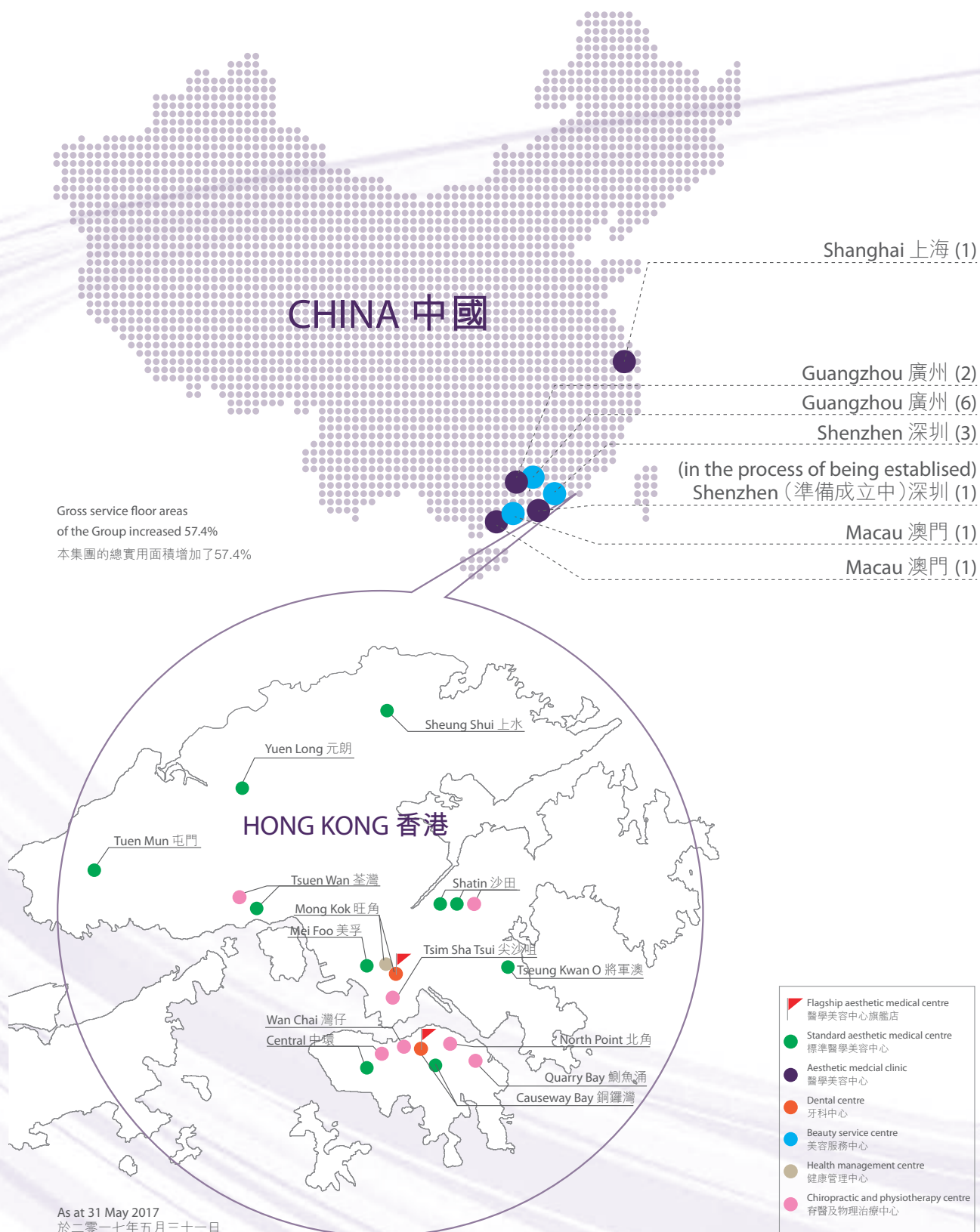
Teosyal — Highest Sales Achievement for
Consecutive 6 Years from 2011 to 2016
within Hong Kong
Teosyal — 2011–2016連續6年全港銷量冠軍



Highest Sales Achievement
for Consecutive **9 years** within Hong Kong
高達連續**9年**全港
銷量冠軍

GEOGRAPHICAL COVERAGE

地域覆蓋



CHAIRMAN'S STATEMENT

主席報告

Net Profit
淨溢利



+36.3%

Revenue
收入



+36.9%

Leadership*
領導地位*



No.1

Dear Shareholders,

It is the first anniversary that the Company became a listed company on the Stock Exchange for the entire Reporting Period. We are to demonstrate the Group's competitive strengths to the investment community in Hong Kong and seize opportunities from the market.

We proactively grasped opportunities arising in the market and were able to achieve remarkable growth. The Group's revenue and net profit increased by 36.9% and 36.3% year-on-year to HK\$964.9 million and HK\$203.5 million during the Reporting Period respectively. The Group is committed to generating sustained and consistent returns for our Shareholders. The Board has consequently recommended to declare a final dividend of HK5.0 cents per Share and a special dividend of HK7.9 cents per Share for the year ended 31 March 2017.

MARKET LEADERSHIP BY MEDICAL PROFESSIONALISM

As the largest aesthetic medical service provider in Hong Kong with a solid reputation among customers, we value high standards of safety and professionalism in our services, with all our aesthetic medical procedures being handled by our sizeable team of Registered Practitioners. The Group's number of Registered Practitioners increased by 91.3% year-on-year during the Reporting Period. We continue to maintain an insignificant level of complaint and refund ratio and continue to commit in providing the best customer experience to our customers. Leveraging our comprehensive internal control protocols and risk management measures, the Group is well-positioned and will continue to consolidate its market leadership with our exceptional and superior professional ethics.

各位尊敬的股東：

這是本公司於整個報告期間成為聯交所上市公司的第一週年。我們會向香港投資界展示本集團的競爭優勢及把握市場機遇。

我們積極把握市場內產生的機遇，並能實現顯著增長。本集團的收入及淨溢利於報告期間同比分別增長36.9%及36.3%至964.9百萬港元及203.5百萬港元。本集團致力為股東締造可持續及一致的回報。於是，董事會建議就截至二零一七年三月三十一日止年度宣派每股股份5.0港仙的末期股息及每股股份7.9港仙的特別股息。

以醫療專業精神領導市場

作為香港最大型及於客戶間信譽昭著的醫學美容服務提供商，我們重視服務的高安全標準及專業精神，而我們所有的醫學美容療程均由我們龐大的註冊醫生團隊進行。本集團的註冊醫生數目於報告期間同比增長91.3%。我們持續維持低水平的投訴及退款比率，並繼續承諾向客戶提供最優質的客戶經驗。藉內部控制協議及風險管理措施，本集團擁有優勢，並將透過我們出類拔萃及卓越的職業道德鞏固市場領導地位。

* Highest sales achievement for consecutive 6 to 9 years from 2008 to 2016 within Hong Kong

* 二零零八年至二零一六年連續六至九年香港銷量冠軍

CHAIRMAN'S STATEMENT

主席報告

GRASP OF DEMAND FROM THE PRC

The Group is committed to expanding its presence in the PRC through replication of its professionalism and successful experience in the Hong Kong market and capture the growing demand on reliable and quality medical services by the PRC via medical tourism.

Riding on the growing demand for discretionary healthcare services boosted by the rising average household income and living standards in the PRC, we strategically target the aesthetic medical service market in first-tier and selected second-tier cities.

Medical tourism is expected to become a major trend in the development of the medical industry in Hong Kong. In addition to opening our own medical aesthetic clinics and complementing it with beauty and health management services in the PRC, we further expanded our business in medical tourism sector and our in-house travel agent is equipped to facilitate such growing number of medical tourists. Our PRC customers increased significantly and has contributed 25% of the Group's total revenue during the Reporting Period.

We will also pro-actively explore for acquisition targets as well as partnership opportunities with strong presence in the PRC, in particular players who share the same vision as we do — offering safe, professional and effective services bringing in health, beauty and happiness to individuals with sustainability.

NEW HORIZON

To capitalise on the growing demand for quality medical services with our superior professional ethics, and to continue to utilise our cross selling capabilities, we will further strengthen our position as the market leader by increasing the servicing floor area and number of clinics and broadening the scope of our services to include other discretionary healthcare services.

把握中國需求

本集團致力於透過複製集團在香港的專業及成功經驗擴大佔有中國市場，並通過醫療旅遊把握機遇滿足中國市場對可信賴及優質醫療服務方面不斷增加的需求。

受惠於中國內地的平均家庭收入持續增加及生活水平不斷提高，自選醫療服務的需求將大幅增長，我們策略性地特選中國一線及二線城市的醫學美容服務市場。

醫療旅遊預期成為香港醫學行業發展的主要趨勢。除了於中國開設自營的醫療美容診所及配套的美容健康管理服務外，我們亦進一步擴展於醫療旅遊業的業務，我們自營的旅行社將可應對一直增長的醫療旅客數目。我們的中國客戶大幅增加，於報告期間貢獻的收入佔本集團總收入的25%。

我們亦將積極物色收購目標及以在中國具備強大影響力的合作方，尤其是與我們有相同願景的業界 — 提供安全、專業及有效的服務，並持續為客戶帶來健康、美麗及快樂。

新領域

憑著對優質醫學服務及不斷增長的需求及我們卓越的職業道德、並持續利用我們的交叉銷售能力，我們將透過增加服務面積及診所的數目以及將服務範圍擴大至包含自選健康服務，進一步鞏固我們作為市場領導者的地位。



Key Clients
重要客戶



+72.3%

**Revenue Contributions
by PRC Clients**
由國內客戶貢獻
的收入佔比



+25%

**Gross Service
Floor Area**
實際服務面積



+57.4%

As such, the Company launched re:HEALTH in May 2016, a one-stop health management centre providing a full range of comprehensive health screening, health product and health management services. During the Reporting Period, revenue from health management business was HK\$51.3 million.

We have also been striving to enrich our product offerings and service ranges to satisfy diverse customers' needs by adding on new medical treatment and procedures, including but not limited to chiropractic services, aesthetic medical hair-growth services and lifestyle management.

There is continuous effort made by the Hong Kong authorities to tighten the regulations in the healthcare sector and aesthetic medical procedures performed by qualified physicians over the years, we fully recognise that market demand for stringent standards in aesthetic medical service will continue to be strong.

ACKNOWLEDGEMENT

I would like to express my deepest appreciation to the management team and all fellow staff members for their extraordinary commitment, cohesive teamwork, dedication and contribution. They are one of our most important assets contributing to the Group's success.

On behalf of the Board, I would like to take this opportunity to express my utmost gratitude to all of our Shareholders, customers and business partners for their unwavering support. We are fully committed to upholding our position as the leader in aesthetic medical service industry in Hong Kong and striving for excellence and creating value for our Shareholders.

Tang Chi Fai
Chairman

28 June 2017

因此，本公司於二零一六年五月開設 re:HEALTH，該一站式健康管理服務中心提供全方位體檢、健康產品及健康管理服務。於報告期間，健康管理業務的收入為51.3百萬港元。

我們亦致力擴闊產品組合及服務範圍，透過探索增設新醫療護理及醫療程序滿足客戶多元化的需要，包括但不限於脊椎類服務、醫學美容生髮服務及生活管理。

香港的政府部門數年來持續收緊醫療行業及合資格醫師進行的醫學美容療程之規例，我們充分認同對醫學美容服務的嚴格標準之市場需求將繼續強勁。

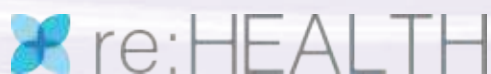
鳴謝

本人謹藉此機會向管理層及所有職工的全情投入、緊密的團隊合作、奉獻及貢獻表達深摯的謝意。你們乃其中一項為本集團成功作出貢獻的最重要資產。

本人謹代表董事會藉此機會衷心感謝所有股東、客戶及業務夥伴的堅定支持。我們致力捍衛我們作為香港醫學美容服務行業的領導者地位，並會精益求精，為股東創造價值。

主席
鄧志輝

二零一七年六月二十八日



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

During the Reporting Period, we continued to maintain our leading market position, as the largest aesthetic medical service provider in Hong Kong in terms of revenue. We are well-positioned to further extend our leading position in the growing aesthetic medical service market in Hong Kong and broaden the types of services and products that we offer, as well as to continue our expansion in the rest of the Greater China and Asia. Medical services continue to be the primary contributor to our revenue and profits. As at 31 May 2017, inclusive of our two flagship stores and three clinics in the PRC, our 38 centres offer wide range of services including aesthetic medical, traditional beauty, health management, chiropractic and physiotherapy. During the Reporting Period, our revenue and net profit increased by 36.9% and 36.3% from the previous year to HK\$964.9 million and HK\$203.5 million respectively.

Business Developments

We are to expand our business not only via diversification of services and products we can offer, but also via expansion of the geographical coverage of our services.

Riding on the growing demand for quality medical services with our superior professional ethics being recognised in the PRC and Hong Kong, the Company launched re:HEALTH in May 2016, a one-stop health management centre providing a full range of comprehensive health screening, health product and health management services in Hong Kong. During the Reporting Period, revenue from health management business was HK\$51.3 million.

To extend our services and product offerings, we commenced offering chiropractic services to address some of the needs of health and beauty of individuals towards the end of 2016. On 7 October, 2016, the Group acquired 51% equity interest in each of the Target Companies at an aggregate consideration of HK\$33.5 million in form of cash. The transaction constituted discloseable transaction for the Company under the Listing Rules. The Target Companies are one of the largest group of chiropractors, physiotherapists and other health professionals in Hong Kong which specialise in the musculoskeletal and nervous systems. Upon completion of the acquisition, all the Target Companies became indirect non-wholly owned subsidiaries of the Company and the financial results, assets and liabilities of the Target Companies be consolidated into the financial statements of the Group. Please refer to the announcements of the Company dated 23 September 2016 and 24 August 2016.

業務概覽

於報告期間，我們繼續維持我們領先的市場地位，按收入計，我們為香港最大的醫學美容服務提供商。我們具有優勢，能於香港不斷增長的醫學美容服務市場中進一步拓展領先地位，拓寬我們所提供服務及產品的種類，以及在大中華區及亞洲的其餘地區擴大業務。醫療服務繼續成為收入及溢利的主要帶動因素。於二零一七年五月三十一日，包括我們在中國的兩家旗艦店及三家診所內，我們的38個中心提供醫學美容、傳統美容、健康管理、脊醫及物理治療等廣泛服務。於報告期間，我們的收入及淨溢利分別較去年增加36.9%及36.3%至964.9百萬港元及203.5百萬港元。

業務發展

我們將不僅透過多元化我們可提供的服務及產品亦於地域上擴大我們的服務地區範圍。

憑藉中國和香港對優質醫療服務的需求不斷增長，加上我們備受認可的卓越職業道德，本公司於二零一六年五月開設re:HEALTH，該一站式健康管理中心在香港提供全方位體檢、健康產品及健康管理服務。於報告期間，健康管理業務的收入為51.3百萬港元。

為擴展我們的服務及產品組合，我們將近二零一六年年尾時開始提供脊醫服務以滿足個人的部分健康及美容需要。二零一六年十月七日，本集團以現金形式收購每間目標公司51%股權，總代價為33.5百萬港元。根據上市規則，該交易構成本公司之須予披露交易。目標公司是香港最大型的脊醫、物理治療師及其他健康專業人員集團之一，專門從事骨骼肌肉及神經系統醫療。收購完成後，所有目標公司成為本公司的間接非全資附屬公司，目標公司的財務業績、資產及負債於本集團的財務報表合併入賬。請參閱本公司日期為二零一六年九月二十三日及二零一六年八月二十四日的公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Reporting Period, we opened our aesthetic medical clinics in Guangzhou and Shanghai. Our business driven by medical tourism has experienced a significant increase and revenue contributed by our PRC clients represents 25% of the Group's revenue during the Reporting Period, such increase is primarily due to the recognition of our credibility as a reliable and trustworthy medical services provider.

We are also in the process of establishing additional aesthetic medical clinic in Shenzhen, which is anticipated to be opened in 2017.

To further prepare the Company in capturing the distribution opportunities in Hong Kong and the Greater China and gaining access to the latest medical technology, devices and drugs, the Company acquired a distributor for internationally renowned medical products. On 25 November 2016, the Group completed the acquisition of 50% of Good Union Corporation Limited ("Good Union") and Good Union Medical Limited ("GUM") at an aggregate consideration of HK\$25.2 million in form of cash. This transaction constituted a connected transaction for the Company but was exempted from the circular and independent Shareholders' approval requirements under the Listing Rules. Upon completion of the acquisition, Good Union and GUM became the jointly controlled entities of the Company and the financial results, assets and liabilities of these two companies accounted for as jointly controlled entities in the consolidated financial statements of the Company. Please refer to the announcements of the Company dated 2 November 2016 and 25 November 2016 for further details.

In order to enhance the customers' experience and facilitate the growing demand for quality medical services in Hong Kong, we have further expanded average g.f.a. to approximately 73,000 square feet at our flagship store in Langham Place, Mong Kok.

於報告期間，我們於廣州及上海開設我們的醫學美容診所。我們的業務受醫療旅遊的推動，取得大幅增長，中國客戶於報告期間貢獻的收入佔本集團收入的25%，是項增長主要由於對我們作為可靠及值得信賴的醫療服務提供商信譽的認可。

我們亦正在籌備於深圳開設新的醫學美容診所，預期於二零一七年開業。

為了進一步促進公司把握香港及大中華區分銷機會及使用最新醫療技術、設備及藥物方面，本公司收購了一家國際著名醫療產品分銷商。二零一六年十一月二十五日，本集團以現金形式完成收購創金匯有限公司（「創金匯」）及Good Union Medical Limited（「GUM」）各50%股權，總代價為25.2百萬港元。是項交易構成本公司之關連交易，但獲豁免遵守上市規則的通函及獨立股東批准規定。收購事項完成後，創金匯及GUM成為本公司的共同控制實體，而該等兩家公司的財務業績、資產及負債於本公司綜合財務報表中列作共同控制實體入賬。更多詳情請參閱本公司日期為二零一六年十一月二日及二零一六年十一月二十五日的公告。

為了改善客戶體驗及促進香港不斷增加的優質醫療服務的需求，我們已進一步擴展我們在旺角朗豪坊旗艦店的平均樓面面積至約73,000平方英尺。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Contracted Sales

Contracted sales, which refers to sales contracts entered into during the Reporting Period, is an important factor affecting our results of operations. Contracted sales are, in turn, primarily driven by the number of clients who have made at least one purchase during a financial period and the average spending per client. Contracted sales increased by HK\$298.0 million or 44.3%, from HK\$671.8 million for the year ended 31 March 2016 to HK\$969.8 million for the year ended 31 March 2017, and the number of clients who made at least one purchase of services or products during the respective periods were 32,159 and 52,446 respectively, representing an increase of 63.1%.

We have achieved a strong and solid growth of contracted sales due to our ability to maintain and grow our client spending and number of clients who made purchases, especially our Key Clients. We will continue to aim to grow our Key Client base and increase their average spending through improvements in the following areas:

- big data and CRM System
- cross selling capabilities
- service floor area
- number and types of services and products
- number of Registered Practitioners
- retention of clients
- marketing channels
- quality of services
- efforts in PRC tourists to Hong Kong

Client Growth and Diversity

Our revenue is significantly affected by the number of clients who received our services, in particular the number of Key Clients. As at 31 March 2017, we have 16,200 Key Clients. If the new clients are excluded from our Key Clients, over 66% of our Key Clients have more than 3 years of relationship with us.

During the Reporting Period, approximately 89% and 66% of our clients who received at least one service session were females and between the ages of 26 to 55, respectively.

訂約銷售額

訂約銷售額指於報告期間訂立的銷售合約，是影響我們營運業績的重要因素。訂約銷售額則基本受財政期間內至少購買一次的客戶數目及每位客戶的平均消費帶動。訂約銷售額自截至二零一六年三月三十一日止年度的671.8百萬港元增加298.0百萬港元或44.3%至截至二零一七年三月三十一日止年度的969.8百萬港元，而於各期間至少購買一次服務或產品的客戶數目分別為32,159名及52,446名，增加63.1%。

憑藉我們保持並增加客戶(尤其是重要客戶)的消費及作出購買的客戶數目，訂約銷售額錄得強勁穩健增長。我們的目標為透過改善以下範疇繼續增強重要客戶基礎及增加彼等的平均消費：

- 大數據及客戶關係管理系統
- 交叉銷售的能力
- 服務面積
- 服務及產品的數目及類型
- 註冊醫生的數目
- 保留客戶
- 營銷渠道
- 服務質素
- 在中國訪港遊客方面的精力投入

客戶增長及多元化

我們的收入在很大程度上受已接受我們服務的客戶的數目(尤其是重要客戶)所影響。於二零一七年三月三十一日，我們擁有16,200名重要客戶。若扣除重要客戶中的新客戶，我們的逾66%重要客戶與我們有3年以上的關係。

於報告期間，該等獲得至少一次服務的約89%及66%客戶分別是女性及年齡介乎26歲至55歲。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

A year-over-year analysis of certain key metrics of our revenue and clients are set out below:

收入及客戶的若干關鍵指標之同比分析載列如下：

| | | For the year ended 31 March 截至三月三十一日止年度 | | |
|---|--------------------------------|--|---------------|-------------------|
| | | 2017 二零一七年 | 2016 二零一六年 | % change 百分比變動 |
| Total revenue (HK\$) | 總收入(港元) | 964,927,119 | 704,937,348 | 36.9 |
| Sales contracts entered into during the year (HK\$) | 年內訂立的銷售合約(港元) | 969,770,195 | 671,822,226 | 44.3 |
| Approximate number of Key Clients | 重要客戶概約數目 | 16,200 | 9,400 | 72.3 |
| Number of clients who made at least one purchase of services or products | 至少購買一次服務或產品的客戶數目 | 52,446 | 32,159 | 63.1 |
| Revenue contributed by PRC clients (%) | 中國客戶貢獻的收入(%) | 25% | 14% | — |
| Material unfavourable feedback (Compensation and refund) (HK\$million) | 重大負面回饋(賠償及退款)(百萬港元) | 1.5 | 1.0 | 50.0 |
| Material unfavourable feedback (Compensation and refund) (% of total Revenue) | 重大負面回饋(賠償及退款)(佔總收入百分比) | 0.16% | 0.14% | — |
| Refunds and settlements to legal proceedings and claims (HK\$million) | 解決法律訴訟及申索的退款及結算金額(百萬港元) | 0.10 | 0.16 | (37.5) |
| Refunds and settlements to legal proceedings and claims (% of Recognised Medical Revenue) | 解決法律訴訟及申索的退款及結算金額(佔已確認醫療收入百分比) | 0.02% | 0.06% | — |



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Our Professionals and Other Staff

The following table summarises the number of our Registered Practitioners who worked full-time for our Group as at 31 March 2017:

| Type of Registered Practitioners 註冊醫生類別 | Location 地點 | Number of Registered Practitioners 註冊醫生人數 |
|---|-----------------|--|
| Plastic Surgeons (in Hong Kong) 香港整形外科醫生 | Hong Kong 香港 | 1 |
| Clinical Microbiologist 臨床微生物學家 | Hong Kong 香港 | 1 |
| Pathology 病理科醫生 | Hong Kong 香港 | 1 |
| Dentists 牙醫 | Hong Kong 香港 | 6 |
| Paediatrics 兒科醫生 | Hong Kong 香港 | 1 |
| Hong Kong Doctors who are General Practitioners 普通科香港醫生 | Hong Kong 香港 | 10 |
| Registered Chiropractors 註冊脊醫 | Hong Kong 香港 | 13 |
| Chinese Medicine Practitioners (one Listed Chinese Medicine Practitioner & one Registered Chinese Medicine Practitioner) 中醫(一名表列中醫及一名註冊中醫) | Hong Kong 香港 | 3 |
| PRC Doctors 中國內地醫生 | PRC 中國內地 | 5 |
| Macau Doctors 澳門醫生 | Macau 澳門 | 3 |
| | | 44 |

我們的專業人員及其他員工

下表概述於二零一七年三月三十一日為本集團全職工作的註冊醫生的數目：

As at 31 March 2017, we also had (i) 25 full time supplementary medical profession staff in Hong Kong and the PRC, including but not limited to dental hygienist, registered nurses, enrolled nurses and PRC nurses; (ii) 276 Trained Therapists, being employees who have completed mandatory internal training developed by our Doctors to provide quasi-medical services and/or traditional beauty services under our internal licensing programme; and (iii) 8 Registered Practitioners and 9 supplementary medical profession staff who worked part-time for our Group to facilitate our growth on a need-to basis, in particular our new health management centre.

於二零一七年三月三十一日，我們亦(i)在香港及中國有25名全職輔助醫療專業人員，包括但不限於牙科衛生員、註冊護士、在編護士及中國護士；(ii)有276名已接受培訓的治療師，即該等已完成由我們的醫生所制定的強制性內部培訓以根據我們內部許可程序提供準醫療服務及／或傳統美容服務的僱員；及(iii)有8名註冊醫生及9名輔助醫療專業人員，在本集團兼職，以按需要促進我們的增長，尤其是我們新的健康管理中心。

Internal Control Protocols

Work Safety and Risk Management

Professionalism and safety have always been our core values. Our experienced and well-trained Registered Practitioners perform and oversee all medically related operations, as well as participate in our senior management. Both our Registered Practitioners and supporting staff are scheduled to attend medically related trainings regularly to update their knowledge and skill sets. Prior to performing a procedure to a client, we require our Registered Practitioners and Trained Therapists to explain the procedures and associated risks and obtain written consent acknowledged in a new form signed by our client. We apply certain medical standards even to our non-medical services, such as recommending our clients to consult with doctors prior to receiving any of our services.

Internal Control Measures regarding selling practices and unutilised prepaid packages

We have implemented a series of internal control measures, including a number of measures which are adopted by reference to applicable “best practice” guidelines issued by governmental bodies (such as the Hong Kong Consumer Council and the Commerce and Economic Development Bureau of Hong Kong), to help prevent our staff from engaging in coercive selling practices, such as:

- adopting a refund policy which includes a seven-day cooling-off period whereby our clients are allowed to request a full refund within seven days of purchase of any prepaid packages;
- adopting a policy that commission is not paid to our sales staff for contracted sales which are subsequently refunded;
- establishing procedures for recording and handling complaints;
- having written terms and conditions with clients;
- sharing media reports of forced selling cases with our staff to highlight the potential adverse consequences of such practices;

內部控制協議

工作安全及風險管理

專業及安全一直為我們的核心價值。我們富有經驗及訓練有素的註冊醫生進行及監察所有醫療相關營運，並加入高級管理層。註冊醫生及後勤人員定期參加醫療相關培訓，更新知識及全套技能。向客戶提供療程前，我們要求註冊醫生及已接受培訓的治療師解釋程序及相關風險以及以客戶簽訂的新表格取得書面同意。甚至對非醫療服務，我們亦應用若干醫療標準，例如客戶在接受任何服務前，我們均會建議其諮詢醫生。

有關銷售活動及未使用預付套票的內部控制措施

我們已實施一系列內部控制措施（包括按照政府機構（如香港消費者委員會及香港商務及經濟發展局）所發佈的「最佳做法」指引中而採納的若干適用措施）幫助預防員工進行高壓銷售活動，如：

- 採納退款政策，包括七天的冷靜期，在此期間客戶可於購買任何預付套票七日內要求全額退款；
- 採納後續退款的合約銷售毋須向銷售人員支付佣金的政策；
- 制定投訴記錄及處理程序；
- 與客戶訂立書面條款及條件；
- 與員工分享媒體報道的高壓銷售實例，強調有關行為的潛在不利影響；

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- proactively seeking clarification of the Trade Description Ordinance from the relevant government authorities and organising a seminar provided by the officers of the Hong Kong Customs and Excise Department relating to the Trade Description Ordinance for our staff;
- detailed employee guidelines on, inter alia, responsible selling practices (for example, not to harass or push clients in purchasing prepaid packages);
- video and voice recording devices in consultation rooms to monitor staff behaviour during consultations; and
- offering our employees compensation incentives which are linked to the actual utilisation of prepaid packages by the clients.
- 積極尋求相關政府部門釐清《商品說明條例》及組織香港海關官員就《商品說明條例》向我們的員工提供講座；
- 制定詳細僱員指引(其中包括)負責任銷售活動(例如不騷擾客戶或向其施壓購買預付套票)；
- 在諮詢室配備視訊及音訊錄製儀器以在諮詢過程中監管員工的行為；及
- 向我們的僱員提供與客戶實際使用的預付套票相掛鈎的補償獎勵。

We have a client phone survey system in order to further our active solicitation of client feedback. Our client service team calls clients who have received our services on the previous day (excluding those who had already completed such survey in the past 30 days) on every working day. The survey is conducted based on a questionnaire where we ask clients to give us scores (out of five points) for 14 categories, such as level-of-care, attitude of staff and brand image. We compile the scores through our integrated information technology infrastructure and review such scores to identify targets for improvement. We had surveyed 6,438 and 9,360 clients for the years ended 31 March 2017 and 2016 respectively. We have been able to improve our scores from such client phone surveys since the implementation of such programme.

Information Technology Infrastructure

During the Reporting Period, we have further improved and upgraded the sophistication of our information technology systems and big data to better accommodate our clients' use of mobile internet applications, enhance efficiency and standardisation of operations among service and sales competence to further improve our service qualities and sales revenue. In terms of business intelligence, we have also implemented the SAP enterprise software since April 2016 to allow detailed and instant tracking of our client's redemption pattern, which provides us with more sophisticated ways to recognise revenue and estimate forfeited income.

我們應用客戶電話調查系統以進一步積極尋求客戶回饋。於每個工作日，客戶服務團隊會致電前一日已接受服務的客戶(但不包括已於過去30日內完成有關調查的客戶)。該調查以問卷調查形式進行，我們會請客戶為我們的14個類目(如護理水平、員工態度及品牌形象)評分(計分是五分制)。我們透過綜合資訊科技基礎設施編製分數，並審查有關分數以確定改進目標。我們於截至二零一七年及二零一六年三月三十一日止年度分別對6,438名及9,360名客戶進行調查。於實施該計劃以來，從在該客戶電話調查中，我們已能夠提高分數。

資訊科技基礎設施

於報告期間，我們已進一步改善及提升資訊科技系統及大數據的運用，更有利於客戶使用移動互聯網應用程式、提升服務及銷售能力的業務效率及標準以進一步改善我們的服務質素及銷售收入。就商務智能而言，我們亦從二零一六年四月開始採用SAP企業軟件，以容許詳細及即時追查客戶的兌換模式，並向我們提供更精密的方式確認收入及估計失去的收益。

Other Claims and Compliance

In order to provide top-quality and safe services to our clients, we encourage clients to provide feedback through client satisfaction surveys and face-to-face discussions. Where a client requests for a refund or a product return, our Registered Practitioners will participate in investigation of such requests. During the Reporting Period, there were 9 complaints filed against us with the Hong Kong Consumer Council as compared to 11 complaints for the year ended 31 March 2016. As at the date of this annual report, no formal court proceedings have commenced in respect of the medical incident as disclosed in the Prospectus under the section headed “BUSINESS — LEGAL PROCEEDINGS, CLAIMS AND COMPLIANCE — CLAIMS AND LITIGATION — CLAIMS AND THREATENED LITIGATION MADE BY CLIENTS — RECENT MEDICAL INCIDENT”.

We refer to our previous late filing of profits tax returns as disclosed in the Prospectus under the section headed “BUSINESS — LEGAL PROCEEDINGS, CLAIMS AND COMPLIANCE — NON-COMPLIANCE INCIDENTS — INLAND REVENUE ORDINANCE”. As set out in the Relevant Disclosures, during the three years ended 31 March 2013, 2014 and 2015, certain of the Group companies had been the subject of the Tax Audit conducted by the IRD. During the Reporting Period, the Group received 2 letters from the IRD (the “Letters”) relating to the Relevant Subsidiaries. In each of the Letters, the IRD agreed not to commence proceedings against the Relevant Subsidiary under section 80(2) of the IRO relating to the Tax Audit if the Relevant Subsidiary agreed to pay to the IRD the required sums specified in the Letters (such sums, in aggregate, amount to approximately HK\$12.2 million). Having considered the views of the Group’s tax advisor, the tax provisions previously made in its consolidated financial statements for the potential tax liabilities, the previous discussions with the IRD and in order to avoid further protracted exchange of correspondences with the IRD, which may not be in the best interest of the Company from the commercial perspective, the Board decided to proceed with the Offer as specified in the Letters to resolve the case. As mentioned in the announcement dated 9 May 2017, the Directors were of the view that, with the Offer having been accepted and the relevant amount paid to the IRD by the Relevant Subsidiaries, (i) the Tax Audit in respect of each of the Relevant Subsidiaries was considered as fully and finally settled; (ii) except with the Offer, the Directors were not aware of any further allegations by, or concerns from, the IRD in relation to the performance of the related obligations of the Relevant Subsidiaries of the Company as mentioned in the Relevant Disclosures under the IRO; and (iii) the Relevant Subsidiaries and their directors would not be subject to any further legal proceedings under section 80(2) of the IRO relating to the Tax Audit of the Relevant Subsidiaries. Given that the Group has previously made the relevant tax provisions, the Company has written back such excess of the tax provision in the sum of approximately HK\$11.3 million to its consolidated income statement for the Reporting Period. Please refer to the announcement of the Company dated 9 May 2017 for further details.

其他索償及合規情況

為向我們的客戶提供頂級及安全的服務，我們鼓勵客戶透過客戶滿意度調查及面對面討論提供回饋。當客戶要求退款或退貨時，我們的註冊醫生將參與有關要求的調查。於報告期間，於香港消費者委員會共有9宗針對我們的客戶投訴，而截至二零一六年三月三十一日止年度則為11宗投訴。於本年報日期，誠如招股章程「業務 — 法律訴訟、申索及合規 — 申索及訴訟 — 客戶提出的申索及潛在訴訟 — 近期醫療事故」一節所披露，並無有關醫療事故的正式法庭訴訟展開。

誠如招股章程「業務 — 法律訴訟、申索及合規 — 不合規事件 — 稅務條例」一節所披露，我們提述先前逾期提交利得稅報稅表。如相關披露所載，截至二零一三年、二零一四年及二零一五年三月三十一日止三個年度，本集團若干成員公司為稅務局的稅務審核對象。於報告期間，本集團已收到稅務局關於相關附屬公司的兩份函件（「該等函件」）。各份函件均有列明，倘相關附屬公司同意向稅務局支付該等函件列明的規定款項（合共約12.2百萬港元），則稅務局同意將不會根據有關稅務審核的稅務條例第80(2)條對相關附屬公司提起法律訴訟。經考慮本集團稅務顧問之意見、先前於綜合財務報表就潛在稅項負債計提之稅項撥備、先前與稅務局之討論後，為了避免再與稅務局進行冗長的通訊往來（於商業角度而言未必符合本公司最佳利益），董事會已決定採納該等函件中列明的該建議以解決有關事件。如日期為二零一七年五月九日之公告所述，董事認為，鑒於該建議已獲接納及相關附屬公司付予稅務局的相關金額，(i)各相關附屬公司的稅務審核現時被認定全面且最終結算；(ii)除了該建議外，董事並不知悉稅務局就稅務條例相關披露所述本公司的相關附屬公司履行有關責任一事提出任何進一步指控或就此予以關注；及(iii)相關附屬公司及彼等的董事將不受根據稅務條例第80(2)條所提起有關相關附屬公司稅務審核的任何其他法律訴訟的約束。鑑於本集團先前已計提相關稅項撥備，本公司將於報告期間之綜合收益表內撥回稅項撥備之多出款項約11.3百萬港元。更多詳情請參閱本公司日期為二零一七年五月九日的公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK AND STRATEGIES

Hong Kong

According to the report on March 2017 Monthly Survey of Retail Sales issued by the Hong Kong Census and Statistics Department, (i) the value of total retail sales in March 2017 was provisionally estimated at HK\$35.7 billion, increased by 3.1% over the same month in 2016, and (ii) after netting out the effect of price changes over the same period, the volume of total retail sales in March 2017 increased by 2.7% compared with that of March 2016.

We are committed to offer the top notch customer experiences in addition to the safe and professional medical and beauty services.

With reference to the data gathered in our system, we are to leverage on our clients' trust on our quality services and to provide services in other medical disciplines. We will continue to offer the latest products and equipment in meeting the continued growing demand of clients in medical needs, in particular the medical aesthetic space. We may respond by identifying potential acquisition targets or via an organic expansion.

The PRC

Premier Li Keqiang announced an agenda for constructing Guangdong-Hong Kong-Macao greater bay area ("Greater Bay Area"*) in his work report to the 5th Session of 12th National People's Congress (NPC) on 5th March 2017. It aims to strengthen the collaboration amongst the cities of the Greater Bay Area and leverage on the unique advantages of Hong Kong and Macao to facilitate enhancement of the national economic development and its status and functions globally. Hong Kong is unique and strong in terms of its internationalization in the area of modern services, finance, legal, accounting and construction. Hong Kong's economic, social and legal system is well connected with the world and it has a large pool of international talent. The Greater Bay Area plays an important role as the world-class cluster of cities of the PRC to compete amongst other countries globally.

* The Greater Bay Area is comprised of Hong Kong, Macau and nine cities in Guangdong (namely, Guangzhou, Foshan, Zhaoqing, Shenzhen, Dongguan, Huizhou, Zhuhai, Zhongshan, Jiangmen).

前景及策略

香港

根據香港政府統計處發出的二零一七年三月零售業銷貨額按月統計調查報告，(i)二零一七年三月的零售業總銷貨價值的臨時估計為357億港元，較二零一六年同月增長3.1%；及(ii)經剔除相同期間的價格變動的影響後，二零一七年三月的零售業總銷貨數量較二零一六年三月增長2.7%。

除了安全專業的醫療美容服務外，我們亦致力於提供一流客戶體驗。

經參考我們的系統所收集的數據，我們會憑藉客戶對我們優質服務的信賴拓展至其他醫療專科服務。我們將繼續提供最新產品及設備，以滿足客戶於醫療需要(尤其是醫學美容)方面的持續增長需求。我們可能藉發掘潛在收購目標或透過內部擴張應對。

中國

二零一七年三月五日召開的十二屆全國人大五次會議上，國務院總理李克強在政府工作報告中提出了建設粵港澳大灣區*城市群發展規劃，旨在深化粵港澳大灣區各城市間合作，發揮港澳獨特優勢，提升在國家經濟發展和全球中的地位與功能。香港在現代服務業、金融、法律、會計、建築等方面具備獨特優勢，其經濟、民生及法律體制與國際接軌並吸引大量國際優秀人才。粵港澳大灣區是國家建設世界級城市群和參與全球競爭的重要空間載體。

* 粵港澳大灣區指的是由香港、澳門和廣東九個市(廣州、佛山、肇慶、深圳、東莞、惠州、珠海、中山、江門)形成的城市群。

We will continue to pursue the expansion of our own medical aesthetic clinic in the first-tier and selected second-tier cities in the PRC as disclosed in our Prospectus and we anticipate that our medical aesthetic clinic in Shenzhen will be opened by the end of this year.

To enhance our capability to service the medical tourism sector, we have been equipped to facilitate travel arrangements via our in-house travel agent and divert PRC customers to obtain medical services in Hong Kong that are not readily available in the PRC. We are proactively exploring acquisition targets as well as partnership opportunities with strong presence in the PRC, in particular players who share the same vision as we do — offering safe, professional and effective services as a concierge in customers' health and beauty.

誠如我們的招股章程所披露，我們將致力於中國一線及特選二線城市繼續擴大我們的醫學美容診所，且我們預計於深圳的醫學美容診所將於本年底開業。

為提高我們對醫療旅遊行業的服務能力，我們已透過自營旅行社促進所需的旅遊安排，並轉移中國客戶至香港以便其取得在中國無法獲取的醫療服務。我們正積極物色收購目標以及與在中國有牢固市場地位的合作方的機會，尤其是與我們具有相同願景的業界 — 在提供安全、專業及有效的服務前提下，成為客戶的健康、美麗管家。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

Our revenue increased by 36.9% from HK\$704.9 million for the year ended 31 March 2016 to HK\$964.9 million for the year ended 31 March 2017 primarily attributable to (i) the increase in revenue generated from medical services from HK\$275.7 million for the year ended 31 March 2016 to HK\$501.8 million for the year ended 31 March 2017; and (ii) revenue from our new health management services of HK\$51.3 million for the year ended 31 March 2017.

Medical Services

Our revenue from medical services increased by 82.0% from HK\$275.7 million for the year ended 31 March 2016 to HK\$501.8 million for the year ended 31 March 2017, primarily attributable to the increase in revenue generated from minimally invasive procedures performed and increase in the number of, and variety of, energy-based aesthetic medical services provided to clients during the Reporting Period.

Quasi-Medical Services

Our revenue from quasi-medical services increased by 30.2% from HK\$74.1 million for the year ended 31 March 2016 to HK\$96.4 million for the year ended 31 March 2017, primarily attributable to the increase in the number of and variety of energy-based aesthetic medical devices provided to clients during the Reporting Period.

Traditional Beauty Services

Our revenue from traditional beauty services increased by 169.6% from HK\$65.0 million for the year ended 31 March 2016 to HK\$175.4 million for the year ended 31 March 2017, primarily attributable to the Group's marketing strategy to nurture and retain the new customers to become our Key Clients, in particular the PRC clients.

財務回顧

收入

我們的收入由截至二零一六年三月三十一日止年度的704.9百萬港元增加36.9%至截至二零一七年三月三十一日止年度的964.9百萬港元，主要由於(i)醫療服務的收入由截至二零一六年三月三十一日止年度的275.7百萬港元增加至截至二零一七年三月三十一日止年度的501.8百萬港元；及(ii)截至二零一七年三月三十一日止年度來自我們新的健康管理服務的收入51.3百萬港元。

醫療服務

我們自醫療服務獲得的收入由截至二零一六年三月三十一日止年度的275.7百萬港元增加82.0%至截至二零一七年三月三十一日止年度的501.8百萬港元，主要因報告期間提供予客戶的微整形療程的收入增加及能量醫學美容服務的數目及種類增加。

準醫療服務

我們自準醫療服務獲得的收入由截至二零一六年三月三十一日止年度的74.1百萬港元增加30.2%至截至二零一七年三月三十一日止年度的96.4百萬港元，主要由於報告期間向客戶提供的能量醫學美容儀器的數目及種類增加。

傳統美容服務

我們自傳統美容服務獲得的收入由截至二零一六年三月三十一日止年度的65.0百萬港元增加169.6%至截至二零一七年三月三十一日止年度的175.4百萬港元，主要因本集團以維繫並保留新客戶為我們的重要客戶(尤其是中國客戶)的市場營銷策略所致。

Health Management Services

Our revenue from health management services was HK\$51.3 million for the year ended 31 March 2017, primarily attributable to the provision of services in the one-stop health management centre newly launched in May 2016.

Skincare, Healthcare and Beauty products

Our revenue from the sale of skincare, healthcare and beauty products increased by 62.8% from HK\$38.0 million for the year ended 31 March 2016 to HK\$61.9 million for the year ended 31 March 2017, primarily attributable to the healthcare products newly launched by re:HEALTH which commenced operations in May 2016.

Operating Segment Information

An analysis of the Group's revenue and contribution to results by business segments of the operations for the Reporting Period is set out in note 4 to the consolidated financial statements.

Other Net Income and Gains

During the Reporting Period, our other net income and gains were approximately HK\$27.5 million, an increase of approximately HK\$23.8 million or 648.6% when compared to the year ended 31 March 2016, primarily due to the write back of excess of the provision for penalty and interest income gained from the unutilized net proceeds from IPO during the Reporting Period.

Cost of Inventories

Our cost of inventories increased from HK\$70.7 million for the year ended 31 March 2016 to HK\$130.5 million for the year ended 31 March 2017, primarily attributable to an increase in the volume of medication and service consumables used, which was in line with the significant increase in the volume of service procedures performed. Our cost of inventories and consumables grew at a higher rate as compared to that of revenue from services provided due to the increase in effort to expand our market shares, along with an increase in product sales.

健康管理服務

截至二零一七年三月三十一日止年度，我們自健康管理服務獲得的收入為51.3百萬港元，主要由於在二零一六年五月新開設的一站式健康管理中心提供服務。

護膚、保健及美容產品

我們銷售護膚、保健及美容產品的收入由截至二零一六年三月三十一日止年度的38.0百萬港元增加62.8%至截至二零一七年三月三十一日止年度的61.9百萬港元，主要由於在二零一六年五月開業的re:HEALTH新推出保健產品所致。

經營分部資料

本集團於報告期間按運營業務分部劃分的收入及對業績貢獻的分析載於綜合財務報表附註4。

其他收益及收入淨額

於報告期間，我們的其他收益及收入淨額約為27.5百萬港元，較截至二零一六年三月三十一日止年度增加約23.8百萬港元或648.6%，主要由於報告期間撥回罰金撥備之多出款項及因首次公開發售未動用所得款項淨額之利息收益。

存貨成本

我們的存貨成本由截至二零一六年三月三十一日止年度的70.7百萬港元增至截至二零一七年三月三十一日止年度的130.5百萬港元，主要是由於藥物及服務耗材用量增加，此與所提供服務療程顯著增加一致。由於擴展市場份額的力度增加及產品銷售額上升，因此我們的存貨及耗材成本的增長速度較提供服務所得收入相對較高。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Registered Practitioner Expenses

For the year ended 31 March 2017, we incurred Registered Practitioner expenses of approximately HK\$77.5 million, an increase of approximately HK\$24.7 million or 46.8% when compared to the year ended 31 March 2016, primarily attributable to an increase in the number of Registered Practitioners from 23 as at 31 March 2016 to 44 as at 31 March 2017.

Employee Benefit Expenses and Remuneration Policy

For the year ended 31 March 2017, we incurred employee benefit expenses of approximately HK\$277.9 million, an increase of approximately HK\$85.5 million or 44.4% when compared to the year ended 31 March 2016, primarily due to increase in our overall headcount (excluding Registered Practitioners) from 693 as at 31 March 2016 to 808 as at 31 March 2017, as well as the increments to employees' salaries.

The Group is aware of the importance of human resources and is dedicated to retaining competent and talented employees by offering them competitive remuneration packages. Their salaries and bonuses were determined by reference to their duties, work experience, performance and prevailing market practices. The Group also participates in the Mandatory Provident Fund scheme in Hong Kong, and provides employees with medical insurance coverage. A share option scheme and a share award scheme are in place to reward individual employees for their outstanding performance and contribution to the success of the Group.

Marketing and Advertising Expenses

For the year ended 31 March 2017, the Group incurred marketing and advertising expenses of approximately HK\$68.5 million, an increase of approximately HK\$30.4 million or 80.1% when compared to the year ended 31 March 2016, primarily due to an increased level of marketing and advertising activities in promotion of the Group and our new business, in particular re:HEALTH.

註冊醫生開支

截至二零一七年三月三十一日止年度，我們產生約77.5百萬港元的註冊醫生開支，較截至二零一六年三月三十一日止年度增加約24.7百萬港元或46.8%，主要是由於註冊醫生的數目由二零一六年三月三十一日的23人增至二零一七年三月三十一日的44人所致。

僱員福利開支及薪酬政策

截至二零一七年三月三十一日止年度，我們產生約277.9百萬港元的僱員福利開支，較截至二零一六年三月三十一日止年度增加約85.5百萬港元或44.4%，主要是由於總人數（不包括註冊醫生）由二零一六年三月三十一日的693人增至二零一七年三月三十一日的808人以及僱員薪酬增加。

本集團明白人力資源的重要性，致力通過提供具競爭力的薪酬待遇挽留有能力及才幹的僱員。僱員的薪金及花紅乃參考其職責、工作經驗、表現及現行市場慣例而釐定。本集團亦於香港參與強制性公積金計劃，並向僱員提供醫療保險。本集團亦推行購股權計劃及股份獎勵計劃，根據個別僱員的傑出表現及對本集團的成功所作出的貢獻向其作出獎勵。

營銷及廣告開支

截至二零一七年三月三十一日止年度，本集團產生約68.5百萬港元的營銷及廣告開支，較截至二零一六年三月三十一日止年度增加約30.4百萬港元或80.1%，主要由於營銷及廣告活動量增加以推廣本集團及我們的新業務，尤其是re:HEALTH。

Rental and Related Expenses

For the year ended 31 March 2017, the Group incurred rental and related expenses of approximately HK\$88.8 million, an increase of approximately HK\$26.7 million or 42.9% when compared to the year ended 31 March 2016, primarily due to the increase in the aggregate average g.f.a of approximately 35,000 sq. ft. as compared to 31 March 2016.

Credit Card Expenses

For the year ended 31 March 2017, the Group incurred credit card expenses of approximately HK\$29.7 million, an increase of approximately HK\$6.7 million or 29.3% when compared to the year ended 31 March 2016, primarily due to the significant increase in contracted sales generated during the Reporting Period, resulting in higher credit card expenses incurred.

Other Expenses

For the year ended 31 March 2017, the Group incurred other operating expenses of approximately HK\$47.1 million, an increase of approximately HK\$20.6 million or 77.7% when compared to the year ended 31 March 2016, primarily due to (i) the professional expenses incurred as a result of obtaining relevant services from professional advisers and parties in relation to the transactions entered into by the Group and after the Company has become a listed company; (ii) donations; and (iii) the office expenses incurred as the scale of the business of the Group increased during the Reporting Period.

Profit Before Tax

For the year ended 31 March 2017, the Group has profit before tax of approximately HK\$244.6 million, representing 25.3% of the revenue and an increase of approximately HK\$60.2 million or 32.6% when compared to that of the year ended 31 March 2016.

Income Tax Expense

For the year ended 31 March 2017, the Group incurred income tax expense of approximately HK\$41.1 million, an increase of approximately HK\$6.0 million or 17.1% when compared to the year ended 31 March 2016, primarily due to significant increase in profit before tax.

租賃及相關開支

截至二零一七年三月三十一日止年度，本集團產生約88.8百萬港元的租賃及相關開支，較截至二零一六年三月三十一日止年度增加約26.7百萬港元或42.9%，主要由於較二零一六年三月三十一日總平均樓面面積增加約35,000平方呎。

信用卡開支

截至二零一七年三月三十一日止年度，本集團產生約29.7百萬港元的信用卡開支，較截至二零一六年三月三十一日止年度增加約6.7百萬港元或29.3%，主要由於報告期間的訂約銷售額顯著增加，導致產生的信用卡開支上升。

其他開支

截至二零一七年三月三十一日止年度，本集團產生約47.1百萬港元的其他經營開支，較截至二零一六年三月三十一日止年度增加約20.6百萬港元或77.7%，主要由於(i)因獲得專業顧問及有關本集團所訂立交易的訂約方的有關服務及於本公司成為上市公司後所產生專業費用；(ii)捐贈；及(iii)於報告期間隨著本集團業務規模擴大產生的辦公開支所致。

除稅前溢利

截至二零一七年三月三十一日止年度，本集團擁有約244.6百萬港元的除稅前溢利，佔收入的25.3%及較截至二零一六年三月三十一日止年度的除稅前溢利增加約60.2百萬港元或32.6%。

所得稅開支

截至二零一七年三月三十一日止年度，本集團產生約41.1百萬港元的所得稅開支，較截至二零一六年三月三十一日止年度增加約6.0百萬港元或17.1%，主要因除稅前溢利大幅增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit for the Year/Profit Margin

For the year ended 31 March 2017, the Group recorded profit for the year of approximately HK\$203.5 million, an increase of HK\$54.2 million or 36.3% when compared to the year ended 31 March 2016, primarily due to our development of the new businesses and efficient leverage on our cross-selling capabilities. Our profit margin remains at approximately 21.1%.

LIQUIDITY AND CAPITAL RESOURCES

Financial Resources

We continue to maintain a strong financial position with cash and cash equivalents of HK\$200.6 million as at 31 March 2017. Our working capital was HK\$597.4 million. Based on our steady cash inflow from operations, coupled with sufficient cash and bank balances, we have adequate liquidity and financial resources to meet the working capital requirements as well as to fund its budgeted expansion plans in the next financial year.

During the year ended 31 March 2017, a majority of our cash and bank balances was denominated in Hong Kong dollar, and as we expand our operations in the PRC, there will be an increasing amount of our assets and transactions denominated in Renminbi.

Net Cash Generated From Operating Activities

For the year ended 31 March 2017, our net cash generated from operating activities was HK\$180.0 million, which was primarily attributable to increase in the profit for year.

Net Cash Used In Investing Activities

For the year ended 31 March 2017, our net cash used in investing activities was HK\$153.2 million, which was primarily attributable to the purchases of financial assets designated as financial assets at fair value through profit or loss.

Net Cash Used In Financing Activities

For the year ended 31 March 2017, our net cash used in financing activities was HK\$180.1 million, primarily due to the dividend paid and the purchase of shares for Share Award Scheme.

年內溢利／溢利率

截至二零一七年三月三十一日止年度，本集團錄得約203.5百萬港元的年內溢利，較截至二零一六年三月三十一日止年度增加54.2百萬港元或36.3%，主要由於我們開發的新業務及有效利用我們的交叉銷售能力所致。我們的溢利率為約21.1%。

流動資金及資本資源

財務資源

我們持續維持強勁的財務狀況，二零一七年三月三十一日的現金及現金等價物為200.6百萬港元。我們的營運資金為597.4百萬港元。根據我們自營運獲得的穩定現金流入，連同足夠的現金及銀行結餘，我們有足夠的流動資金及財務資源，以應付營運資金要求及於下一財政年度撥付預算擴張計劃。

於截至二零一七年三月三十一日止年度，我們的大部分現金及銀行結餘乃以港元計值，而由於我們在中國擴展業務，我們以人民幣計值的資產及交易數目將增加。

經營活動所得現金淨額

截至二零一七年三月三十一日止年度，本公司於經營活動所得的現金淨額為180.0百萬港元，主要由於年內溢利增加所致。

投資活動所用的現金淨額

截至二零一七年三月三十一日止年度，本公司於投資活動所用的現金淨額為153.2百萬港元，主要歸因於購買指定為按公平值計入損益的金融資產的金融資產。

融資活動所用的現金淨額

截至二零一七年三月三十一日止年度，本公司於融資活動所用現金淨額為180.1百萬港元，主要由於已付股息及就股份獎勵計劃購買股份所致。

CAPITAL EXPENDITURE AND COMMITMENTS

資本支出及承擔

Use of Proceeds from IPO

首次公開發售的所得款項用途

The net proceeds from the IPO were approximately HK\$703.4 million, after deducting the underwriting fees and commission and related expenses paid and payable by us in connection with the IPO. We have applied, and will continue to apply the net proceeds from the IPO in accordance with the disclosures in the section headed “FUTURE PLANS AND USE OF PROCEEDS” in the Prospectus as well as the applicable Listing Rules. The below table sets out the planned application of the net proceeds and actual usage from Listing Date up to 31 March 2017:

經扣除包銷費用及佣金以及本公司就首次公開發售已付及應付的相關開支後，首次公開發售的所得款項淨額約為703.4百萬港元。我們已根據招股章程「未來計劃及所得款項用途」一節所載披露資料及適用上市規則使用並將繼續使用首次公開發售所得款項淨額。下表載列由上市日期至二零一七年三月三十一日所得款項淨額之計劃用途及實際用途：

| Use of proceeds | 所得款項用途 | Percentage of total net proceeds 佔全數所得款項淨額百分比 | Planned Applications 計劃用途 | Actual usage up to 31 March 2017 截至二零一七年三月三十一日的實際用途 HK\$ in million 百萬港元 | Unutilised net proceeds as at 31 March 2017 於二零一七年三月三十一日的未動用所得款項淨額 |
|--|---|--|------------------------------|---|---|
| Establishing new, as well as expanding the scale of our existing, aesthetic medical service centres and clinics in Hong Kong and the Greater China | 於香港及大中華開設新醫學美容服務中心及診所以及擴大我們現有醫學美容服務中心及診所的規模 | 40% | 281.4 | 36.4 | 245.0 |
| Acquiring aesthetic medical centres and aesthetic medical clinics and entering into joint ventures | 收購醫學美容中心及醫學美容診所以及成立合營公司 | 25% | 175.9 | 69.6 | 106.3 |
| Expanding our dental service business | 擴展我們的牙科服務業務 | 10% | 70.3 | 1.5 | 68.8 |
| Establishing our dermatology-related business line | 建立與皮膚科相關的業務線 | 10% | 70.3 | — | 70.3 |
| Upgrading and improving our information technology systems | 更新及改善我們的資訊科技系統 | 5% | 35.2 | 1.1 | 34.1 |
| Working capital and for other general corporate purposes | 營運資金及其他一般企業用途 | 10% | 70.3 | 67.5 | 2.8 |
| | | | 703.4 | 176.1 | 527.3 |

The Board has resolved to reallocate and change the use of idle Net Proceeds from the IPO of the remaining balance of unutilized net proceeds from the IPO. For details, please refer to the announcement of the Company dated 18 July 2017.

董事會已議決重新分配閒置的首次公開發售所得款項淨額（即未動用的首次公開發售所得款項淨額的餘額）及變更其用途。有關詳情，請參閱本公司日期為二零一七年七月十八日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Expenditure

Our capital expenditures during the year ended 31 March 2017 were primarily related to purchases of operation equipment, which primarily included medical, dental and beauty devices, and expenditure in leasehold improvements. We have financed our capital expenditures through cash flows generated from operating activities.

Capital Commitment

As at 31 March 2017, we do not have any capital commitments in respect of acquisition of property, plant and equipment.

INDEBTEDNESS

Interest-Bearing Bank Borrowings

As at 31 March 2017, the Group had no outstanding interest-bearing bank borrowings.

Contingent Liabilities and Guarantees

As at 31 March 2017, we had contingent liabilities not provided for in our financial statements of HK\$2.0 million in relation to a bank guarantee given to a credit card institution for the use of certain credit card equipment. Save as disclosed herein, the Group had no significant contingent liabilities and guarantees as at 31 March 2017.

Charge of Assets

As at 31 March 2017, there was no charge on the assets of the Group except for the time deposits of HK\$2.0 million pledged for banking facilities as security for credit card instalments programme.

Gearing Ratio

Gearing ratio equals total debt divided by total equity. As at 31 March 2017, the Group had interest-bearing liabilities of HK\$924,438 and the gearing ratio is 0.001.

資本支出

本公司於截至二零一七年三月三十一日止年度的資本支出主要與購買經營設備(主要包括醫療、牙科及美容器械)以及租賃物業裝修的支出有關。本公司已透過經營活動所得現金流量為資本支出提供資金。

資本承擔

於二零一七年三月三十一日，本公司並無任何有關收購物業、廠房及設備的資本承擔。

債務

計息銀行借款

於二零一七年三月三十一日，本集團並無未償還計息銀行借款。

或然負債及擔保

於二零一七年三月三十一日，本公司共有並未於財務報表撥備的或然負債2.0百萬港元，其與就若干信用卡設備之使用而給予信用卡機構的銀行擔保有關。除本年報披露者外，本集團於二零一七年三月三十一日並無重大或然負債及擔保。

資產抵押

於二零一七年三月三十一日，除就銀行融資作為信用卡分期計劃擔保所作抵押的2.0百萬港元定期存款外，本集團之資產概無抵押。

資產負債比率

資產負債比率等於債務總額除以權益總額。於二零一七年三月三十一日，本集團計息負債為924,438港元，資產負債比率為0.001。

Foreign Currency Risk

The Group undertakes certain operating transactions in foreign currencies, which expose the Group to foreign currency risk, mainly pertaining to the risk of fluctuations in the Hong Kong dollar and U.S. dollar against Renminbi.

The Group has not used any derivative contracts to hedge against its exposure to currency risk. The management manages the currency risk by closely monitoring the movement of the foreign currency rates and considers hedging against significant foreign exchange exposure should such need arise.

Interest Rate Risk

The Group has no significant interest rate risk. The Group currently does not have specific policies in place to manage our interest rate risk and has not entered into interest rate swaps to mitigate the interest rate risk, but will closely monitor the interest rate risk in the future.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, there were no significant investments held by the Company during the Reporting Period, nor was there any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period. Save as disclosed in this annual report and the Prospectus, there is no plan authorised by the Board for other material investments or additions of capital assets as at the date of this annual report.

外幣風險

本集團以外幣訂立若干營運交易，主要涉及港元及美元兌人民幣的匯率波動風險，本集團因此面臨外匯風險。

本集團未使用任何衍生合約對沖貨幣風險。管理層透過密切監控外匯匯率變動來管理貨幣風險，若出現相關需求，管理層亦考慮對重大外匯風險進行對沖。

利率風險

本集團並無重大利率風險。本集團目前並未制定管理利率風險的具體政策，亦未進行利率互換以緩和利率風險，惟將會密切監控其今後面臨的利率風險。

重大投資、重大收購及出售附屬公司、聯營公司及合營企業及重大投資或資本資產的未來計劃

除本年報所披露外，本公司於報告期間概無持有重大投資，於報告期間亦無附屬公司、聯營公司及合營企業之重大收購及出售事項。除本年報及招股章程所披露外，於本年報日期，董事會並無就其他重大投資或增加資本資產授權任何計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board acknowledges the vital importance of good governance to the Group's success and sustainability by providing a framework for the Company to formulate its business strategies and policies, and to enhance its transparency, accountability and shareholder value.

The Board has committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance emphasising on transparency, independence, accountability, responsibility and fairness.

The Company has adopted the principles as set out in the CG Code contained in Appendix 14 to the Listing Rules. The Company has complied with all code provisions set out in the CG Code during the Review Period, save for the deviation from code provision A.2.1 as disclosed below.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Specific enquiry has been made of all the Directors, and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

Senior management, executives and staff who, because of their offices in the Company are likely to possess inside information, have also been requested to comply with the Model Code for securities transactions. No incident of non-compliance with the Model Code by such employees was noted by the Company during the Reporting Period.

企業管治常規

董事會深明良好管治能為本公司提供框架以制定其業務策略及政策，同時提高其透明度、問責性及股東價值，對本集團達致成功及持續發展至關重要。

董事會致力保持法定及法規標準，並謹守強調透明、獨立、問責、責任及公允之企業管治原則。

本公司已採用上市規則附錄14內企業管治守則所載的原則。本公司已於回顧期間內遵守企業管治守則所載之所有守則條文，惟偏離守則條文第A.2.1條(於下文披露)。

證券交易的標準守則

本公司已採納上市規則附錄10所載之標準守則作為其有關董事進行證券交易的行為守則。本公司已向全體董事作出具體查詢，全體董事確認彼等於報告期間均一直遵守標準守則。

因於本公司擔任職務而可能知悉內幕消息的高級管理層、行政人員及員工亦須遵守有關證券交易的標準守則。本公司於報告期間內概無發現該等僱員違反標準守則的事宜。

THE BOARD AND THE DIRECTORS

Board Composition

During the Reporting Period, the composition of the Board is as follow:

Executive Directors

Tang Chi Fai (*Chairman and Chief Executive Officer*)
Lee Gabriel
Luk Kun Shing Ben
Yeung Chin Wan

Independent Non-executive Directors ("INEDs, each an "INED")

Ma Ching Nam
Yu Ka Fai Alexis
Look Andrew

Throughout the Reporting Period, the Board has complied with the requirements of the Listing Rules to have three independent non-executive Directors who represent more than one-third of the Board and with one of whom possesses appropriate professional qualifications or accounting or related financial management expertise.

The Board has received from each INED a written annual confirmation of his independence satisfied with the guidelines set out in Rule 3.13 of the Listing Rules, and the nomination committee of the Board (the "Nomination Committee") has assessed the independence of each INED and the Company considers that each of their independence is in compliance with the Listing Rules as at the date of this annual report. Each INED will inform the Company in writing as soon as practicable if there is any change of circumstances with may affect his independence.

To the best knowledge of the Company, the Directors do not have financial, business, family or other material/relevant relationships with each other.

After annual assessment by the Nomination Committee, the Board considers the current structure, size and composition of the Board is performing a balanced and independent monitoring function on management practices to complement the Company's corporate strategies. The Directors and their biographical details as at the date of this annual report are set out on pages 72 to 78 of this annual report.

董事會及董事

董事會組成

於報告期間內，董事會的組成如下：

執行董事

鄧志輝(主席及行政總裁)
李嘉豪
陸韵晟
楊展昀

獨立非執行董事

(「獨立非執行董事」)
馬清楠
余嘉輝
陸東

於整個報告期間，董事會已遵守上市規則之規定，董事成員中三位為獨立非執行董事，佔董事會人數多於三分之一，其中一位獨立非執行董事具備適當專業資格或會計或相關財務管理專長。

董事會已收到各獨立非執行董事根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認函，而董事會提名委員會(「提名委員會」)已於本年報日期評核各獨立非執行董事之獨立性，而本公司認為彼等各自的獨立性符合上市規則。倘出現任何可能會影響其獨立性的變動情況，各獨立非執行董事將於實際可行情況下盡快以書面通知本公司。

就本公司所深知，董事會成員之間概無存有財務、業務、家屬或其他重大／相關的關係。

提名委員會進行年度評核後，董事會認為董事會現時的架構、人數及組成對管理層慣例正發揮公正及獨立的監察職能，以配合本公司的企業策略。董事及彼等於本年報日期的履歷詳情載於本年報第72至78頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

During the Reporting Period, the roles of the Chairman of the Board (the “Chairman”) and the chief executive officer of the Company (the “CEO”) have been performed by Mr. Tang Chi Fai (“Mr. Tang”). Although the dual roles of the Chairman and the CEO is a deviation from the code provision A.2.1 of the CG Code, the Board believes that having Mr. Tang acting as both the Chairman and the CEO provides a strong and consistent leadership to the Company and allows the Company to have more effective planning and management. Further, in view of Mr. Tang’s extensive experience in the industry, personal profile and role in the Group and the historical development of the Group as mentioned in the Prospectus under the section headed “Our History, Reorganisation and Corporate Structure” and publications of the Company from time to time, the Board considers that it is appropriate and beneficial to the business prospects of the Group that Mr. Tang continues to act as both the Chairman and the CEO. The Board will keep regularly reviewing the operations of the Company under Mr. Tang’s leadership, and considers that the balance of power and authority has been maintaining amongst each of the Board member and the management team of the Group (the “Management”), when the roles and responsibilities of the Chairman and the CEO are being divided in writing and carried out as briefed below:

The role of the Chairman is focusing on determination of strategies, direction and goal of the Group. The Chairman is also responsible for leading the Board to effective management of the Company by, among others, ensuring good corporate governance practices and procedures, encouraging the Directors to make full and active contribution to the affairs of the Board, developing a culture of openness and debate among the Directors so that Board decisions could fairly reflect consensus, drawing up and approving Board meetings agenda, and chairing Board meetings.

The CEO, within the powers delegated by the Board from time to time, is responsible for day-to-day management of the Company and to implement strategies and major policies decided by the Board with support of other executive Directors and the Management.

主席及行政總裁

企業管治守則的守則條文第A.2.1條規定，主席及行政總裁的職能須分開，且不得由同一人兼任。

於報告期間，董事會主席（「主席」）及本公司的行政總裁（「行政總裁」）的角色一直由鄧志輝先生（「鄧先生」）履行。儘管身兼主席及行政總裁偏離企業管治守則的守則條文第A.2.1條，董事會認為，鄧先生（身兼主席及行政總裁）將為本公司提供有力及一致的領導，令本公司可更有效規劃及管理。此外，如招股章程「歷史、重組及公司架構」一節以及本公司不時刊發的資料所提及，鑒於鄧先生於行業的豐富經驗、個人履歷及於本集團的角色以及本集團的過往發展，董事會認為繼續由鄧先生兼任主席與行政總裁對本集團業務前景合適及有利。董事會將定期檢討鄧先生領導下的本公司經營，並認為當主席及行政總裁的角色及職責如下文所簡述書面分開時，各董事會成員及本集團管理團隊（「管理層」）之間的權力及授權之平衡一直得以維持：

主席的角色專責制訂本集團之策略、方向及目標。主席兼任領導董事會，負責（其中包括）確保良好企業管治常規及程序、鼓勵董事對董事會事務作出全面積極貢獻、在董事之間正形成公開辯論文化，因此董事會決策可公正地反映董事的共識、草擬及審批董事會會議議程、主持董事會會議，以有效管理本公司。

行政總裁不時在董事會授予權限內，負責本公司的日常管理和在其他執行董事及管理層幫助下執行由董事會決定之策略及主要政策。

Board Diversity

The Company has adopted a board diversity policy to comply with the code provision on board diversity. Under such policy, the Nomination Committee is delegated to review, assess and recommend any appointment, re-election or any succession plan of any directors to the Board from time to time after considering a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience, to allow for the Company's business model and specific needs.

Roles and Responsibility of the Board

The executive Board is responsible for setting up the Company's corporate strategies, monitoring its implementation and reviewing operational and financial performance of the Group by making decisions in major aspects of the Company's matters, including but not limited to approving and monitoring key policies, material transactions, business plans, annual budgets, risk management and internal control systems, annual and interim results, major capital expenditure and appointment of Directors.

The non-executive Board (all are INEDs) has diversified industry expertise and professional knowledge, and provides advisory, adequate check and balances for effective and constructive construction to the executive Board to safeguard the interests of the Company and the Shareholders as a whole.

Delegation to Management

Day-to-day operational management and administration functions of the Group and implementation of the corporate strategies of the Group are delegated to the Management led by the executive Board.

Corporate Governance Functions

The Board is responsible for the performance of functions of corporate governance. During the Reporting Period, the Board has performed the functions set out in code provision D.3.1 of the CG Code.

董事會成員多元化

本公司已採納董事會成員多元化政策，以遵守有關董事會成員多元化的守則條文。根據有關政策，提名委員會在考慮多個因素後，包括但不限於性別、年齡、文化及教育背景，或專業經驗後，並獲授權審閱、評核及不時就任何董事委任、重選或任何繼任計劃向董事會提出推薦建議，以迎合本公司的業務模式及特定需要。

董事會的角色及職責

執行董事會負責制定本公司的企業策略、監督策略的執行及檢討本集團的業務及財務績效的重大方面作出決策，包括但不限於審批及監察主要政策、重大交易、商業計劃、年度預算、風險管理及內部監控制度、年度及中期業績、主要資本開支及董事委任。

非執行董事會（全體均為獨立非執行董事）擁有多元化行業專長及專業知識，向執行董事會提供建議、進行充份核查和制衡力，對維護本公司及股東的整體利益作出有效及建設性的貢獻。

管理層的委任

本集團的日常業務管理和行政職能及執行本集團企業策略的權力均授予執行董事會領導下的管理層。

企業管治職能

董事會負責履行企業管治職能。於報告期間董事會已履行企業管治守則的守則條文第D.3.1條。

CORPORATE GOVERNANCE REPORT

企業管治報告

Appointment, Re-election, Rotation and Removal of Directors

The Company has established formal, considered and transparent procedures for appointment, re-election, rotation, and removal of the Directors. The Nomination Committee is responsible for considering the suitability of an individual to act as a Director and making recommendations to the Board on appointment or re-election of Directors, succession planning of Directors and assessing the independence of the INEDs as set out below under sub-section headed "NOMINATION COMMITTEE".

All Directors entered into a service contract or letter of appointment with our Company for an initial term of three (3) years, commencing from the Listing Date, which shall be renewed as determined by the Board or the Shareholders. Their term of office each is the period up to his retirement by rotation or retirement, but eligible for re-election at annual general meetings of the Company in accordance with the Articles of Association.

In accordance with the Articles of Association, the Company may by ordinary resolution at general meetings of the Company elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first general meeting after his appointment, and shall then be eligible for re-election at such general meeting.

At each annual general meeting of the Company, not less than one-third of the Directors (including those appointed for a specific term) shall retire from office by rotation provided that each Director shall be subject to retirement by rotation at the annual general meeting at least once every three years.

董事的委任、重選、輪選及罷免

本公司已就董事的委任、重選、輪值告退及罷免建立正式、經審慎考慮並具透明度的程序。如下文「提名委員會」分節所載，提名委員會負責考慮董事候選人之合適性，並就委任或重選董事及董事繼任計劃作出推薦建議，以及評核獨立非執行董事的獨立性。

所有董事各自均已於本公司訂立自上市日期起初步年期為三(3)年的服務合約或委任函，並將由董事會或股東決定是否重續。根據組織章程細則，彼等各自的任期均直至彼須輪值告退或退任為止，惟符合資格於本公司股東週年大會上重選連任。

根據組織章程細則，本公司可於本公司股東大會上透過普通決議案選舉任何人士擔任董事以填補臨時空缺或增加董事會成員。董事有權不時及於任何時間委任任何人士擔任董事以填補臨時空缺或增加董事會成員。如此獲委任董事之任期直至彼獲委任後的首次股東大會為止，並符合資格於該股東大會上重選連任。

於本公司的每屆股東週年大會上，不少於三分之一之董事(包括有指定任期的董事)須輪值告退，惟每名董事須於股東週年大會上最少每三年輪值告退一次。

Induction and Continuing Professional Development of Directors

The Company encourages all Directors to participate in continuous professional development to further enhance and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant. The Company received from the Directors the following records of the training attended during the Reporting Period on the latest amendments to the Listing Rules and any other regulatory requirements:

董事的入職培訓及持續專業發展

本公司鼓勵所有董事參與持續專業發展以增加及更新彼等之知識及技能，確保彼等繼續在具備全面資訊及切合情況下對董事會作出貢獻。董事均已向本公司提供以下彼等於報告期間所參與有關上市規則及任何其他監管規定的最新修訂的培訓記錄：

| | | Nature of Trainings 培訓性質 | |
|----------------------------|----------------|-----------------------------|----------------|
| | | Type 1 類型 1 | Type 2 類型 2 |
| Executive Directors | 執行董事 | | |
| Tang Chi Fai | 鄧志輝 | ✓ | ✓ |
| Lee Gabriel | 李嘉豪 | ✓ | ✓ |
| Luk Kun Shing Ben | 陸韻旻 | ✓ | ✓ |
| Yeung Chin Wan | 楊展昀 | ✓ | ✓ |
| INEDs | 獨立非執行董事 | | |
| Ma Ching Nam | 馬清楠 | ✓ | ✓ |
| Yu Ka Fai Alexis | 余嘉輝 | ✓ | ✓ |
| Look Andrew | 陸東 | ✓ | ✓ |

Type of trainings:

1. Reading materials.
2. Attending training sessions/conference/forum/workshops/seminars.

培訓種類：

1. 閱讀材料。
2. 出席培訓課程／會議／論壇／工作坊／研討會。

CORPORATE GOVERNANCE REPORT

企業管治報告

Supply of and Access to Information

Yearly schedule of Board meetings and draft agendas of each meeting are made available to the Directors with sufficient times and at least 14 or 3 days respectively in advance to encourage the Directors' involvement. All Directors have full and timely access to the Management for any information to enable them to make informed decisions at the Board meetings, as well as to the company secretary of the Company who ensures that the regulatory Board procedures are followed.

Members of the Management are usually invited to attend the Board meetings to promote an effective communication within the Group. Each Director is authorized to hire external consultants or experts for independent professional advice at the Company's expenses to discharge the Director's responsibilities. The Directors did not request for separate independent professional advice during the Reporting Period.

ATTENDANCE RECORDS OF DIRECTORS AND COMMITTEE MEMBERS

The Directors actively participated in meetings and a summary of the attendance records by each Director himself during the Reporting Period are as follows:

資料的提供及取閱

為鼓勵董事參與，董事會會議全年時間表及各會議的草擬議程均分別於足夠時間以及最少14或3天前提供予董事。全體董事均可在董事會會議向管理層全面並及時取得供彼等作出知情決定所需之任何資料，亦可向本公司的公司秘書取得所需資料，以確保董事會管理程序獲遵循。

管理層成員通常獲邀出席董事會會議，以促進本集團內之溝通效能。每名董事獲授權僱用外聘顧問或專家尋求獨立專業意見，費用由本公司承擔，以履行董事職責。董事於報告期間內不曾個性別尋求獨立專業意見。

董事及委員會成員的出席記錄

於報告期間，董事積極參與會議，而董事的出席記錄概要如下：

| | | Meeting attendance/eligible to attend 會議出席率／合資格出席 | | | | |
|----------------------------|----------------|--|-----------------------------|----------------------------------|------------------------------------|----------------------------|
| | | Board 董事會 | Audit Committee 審核委員會 | Nomination Committee 提名委員會 | Remuneration Committee 薪酬委員會 | General Meeting 股東大會 |
| Executive Directors | 執行董事 | | | | | |
| Tang Chi Fai | 鄧志輝 | 13/13 ^(*) | N/A 不適用 | 1/1 | N/A 不適用 | 1/1 |
| Lee Gabriel | 李嘉豪 | 12/12 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Luk Kun Shing Ben | 陸韻晟 | 12/12 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| Yeung Chin Ben | 楊展叻 | 12/12 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 1/1 |
| INEDs | 獨立非執行董事 | | | | | |
| Ma Ching Nam | 馬清楠 | 8/13 ^(*) | 2/2 | N/A 不適用 | 2/2 | 1/1 |
| Yu Ka Fai Alexis | 余嘉輝 | 10/13 ^(*) | 1/2 | 1/1 | 2/2 | 1/1 |
| Look Andrew | 陸東 | 13/13 ^(*) | 2/2 | 1/1 | 2/2 | 1/1 |

Note: ^(*) denotes that such number of board meetings includes one meeting between the Chairman and the INEDs without the presence of executive Directors during the Reporting Period.

附註：^(*) 指有關董事會會議數目包括於報告期間內主席與獨立非執行董事在並無執行董事出席的情況下召開的一次會議。

The Board established three Board committees on 19 February 2016, namely the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the Nomination Committee and all of which are chaired by an INED or the Chairman to oversee their respective functions set out below, and to report to the Board on their decisions or recommendations by circulating the minutes of the committee meetings to all Board members. Each committee or committee member is authorized to hire outside consultants or experts for independent professional advice at the Company’s expenses to discharge their responsibilities.

Audit Committee

The Audit Committee was established by the Board with its written terms of reference in compliance with code provision C.3.3 of the CG Code. The primary duties of the Audit Committee are set out in the written terms of reference which include reviewing and supervising the Group’s financial reporting process, risk management and internal control systems, and providing advices and comments to the Board. During the Review Period and as at the date of this annual report, the Audit Committee consists of Mr. Look Andrew as its chairman, and Mr. Ma Ching Nam and Dr. Yu Ka Fai Alexis as its members, all of whom are INEDs. The audit committee of the Company has reviewed the consolidated financial statements for the year ended 31 March 2017. The audit committee of the Company has also reviewed the accounting principles and practices adopted by the Company and discussed auditing, internal control and financial reporting matters.

During the Reporting Period, the Audit Committee held two meeting with the Management, the external auditor of the Company and an external professional engaged by the Company to review the interim results and report for 2016/2017 and annual financial results and reports for 2017 and the accounting principles and practices adopted by the Group and to consider significant issues on the financial reporting and compliance procedures, internal control and risk management systems, effectiveness of the Company’s internal audit functions, the scope of work and appointment of external auditor, connected transactions and arrangements of the Company for employees to raise concerns about possible improprieties.

董事會於二零一六年二月十九日成立三個董事委員會，分別為審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會，全部均由獨立非執行董事或主席擔任主席，以監督其各自之職能（載於下文），並藉向全體董事會成員傳閱委員會會議的會議記錄，以向董事會匯報其作出之決定或推薦建議。各委員會或每名委員會成員獲授權僱用外聘顧問或專家尋求獨立專業意見，費用由本公司承擔，以履行其職責。

審核委員會

董事會遵照企業管治守則之守則條文第C.3.3條成立審核委員會，並以書面訂明職權範圍。審核委員會的主要職責載於書面職權範圍，包括審視及監督本集團的財務申報程序、風險管理及內部監控系統，並向董事會提出建議及意見。於回顧期間及於本年報日期，審核委員會由主席陸東先生及成員馬清楠先生以及余嘉輝醫生組成（全體均為獨立非執行董事）。本公司審核委員會已審閱截至二零一七年三月三十一日止年度之綜合財務報表。本公司審核委員會亦已審閱本公司採納之會計原則及常規，並討論審核、內部監控及財務報告事宜。

於報告期間，審核委員會與管理層、本公司外聘核數師及本公司委聘的外聘專業人士舉行兩次會議，以檢討二零一六／二零一七年中中期業績及報告以及二零一七年度財務業績及報告及本集團所採納的會計原則及慣例，並審議關於財務報告及合規程序、內部監控及風險管理制度、本公司內部審計職能的有效性、外聘核數師的工作範圍及委任，關連交易及本公司讓僱員關注可能出現不當行為的安排等重大事項。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Remuneration Committee was established by the Board with its written terms of reference in compliance with code provision B.1.2 of the CG Code adopting a model of making recommendation to the Board on the remuneration packages of individual Directors and senior management. The primary duties of the Remuneration Committee are set out in the written terms of reference which include regular monitoring of the remuneration of all the Directors and senior management to ensure that levels of their remuneration and compensation are appropriate.

During the Reporting Period and as at the date of this annual report, the Remuneration Committee consists of Dr. Yu Ka Fai Alexis as its chairman, and Mr. Ma Ching Nam and Mr. Look Andrew as its members, all of whom are INEDs.

During the Reporting Period, the Remuneration Committee held one meeting for considering and recommending to the Board the remuneration and other benefits paid by the Company to the Directors and senior management.

Nomination Committee

The Nomination Committee was established by the Board with its written terms of reference in compliance with code provision A.5.2 of the CG Code. The primary duties of the Nomination Committee are set out in the written terms of reference which include selecting and recommending candidates for directorship, review of the structure, size and composition of the Board and assessment of the independence of INEDs.

During the Reporting Period and as at the date of this annual report, the Nomination Committee consists of Mr. Tang as its chairman, executive Director, and Dr. Yu Ka Fai Alexis and Mr. Look Andrew as its members, both of whom are INEDs.

During the Reporting Period, the Nomination Committee held one meeting and reviewed the structure, size and composition of the Board and made recommendation to the Board on re-appointment of Directors using the board diversity policy adopted by the Company and assessed the independence of INEDs.

薪酬委員會

董事會遵照企業管治守則之守則條文第B.1.2條成立薪酬委員會，並以書面訂明職權範圍採納就個別董事及高級管理層的薪酬待遇向董事會提出建議的模式。薪酬委員會的主要職責載於書面職權範圍，包括定期監察全體董事及高級管理層的薪酬，確保其薪酬及待遇處於合適水平。

於報告期間及於本報告日期，薪酬委員會由主席余嘉輝醫生及成員馬清楠先生以及陸東先生（全體均為獨立非執行董事）組成。

於報告期間，薪酬委員會舉行一次會議，以就本公司支付予董事及高級管理層的薪酬及其他福利作出考慮，並向董事會提出推薦建議。

提名委員會

董事會遵照企業管治守則之守則條文第A.5.2條成立提名委員會，並以書面訂明職權範圍。提名委員會的主要職責載於書面職權範圍，包括挑選及建議合適候選人擔任董事會、檢討董事會的架構、規模及組成及評核獨立非執行董事之獨立性。

於報告期間及於本年報日期，提名委員會由主席鄧志輝先生（執行董事）及成員余嘉輝醫生以及陸東先生（均為獨立非執行董事）組成。

於報告期間，提名委員會舉行一次會議，並審閱董事會架構、規模及組成、使用本公司採納的董事會成員多元化政策就董事的續聘向董事會提出建議及評核獨立非執行董事的獨立性。

COMPANY SECRETARY

Mr. Leung Ka Kit has been appointed as the company secretary of the Company immediately following the resignation by Dr. Leung Shiu Ki, Albert on 9 September 2016. Both Mr. Leung and Dr. Leung fulfill the requirement under Rule 3.28 of the Listing Rules and were responsible for advisory to the Board on corporate governance matters during their respective term of appointment of the Reporting Period. Mr. Leung had taken no less than 15 hours of professional training during the year ended 31 March 2017.

REMUNERATION OF EXTERNAL AUDITOR

For the year ended 31 March 2017, the remuneration paid to the external auditor of the Group in respect of the annual audit for the year ended 31 March 2017 amounted to approximately HK\$1,980,000. In addition, HK\$432,500 was charged for non-audit services for certain subsidiaries of the Group. Save as disclosed above, there was no remuneration payable to the external auditor of the Company for other non-audit services during the year ended 31 March 2017.

The Board and the Audit Committee satisfied KPMG, Certified Public Accountants, of their findings, independence, objectivity and effectiveness in the annual audit and their audit fees. KPMG, Certified Public Accountants, are proposed for re-appointment as the Company's external auditor at the forthcoming AGM.

DIRECTORS' AND AUDITOR'S RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENT

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the year ended 31 March 2017 to give true and fair presentation of the financial position of the Company in accordance with all applicable Hong Kong Financial Reporting Standards and for timely financial disclosures under the Listing Rules and any other regulatory requirements.

The Directors are not aware of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statements as to the auditor's responsibility of financial reporting is set out in the independent auditor's report on pages 79 to 87 of this annual report.

公司秘書

梁家傑先生緊隨梁兆棋博士於二零一六年九月九日辭任後獲委任為本公司的公司秘書。梁先生及梁博士均符合上市規則第3.28條項下的要求並負責於報告期間內在彼等各自的任期就企業管治事宜向董事會提供意見。梁先生於截至二零一七年三月三十一日止年度接受不少於15小時之專業培訓。

外聘核數師薪酬

於截至二零一七年三月三十一日止年度，就截至二零一七年三月三十一日止年度的年度審核，向本集團外聘核數師支付的薪酬約為1,980,000港元。此外，就非審計服務向本集團若干附屬公司收取432,500港元。除上文披露者外，截至二零一七年三月三十一日止年度，毋須就其他非審核服務向本公司外聘核數師支付薪酬。

董事會及審核委員會信納畢馬威會計師事務所(執業會計師)於年度審核之結果、獨立性、客觀性及有效性及其審核費用，畢馬威會計師事務所(執業會計師)獲建議於應屆股東週年大會上續聘為本公司外聘核數師。

董事及核數師對財務報表的責任

董事確認彼等就根據所有適用之香港財務報告準則編製本公司截至二零一七年三月三十一日止年度財務報表的責任，以真實公平呈列本公司的財政狀況，並根據上市規則及任何其他監管規定及時作出財務披露。

董事並不知悉有關可能對本公司按持續基準繼續經營的能力構成重大疑問的事件或情況的重大不明朗因素。

核數師就財務報告責任所發出的聲明載於本年報第79至87頁的獨立核數師報告。

RISK MANAGEMENT AND INTERNAL CONTROL

The Directors acknowledge their responsibilities for the risk management and internal control systems and reviewing their effectiveness. The risk management and internal control systems are designed and being implemented 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 Management and the executive Directors would identify any risks associate with the businesses of the Group by considering both internal and external factors and events from time to time which include but not limit to political, economic, technology, environmental, social and staff. Two approaches are used for risk identification and evaluation, which are (1) to identify the root causes of risks, that is, identify the undesirable events or things that could go wrong and then identify the potential impacts of each factor and event on the businesses of the Group; and (2) to identify all the essential functions that the Group are performing or businesses objectives that the Group are achieving and then identify all the possible modes by which such functions might fail to perform. Five strategies are adopted by the Company to manage risk, which are, (1) to accept the risk, (2) to avoid the risk, (3) to transfer the risk, (4) to mitigate the risk, or (5) to exploit the risk.

The Company engaged an external professional firm to further its internal audit function and to conduct an annual review of the effectiveness of the risk management and internal control systems of the Company in respect of the Group's financial, operational, compliance controls and risk for the Reporting Period and discussed its findings with the Audit Committee and then reported to the Board as at the date of this annual report. The Board is not aware of any areas of concern that would have a material impact on the financial position or businesses of the Group and considers that the risk management and internal control systems of the Company are generally adequate and effective and that the Company could maintain the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, internal audit and financial reporting functions during the Reporting Period.

風險管理及內部監控

董事知悉其有關風險管理及內部監控制度的責任並審閱其有效性。設計及實施風險管理及內部監控制度旨在管理而非消除未能達致業務目標的風險，並僅可提供合理而非絕對保證並無重大錯誤陳述或虧損。

管理層及執行董事將透過不時考慮內部及外部因素及事件(包括但不限於政治、經濟、技術、環境、社會及員工)識別與本集團業務相關的任何風險。已使用兩種方法進行風險識別及評估，即(1)識別風險根源，即識別可能發生錯誤的不利事件或事項，然後識別各項因素及事件對本集團業務的潛在影響；及(2)識別本集團正履行的所有基本功能或本集團正達致的業務目標，然後識別可能未能履行有關功能的所有可能模式。本公司採納五項策略以管理風險，即(1)接納風險、(2)避免風險、(3)轉移風險、(4)降低風險或(5)利用風險。

本公司已委聘外部專業公司以促進其內部審核功能及於報告期間對本公司有關本集團的財務、營運、合規監控及風險方面之風險管理及內部監控制度之有效性進行年度檢討，並與審核委員會討論其結果，其後將於本年報日期向董事會匯報。董事會並不知悉將對本集團的財務狀況及業務造成重大影響的任何關切領域，並認為本公司的風險管理及內部監控制度總體充足及有效及本公司於報告期間內維持足夠資源、員工資歷及經驗、培訓計劃及本公司會計預算、內部審核及財務申報功能。

The Company has been implementing a policy within the Group, including its subsidiaries, to ensure that all unpublished inside information of the Group shall be kept confidential until such information is published on the websites of the Company and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under requirements of the Listing Rules.

SHAREHOLDERS' RIGHTS

Pursuant to Article 58 of the Articles of Association, any one or more Shareholders holding not less than 10% of the paid up capital of the Company may deposit at the Company's principal place of business in Hong Kong set out below a written requisition which specifies the transaction of any business at such meeting and is signed by the requisitionists to require an extraordinary general meeting to be convened by the Board. However, there are no provisions allowing Shareholders to put forward new resolution at a general meeting under the Companies Law of the Cayman Islands or the Articles of Association. Shareholders who wish to move a resolution may request the Company to convene an extraordinary general meeting following the aforesaid procedures.

Pursuant to Article 85 of the Articles of Association, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registered office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

Procedures for Shareholders to require an extraordinary general meeting or propose a person for election as a Director are detailed in the Memorandum and Articles of Association on the websites of the Company and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

本公司一直在本集團內部(包括其附屬公司)實施一項政策以確保本集團的所有未刊發內部資料保密,直至根據上市規則規定於本公司網站及香港交易及結算有限公司網站www.hkexnews.hk刊發有關資料為止。

股東權利

根據組織章程細則第58條,持有不少於本公司實繳股本10%的任何一名或多名股東可將書面請求遞交至本公司的香港主要營業地點,請求董事會召開股東特別大會。請求者須在其信函中列明該會議處理的任何事務及簽署。然而,開曼群島公司法或組織章程細則並無允許股東於股東大會上提呈新決議案的條文。有意提呈決議案的股東可按上述程序要求本公司召開股東特別大會。

根據組織章程細則第85條,除非獲董事推薦參選,否則除會上退任董事外,概無任何人士合資格於任何股東大會上參選董事,除非由正式合資格出席大會並於會上表決的股東(並非擬參選人)簽署通告,當中表明建議提名該人士參選的意向,並附上所提名人士簽署表示願意參選的通知,提交本公司總辦事處或過戶登記處,而發出該等通知之期間最少須為七(7)天,而(若該通知寄發有關選舉所召開股東大會通告後遞交)該通知之提交期間於寄發舉行有關選舉之股東大會之有關通告翌日開始,也不得遲於該股東大會舉行日期前七(7)日結束。

股東召開股東特別大會或提名人選參選董事的程序於本公司及香港交易及結算有限公司網站www.hkexnews.hk所載的組織章程大綱及細則中詳述。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company's Hong Kong branch share registrar serves the Shareholders with respect to all share registration matters. Specific enquiries of Shareholders and other stakeholders to the Board could be sent in writing to the company secretary of the Company by mail to the Company's principal place of business in Hong Kong set out below:

Union Medical Healthcare Limited

Suites 7-9, L21, Langham Place Office Tower,
8 Argyle Street,
Mong Kok, Hong Kong.

Shareholders' rights are further preserved when separate resolutions are proposed at Shareholders' meetings on each substantially separate issue, including not limited to election or re-election of individual director at annual general meeting. All resolutions proposed at Shareholders' meetings are put to vote by poll pursuant to the Listing Rules.

SHAREHOLDERS' COMMUNICATION POLICY

In February 2016, the Company adopted a shareholders' communication policy. Under the policy, the Company communicates with its Shareholders and investors through various means. Timely publication of interim and annual results announcements on the latest development of the Company and press release on the Company's website and Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk could make the Shareholders appraise the Company's financial position. Shareholders are highly required to pay attention to these public information. Holding of an annual general meeting could provide an effective forum for the Shareholders to share their views with the Board, Shareholders are welcome to attend the forthcoming annual general meeting. The Directors and the external auditor of the Company would be available at the forthcoming annual general meeting to answer Shareholders' questions about the annual results for the year ended 31 March 2017.

CONSTITUTIONAL DOCUMENTS

There were no changes in the Memorandum and Articles of Association during the Reporting Period.

本公司之香港股份過戶登記分處負責為股東處理所有與股份登記有關之事宜。股東及其他持份者可透過書面郵寄至下文所載本公司於香港的主要營業地點與本公司的公司秘書聯繫，以向董事會作出指定查詢：

香港醫思醫療集團有限公司

香港旺角
亞皆老街8號
朗豪坊辦公大樓21樓7-9室

就每項重大個別事宜(包括但不限於在股東週年大會上選舉或重選個別董事)於股東大會上以獨立形式提呈決議時，股東之權利進一步受到保護。所有於股東大會上提呈之決議均根據上市規則以投票方式表決。

股東通訊政策

於二零一六年二月，本公司採納股東通訊政策。在該政策下，本公司藉著不同的方法與股東及投資者溝通。適時將中期及年度業績、就本公司最新發展刊發的公告及新聞稿於本公司網頁及香港交易及結算有限公司網頁 www.hkexnews.hk 內公佈，可讓股東評估本公司財政狀況。謹敦請各股東垂注該等可供公眾查閱之資料。舉行股東週年大會能為股東提供有效渠道，向董事會表達意見。歡迎股東出席應屆股東週年大會。本公司董事及外聘核數師將出席應屆股東週年大會，以解答股東對截至二零一七年三月三十一日止年度的年度業績的疑問。

組織章程文件

於報告期間，組織章程大綱及細則並無任何修改。

REPORT OF THE DIRECTORS

董事會報告

The Board is pleased to present their report and audited consolidated financial statements of the Group for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company are (1) medical services, comprising aesthetic surgical procedures, minimally invasive procedures and energy-based procedures performed by Doctors and general consultation services, as well as dental, Chinese medicinal and ophthalmological services; (2) quasi-medical services, comprising energy-based procedures performed by our Trained Therapists who have completed mandatory internal training developed by our Doctors; (3) traditional beauty services, comprising facials, massages and other non-invasive procedures; (4) skincare and beauty products, primarily of our private-label brands, PRODERMA LAB and Suissebeaute; (5) health management centre; and (6) chiropractic and physiotherapy services in Hong Kong.

The principal activities of its subsidiaries during the Reporting Period are set out in note 39 to the consolidated financial statements.

An analysis of the Group's performance for the year ended 31 March 2017 by businesses is set out in note 4 to the consolidated financial statements. The geographical location of customers is determined based on the location where our services are provided. The Group's turnover and results from operations are mainly derived from activities in Hong Kong. Only minimal business activities are covered outside Hong Kong and being extended to Macau and the PRC. The principal assets of the Group are also located in Hong Kong. Accordingly, no geographical segment information is required.

BUSINESS REVIEW

A fair review of the Group's business and an indication of likely future development in the Group's business are set out in the sections headed "CHAIRMAN'S STATEMENT" and "MANAGEMENT DISCUSSION AND ANALYSIS" on pages 7 to 9 and 10 to 27 of this annual report respectively. Certain financial key performance indicators which complement and supplement our financial disclosures are set out on pages 2 to 3 of this annual report.

董事會欣然提呈本集團截至二零一七年三月三十一日止年度的董事會報告及經審核綜合財務報表。

主要業務及業務的地區分析

本公司的主要業務為(1)醫療服務，包括我們的醫生進行的整形外科手術、微整形療程、能量儀器療程；一般診症服務；牙科、中醫及眼科服務；(2)準醫療服務，包括由已接受培訓的治療師(即已完成由我們的醫生建立的強制性內部培訓)操作的能量儀器療程；(3)傳統美容服務，包括面部護理、按摩及其他非侵入性療程；(4)皮膚護理及美容產品，主要是自家品牌寶特曼娜及瑞研雅的產品；(5)在香港的健康管理中心；以及(6)脊椎類及物理治療服務。

其附屬公司於報告期間的主要業務載於綜合財務報表附註39。

本集團於截至二零一七年三月三十一日止年度按業務劃分的業績分析載於綜合財務報表附註4。客戶的地理位置乃按我們提供服務的位置釐定。本集團的營業額及經營業績主要源自香港的活動。僅有極少數的業務活動涵蓋香港以外的地區及延伸至澳門及中國。本集團的主要資產亦位於香港。因此，毋須呈列地區分部資料。

業務回顧

有關本集團業務的中肯審視及本集團業務之可能未來發展分別載於本年報第7至9頁及第10至27頁的「主席報告」及「管理層討論及分析」。若干財務主要表現指標以完善及補充財務披露載於本年報第2至3頁。

REPORT OF THE DIRECTORS

董事會報告

Key Risks and Uncertainties

The following highlights some of the key risks that affect our business:

Reputation Risk

We rely significantly on the strength of our brand image and reputation. Any failure to maintain and enhance, or any damage to, our brand image or reputation could materially and adversely affect the level of market recognition of, and trust in our services, and in turn our business, results of operations, financial condition and prospects.

Talent Risk

If we are unable to attract and retain skilled Registered Practitioners and other competent staff, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Customer Risk

Our service focuses on improving our clients' physical appearance, and clients have varying expectations of the magnitude of improvement that may result from our services. If we fail to properly manage a client's expectations of the results from our services, a client may in turn be dissatisfied with the results of our service, and a disappointed client may, among others, request refunds, complain to the media and/or the Hong Kong Consumer Council and file legal claims against us. Such actions from a client may have a material adverse effect on our reputation, business, and results of operations, financial condition and prospects.

Environmental Policies and Performance

The Group considers the importance of environmental affairs and believes business development and environment affairs are highly related. The Group has implemented certain environmental protection measures to save energy and reduce the consumption of resources. These policies were supported by our staff and were implemented effectively.

主要風險及不確定因素

以下為影響我們業務的若干主要風險摘要：

聲譽風險

我們極為倚賴品牌形象及聲譽的優勢。未能維持及提升品牌形象或聲譽或其遭受損害可能對我們所提供服務的市場認可度及信賴度，進而對業務、營運業績、財務狀況及前景造成重大不利影響。

人才風險

若我們無法吸引及挽留足夠的註冊醫生以及其他優秀的員工，我們的業務、經營業績、財務狀況及前景可能會受到重大不利影響。

客戶風險

我們的服務專注於改善客戶的外貌，而客戶對我們的服務可能產生的改善程度有不同期望。若我們不能妥善管理客戶對我們的服務結果的期望，客戶或會傾向於不滿我們服務的結果，而失望的客戶可能會（其中包括）要求退款、向媒體及／或香港消費者委員會投訴及針對我們提起法律索賠。客戶採取的有關行動可能會對我們的聲譽、業務、營運業績、財務狀況及前景有重大不利影響。

環境政策及表現

本集團重視環境保護，並認為業務發展與環境事務息息相關。本集團已實施若干環境保護措施，以節省能源及減低資源消耗。該等措施獲我們的員工支持，並已獲高效執行。

Compliance with Laws and Regulations

As a listed company engages business in Hong Kong, the Group is subject to various laws and regulations, including, among others, Companies Ordinance (Chapter 622 of the Laws of Hong Kong), Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong), Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong). The Listing Rules also apply to the Company. Being an exempted company incorporated in the Cayman Islands with limited liability, it is subject to the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

Our Group has put in place internal controls to ensure compliance of the same. In addition, as the Group also engages business in certain jurisdictions, compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units in the Company and subsidiaries from time to time.

To the best of the Directors' knowledge, information and belief on the date of this annual report, the Company has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company.

Relationship with Key Stakeholders

The Group fully understands that staff members, customers and suppliers are the key to our sustainable and stable development. We are committed to establishing a close relationship with our staff, enhancing cooperation with our suppliers and providing high-quality services to our customers so as to ensure the Group's sustainable development.

Staff

Our staff members are regarded as one of the most important assets of the Group. The Group has been endeavouring to provide our staff with a fair and harmonious workplace. We offer a competitive remuneration package and great opportunities for career advancement based on employees' performance. The Group intends to grant share options to outstanding employees to recognise and reward the employees who have contributed to the Group's development. The Group also provides our staff with regular trainings to keep them abreast of the latest development of the Company and our industry, and medical related knowledge and skill sets.

遵守法律及法規

作為一家在香港經營的上市公司，本集團受多項法律及法規規管，包括（其中包括）香港法例第622章公司條例、香港法例第310章商業登記條例、香港法例第112章稅務條例、香港法例第57章僱傭條例及香港法律第486章個人資料（私隱）條例。上市規則亦適用於本公司。作為在開曼群島註冊成立的獲豁免有限公司，本公司須遵守開曼群島法律第22章公司法（一九六一年第三號法例，經綜合及修訂）。

本集團已制定內部控制措施，以確保符合有關規定。此外，本集團亦於若干司法權區從事經營，已制定合規程序以確保遵守適用的法律、條例及規則，特別是對本集團有顯著影響的法律、條例及規則。相關僱員及公司以及附屬公司經營單位不時檢視適用的法律、條例及規則的任何更改。

就董事所深知、全悉及確信，於本年報日期，本公司在所有重大方面已遵守對本公司之業務及營運有重大影響之相關法律及法規。

與主要持份者的關係

本集團深明員工、顧客及供應商是我們持續穩定發展的關鍵。我們致力與員工緊密聯繫，與供應商協力同心，為顧客提供優質的服務，以實現集團的可持續發展。

員工

本集團視員工為本集團最重要的資產之一，為員工提供公平及和諧的工作環境。本集團提供具競爭力的薪酬待遇，並根據員工的表現，提供不同的晉升機會。本集團擬向表現優秀的員工授予購股權，以表揚及獎勵對本集團的發展做出貢獻的員工。本集團為員工提供定期培訓，使員工對公司、我們的行業的最新發展以及醫療相關知識及技能有所了解。

REPORT OF THE DIRECTORS

董事會報告

Customers

Professionalism and safety have always been our core values. We are committed to providing the best customer experience to our customers. Meanwhile, we have a client phone survey system in order to further our active solicitation of client feedback.

Suppliers

Reliable and quality suppliers are of equal importance in facilitating us to provide services with high standards of safety and professionalism. When selecting suppliers, we consider, among other factors, the suppliers' reputation, safety record, track record of performance, quality of goods supplied, price competitiveness, punctuality of delivery, relationship with our Group, completeness of certification and credentials provided, service quality and product offerings. We regularly review and assess our suppliers' performance and their qualifications to ensure the quality of our suppliers and that such suppliers have obtained the applicable licenses (if any), and update our approved supplier list accordingly.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2017 are set out in the consolidated financial statements on pages 88 to 94 of this annual report.

Operating Segment Information

The Group is principally engaged in the provision of medical, quasi-medical, health management and traditional beauty services and sale of skincare, healthcare and beauty products in Hong Kong, Macau and the PRC.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 2 of the annual report.

The Board recommends the declaration of a final dividend of HK5.0 cents per Share and a special dividend of HK7.9 cents per Share for the year ended 31 March 2017. The proposed final dividend, if approved by the Shareholders at the AGM, will be paid on 12 September 2017 to the Shareholders whose names appear on the register of members of the Company on 29 August 2017. Details of the dividend for the year ended 31 March 2017 are set out in note 27 to the consolidated financial statements.

客戶

專業精神及安全一直為我們的核心價值。我們致力為客戶提供最理想的客戶體驗。同時，我們應用客戶電話調查系統以進一步積極尋求客戶回饋。

供應商

可靠及優質的供應商對促進我們提供高安全標準及專業的服務同樣重要。於選擇供應商時，我們會考慮(其中包括)供應商的聲譽、安全記錄、過往表現記錄、供貨質量、價格競爭力、交貨準時性、與本集團的關係、所提供證書及證明的完整性、服務質量及所供應的產品種類。我們會定期審查及評估供應商表現及彼等的資格以確保供應商質量，並確保有關供應商已取得適用許可證(如有)，且對獲得批准的供應商清單進行相應更新。

業績及股息

本集團截至二零一七年三月三十一日止年度的業績載於本年報第88至94頁的綜合財務報表。

經營分部資料

本集團主要從事在香港、澳門及中國提供醫療、準醫療、健康管理及傳統美容服務以及銷售護膚、保健及美容產品。

財務概要

本集團過去五個財政年度的業績以及資產及負債概要載於本年報第2頁。

董事會建議就截至二零一七年三月三十一日止年度宣派每股股份5.0港仙的末期股息及每股股份7.9港仙的特別股息。倘股東於股東週年大會上批准，該等擬派末期股息將於二零一七年九月十二日支付予於二零一七年八月二十九日名列本公司股東名冊的股東。截至二零一七年三月三十一日止年度的股息詳情載於綜合財務報表附註27。

CORPORATE SOCIAL RESPONSIBILITY

The Company cares for the community and is willing to take up corporate social responsibilities to create a more inclusive society. Not only encouraging the volunteer works and giving, the Company also recognises our staff as an important asset and concern about the employees related matters such as benefits and support.

Besides, the Company appreciates the importance of environmental protection and spares no effort in promoting the protection of the environment. The Company has been commended and given the public recognition that demonstrates good corporate citizenship as “Caring Company” from The Hong Kong Council of Social Service.

World Green Organisation (“WGO”) – Green Office Awards Labelling Scheme

The Company has actively promoted the electronical operation and sales activities recently. Awarded as WGO’s “Green Office” Label, the United Nations Sustainable Development Goals’s “Better World Company” Label, and the core supporting organisation to Junior Chamber International (JCI) Hong Kong, the Company has successfully fulfilled the 150 feasible green criteria from the WGO which grouped into the following 9 categories: Energy savings, Water savings, Waste reduction, Paper/Printing reduction, Green Procurement, IT use and disposal, Transportation, Education and awareness, and Green Innovation.

Smoke Free Company

A supportive workplace can help smokers kick the habit which improves the health and efficiency of the employees. As to improving our staff’s sense of belonging to the Company and our team spirit, equipping our staff with correct information of smoking hazards, and assisting them in getting rid of nicotine addiction, the Company has held an internal policy meeting and health talk for the staff, and rewarded as a “Smoke-free” company.

Actively Involved in Volunteer Work

The Company is committed to fostering and cultivating relationship with the community and is sensitive to the community’s culture and needs. We encourage employees to participate in community services. We invite employees’ families to join the community and voluntary services together such as the “Lok Sin Tong Charity Walk 2015”, and donation to the “Egive For You Charity Foundation” to help those in need in the community.

企業社會責任

本公司關懷社會，並願意承擔企業社會責任，以創建更為共融的社會。本公司不僅鼓勵義工工作及捐贈，亦認同員工為重要資產，並關注與員工相關的事宜（例如福利及支援）。

此外，本公司意識到環保的重要性，並對提倡環境保護不遺餘力。本公司獲香港社會服務聯會授予「商界展關懷」殊榮並獲公眾認可，以表揚其顯示良好企業公民責任。

世界綠色組織（「世界綠色組織」）－綠色辦公室獎勵計劃

本公司近期積極推動電子營運及銷售活動。獲頒發世界綠色組織的「綠色辦公室」標籤、聯合國可持續發展目標的「環球愛心企業」標籤及為香港國際青年商會的核心支持機構，本公司已成功達到世界綠色組織訂立的150項可行綠色標準，該等標準分為9大類：節約能源、節約用水、減少廢物、減少用紙／印刷、綠色採購、資訊技術使用及處置、交通運輸、教育及意識以及綠色創新。

無煙企業

互相扶持的工作環境可幫助吸煙者戒除陋習，並改善僱員的健康及效率。為改善我們員工對本公司的歸屬感及團隊精神以及令員工瞭解吸煙禍害的正確信息，並協助彼等戒除對尼古丁成癮，本公司已為員工舉行一次內部政策會議及健康講座，並獲認可為「無煙」企業。

積極參與義工工作

本公司致力與社會促進及維持關係，並對社會的文化及需要保持敏銳的觸覺。我們鼓勵僱員參與社會服務。我們邀請員工的家屬共同參與社會及義工服務，例如「樂善堂萬人行2015」，並向「意贈慈善基金」捐款，以幫助社會有需要的人士。

REPORT OF THE DIRECTORS

董事會報告

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the Reporting Period are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL AND RESERVES

Details of the movements in the Company's share capital and reserves during the Reporting Period are set out in note 27 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 March 2017, in the opinion of the Directors, the reserves of the Company available for distribution to shareholders under the Companies Law of the Cayman Islands amounted to HK\$150,628,024 (2016: HK\$27,894,155).

CHARITABLE DONATIONS

During the year ended 31 March 2017, the Group made charitable donations amounting to HK\$3,134,000 (2016: HK\$1,035,000).

INDEBTEDNESS

The Group's indebtedness as at 31 March 2017 is set out in page 26 of this annual report.

SHARE OPTIONS SCHEME AND SHARE AWARD SCHEME

The Company operates a share options scheme and a share award scheme for the purposes of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

SHARE OPTIONS SCHEME

As disclosed in the Prospectus, the Company adopted a share option scheme (the "Share Option Scheme") on 19 February 2016 by passing of a written resolution of the then sole shareholder of the Company and the Share Option Scheme is valid and effective for 10 years from the Listing Date (both dates inclusive).

物業、廠房及設備

本集團於報告期間的物業、廠房及設備變動詳情載於綜合財務報表附註13。

股本及儲備

本公司於報告期間的股本及儲備變動詳情載於綜合財務報表附註27。

可分派儲備

於二零一七年三月三十一日，董事認為，本公司根據開曼群島公司法可供分派予股東的儲備為150,628,024港元（二零一六年：27,894,155港元）。

慈善捐獻

截至二零一七年三月三十一日止年度，本集團共作出為數3,134,000港元（二零一六年：1,035,000港元）的慈善捐獻。

債務

本集團於二零一七年三月三十一日的債務載列於本年報第26頁。

購股權計劃及股份獎勵計劃

本公司設立購股權計劃及股份獎勵計劃，旨在為本集團的成功營運作出貢獻的合資格參與人提供激勵及回報。

購股權計劃

誠如招股章程所披露，本公司於二零一六年二月十九日透過本公司當時唯一股東通過的書面決議案採納購股權計劃（「購股權計劃」），而購股權計劃於上市日期起計十年內（包括首尾兩日）有效及具效力。

REPORT OF THE DIRECTORS

董事會報告

The following table discloses movements in the Company's share options, which were granted under the Share Options Scheme, during the Reporting Period:

下表披露於本報告期間內本公司根據購股權計劃獲授出的購股權變動：

| Name or category of participant | As at 1 April 2016 | Granted during the Reporting Period | Exercised during the Reporting Period | Expired during the Reporting Period | Cancelled during the Reporting Period | Lapsed during the Reporting Period | Forfeited during the Reporting Period | As at 31 March 2017 | Date of grant of share options | Closing price of share immediately before the date of grant HK\$ per shares | Exercise period of share options | Exercise price of share options HK\$ per shares |
|---------------------------------|--------------------|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|---------------------|--------------------------------|---|----------------------------------|---|
| 參與人的名稱或類別 | 於二零一六年四月一日 | 於報告期間內授出 | 於報告期間內獲行使 | 於報告期間內屆滿 | 於報告期間內註銷 | 於報告期間內失效 | 於報告期間內被沒收 | 於二零一七年三月三十一日 | 購股權授出日期 | 於緊接授出日期前股份收市價每股港元 | 購股權的行使期 | 購股權的行使價每股港元 |
| Directors | | | | | | | | | | | | |
| 董事 | | | | | | | | | | | | |
| Lee Gabriel | - | 7,350,000 | - | - | - | - | - | 7,350,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-26 (Note 1) | 3.03 |
| 李嘉豪 | - | 7,350,000 | - | - | - | - | - | 7,350,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-26 (附註1) | 3.03 |
| Yeung Chin Wan | - | 80,000 | - | - | - | - | - | 80,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-20 (Note 2) | 3.03 |
| 楊展鈞 | - | 80,000 | - | - | - | - | - | 80,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-20 (附註2) | 3.03 |
| Employees | | | | | | | | | | | | |
| In aggregate | - | 460,000 | - | - | - | - | - | 460,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-20 (Note 2) | 3.03 |
| 員工 | | | | | | | | | | | | |
| 合計 | - | 460,000 | - | - | - | - | - | 460,000 | 26-09-16 | 2.62 | 01-01-17 to 31-12-20 (附註2) | 3.03 |

Notes:

附註：

- The total of 7,350,000 share options, each of which entitles the holder thereof to subscribe for one (1) share, shall be exercisable in ten equal tranches from 1 January 2017 to 31 December 2026.
- The total of 540,000 share options, each of which entitles the holder thereof to subscribe for one (1) share, shall be exercisable in four equal tranches from 1 January 2017 to 31 December 2020.

- 合共7,350,000份購股權各自賦予其持有人可認購一(1)股股份的權利，可分為同等之十批於二零一七年一月一日至二零二六年十二月三十一日期間行使。
- 合共540,000份購股權各自賦予其持有人可認購一(1)股股份的權利，可分為同等之十批於二零一七年一月一日至二零二零年十二月三十一日期間行使。

REPORT OF THE DIRECTORS

董事會報告

Purpose

The Share Option Scheme is to provide an incentive or reward for the Grantees (as defined below) for their contribution or potential contribution to the Group.

Eligible Persons

Under the Share Option Scheme, eligible persons include any full-time or part-time employees, potential employees, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries, and any suppliers, clients, consultants, agents and advisers who, in the sole opinion of the Board, has contributed or will contribute to the development, growth or benefit of the Group (collectively, the “Eligible Participants” or “Grantees”) and whom the Board may in its absolute discretion select.

Maximum Number of Shares

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme shall not exceed 10% of the issued share capital of the Company at the Listing Date, which is 98,000,000 Shares, being 9.99% of the issued share capital of the Company as at the date of this annual report. The limit may be renewed at any time provided that the new limit must not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval.

Notwithstanding anything to the contrary in the Share Option Scheme, the maximum limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of our Company must not in aggregate exceed such number of Shares as shall represent 30% of the Shares in issue from time to time. No options may be granted under any schemes of our Company or subsidiaries if such grant will result in this 30% limit being exceeded.

目的

購股權計劃旨在向承授人(定義見下文)就彼等對本集團的貢獻或潛在貢獻提供激勵或獎勵。

合資格人士

根據購股權計劃，合資格人士包括本公司或其任何附屬公司之任何全職或兼職僱員、潛在僱員、執行人員或管理人員(包括執行董事、非執行董事及獨立非執行董事)，以及董事會全權認為已為本集團的發展、成長或利益作出貢獻或將作出貢獻的任何供應商、客戶、諮詢人、代理人及顧問(統稱「合資格參與者」或「承授人」)，以及董事會具絕對酌情權選定的人士。

最高股份數目

根據購股權計劃可能授出的購股權所涉及的股份最高數目不得超過本公司於上市日期已發行股本的10%，即98,000,000股股份，即於本年報日期已發行股本的9.99%。限額可隨時更新，惟新限額不可超出獲股東批准當日已發行股份總數的10%。

不論購股權計劃是否有任何相反規定，因根據購股權計劃及本公司任何其他計劃已授出但尚未行使的所有尚未行使購股權獲行使而可能發行的股份數目上限，合共不得超過不時已發行股份的30%。倘授出購股權將導致超過上述30%限額，則不可根據本公司或附屬公司任何計劃授出任何購股權。

Maximum Entitlement of Each Eligible Participant

Subject to the requirements under the Listing Rules relating to the grant of share options to the Directors, chief executive or substantial Shareholders, unless approved by the Shareholders at general meeting in the manner prescribed in the Listing Rules, the maximum entitlement of each Eligible Participant is that the total number of shares issued and to be issued upon exercise of the outstanding options granted and to be granted to such Grantee (including both exercised, cancelled and outstanding options) under the Share Option Scheme and other scheme(s) of the Group in any 12-month period must not exceed 1% of the issued share capital of the Company at the date of grant.

Option Period

An option may be exercised in whole or in part in accordance with the terms of the Share Option Scheme during a period notified or to be notified by the Board.

Minimum Period for which an Option must be held before it is Exercised

The period within which an option may be exercised under the Share Option Scheme is determined by the Board at its absolute discretion, provided that such period is consistent with any other terms and condition of the Share Option Scheme.

Payment on Acceptance of the Option

A consideration of HK\$1 is payable on or before the last day for acceptance of the option granted under the Share Option Scheme set out in the offer document from time to time.

Basis of Determining the Subscription Price

The subscription price for Shares under the Share Option Schemes shall be at the absolute discretion of the Board, provided that it must be at least the highest of (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the offer day; and (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets on the five Business Days immediately preceding the offer date; and (iii) the nominal value of a Share.

每名合資格參與者的配額上限

在有關授予董事、主要行政人員或主要股東購股權的上市規則的規定的規限下，除非股東於股東大會按上市規則規定的方式批准，否則每名合資格參與者的配額上限為因根據購股權計劃及本集團其他計劃於任何十二個月期間向承授人授出及將予授出的尚未行使購股權（包括已行使、已註銷及尚未行使的購股權）獲行使而發行及將予發行的股份總數不得超出本公司於授出日期的已發行股本1%。

購股權期間

購股權可於董事會通知或將予通知的期間內根據購股權計劃的條款全部或部分行使。

購股權於行使前須持有的最短期限

購股權根據購股權計劃可行使的期間由董事會全權酌情釐定，惟該期間須與購股權計劃的任何其他條款及條件一致。

接納購股權的付款

要約文件不時所載接納根據購股權計劃授出的購股權的最後限期當日或之前應支付代價1港元。

釐定認購價的基準

購股權計劃所涉股份的認購價將由董事會全權酌情釐定，惟須至少為以下各項的最高者：(i) 股份於要約日期在聯交所每日報價表所報的官方收市價；及(ii) 股份於緊接要約日期前五個交易日在聯交所每日報價表所載的官方平均收市價；及(iii) 股份面值。

REPORT OF THE DIRECTORS

董事會報告

The Remaining Life of the Share Option Scheme

The Share Option Scheme remains in force for 10 years from the Listing Date and ending on the tenth anniversary of the Listing Date (both dates inclusive), unless otherwise terminated, cancelled or amended.

Share Award Scheme

The Company also adopted a share award scheme (the “Share Award Scheme”) on 27 June 2016 with a summary of the Share Award Scheme rules published in the announcement dated 29 June 2016. On 30 September 2016, the Company entered into a deed of variation to the trust deed of the Share Award Scheme (the “Deed of Variation”) to make certain changes to the said trust deed, to the effect that as from 30 September 2016, all core connected persons (as defined in the Listing Rules) of the Company be excluded from participating in the Share Award Scheme. Under the Share Award Scheme, the Group’s employees, selected by the Board are entitled to participate. During the Reporting Period, a sum of approximately HK\$10,408,194 has been used to acquire 3,960,500 shares from Union Medical Care Holding Limited by the independent trustee, Bank of Communications Trustee Limited, which is independent and not connected with the Company. Union Medical Care Holding Limited is a company incorporated in the British Virgin Islands and is directly and wholly owned by Mr. Tang Chi Fai, the chairman of the Board, executive Director and the chief executive officer of the Group.

The objectives of the Share Award Scheme are (i) to recognize the contributions by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

The Share Award Scheme is subject to the administration of the Board and the independent trustee in accordance with the Share Award Scheme rules and the trust deed of the Share Award Scheme. The Share Award Scheme is valid and effective from the date of adoption for 10 years or such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting right of any eligible persons selected for participation in the Share Award Scheme.

The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

購股權計劃的剩餘年期

除非以其他方式終止、註銷或修訂，購股權計劃自上市日期至上市日期滿十週年當日(包括首尾兩日)的十年內生效。

股份獎勵計劃

本公司亦於二零一六年六月二十七日採納一項股份獎勵計劃(「股份獎勵計劃」)，股份獎勵計劃規則概要已刊載於日期為二零一六年六月二十九日的公告。於二零一六年九月三十日，本公司訂立股份獎勵計劃信託契據之修訂契據(「修訂契據」)，以對相關信託契據作出若干修改，以令本公司所有核心關連人士(定義見上市規則)自二零一六年九月三十日起不得參與股份獎勵計劃。根股份獎勵計劃，獲董事會甄選的本集團的員工有權參與。於本報告期間，金額約10,408,194港元已用於獨立信託人Bank of Communications Trustee Limited(獨立於本公司且與其概無關連)收購Union Medical Care Holding Limited的3,960,500股股份。Union Medical Care Holding Limited為於英屬處女群島註冊成立的公司並由本集團董事會主席、執行董事及行政總裁鄧志輝先生直接全資擁有。

股份獎勵計劃旨在(i)嘉許若干員工所作出的貢獻並為其提供激勵，以挽留其持續為本集團的持續營運及發展作出貢獻；及(ii)為本集團進一步發展吸引合適人才。

股份獎勵計劃將由董事會及獨立信託人根據股份獎勵計劃規則以及股份獎勵計劃的信託契據進行管理。股份獎勵計劃自採納日期起生效，有效期為10年或於董事會釐定提前終止的日期前有效，惟相關終止不會影響甄選參與股份獎勵計劃的任何合資各人士的存續權利。

董事會不會進一步授出獎授股份而致使董事會根據股份獎勵計劃授出的股份面值超過本公司不時已發行股本的10%。根據股份獎勵計劃向甄選員工授出股份的股份最大數目將不超過本公司不時已發行股本的1%。

REPORT OF THE DIRECTORS

董事會報告

The following table discloses movements in the Company's shares awarded ("Awarded Shares") under the Share Award Scheme during the Reporting Period:

下表披露於報告期間本公司根據股份獎勵計劃獎授的股份（「獎授股份」）的變動：

| Name or category of participant | Date of grant of Awarded Shares | Vesting Date of Awarded Shares (Note 1) | Granted during the Reporting Period | Vested during the Reporting Period | Forfeited during the Reporting Period | Lapsed during the Reporting Period | At 31 March 2017 |
|---------------------------------|---------------------------------|---|-------------------------------------|------------------------------------|---------------------------------------|------------------------------------|------------------|
| 參與人姓名或類別 | 獎授股份授出日期 | 獎授股份歸屬日期（附註1） | 於報告期間內授出 | 於報告期間內歸屬 | 於報告期間內被沒收 | 於報告期間內失效 | 於二零一七年三月三十一日 |
| Directors | | | | | | | |
| 董事 | | | | | | | |
| Lee Gabriel | 26-09-16 | 28-09-16 | 2,123,000 | (2,123,000) | - | - | - |
| 李嘉豪 | | | | | | | |
| | 26-09-16 | 03-01-17 | 367,500 | - | (367,500) | - | - |
| | 26-09-16 | 02-01-18 | 367,500 | - | (367,500) | - | - |
| | 26-09-16 | 03-01-19 | 367,500 | - | (367,500) | - | - |
| | 26-09-16 | 03-01-20 | 367,500 | - | (367,500) | - | - |
| Sub-total | | | 3,593,000 | (2,123,000) | (1,470,000) | - | - |
| 小計 | | | | | | | |
| Luk Kun Shing Ben | 26-09-16 | 28-09-16 | 1,837,500 | (1,837,500) | - | - | - |
| 陸韻晟 | | | | | | | |
| Yeung Chin Wan | 26-09-16 | 28-09-16 | 180,000 | (180,000) | - | - | - |
| 楊展昀 | | | | | | | |
| Employees | | | | | | | |
| 僱員 | | | | | | | |
| In aggregate | 26-09-16 | 28-09-16 | 380,500 | (380,500) | - | - | - |
| 總計 | | | | | | | |
| In aggregate | 26-09-16 | 03-01-17 | 361,492 | - | (162,500) | - | 198,992 |
| 總計 | | | | | | | |
| In aggregate | 26-09-16 | 02-01-18 | 331,492 | - | (162,500) | - | 168,992 |
| 總計 | | | | | | | |
| In aggregate | 26-09-16 | 02-01-19 | 296,516 | - | (137,500) | - | 159,016 |
| 總計 | | | | | | | |
| In aggregate | 26-09-16 | 02-01-20 | 216,500 | - | (137,500) | - | 79,000 |
| 總計 | | | | | | | |

Notes:

附註：

- Upon satisfaction of the relevant vesting criteria and conditions, the Awarded Shares shall be transferred and released to the grantees on the relevant vesting date.

- 待相關歸屬準則及條件達成後，獎勵股份將於相關歸屬日期轉移及發放予承授人。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors during the Reporting Period were:

Executive Directors

Mr. Tang Chi Fai (Chairman and CEO)
Mr. Lee Gabriel
Mr. Luk Kun Shing Ben
Mr. Yeung Chin Wan

Independent Non-executive Directors

Mr. Ma Ching Nam
Dr. Yu Ka Fai Alexis
Mr. Look Andrew

In accordance with Article 84 of the Articles of Association, Mr. Lee Gabriel, Mr. Luk Kun Shing Ben and Mr. Yeung Chin Wan will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

PERMITTED INDEMNITY

The Company has arranged appropriate liabilities insurance to indemnify the Directors against any liabilities and costs arising from the business of the Group.

Pursuant to the Articles of Association, every Director shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty in relation thereto.

董事

於報告期間內的董事為：

執行董事

鄧志輝先生(主席及行政總裁)
李嘉豪先生
陸韵晟先生
楊展昀先生

獨立非執行董事

馬清楠先生
余嘉輝醫生
陸東先生

根據組織章程細則第84條，李嘉豪先生、陸韵晟先生及楊展昀先生將於應屆股東週年大會上退任，且符合資格並願意重選連任。

獲准許的彌償

本公司已安排合適的責任保險以彌償董事因本集團業務而引致之任何責任及成本。

根據組織章程細則，每名董事可從本公司的資產及利潤獲得彌償，該等人士或任何該等人士就執行其職責或假定職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of Directors and senior management of the Group are set out in the section headed “BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT” on pages 72 to 78 of this annual report.

CHANGES IN INFORMATION OF DIRECTORS

Save as disclosed in this annual report, there has been no change in information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. After review by the Nomination Committee as at the date of this annual report, the Company considered all of the independent non-executive Directors to be independent.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The remuneration paid to and/or entitled by each of the Directors and the five highest paid individuals for the year ended 31 March 2017 is set out in notes 9 and 10 to the consolidated financial statements.

No Director has waived or has agreed to waive any emoluments and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the Reporting Period.

董事及高級管理層的簡歷詳情

本集團董事及高級管理層的簡歷詳情載於本年報第72至78頁「董事及高級管理層的簡歷詳情」一節。

董事資料變更

除本年報所披露外，概無資料變更須根據上市規則第13.51B(1)條須予披露。

獨立性確認書

本公司已接獲各獨立非執行董事根據上市規則第3.13條就獨立性作出的年度確認書。經提名委員會於本年報日期檢討後，本公司認為全體獨立非執行董事均為獨立人士。

董事及五名最高薪人士薪酬

於截至二零一七年三月三十一日止年度各董事及五名最高薪人士獲支付及／或應享有之薪酬載於綜合財務報表附註9及10。

於報告期間，概無董事放棄或同意放棄任何酬金，而本集團概無向董事或五名最高薪人士支付酬金作為加盟本集團或於加盟本集團時的獎金或作為離職補償。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS OR LETTERS OF APPOINTMENT

No Director proposed for re-election at the forthcoming annual general meeting has a service contract or a letter of appointment with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed during the Reporting Period.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for transactions as disclosed in the sections both headed "CONTINUING CONNECTED TRANSACTIONS" in the Prospectus and in this annual report, no Director or his connected entity had a material interest, either directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Reporting Period.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no transaction, arrangement or contract of significance in relation to the Group's business in which the Company, or any of its subsidiaries or a controlling shareholder of the Company was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Period or at any time during the Reporting Period.

董事服務合約或委任函

擬於應屆股東週年大會重選連任的董事並無與本公司訂立任何本公司不得於一年內免付賠償(法定賠償除外)而予以終止的服務合約或委任函。

管理合約

除僱傭合約外，本集團於報告期間內並無訂立或存在任何關於本公司全部業務或其中任何重大部分的管理及行政合約。

董事於交易、安排或合約的權益

除招股章程及本年報「持續關連交易」一節所披露的交易外，於報告期間，概無董事或其關連實體於本公司或其任何附屬公司所訂立並對本集團業務屬重要的任何交易、安排或合約中直接或間接擁有重大權益。

重大合約

除於本年報所披露者外，董事概無於本公司或其任何附屬公司或本公司控股股東於報告期間末或報告期間內任何時間直接或間接訂立而對本集團業務關係重大之任何交易、安排或重大合約中擁有重大權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, save for the competing businesses as disclosed below, none of the Directors had any interest in a business other than the Group, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, and required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

As at the date of this annual report, Mr. Tang was interested in a number of companies which are not included in the Group (the "Relevant Company").

董事於競爭業務的權益

於報告期間內，除下文披露的競爭業務外，概無董事於直接或間接與本集團業務構成或可能構成競爭的業務(除本集團外)中擁有任何權益，並須根據上市規則第8.10條的規定予以披露。

於本年報日期，鄧先生於多家並不計入本集團的公司(「相關公司」)中擁有權益。

| Name of the Relevant Company 相關公司名稱 | Nature of business 業務性質 | Board of Directors 董事會 | Size of business 業務規模 |
|--|---|---------------------------|---|
| Healthy Concept (HK) Limited ("Healthy Concept") (note 1) | Supply of skincare and beauty products/ Operation of call centre (note 2) | Mr. Tang | Revenue in 2016: less than HK\$19 million Net loss in 2016: less than HK\$5.5 million (note 3) |
| 康宏(香港)有限公司(「康宏」) (附註1) | 供應皮膚護理及美容產品/ 運營呼叫中心(附註2) | 鄧先生 | 二零一六年收入： 少於19百萬港元 二零一六年虧損淨額： 少於5.5百萬港元(附註3) |

Notes:

1. Healthy Concept is a company incorporated under the laws of Hong Kong with limited liability on 26 May 2006, and is wholly-owned by Mr. Tang.
2. Healthy Concept operates its business in Hong Kong. Its target customers in respect of the supply of skincare and beauty products are primarily aesthetic medical or traditional beauty service providers. Separately, it also operates a call centre which targets individual customers. The personnel of the call centre contact individual customers and refer them to the providers of body screening services, beauty products and beauty services, respectively, for referral income. However, Healthy Concept does not provide any aesthetic medical or traditional beauty services, nor body screening services.
3. The figures are determined by reference to the audited financial statements for the year ended 31 March 2016 of the respective Relevant Company.

附註：

1. 康宏是一家於二零零六年五月二十六日根據香港法例註冊成立的有限公司及由鄧先生全資擁有。
2. 康宏在香港經營其業務，其有關供應護膚及美容產品的目標客戶主要為醫學美容或傳統美容服務提供商。另外，其亦經營一個瞄準個別客戶的呼叫中心。呼叫中心人員聯絡個別客戶並將彼等分別轉介予驗身服務、美容產品及美容服務提供商，以獲取轉介收入。然而，康宏並無提供任何醫學美容或傳統美容服務或驗身服務。
3. 數字經參考各相關公司截至二零一六年三月三十一日止年度之經審核財務報表釐定。

REPORT OF THE DIRECTORS

董事會報告

The Group offers a broad range of services and products, including medical services, quasi-medical services, health management, traditional beauty services, skincare, healthcare and beauty products, primarily of private-label brands, PRODERMA LAB, Suissebeaute and re:HEALTH. The Group does not focus on mass market retailing of products and substantially all of skincare, healthcare and beauty products are sold to the clients of the Group's services.

The Directors are of the view that business activities are clearly delineated from that of the Relevant Company, since the Group does not focus on the supply and distribution of medical consumables, devices and equipment, or skincare, healthcare and beauty products. Instead, the Group only focuses on (i) applying medical consumables, devices and equipment during the course of provision of service; and (ii) selling skincare, healthcare and beauty products to the clients of the Group's services. In contrast, the Relevant Company focuses on the supply and distribution of such goods to aesthetic medical service providers and traditional beauty service providers in Hong Kong. Furthermore, the Relevant Company does not supply and distribute any skincare, healthcare and beauty products of the Group's private-label brands, PRODERMA LAB, Suissebeaute and re:HEALTH.

Based on the above, the Directors are of the view that the businesses conducted by the Relevant Company do not form part of, and are not in line with the core business of the Group, and as such do not compete and are unlikely to compete, either directly or indirectly, with the Group's business.

本集團提供廣泛的服務及產品，包括醫療服務、準醫療服務、健康管理、傳統美容服務、皮膚護理、保健及美容產品，主要為自家品牌寶特曼娜、瑞研雅及re:HEALTH。本集團並無集中將產品於大眾市場零售，且實際上所有皮膚護理、保健及美容產品均售予本集團服務的客戶。

董事認為業務活動與相關公司的業務活動明確劃分，因為本集團並無專注於供應及分銷醫療耗材、儀器及設備，或皮膚護理、保健及美容產品。相反，本集團只專注於(i)在提供服務的過程中使用醫療耗材、儀器及設備；及(ii)向本集團服務客戶出售皮膚護理、保健及美容產品。與之對比，相關公司專注於向香港的醫學美容服務提供者及傳統美容服務提供者供應及分銷該等商品。此外，相關公司並無供應及分銷本集團自家品牌寶特曼娜、瑞研雅及re:HEALTH的任何護膚、保健及美容產品。

根據上文所述，董事認為，相關公司開展的業務不構成本集團核心業務的一部分且與核心業務不一致，因此，並無對且不大可能對本集團的業務構成直接或間接競爭。

Deed of Non-competition

As disclosed in the Prospectus, pursuant to the non-competition undertakings set out in the deed of non-competition dated 19 February 2016, each of Mr. Tang and Union Medical Care Holding Limited ("Union Medical Care"), our Controlling Shareholders, have undertaken to the Company (for itself and on behalf of its subsidiaries) that, amongst other things, each of them is not or will not, and will procure each of their respective close associates, to be interested, involved or engaged in or concerned with, directly or indirectly, any business which is in any respect in competition with or similar to or is likely to be in competition with the business of the Group during the period commencing from the Listing Date and ending on the occurrence of the earliest of (i) the day on which its Shares cease to be listed on the Stock Exchange or other recognised stock exchange; (ii) the day on which Mr. Tang and/or Union Medical Care cease to be controlling shareholder of the Company; and (iii) the day on which Mr. Tang and/or Union Medical Care beneficially own or are interested in all the issued ordinary shares of the Company.

The independent non-executive Directors have reviewed the implementation of the deed of non-competition and are of the view that the Controlling Shareholders have complied with its undertakings given under the deed of non-competition for the year ended 31 March 2017. As at 31 March 2017, no new business opportunity has been notified by the Controlling Shareholders.

Independence from the Controlling Shareholders

The Board believes that the Group is capable of carrying on its business independent of, and does not place undue reliance on Mr. Tang and/or Union Medical Care or their respective close associates, taking into consideration the factors of financial independence, operational independence and management independence when the facts and reasons as disclosed in the Prospectus applied to the Group during the Reporting Period.

不競爭契據

誠如招股章程所披露，根據日期為二零一六年二月十九日的不競爭契據所載列的不競爭承諾，鄧先生及控股股東Union Medical Care Holding Limited（「Union Medical Care」）已各自向本公司（為其本身及代表其附屬公司）承諾（其中包括），彼等各自不會及將不會，並將促使彼等各緊密聯繫人不會直接或間接以其他方式持權、參與或從事或涉足於任何方面與本集團業務構成競爭或可能構成競爭的任何業務。於自上市日期起計至下列最早發生者期間內 (i) 其股份不再於聯交所或其他獲認可證券交易所上市之日；(ii) 鄧先生及／或 Union Medical Care 不再為本公司控股股東之日；及 (iii) 鄧先生及／或 Union Medical Care 實益擁有本公司全部已發行普通股或於當中擁有權益之日。

獨立非執行董事已審閱不競爭契據的落實情況，並認為控股股東已於截至二零一七年三月三十一日止年度遵守其於不競爭契據下給予的承諾。於二零一七年三月三十一日，控股股東並無物色到任何新業務機會。

獨立於控股股東

經考慮財務獨立性、經營獨立性及管理獨立性等因素後及在招股章程披露的事實及理由於報告期間適用於本集團的情況下，董事會相信，本集團能夠獨立於鄧先生及／或 Union Medical Care 或彼等各自緊密的聯繫人開展業務，且不會過度倚賴鄧先生及／或 Union Medical Care 或彼等各自的緊密聯繫人。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2017, the interests and short positions of the Directors and the chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")), which (a) 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 are taken or deemed to have under such provisions of the SFO) or (b) as recorded in the register kept by the Company pursuant to section 352 of the SFO or (c) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Interests in Shares and underlying Shares or in an associated corporation of the Company

董事及主要行政人員於股份、相關股份及債券的權益及淡倉

於二零一七年三月三十一日，董事及主要行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例之有關條文被當作或視為擁有之權益及淡倉）或(b)登記於本公司根據證券及期貨條例第352條須予存置的登記冊內或(c)上市發行人董事進行證券交易的標準守則須另行知會本公司及聯交所的權益及淡倉如下：

於本公司相聯法團的股份及相關股份的權益

| Name of Director/Chief Executive | Name of associated corporation | Capacity | Number of Shares interested | Number of underlying Shares held under equity derivatives | Approximate percentage of the total issued share capital of the Company (Note 1) |
|----------------------------------|--------------------------------|--------------------------------------|-----------------------------|---|--|
| 董事／主要行政人員姓名 | 相聯法團名稱 | 身份 | 持有權益之股份數目 | 以股本衍生工具持有相關股份數目 | 佔本公司已發行股本總額概約百分比（附註1） |
| Tang Chi Fai (Note 2) | Union Medical Care (Note 2) | Interest in a controlled corporation | 721,231,230 (L) | — | 73.53% |
| 鄧志輝（附註2） | Union Medical Care（附註2） | 於受控制法團的權益 | | | |

REPORT OF THE DIRECTORS

董事會報告

| Name of Director/Chief Executive | Name of associated corporation | Capacity | Number of Shares interested | Number of underlying Shares held under equity derivatives | Approximate percentage of the total issued share capital of the Company (Note 1) |
|----------------------------------|--------------------------------|--|-----------------------------|---|--|
| 董事／主要行政人員 姓名 | 相聯法團名稱 | 身份 | 持有權益之 股份數目 | 以股本衍生 工具持有相關 股份數目 | 佔本公司已發行股本 總額概約百分比 (附註1) |
| Lee Gabriel | — | Beneficial owner, interest of spouse and interested in a controlled corporation (Note 4) | 2,533,000 (L) (Note 3) | 7,350,000 (L) (Note 4) | 1.01% |
| 李嘉豪 | — | 實益擁有人、 配偶權益及受控法 團權益(附註4) | 2,533,000(L) (附註3) | 7,350,000(L) (附註4) | 1.01% |
| Luk Kun Shing Ben 陸韻晟 | — — | Beneficial owner 實益擁有人 | 2,187,500 (L) | — | 0.22% |
| Yeung Chin Wan | — | Beneficial owner | 180,000 (L) | 80,000 (L) (Note 5) | 0.03% |
| 楊展昀 | — | 實益擁有人 | 180,000 (L) | 80,000 (L) (附註5) | 0.03% |

Note:

(L) Denotes as long position.

1. Total number of issued Shares as at 31 March 2017 was 980,827,000.

2. Mr. Tang and Union Medical Care are the Controlling Shareholders of the Company. Union Medical Care is entirely owned by Mr. Tang. The Shares that Mr. Tang was interested in were held by Union Medical Care.

3. Out of 2,533,000 Shares, 80,000 Shares were held by Ms. Fan Yui Sze, the spouse of Mr. Lee, and Mr. Lee was therefore deemed to be interested in such 80,000 Shares under Part XV of the SFO; and 350,000 Shares were held by Eastcon Investment Limited, which is entirely owned by Mr. Lee, and Mr. Lee was therefore deemed to be interested in such 350,000 Shares under Part XV of the SFO.

4. 7,350,000 share options, each of which entitles the holder thereof to subscribe for one (1) Share, shall be exercisable in ten equal tranches from 1 January 2017 to 31 December 2026.

5. 80,000 share options, each of which entitles the holder thereof to subscribe for one (1) Share, shall be exercisable in four equal tranches from 1 January 2017 to 31 December 2020.

附註：

(L) 指好倉。

1. 於二零一七年三月三十一日的已發行股份總數為980,827,000股。

2. 鄧先生及Union Medical Care為本公司的控股股東。Union Medical Care由鄧先生全資擁有。鄧先生所擁有權益的股份由Union Medical Care持有。

3. 於2,533,000股股份當中，80,000股股份乃由李先生的配偶Fan Yui Sze女士持有，因此，根據證券及期貨條例第XV部，李先生被視為於相關80,000股股份中擁有權益；及350,000股股份由Eastcon Investment Limited(由李先生全資擁有)持有，因此，根據證券及期貨條例第XV部，李先生被視為於相關350,000股股份中擁有權益。

4. 7,350,000份購股權各自賦予其持有人認購一(1)股股份的權利，可分為同等之十批於二零一七年一月一日至二零二六年十二月三十一日期間行使。

5. 80,000份購股權各自賦予其持有人認購一(1)股股份的權利，可分為同等之四批於二零一七年一月一日至二零二零年十二月三十一日期間行使。

REPORT OF THE DIRECTORS

董事會報告

Interest in shares and underlying shares of associated corporation(s) of the Company

於本公司相聯法團的股份及相關股份的權益

| Name of Director/Chief Executive | Name of associated corporation | Capacity | Number of shares interested in the associated corporation | Number of underlying shares held under equity derivatives | Approximate percentage of the total issued share capital of the associated corporation |
|----------------------------------|--------------------------------|------------------|---|---|--|
| 董事／主要行政人員姓名 | 相聯法團名稱 | 身份 | 於相聯法團擁有權益的股份數目 | 以股本衍生工具持有的相關股份數目 | 佔相聯法團全部已發行股本的概約百分比 |
| Tang Chi Fai | Union Medical Care | Beneficial owner | 2 (L) (Note 1) | — | 100% |
| 鄧志輝 | Union Medical Care | 實益擁有人 | 2 (L) (附註1) | — | 100% |

Note:

(L) denotes long position.

1. The 2 shares in which Mr. Tang was interested in were ordinary shares of Union Medical Care.

附註：

(L) 指好倉。

1. 鄧先生擁有權益的該2股股份為Union Medical Care的普通股。

Save as disclosed above, as at 31 March 2017, so far as is known to any Directors or chief executives of the Company, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) 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 (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

除上文披露者外，據本公司任何董事或主要行政人員所知，於二零一七年三月三十一日，概無本公司董事或主要行政人員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、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉（包括彼等根據證券及期貨條例的相關條文被當作或視為擁有的權益及淡倉）或(b)根據證券及期貨條例第352條須記載於當中所述登記冊內的權益或淡倉或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2017, other than interests disclosed above in respect of the Directors and chief executives of the Company, the following persons had or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under the provision of Divisions 2 and 3 of Part XV of the SFO as recorded in the register kept by the Company pursuant to section 336 of the SFO or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company.

Interests in shares and underlying shares of the Company

主要股東於股份及相關股份的權益及淡倉

於二零一七年三月三十一日，除本公司董事及主要行政人員於上文披露的權益外，以下人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須予披露之權益或淡倉而記錄於本公司根據證券及期貨條例第336條保存之登記冊內或於本公司5%或以上已發行股本中直接或間接擁有權益。

於本公司股份及相關股份的權益

| Name of Shareholders | Capacity | Number of Shares interested | Approximate percentage of the total issued share capital of the Company (Note 1) |
|---|--------------------------------------|--------------------------------|---|
| | | | 佔本公司總 已發行股本的 概約百分比 (附註1) |
| 股東名稱／姓名 | 身份 | 擁有權益的 股份數目 | |
| Union Medical Care (Note 2) | Beneficial owner | 721,231,230 (L) | 73.53% |
| Union Medical Care (附註2) | 實益擁有人 | | |
| Yau Ming Li (Note 3) | Interest of spouse | 721,231,230 (L) | 73.53% |
| 邱明利(附註3) | 配偶權益 | | |
| AUX Holdings Co., Ltd. (Note 4) | Interest in a controlled corporation | 50,000,000 (L) | 5.10% |
| 奧克斯集團有限公司(附註4) | 受控制法團權益 | | |
| Ningbo Sanxing Medical Electric Co., Ltd. (Note 4) | Interest in a controlled corporation | 50,000,000 (L) | 5.10% |
| 寧波三星醫療電氣股份有限公司 (附註4) | 受控制法團權益 | | |
| Sanxing Electric (Hong Kong) Company Limited ("Sanxing") (Note 4) | Beneficial owner | 50,000,000 (L) | 5.10% |
| 三星電氣(香港)有限公司 (「三星」)(附註4) | 實益擁有人 | | |

REPORT OF THE DIRECTORS

董事會報告

| Name of Shareholders | Capacity | Number of Shares interested | Approximate percentage of the total issued share capital of the Company (Note 1) 佔本公司總已發行股本的概約百分比 (附註1) |
|---------------------------------------|---|-----------------------------|--|
| 股東名稱／姓名 | 身份 | 擁有權益的股份數目 | |
| Zheng Jianjiang (Note 4) 鄭堅江 (附註4) | Interest in a controlled corporation 受控制法團權益 | 50,000,000 (L) | 5.10% |
| He Yiju (Note 5) 何意菊 (附註5) | Interest of spouse 配偶權益 | 50,000,000 (L) | 5.10% |

Notes:

(L) Denotes as long position.

(S) Denotes as short position.

- Total number of issued Shares as at 31 March 2017 was 980,827,000.
- Mr. Tang and Union Medical Care are the Controlling Shareholders of the Company. Union Medical Care is entirely owned by Mr. Tang.
- Ms. Yau is the spouse of Mr. Tang, and Ms. Yau was therefore deemed to be interested in the shares of the Company in which Mr. Tang was interested under Part XV of the SFO.
- According to the information in the disclosure of interests form of Mr. Zheng Jianjiang, AUX Holdings Co., Ltd., Ningbo Sanxing Medical Electric Co., Ltd and Sanxing, Mr. Zheng Jianjiang held 70% of the issued share capital of AUX Holdings Co., Ltd., AUX Holdings Co., Ltd. and Mr. Zheng Jianjiang held 37.54% and 19.61% respectively of the issued share capital of Ningbo Sanxing Medical Electric Co., Ltd, which in turn owned the entire issued share capital of Sanxing. Mr. Zheng Jianjiang, AUX Holdings Co., Ltd. and Ningbo Sangxing Medical Electric Co., Ltd. were therefore deemed to be interested in the shares of the Company which are owned by Sanxing under Part XV of the SFO.
- Ms. He Yiju is the spouse of Mr. Zheng Jianjiang, and was therefore deemed to be interested in the shares of the Company in which Mr. Zheng Jianjiang was interested under Part XV of the SFO.

Save as disclosed above, as at 31 March 2017, the Directors have not been notified by any person (other than the Directors or chief executives of the Company) who had interests or short position in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO.

附註：

(L) 指好倉。

(S) 指淡倉。

- 於二零一七年三月三十一日的已發行股份總數為980,827,000股。
- 鄧先生及Union Medical Care為本公司的控股股東。Union Medical Care由鄧先生全資擁有。
- 邱女士為鄧先生的配偶，因此，根據證券及期貨條例第XV部，邱女士被視為於鄧先生持有權益的股份中擁有權益。
- 根據鄭堅江先生、奧克斯集團有限公司、寧波三星醫療電氣股份有限公司及三星的權益披露表格內資料，鄭堅江先生持有奧克斯集團有限公司70%的已發行股本。奧克斯集團有限公司及鄭堅江先生分別持有寧波三星醫療電氣股份有限公司37.54%及19.61%的已發行股本，而寧波三星醫療電氣股份有限公司擁有三星的全部已發行股本。根據證券及期貨條例第XV部，鄭堅江先生、奧克斯集團有限公司及寧波三星醫療電氣股份有限公司被視為於三星持有的本公司股份中擁有權益。
- 何意菊女士為鄭堅江先生的配偶，因此，根據證券及期貨條例第XV部，何意菊女士被視為於鄭堅江先生持有權益的股份中擁有權益。

除上文披露者外，於二零一七年三月三十一日，董事並無知悉任何人士（董事或本公司最高行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條須存置的登記名冊所記錄的權益或淡倉。

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Reporting Period was the Company or any of its subsidiaries or a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2017, the Group employed approximately 808 (2016: 716) permanent employees in Hong Kong, Macau and the PRC.

The Group is aware of the importance of human resources and is dedicated to retaining competent and talented directors and employees by offering them competitive remuneration packages, their salaries and bonuses were determined by reference to their duties, work experience, performance and prevailing market practices. The Group also participates in the Mandatory Provident Fund ("MPF") scheme in Hong Kong, and provides employees with medical insurance coverage. No forfeited contribution is available to reduce the contribution payable in the future years. The MPF contributions charged to the income statement represent the contributions payable to the funds by the Group. A Share Option Scheme is in place to reward individual employees for their outstanding performance and contribution to the success of the Group.

RELATED PARTY TRANSACTIONS

Details of material related party transactions of the Group undertaken in the normal course of business are set out in note 34 to the consolidated financial statements, save for the those as disclosed below, none of which is required to be disclosed under Rule 14A of the Listing Rules.

購買股份或債券的安排

本公司或其任何附屬公司於報告期間內任何時間概無訂立任何安排，以致董事藉購入本公司或任何其他法人團體的股份或債券而獲益。

僱傭及薪酬政策

於二零一七年三月三十一日，本集團於香港、澳門及中國聘用約808名(二零一六年：716名)長期僱員。

本集團明白人力資源的重要性，致力通過提供具競爭力的薪酬待遇挽留有能力及才幹的董事及僱員。僱員的薪金及花紅乃參考其職責、工作經驗、表現及現行市場慣例而釐定。本集團亦於香港參與強制性公積金(「強積金」)計劃，並向僱員提供醫療保險。沒收之供款不可用作扣減未來年度應付之供款。計入收益表內之強積金供款為本集團應付予有關基金之供款。本集團亦推行購股權計劃，根據個別僱員的傑出表現及對本集團的成功所作出的貢獻向其作出獎勵。

關聯方交易

本集團於一般業務過程中進行的重大關聯方交易詳情載於綜合財務報表附註34。除下文所披露者外，概無交易須根據上市規則第14A條作出披露。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

Given that Mr. Tang, an executive Director, and Union Medical Care are the Controlling Shareholders of the Company, Mr. Tang, Union Medical Care and their associates are “connected persons” of the Company under Rules 14A.07(1) and (4) of the Listing Rules.

As disclosed in the Prospectus, the Group has carried out the following continuing connected transactions (other than the continuing connected transactions that are fully exempted under Rule 14A.76(1) of the Listing Rules) with Mr. Tang's associates during the Reporting Period.

持續關連交易

鑒於執行董事鄧先生及Union Medical Care為本公司的控股股東，根據上市規則第14A.07(1)及(4)條，鄧先生、Union Medical Care及彼等的聯繫人士為本公司的「關連人士」。

誠如招股章程所披露，本集團已於報告期間與鄧先生之聯繫人進行以下持續關連交易（根據上市規則第14A.76(1)條完全獲豁免的持續關連交易除外）。

| Nature of Transaction | Notes | Parties | Relationship between the Group and the connected person | Nature of transaction | Annual Caps for the year ended 31 March 2017 (HK\$) 截至二零一七年三月三十一日止年度的年度上限 (港元) | Actual transaction amount for the year ended 31 March 2017 (HK\$) 截至二零一七年三月三十一日止年度的實際交易金額 (港元) |
|---|-----------|--|--|---|---|---|
| 交易性質 | 附註 | 交易方 | 本集團與關連人士的關係 | 交易性質 | | |
| Supply of Medical Devices, Consumables and Equipment Framework Agreement entered into on 23 July 2015 | 1, 2 3 | Between Union Medical Association Limited (“UMA”) and Good Union | Good Union was 50% owned by Ms. Yau Ming Li, the spouse of Mr. Tang, our executive Director, the Chairman and CEO and 50% owned by Mr. Cheng Yeung, the general manager of medical operations of the Group. On 25 November 2016, the Group acquired 50% of Good Union and GUM at an aggregate consideration of HK\$25.2 million in form of cash. Upon completion of the acquisition, Good Union and GUM ceased to be an associate of Mr. Tang, and is not a connected person of the Company. | Purchase of medical consumables | 14,873,000 | 10,999,940 |
| | | Union Medical Association Limited (“UMA”) 與創金匯 | | 購買醫療耗材 | | |
| 於二零一五年七月二十三日訂立的醫療儀器、耗材及設備供應框架協議 | | | | Purchase of medical devices and equipment | 5,361,000 | 4,259,543 |
| | | | | 購買醫療儀器及設備 | | |

創金匯曾由執行董事、主席及行政總裁鄧先生的配偶邱明利女士及本集團醫療業務總經理鄭決先生各擁有50%。二零一六年十一月二十五日，本集團以現金形式收購創金匯及GUM各50%股權，總代價為25.2百萬港元。收購事項完成後，創金匯及GUM不再為鄧先生的聯繫人，亦並非本公司關連人士。

Notes:

1. On 23 July 2015, UMA entered into the Supply of Medical Devices, Consumables and Equipment Framework Agreement with Good Union for a three-year term commencing from 23 July 2015 to 22 July 2018 whereby the Group has agreed to, from time to time during the term of the agreement, request to procure certain medical devices, consumables and equipment (which the Group uses to perform certain of its minimally invasive procedures and energy-based procedures) from Good Union. Good Union may invoice the Group for each order on or at any time after delivery, and the Group has agreed to settle invoices in full within 30 days of receipt. The parties shall meet in September of each year to review and, where appropriate, agree on changes to the product prices. The agreed changes will take effect on 1 January of the following year.
2. As disclosed in the Prospectus, the transactions under the Supply of Medical Devices, Consumables and Equipment Framework Agreement were entered into in the ordinary and usual course of business of the Group and carried out on normal commercial terms, where each of the applicable percentage ratios (except for the profits ratio) calculated for the purpose of Chapter 14A of the Listing Rules was (i) more than 0.1% on an annual basis; but (ii) less than 5% on an annual basis and the annual consideration exceeds HK\$3,000,000. Therefore, under Rule 14A.76(2) of the Listing Rules, such transactions were exempted from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.
3. On 25 November 2016, the Group acquired 50% of Good Union and GUM at an aggregate consideration of HK\$25.2 million in form of cash. Upon completion of the acquisition, Good Union and GUM became the jointly controlled entities of the Company and the financial results, assets and liabilities of these two companies accounted for as jointly controlled entities in the financial statements of the Group. As at the date of this annual report, Good Union and GUM ceased to be an associate of Mr. Tang, and is not a connected person of the Company. Please refer to the announcements of the Company dated 2 November 2016 and 25 November 2016 for further details.

Waiver from the Stock Exchange

As the transactions contemplated under the Supply of Medical Devices, Consumables and Equipment Framework Agreement were and will continue to be entered into in the ordinary and usual course of business of the Group on a continuing basis, the Directors were of the view that compliance with the announcement requirements would impose unnecessary administrative costs and undue burden to the Group and would be impracticable. Under Rule 14A.105 of the Listing Rules, the Group has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement requirements as may otherwise be required of the Company under Chapter 14A of the Listing Rules in connection with the Supply of Medical Devices, Consumables and Equipment Framework Agreement and all transactions contemplated under it.

附註：

1. 於二零一五年七月二十三日，UMA與創金匯訂立醫療儀器、耗材及設備供應框架協議，自二零一五年七月二十三日起至二零一八年七月二十二日為期三年，據此，本集團已同意於協議期間不時要求向創金匯採購若干醫療儀器、耗材及設備（本集團用以進行其若干微整形療程及能量儀器療程）。創金匯可能會於交貨時或之後隨時就每項訂單向本集團開具發票，且本集團已同意於收貨後30天內全額結算發票。各方須於每年九月會面，檢討及在適當情況下協定產品價格的變更。協定後的價格變動將於次年一月一日起生效。
2. 誠如招股章程所披露，醫療儀器、耗材及設備供應框架協議項下的交易乃於本集團的日常及一般業務過程中訂立並按一般商業條款進行，上市規則第14A章各適用百分比率（盈利比率除外）(i)按年計算高於0.1%；惟(ii)按年計算低於5%，而年度代價高於3,000,000港元。因此，根據上市規則第14A.76(2)條，有關交易獲豁免遵守上市規則第14A章下有關的獨立股東批准規定。
3. 二零一六年十一月二十五日，本集團以現金形式收購創金匯及GUM各50%股權，總代價為25.2百萬港元。收購事項完成後，創金匯及GUM成為本公司的共同控制實體，而該等兩家公司的財務業績、資產及負債於本集團財務報表中列作共同控制實體入賬。於本年報日期，創金匯及GUM不再為鄧先生的聯繫人，亦並非本公司關連人士。更多詳情請參閱本公司日期為二零一六年十一月二日及二零一六年十一月二十五日的公告。

聯交所的豁免

由於醫療儀器、耗材及設備供應框架協議下擬進行的交易乃及將持續於本集團的日常及一般業務過程中訂立，故董事認為遵守公告規定將產生不必要的行政成本及對本集團造成不當負擔以及不可行。根據上市規則第14A.105條，本集團已申請且聯交所已授出豁免，豁免本公司根據上市規則第14A章須就醫療儀器、耗材及設備供應框架協議及其下擬進行的所有交易嚴格遵守公告規定。

REPORT OF THE DIRECTORS

董事會報告

Annual Review of Continuing Connected Transactions

The Company's auditor was engaged to report on the continuing connected transactions as set out above. The auditor has issued their unqualified letter to the Board containing their findings and conclusions in respect of the above continuing connected transactions under Rule 14A.56 of the Listing Rules. The Company has provided a copy of the auditor's letter to the Stock Exchange as required under Rule 14A.57 of the Listing Rules.

The independent non-executive Directors have reviewed and confirmed that for the year ended 31 March 2017, the continuing connected transactions as set out above have been entered into during the ordinary and usual course of business of the Group, were on normal or better commercial terms, and were fair and reasonable and in the interests of the Company and its Shareholders as a whole, and that the annual caps for these transactions were fair and reasonable and in the interests of the Company and its Shareholders as a whole.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, there is sufficiency of public float of the Company's securities as required under the Listing Rules.

持續關連交易的年度審閱

本公司已委任核數師就上文所載持續關連交易進行匯報。該核數師已向董事會發出其無保留意見函件，當中載有根據上市規則第14A.56條有關上述持續關連交易的發現及結論。本公司已根據上市規則第14A.57條向聯交所提供該核數師函件的副本。

獨立非執行董事已審閱及確認，截至二零一七年三月三十一日止年度，上文所載持續關連交易均於本集團日常及一般營業過程中按一般或較優惠商業條款訂立，屬公平合理並符合本公司及其股東整體利益，且該等交易的年度上限屬公平合理並符合本公司及其股東整體利益。

購買、出售及贖回上市證券

本公司或其任何附屬公司概無於報告期間購買、出售或贖回本公司任何上市證券。

優先購買權

組織章程細則或開曼群島法例並無有關令本公司須按比例向現有股東發售新股份的優先購買權規定。

足夠的公眾持股量

基於本公司的公開可得資料及據董事所知，於本年報日期，本公司證券具備上市規則所規定的足夠公眾持股量。

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Shares.

TAX

We refer to our previous late filing of profits tax returns as disclosed in the Prospectus under the section headed “BUSINESS — LEGAL PROCEEDINGS, CLAIMS AND COMPLIANCE — NON-COMPLIANCE INCIDENTS — INLAND REVENUE ORDINANCE” and the subsequent announcement dated 9 May 2017, which provided the update on the Relevant Disclosures. Further details of the incidents and the Directors’ views are set out in the Management Discussions and Analysis on page 17 of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2017, the aggregate amount of revenue or sales attributable to the Group’s five largest customers represented less than 30% of the Group’s total revenue. The aggregate amount of purchases attributable to the Group’s five largest suppliers represented less than 30% of the Group’s total purchases.

To the best of the knowledge of the Directors, save for the transactions as disclosed in the section headed “CONTINUING CONNECTED TRANSACTIONS” in this annual report, none of the Directors, their respective close associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company’s issued share capital) had any direct/indirect interest in these major suppliers or customers during the year ended 31 March 2017.

CORPORATE GOVERNANCE

The text of the corporate governance report is set out on pages 28 to 40 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group is in the process of preparing its environmental, social and governance report for the year ended 31 March 2017 and will publish it on the Stock Exchange’s website and the Company’s website in due course.

稅務減免與豁免

董事並不知悉任何股東因持有股份而可享有任何稅務減免與豁免。

稅項

誠如招股章程「業務 — 法律訴訟、申索及合規 — 不合規事件 — 稅務條例」一節以及其後日期為二零一七年五月九日的公告所披露，該公告提供相關披露的最新情況，我們提述先前逾期提交利得稅報稅表。有關事件及董事意見詳情載於本年度報告第17頁的管理層討論及分析。

主要客戶及供應商

截至二零一七年三月三十一日止年度，本集團五大客戶應佔收入或銷售額合計佔本集團總收入30%以下。本集團五大供應商應佔採購額合計佔本集團總採購額30%以下。

據董事所深知，除本年報「持續關連交易」一節所披露之交易外，截至二零一七年三月三十一日止年度，概無董事、彼等各自的緊密聯繫人或任何股東（據董事所知，擁有本公司已發行股本5%以上權益）於該等主要供應商或客戶中擁有任何直接／間接權益。

企業管治

企業管治報告全文載於本年報第28頁至40頁。

環境、社會及管治報告

本集團正在編製截至二零一七年三月三十一日止年度之環境、社會及管治報告並將於適當時候於聯交所網站及本公司網站刊發。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE REPORTING PERIOD

On 1 April 2017, United Link Corporation Limited, an indirect wholly-owned subsidiary of the Company, entered into a provisional agreement to purchase a property at Units 613 and 615, 6th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong at a total consideration of HK\$60,000,000 and it is expected that such purchase of property will be completed on 30 June 2017. For details, please refer to the announcement of the Company dated 1 April 2017.

On 20 April 2017, Union Medical Capital Management Limited, an indirect wholly-owned subsidiary of the Company, through Citibank N.A. (Hong Kong), subscribed for Class USD 95A2 shares of the Term Liquidity Fund at a total subscription amount of US\$13,000,000. For details, please refer to the announcement of the Company dated 20 April 2017.

AUDITOR

The financial statements for the year ended 31 March 2017 have been audited by KPMG, Certified Public Accountants, who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as the auditor of the Company is to be proposed at the forthcoming AGM.

On behalf of the Board

Tang Chi Fai
Chairman

Hong Kong, 28 June 2017

報告期間後事項

於二零一七年四月一日，本公司之間接全資附屬公司 United Link Corporation Limited 訂立臨時協議，以購買位於香港金鐘道89號力寶中心二座6樓613及615室的物業，總代價為60,000,000港元，預期有關物業購買將於二零一七年六月三十日完成。有關詳情請參閱本公司日期為二零一七年四月一日的公告。

於二零一七年四月二十日，本公司間接全資附屬公司 Union Medical Capital Management Limited 透過花旗銀行(香港)認購定期流動基金之美元95A2類別股份，總認購額為13,000,000美元。有關詳情請參閱本公司日期為二零一七年四月二十日的公告。

核數師

截至二零一七年三月三十一日止年度的財務報表經由執業會計師畢馬威會計師事務所審核，其任期已經屆滿，惟符合資格，願意應聘連任。重新委任畢馬威會計師事務所為本公司核數師的決議案將於應屆股東週年大會上提呈。

代表董事會

主席
鄧志輝

香港，二零一七年六月二十八日

INVESTOR RELATIONS REPORT

投資者關係報告

INVESTOR CALENDAR

29 November 2016

二零一六年十一月二十九日

28 June 2017

二零一七年六月二十八日

22 August 2017

二零一七年八月二十二日

16 to 22 August 2017 (Both days inclusive)

二零一七年八月十六日至二十二日(首尾兩天包括在內)

28 to 29 August 2017 (Both days inclusive)

二零一七年八月二十八日至二十九日(首尾兩天包括在內)

29 August 2017

二零一七年八月二十九日

12 September 2017

二零一七年九月十二日

INVESTOR RELATIONS ACTIVITIES

We are highly supportive to investor relations activities. In order to facilitate a two-way communication between the Company, Shareholders and the investment community, through platforms including domestic and international non-deal roadshows, investor meetings, annual general meeting, company meetings, teleconferences and emails, we made frequent contact with Shareholders, analysts, fund managers and potential investors.

投資者日誌

2016/17 interim results announcement

二零一六／一七年中中期業績公告

2016/17 annual results announcement

二零一六／一七年年年度業績公告

Annual General Meeting

股東週年大會

Closure of Register of Members

(for determination of shareholders
who are entitled to attend and
vote at annual general meeting)

暫停辦理股份過戶登記手續

(以確定合資格出席股東週年大會
並於會上投票之股東身份)

Closure of Register of Members

(for determination of shareholders
who qualify for the final dividend and
special dividend and special dividend)

暫停辦理股份過戶登記手續(以確定合資格

收取末期股息及特別股息之股東身份)

Record Date (for determination of

shareholders who qualify for
the final dividend and special dividend)

記錄日期(以確定合資格收取末期股息及

特別股息之股東身份)

Payment of final dividend and special dividend

支付末期股息及特別股息

投資者關係活動

我們對投資者關係活動十分支持，為促進本公司與股東及投資界之間的雙向溝通，通過本地及海外的非交易路演、投資者會議、股東週年大會、公司會面、電話會議及電郵諮詢等渠道，我們與股東、分析師、基金經理及潛在投資者作頻繁的交流。

INVESTOR RELATIONS REPORT

投資者關係報告

During the Reporting Period, our management attended over 140 one-on-one and group meetings and actively participated in investor conferences and non-deal roadshows in Hong Kong, Shenzhen, Shanghai, Guangzhou and Beijing meeting with over 250 investors.

於報告期間，公司管理層出席逾140次一對一會議及小組會議，亦積極參與投資者研討會以及遍及香港、深圳、上海、廣州及北京的非交易路演，與逾250名投資者會面。

Major investor conferences that we participated in 2016/17 are set out below:

我們於二零一六／一七年參加的主要投資者會議載列如下：

| Year 年份 | Month 月份 | Event 事件 |
|---------------|-----------------|--|
| 2016 二零一六年 | August 八月 | Yi Mei Bao Dao Innovative Medical Aesthetic Forum 醫美報導創新醫美論壇 |
| 2016 二零一六年 | September 九月 | Guosen Securities (HK) Shanghai Forum and Medical Tourism 國信證券(香港)上海論壇及醫療旅遊 |
| 2016 二零一六年 | December 十二月 | Hong Kong International Entrepreneurs Festival 2016 "Hong Kong + MediHealth" Forum 香港國際創客節二零一六「香港 + MediHealth」論壇 |
| 2017 二零一七年 | March 三月 | Credit Suisse 20th Asian Investment Conference 瑞信第二十屆年度亞洲投資會議 |



SHARE INFORMATION

Company Name

公司名稱

Listing

上市

Stock Code

股份代號

Listing Date

上市日期

Board lot

每手買賣單位

Issued share capital as at 31 March 2017

於二零一七年三月三十一日的已發行股本

股份資料

Union Medical Healthcare Limited

香港醫思醫療集團有限公司

The Main Board of

The Stock Exchange of Hong Kong Limited

香港聯合交易所有限公司主板

2138

2138

11 March 2016

二零一六年三月十一日

1,000 shares

1,000股股份

980,827,000 shares

980,827,000股

INVESTOR RELATIONS DEPARTMENT

Union Medical Healthcare Limited — Corporate Communications
and Investor Relations Department

Tel: (852) 3975 4798

Email: ir@umhgp.com

投資者關係部

香港醫思醫療集團有限公司 — 企業傳訊及投資者關係部

電話：(852) 3975 4798

電郵：ir@umhgp.com

SHAREHOLDERS SERVICE AND ENQUIRIES

For enquiries about your shareholding including change of name or address, transfer of shares, loss of share certificates or dividend cheques, registrations and requests for annual or interim report copies, please contact the Company's share registrar and transfer office:

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre

183 Queen's Road East, Wanchai, Hong Kong

Tel: (852) 2862 8555

Fax: (852) 2865 0990/2529 6087

Email: hkinfo@computershare.com.hk

Website: www.computershare.com

股東服務及查詢

有關閣下股權(包括姓名或地址變更、股份轉讓、遺失股票或股息支票以及登記及索取年度或中期報告)的查詢，請聯繫本公司股份登記及過戶處：

香港中央證券登記有限公司

香港灣仔皇后大道東183號

合和中心17樓1712-1716號舖

電話：(852) 2862 8555

傳真：(852) 2865 0990/2529 6087

電郵：hkinfo@computershare.com.hk

網址：www.computershare.com

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

TANG Chi Fai (鄧志輝), aged 38, is the Chairman of the Board, the CEO, our executive Director and chairman of the Nomination Committee. He is a controlling Shareholder of the Company and he founded our Group on 23 November 2005. He is responsible for the overall management and strategic planning and development of our Group. Mr. Tang is also a director of various subsidiaries of the Company.

Mr. Tang has more than 15 years of experience in the aesthetic medical and beauty industries. Prior to joining our Group, from 2001 to 2005, Mr. Tang worked at Lionfaith Limited (亨譽有限公司), a company engaged in public relations in Hong Kong, as a sales director primarily responsible for sales management. In 2004, Mr. Tang worked as a sales director at Nutriplus (Asia) Limited (欣泉(亞洲)有限公司), a company engaged in direct sales of branded beauty products in Hong Kong, and a wholly-owned subsidiary of Easy Repay Finance & Investment Limited (易還財務投資有限公司) (formerly known as B.A.L. Holdings Limited (變靚D控股有限公司)) (Stock Code: 8079), listed on the Growth Enterprise Market of the Stock Exchange, which was engaged in the business of beauty and weight management in Hong Kong. During that period, he was primarily responsible for the initial establishment and business development of four beauty centres, the development of marketing strategies and maintenance of sales channels. From 2002 to 2003, Mr. Tang worked at Sau San Tong (修身堂), a company later listed on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8200), which provides slimming and beauty products and services in Hong Kong. He was primarily responsible for sales management. In addition, Mr. Tang also invests in businesses other than those providing aesthetic medical and beauty service businesses, such as leasing of warehouse spaces, insurance brokerage, medical equipment maintenance and repair, and supply of cosmetic products, medical devices, consumables and equipment.

執行董事

鄧志輝，38歲，為董事會主席、行政總裁、執行董事以及提名委員會主席。彼為本公司的控股股東，並於二零零五年十一月二十三日創立本集團。彼負責本集團整體管理及策略規劃及發展。鄧先生亦為本公司多間附屬公司的董事。

鄧先生於醫學美容行業擁有逾15年經驗。於創立本集團之前，鄧先生自二零零一年至二零零五年期間在一間香港的公共關係公司亨譽有限公司，擔任銷售總監，主要負責銷售管理。於二零零四年，鄧先生於欣泉(亞洲)有限公司(一所於香港從事直銷品牌美容產品的公司，為聯交所創業板上市公司易還財務投資有限公司(前稱變靚D控股有限公司，於香港從事美容及體重管理業務)(股份代號：8079)的全資附屬公司)擔任銷售總監。於該期間內，彼主要負責四間美容中心的初期設立及業務發展，以及制定市場推廣策略及維持銷售渠道。於二零零二年至二零零三年，鄧先生任職於香港的修身堂(其後為聯交所創業板上市公司，提供纖體及美容產品和服務)(股份代號：8200)。彼主要負責銷售管理。此外，鄧先生亦投資於醫學美容及美容服務以外的業務，如貨倉租賃、保險經紀、醫療設備維修及保養、化妝品、醫療儀器、耗材及設備供應。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

From September 1998 to May 2001, Mr. Tang attended the University of Hong Kong where he was enrolled in the bachelor of medicine and the bachelor of surgery programmes before deciding to pursue a different career path. From September 2001 to February 2005, Mr. Tang enrolled in the bachelor of business administration in accounting and finance at the University of Hong Kong and worked on a part-time basis before deciding to switch to full-time employment. Mr. Tang obtained Certificate IV in Training and Assessment from Northern Melbourne Institute of Technical and Further Education in September 2009 and the executive master of business administration degree from the University of Hull in January 2014.

LEE Gabriel (李嘉豪), aged 38, is the chief operating officer and our executive Director. He is responsible for the management of day-to-day operations for our Group.

Mr. Lee has over 15 years of experience in business management. Prior to joining our Group in April 2014, from July 2001 to April 2014, Mr. Lee worked at Cathay Pacific Airways Limited (國泰航空有限公司) ("Cathay Pacific"), an international airline listed on the Main Board of the Stock Exchange (Stock Code: 293). He joined Cathay Pacific as a management trainee from July 2001 to June 2004 and subsequently served in various managerial positions, including more recently, as manager of cargo hub operations from January 2014 to April 2014 to manage the cargo operations of the airline in the Hong Kong International Airport, manager of planning and performance for the Hong Kong International Airport from August 2011 to December 2013 to oversee airport operations of the airline at the Hong Kong International Airport and manager of cargo operations of the airline from July 2009 to March 2010 to supervise cargo staff in 14 Chinese cities and to develop the cargo business in the PRC. During his employment with Cathay Pacific, Mr. Lee was seconded to Air China Cargo Company Limited (中國國際貨運航空有限公司) in Beijing, a state-owned airline enterprise in the PRC, from March 2011 to July 2011 where he served as the assistant president of its commercial (sales and marketing) division. From July 2007 to July 2009, he was seconded to Hong Kong Dragon Airlines Ltd. in Shanghai, the PRC, where he served as a manager of marketing & sales in Eastern China.

在決定追求一個不同的職業道路前，鄧先生於一九九八年九月至二零零一年五月期間在香港大學修讀內外全科醫學士課程。於二零零一年九月至二零零五年二月，鄧先生於香港大學修讀工商管理會計及財務學士課程並於決定轉為全職工作前任職兼職。鄧先生於二零零九年九月取得北墨爾本高等技術學院的培訓及評估四級證書，並於二零一四年一月取得赫爾大學的行政人員工商管理碩士學位。

李嘉豪，38歲，為營運總監及執行董事。彼負責本集團日常營運管理。

李先生於業務管理擁有逾15年經驗。於二零一四年四月加入本集團前，李先生於二零零一年七月至二零一四年四月任職於國泰航空有限公司（「國泰航空」，一間於聯交所主板上市的國際航空公司，股份代號：293），彼於二零零一年七月至二零零四年六月加入國泰航空擔任管理層培訓生，隨後擔任多個管理職位，包括最近期為於二零一四年一月至二零一四年四月任職貨物樞紐運作經理，負責管理香港國際機場的航空公司的貨運業務，並於二零一一年八月至二零一三年十二月於香港國際機場任職規劃及表現經理，監督航空公司於香港國際機場的機場運作，並自二零零九年七月至二零一零年三月擔任航空公司的業務部貨運經理，監督14個中國城市的貨運員工並負責開發貨運業務。於任職國泰航空時，李先生亦於二零一一年三月至二零一一年七月借調至北京的中國國際貨運航空有限公司（一間中國國有航空企業），當中彼擔任商業（營銷）部助理總裁。彼於二零零七年七月至二零零九年七月借調至中國上海的港龍航空有限公司，擔任華東區域營銷及銷售經理。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

Mr. Lee graduated from the University of Hong Kong with a bachelor of business administration degree in accounting and finance in July 2001. In March 2007, Mr. Lee attended the SWIRE Management Programme organised by INSEAD Graduate Business School in Singapore. Mr. Lee also attended the SWIRE Accounting and Control Programme and SWIRE Advanced Management Programme organised by INSEAD Graduate Business School in Fontainebleau, France from October to November 2010 and from May to June 2013, respectively.

LUK Kun Shing Ben (陸 韵 晟), aged 38, is the chief information officer and our executive Director. He is responsible for overseeing information technology infrastructure of our Group.

Mr. Luk has more than 6 years of experience in the aesthetic medical industry, and over 13 years of experience in the information technology industry. Prior to joining our Group in March 2010, from January 2011 to February 2014, Mr. Luk served as a software engineer at Google (Hong Kong) Limited, a subsidiary of Google Inc., specialising in internet-related services and products. From December 2003 to December 2010, he was a software engineer at Google Inc., in Mountain View, California, the United States and involved in the implementation of Google Maps. Mr. Luk graduated from Cornell University with a bachelor of science degree in computer science in August 2000 and Stanford University with a master of science degree in computer science in June 2003.

李先生於二零零一年七月畢業於香港大學，取得工商管理學士(會計及財務)。於二零零七年三月，李先生曾參加新加坡INSEAD Graduate Business School舉辦的太古管理課程(SWIRE Management Programme)。李先生亦曾分別於二零一零年十月至十一月及二零一三年五月至六月參加法國楓丹白露INSEAD Graduate Business School舉辦的太古會計及管理課程(SWIRE Accounting and Control Programme)和太古高級管理課程(SWIRE Advanced Management Programme)。

陸韵晟，38歲，為資訊科技總監兼執行董事。彼負責監督本集團的資訊科技基礎建設。

陸先生於醫學美容行業擁有逾6年經驗，並於資訊科技行業擁有逾13年經驗。於二零一零年三月加入本集團前，陸先生於二零一一年一月至二零一四年二月擔任Google (Hong Kong) Limited (Google Inc.的附屬公司，專注於互聯網相關服務及產品)的軟件工程師。於二零零三年十二月至二零一零年十二月，彼於美國加利福尼亞州Mountain View任職Google Inc.的軟件工程師及參與谷歌地圖實現。陸先生於二零零零年八月畢業於康奈爾大學，取得電腦科學理學士學位，並於二零零三年六月於史丹福大學取得電腦科學理學碩士學位。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

YEUNG Chin Wan (楊展昀), aged 37, is the chief financial officer and our executive Director. He is responsible for the financial reporting and management of our Group.

Mr. Yeung has over 15 years of experience in financial reporting and investment management and services. Prior to joining our Group in July 2014, from April 2010 to June 2014, Mr. Yeung served as a director of We & V Accounting Services and Consultancy Limited (維爾會計及顧問有限公司), a boutique accounting and consultancy company in Hong Kong, where he was responsible for providing advisory services on tax and corporate matters. From November 2004 to March 2010, he held a number of positions in AXA Wealth Management (HK) Limited (安盛財富管理(香港)有限公司), a company engaged in wealth management and provision of consulting services in Hong Kong and a subsidiary of AXA Group, which is a multinational insurance and asset management group, to provide solutions for clients' portfolios. From September 2001 to October 2004, Mr. Yeung worked at PricewaterhouseCoopers Ltd. (羅兵咸永道有限公司) in Hong Kong, where he began as an associate and later became a senior associate in the financial services group, responsible for audit engagement in the investment banking and asset management industries.

In addition, since 2014, Mr. Yeung has been the chief executive officer of World Trade Capital Group Limited (世貿金融資本集團有限公司), an insurance brokerage firm providing the Group with quotations of employees' insurance and other types of insurance from independent insurance companies. He is primarily responsible for liaising with insurance companies for quotations and monitoring compliance of the brokerage firm in Hong Kong. Mr. Yeung graduated from Hong Kong Polytechnic University with a bachelor of arts in accountancy in November 2001. He has been a member of the Hong Kong Institute of Certified Public Accountants since August 2003 and a Chartered Wealth Manager of the International Academy of Financial Management since January 2010.

楊展昀，37歲，為財務總監兼執行董事。彼負責本集團財務報告及管理。

楊先生於財務報告及投資管理及服務擁有逾15年經驗。於二零一四年七月加入本集團前，於二零一零年四月至二零一四年六月，楊先生於維爾會計及顧問有限公司（一間位於香港的精品審計及顧問公司）任職董事，負責提供稅項及企業事宜的諮詢服務。於二零零四年十一月至二零一零年三月，彼於安盛財富管理（香港）有限公司（一間在香港從事財富管理及提供顧問服務的公司，並為跨國保險及資產管理集團AXA Group的附屬公司）擔任多項職務，為客戶的投資組合提供解決方案。於二零零一年九月至二零零四年十月，楊先生在香港於羅兵咸永道有限公司任職，開始時擔任審計員，其後成為金融服務集團的高級經理，負責投資銀行業務及資產管理行業的審計工作。

此外，楊先生自二零一四年起一直擔任世貿金融資本集團有限公司（一間為本集團提供獨立保險公司有關僱員保險及其他類型保險報價的保險經紀公司）的行政總裁。彼主要負責就報價與保險公司聯繫及監察香港經紀公司的合規情況。楊先生於二零零一年十一月畢業於香港理工大學，取得會計文學士學位。彼自二零零三年八月起為香港會計師公會會員，並自二零一零年一月起為國際金融管理學會的特許財富管理師。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

MA Ching Nam (馬清楠), aged 64, was appointed as our independent non-executive Director on 19 February 2016. Mr. Ma is also a member of each of the Audit Committee and the Remuneration Committee. Mr. Ma has been practising law for over 35 years. He was admitted as a solicitor in England and Wales, Hong Kong, Australia and Singapore. He currently serves as senior partner of Hastings & Co, Solicitors & Notaries, a law firm in Hong Kong. Mr. Ma is also a Notary Public, China Appointed Attesting Officer and Civil Celebrant. He was the president of the Hong Kong Society of Notaries from 2007 to 2013.

Mr. Ma currently serves as directors of Tai Sang Bank Limited, Heptacontinental group of companies, Ma Kam Ming Company Limited and Ma's Enterprises Company Limited. He is also an independent non-executive director of Time Watch Investments Limited which was listed on the Main Board of the Stock Exchange (Stock Code: 2033). Mr. Ma has also been a director and Vice Chairman of Po Leung Kuk since 2009 and 2014 respectively.

Mr. Ma is also a member of the Hospital Governing Committee of Grantham Hospital in Hong Kong, a member of the Standing Committee on Language Education and Research (SCOLAR) in Hong Kong, and a council member of Hong Kong St. John Ambulance. He has been appointed as a member of Political and Consultative Conference in Hunan Province, PRC. He was also the past Chairman of St. Paul's Co-educational College Alumni Association. Mr. Ma graduated from the University of Hull with a bachelor of science degree in economics with honours in 1970's.

獨立非執行董事

馬清楠，64歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。馬先生亦為審核委員會及薪酬委員會成員。馬先生從事律師執業超過35年。彼為英格蘭及威爾斯、香港、澳洲及新加坡的認可事務律師。彼現為香港律師事務所希仕廷律師行（律師及公證人）的高級合夥人。馬先生亦為公證人、中國委託公證人及婚姻監禮人。彼於二零零七年至二零一三年間為香港國際公證人協會會長。

馬先生現時擔任大生銀行有限公司、七洲集團公司、馬錦明有限公司及馬氏企業有限公司的董事。彼亦為時計寶投資有限公司（一家聯交所主板上市公司，股份代號：2033）的獨立非執行董事。馬先生自二零零九年及二零一四年起分別擔任保良局的總理及副主席。

馬先生亦為香港葛量洪醫院管治委員會成員、香港語文教育及研究常務委員會（語常會）委員及香港聖約翰救護機構理事會委員。彼獲委任為中國湖南省政治協商會議委員會委員。彼亦為聖保羅男女中學校友會前任主席。馬先生於70年代畢業於赫爾大學，獲得經濟學理學學士榮譽學位。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

YU Ka Fai Alexis (余嘉輝), aged 55, was appointed as our independent non-executive Director on 19 February 2016. Dr. Yu is also a member of each of the Audit Committee and the Nomination Committee, as well as the chairman of the Remuneration Committee.

Dr. Yu has over 31 years of experience in medicine as a doctor, and 23 years of experience in ophthalmology. Prior to joining our Group, he has been the director of Eye Point Company Limited, Hong Kong Eye Surgery Centre and Hong Kong Eye Consultants Limited since June 2011, June 2006 and January 2001 respectively. From March 2001 to January 2008, he served as an eye consultant at Hong Kong Adventist Hospital Eye Centre, where he was primarily responsible for treating patients with eye diseases. Dr. Yu was employed by the Hospital Authority of Hong Kong from July 1986 to July 2001, during which he was primarily responsible for treating patients with eye diseases. In particular, he served as a senior medical officer of Tung Wah Hospital in Hong Kong from November 1994 to July 2001, as a senior medical officer of Caritas Medical Centre in Hong Kong from January 1994 to November 1994, as a senior medical officer of Hong Kong Eye Hospital from January 1993 to December 1993, as a medical officer, and subsequently a senior medical officer, of the Hong Kong Government from July 1986 to December 1992.

Dr. Yu graduated from the University of Hong Kong with a bachelor of medicine and a bachelor of surgery in November 1985. He obtained a diploma in ophthalmology from the Royal College of Physicians of Ireland and the Royal College of Surgeons in Ireland in September 1990. He then obtained fellowships from the Royal College of Surgeons of Edinburgh, Scotland, the College of Ophthalmologists, the United Kingdom, the College of Surgeons of Hong Kong, the Hong Kong Academy of Medicine and the College of Ophthalmologists of Hong Kong in November 1990, December 1990, March 1993, December 1993, and March 1996, respectively.

LOOK Andrew (陸東), aged 53, was appointed as our independent non-executive Director on 19 February 2016. Mr. Look is also a member of each of the Nomination Committee and the Remuneration Committee, as well as the chairman of the Audit Committee.

余嘉輝，55歲，於二零一六年二月十九日獲委任為獨立非執行董事。余博士亦為審核委員及提名委員會的成員，並為薪酬委員會的主席。

余醫生於醫學界擁有逾31年經驗，並於眼科學擁有23年經驗。於加入本集團之前，彼自二零一一年六月、二零零六年六月及二零零一年一月起分別擔任Eye Point Company Limited、香港眼科手術中心及香港眼科顧問中心有限公司的董事。彼於二零零一年三月至二零零八年一月期間於香港安醫院眼科中心任職眼科顧問，主要負責治療眼疾患者。余醫生於一九八六年七月至二零零一年七月獲香港醫院管理局聘用，期間彼主要負責治療眼疾病人。尤其是，彼於一九九四年十一月至二零零一年七月於香港東華醫院任職高級醫生，於一九九四年一月至一九九四年十一月於香港明愛醫院任職高級醫生，於一九九三年一月至一九九三年十二月於香港眼科醫院任職高級醫生，並於一九八六年七月至一九九二年十二月於香港政府先任職醫生，其後任職高級醫生。

余醫生於一九八五年十一月畢業於香港大學，取得內外全科醫學士學位。彼於一九九零年九月於愛爾蘭皇家內科醫學院及愛爾蘭皇家外科醫學院取得眼科文憑。彼繼而分別於一九九零年十一月、一九九零年十二月、一九九三年三月、一九九三年十二月及一九九六年三月取得蘇格蘭愛丁堡皇家外科醫學院、英國皇家眼科醫學院、香港外科醫學院、香港醫學專科學院及香港眼科醫學院的院士資格。

陸東，53歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。陸先生亦為提名委員及薪酬委員會的成員，並為審核委員會的主席。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

Professional History

Andrew Look is now Chief Investment Officer of China Hong Kong Link Asset Management Limited and he is also Independent Non-executive Director of five Hong Kong listed companies.

He is also the founder of Look's Asset Management Limited; a Hong Kong based asset management company licensed by the SFC. Andrew was the Head of Hong Kong Research, strategy and product of UBS until August 2008. He joined UBS in June 2000 after spending 15 years in the banking, property development and fund management industries.

Prior to joining UBS, Andrew was the Regional Director of PPM Worldwide, the fund management arm of the Prudential Corporation of the United Kingdom, where he managed pension and life insurance funds investing in Asia ex-Japan markets.

Andrew was rated best Hong Kong strategist and best analyst by Asiamoney in 2001, 2002, 2003, 2005, 2006, 2007. UBS Hong Kong Research Team was rated best Hong Kong Research by Institutional Investors in 2002, 2003, 2004 and 2005.

Andrew has over 30 years experience in the equity investment analysis of Hong Kong/China stocks on both buy and sell side, based in Hong Kong. He is one of Hong Kong's most experienced sell side analysts.

Andrew also published two books (2009 and 2011) in Hong Kong and were both best selling non-fiction of the respective years.

Education

Andrew holds a Bachelor of Commerce degree from the University of Toronto.

工作經歷

陸東現時為中港通資產管理有限公司首席投資總監，亦為五間香港上市公司的獨立非執行董事。

彼亦為一間獲香港證監會發牌的香港資產管理公司陸東資產管理有限公司之創辦人。陸東於二零零八年八月前擔任瑞銀集團的香港研究、策略及產品部主管。於二零零零年六月加入瑞銀集團前，彼於銀行、物業發展及資金管理從業15年。

於加入瑞銀集團前，陸東擔任英國保誠集團的基金管理公司PPM Worldwide的區域總監，負責管理投資於亞洲(日本除外)市場的退休金及人壽保險基金。

陸東於二零零一年、二零零二年、二零零三年、二零零五年、二零零六年、二零零七年獲Asiamoney評選為香港最佳策略員及最佳分析師。瑞銀香港研究團隊於二零零二年、二零零三年、二零零四年及二零零五年獲機構投資者評選為最佳香港研究團隊。

陸東於香港在香港／中國股票買賣方的股權投資分析方面擁有逾30年經驗。彼為香港最有經驗的賣方分析師之一。

陸東亦於二零零九年及二零一一年在香港出版了兩本書，均為各年的非小說類暢銷書。

教育

陸東持有多倫多大學商科學士學位。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



**Independent auditor's report to the shareholders of
Union Medical Healthcare Limited**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Union Medical Healthcare Limited (the "Company") and its subsidiaries (the "Group") set out on pages 88 to 195, which comprise the consolidated statement of financial position as at 31 March 2017, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, 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.

獨立核數師報告
致香港醫思醫療集團有限公司股東
(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第88至195頁的香港醫思醫療集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一七年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.

Revenue recognition: Provision of services

Refer to notes 5 and 24 to the consolidated financial statements and the accounting policies in note 3.1.

The Key Audit Matter

關鍵審計事項

Revenue mainly comprises income from the provision of medical, quasi-medical and traditional beauty services.

收入主要包括提供醫療、準醫療及傳統美容服務的收入。

Revenue is recognised when the related treatments are provided to customers.

收入於相關療程提供予客戶時確認。

All of the Group's services are sold on a prepaid basis. Payments received for prepaid packages are initially recorded as deferred revenue in the consolidated statement of financial position at the time of receipt. The service period for a prepaid package is generally one year.

貴集團的所有服務均按預付基準出售。已收的預付套票款項於收到時初步於綜合財務狀況表入賬作遞延收入。預付套票的服務期一般為一年。

Prepaid packages are non-refundable and customers may not utilise all of their contracted rights within the service period. Such unutilised treatments are referred to as "breakage". An expected amount of breakage is estimated by management based on historical experience and is recognised as revenue in proportion to the pattern of treatments provided to customers.

預付套票不可退還及客戶於服務期內可能不使用其全部合約權利。相關未使用的療程入賬作「未使用的權利」。預期未使用的權利金額由管理層根據過往經驗估計及並按客戶所使用服務療程的模式的比例確認為收入。

Any residual deferred revenue at the end of the contractual service period is fully recognised in profit or loss.

於合約服務期末的任何剩餘遞延收入於損益內悉數確認。

關鍵審計事項

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

收入確認：提供服務

請參閱綜合財務報表附註5及24以及附註3.1的會計政策。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the recognition of revenue from the provision of services during the year included the following:

我們的審計程序是評估年內服務收入確認，包括如下事項：

- assessing the design, implementation and operating effectiveness of management's key internal controls over revenue recognition;
- 評估管理層對收入確認的主要內部控制的設計、實施及營運上的成效；
- inspecting, on a sample basis, sales contracts and evaluating management's accounting treatment for the recognition of revenue with reference to the terms set out in the sales contracts and the requirements of the prevailing accounting standards;
- 參考銷售合約所載的條款及現行會計準則的規定，抽樣查驗銷售合約及評估管理層對收入確認的會計處理；
- inspecting, on a sample basis, cash receipts from customers during the year and comparing such receipts with relevant details in sales contracts entered into during the year;
- 抽樣查驗年內來自客戶的現金收款，並將該等收款與年內訂立的銷售合約的相關詳情作比較；
- comparing, on a sample basis, customers' signed acceptance of treatments provided with the customers' utilisation records;
- 抽樣比較客戶對所提供療程的簽字接納與客戶使用記錄；

The Key Audit Matter**關鍵審計事項**

We identified recognition of revenue from the provision of services as a key audit matter because (1) revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets; and (2) the estimation of the utilisation pattern of treatments is inherently subjective and requires significant judgement and estimation which increase the risk of error or potential management bias.

我們將服務收入確認為關鍵審計事項，乃因(1)收入是貴集團關鍵表現指標之一，因此一項固有風險是管理層編纂收入確認的時間以達到特定目的；及(2)療程使用模式的估計本質上有主觀性及需要進行重大判斷及估計，這增加了錯誤或潛在管理層偏見的風險。

How the matter was addressed in our audit**我們的審計如何處理該事項**

- recalculating, on a sample basis, the revenue recognised for treatments provided during the year with reference to the terms as set out in the sales contracts;
- 參考銷售合約所載的條款，抽樣重估年內所提供療程的確認收入；
- analysing the Group's historical data for utilisation of prepaid packages and the current year's revenue recognised for treatments provided to determine an expectation of the breakage amount for the current year; comparing our expectation with the actual figures recorded by the Group and investigating unusual items or trends and assessing whether or not there was an indication of management bias;
- 就預付套票使用情況及本年度所提供療程的確認收入分析貴集團的過往數據，以釐定本年度未使用的權利金額的預期情況；將我們的預期情況與貴集團記錄的實際數字作比較，並調查異常項目或趨勢及評估是否有管理層偏見的跡象；
- assessing, on a sample basis, whether residual deferred revenue had been recognised in profit or loss at the end of the contractual service period; and
- 抽樣評估剩餘遞延收入是否於合約服務期末於損益內確認；及
- inspecting underlying documentation for journal entries relating to revenue and deferred revenue which were considered to be material or met other specified risk-based criteria.
- 查驗收入及遞延收入有關且屬重大或符合其他特定風險條件的入賬紀錄的相關文件。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Accounting for acquisitions

Refer to notes 16 and 30 to the consolidated financial statements and the accounting policies in note 3.1.

The Key Audit Matter

關鍵審計事項

During the year ended 31 March 2017, the Group completed several acquisitions for an aggregate consideration of HK\$65 million. Further details are set out in notes 16 and 30 to the consolidated financial statements.

截至二零一七年三月三十一日止年度內，貴集團完成總代價65百萬港元的若干收購事項。更多詳情載於綜合財務報表附註16及30。

Goodwill arising from these acquisitions amounted to HK\$34 million, which represented the excess of the consideration paid over the Group's share of the fair value of the identifiable net assets of the acquired entities.

因該等收購事項帶來的商譽達34百萬港元，乃指已付代價超出貴集團所佔已購實體可識別資產淨值的公平值的部分。

The fair values of the identifiable assets and liabilities acquired in these transactions were assessed by the directors based on independent valuations prepared by a firm of external valuers which required the exercise of significant judgement and estimation, particularly in relation to the forecast of future performance of the entities acquired.

該等交易中已購可識別資產及負債的公平值由董事根據外聘估值師編製的獨立估值進行評估，這需要進行重大判斷及估計，尤其是有關已購實體的未來表現預測方面。

We identified the accounting for acquisitions as a key audit matter because of the significant impact the acquisitions have on the consolidated financial statements and because assessing the fair values of the assets and liabilities acquired can be inherently subjective and requires significant judgement and estimation which increase the risk of error or potential management bias.

我們將收購事項的會計處理定為一項關鍵審計事項，乃因收購事項對綜合財務報表的重大影響及因為已購資產及負債公平值的評估本質上有主觀性及需要進行重大判斷及估計，這增加了錯誤或潛在管理層偏見的風險。

收購事項的會計處理

請參閱綜合財務報表附註16及30以及附註3.1的會計政策。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the accounting for acquisitions included the following:

我們的審計程序是評估收購事項的會計處理，包括如下事項：

- inspecting the sale and purchase agreements and evaluating management's accounting treatment for the acquisitions with reference to the terms set out in the sale and purchase agreements and the requirements of the prevailing accounting standards;
- 查驗買賣協議，並參考買賣協議所載的條款及現行會計準則的規定評估管理層對收購事項的會計處理；
- obtaining and inspecting the valuation assessments prepared by the external valuers engaged by the directors and on which the directors' assessment of the fair values of the assets and liabilities acquired was based and assessing whether or not there was indication of management bias;
- 取得並查驗由董事所聘外聘估值師編製的價值評估，董事基於該份價值評估，估算已購資產及負債的公平值，並評估是否有管理層偏見跡象；
- assessing the external valuers' qualifications, experience and expertise in the assets being valued and considering their objectivity and independence;
- 評估外聘估值師的資格、經驗及對所評估資產的知識，並考慮其客觀性及獨立性；

The Key Audit Matter**關鍵審計事項****How the matter was addressed in our audit****我們的審計如何處理該事項**

- with the assistance of our internal valuation specialists, discussing with the external valuers, without the presence of management, the valuation methodologies adopted in assessing the fair values of the assets and liabilities acquired, including intangible assets, and challenging the assumptions and critical judgements which impacted their valuation by comparing these assumptions and critical judgements with market data, our past experience of similar transactions and the Group's business plan supporting the acquisitions;
- 在我們的內部估值專家的協助下，與外聘估值師討論（在管理層不在場的情況下）在已購資產（包括無形資產）及負債公平值評估方面所採納的估值方法。通過將影響其估值的假設及重大判斷與市場數據、我們在類似交易方面的過往經驗及貴集團是次收購事項的業務計劃進行對比，質詢該等假設及重大判斷；
- with the assistance of our internal valuation specialists, assessing the valuation methodologies adopted by the external valuers with reference to industry standards and the requirements of the prevailing accounting standards;
- 在我們的內部估值專家的協助下，參考行業標準及現行會計準則的規定，評估外聘核數師的估值方法；
- evaluating management's assessment of the estimated useful life of a trademark with reference to future operating plans and our knowledge of the beauty industry; and
- 參考未來經營計劃及根據我們對美容行業的了解，評估管理層有關商標估計可用年限的評估；及
- assessing the disclosures in the consolidated financial statements in respect of the acquisitions with reference to the requirements of the prevailing accounting standards.
- 參考現行會計準則的規定，評估綜合財務報表內有關收購事項的披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all 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.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

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

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Responsibilities of the 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 Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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. This report is made 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.

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審計委員會協助董事履行監督 貴集團的財務報告過程的責任。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

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 Wong Sau Ling.

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人是王秀玲。

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 June 2017

畢馬威會計師事務所

執業會計師
香港中環
遮打道十號
太子大廈八樓

二零一七年六月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

| | | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|------------------------------------|--------------|-------------|-----------------------------|-----------------------------|
| REVENUE | 收入 | 5 | 964,927,119 | 704,937,348 |
| Other net income and gains | 其他收益及收入淨額 | 6 | 27,484,976 | 3,671,483 |
| Cost of inventories | 存貨成本 | | (130,478,323) | (70,687,271) |
| Registered practitioner expenses | 註冊醫生開支 | | (77,483,595) | (52,774,291) |
| Employee benefit expenses | 僱員福利開支 | | (277,865,036) | (192,360,798) |
| Marketing and advertising expenses | 市場推廣及廣告開支 | | (68,460,929) | (38,018,257) |
| Rental and related expenses | 租金及相關開支 | | (88,818,003) | (62,165,511) |
| Credit card expenses | 信用卡開支 | | (29,723,676) | (22,995,785) |
| Depreciation | 折舊 | | (27,465,740) | (24,068,889) |
| Finance costs | 財務成本 | 7 | (338,449) | (411,762) |
| Listing expenses | 上市開支 | | – | (34,185,568) |
| Other expenses | 其他開支 | | (47,138,253) | (26,532,909) |
| Share of loss of joint venture | 分佔合營企業虧損 | | (31,909) | – |
| PROFIT BEFORE TAX | 除稅前溢利 | 8 | 244,608,182 | 184,407,790 |
| Income tax | 所得稅 | 11 | (41,111,965) | (35,099,392) |
| PROFIT FOR THE YEAR | 年內溢利 | | 203,496,217 | 149,308,398 |
| Attributable to: | 以下各項應佔： | | | |
| Equity shareholders of the Company | 本公司權益股東 | | 200,702,539 | 148,663,969 |
| Non-controlling interests | 非控股權益 | | 2,793,678 | 644,429 |
| | | | 203,496,217 | 149,308,398 |
| EARNINGS PER SHARE | 每股盈利 | 12 | | |
| Basic | 基本 | | 0.21 | 0.20 |
| Diluted | 攤薄 | | 0.21 | 0.20 |

The notes on pages 88 to 195 form part of these financial statements. Details of dividends payable to ordinary equity shareholders of the Company attributable to the profit for the year are set out in note 27(b).

第88至第195頁的附註構成此等財務報表的一部分。應付本公司普通權益股東之股息應佔年內溢利之詳情載於附註27(b)。

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 March 2017 截至二零一七年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|-------------------------------------|-----------------------------|-----------------------------|
| PROFIT FOR THE YEAR | 年內溢利 | 203,496,217 | 149,308,398 |
| Other comprehensive income for the year (after tax and reclassification adjustments) | 年內其他全面收益 (扣除稅項及 重新分類調整後) | | |
| Item that may be reclassified subsequently to profit or loss: | 其後可重新分類至 損益的項目： | | |
| Exchange differences on translation of financial statements of subsidiaries outside Hong Kong, net of HK\$Nil tax | 換算香港境外附屬公司 財務報表的匯兌差額， 扣除零港元稅項 | 27,716 | 11,633 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 年內全面收益總額 | 203,523,933 | 149,320,031 |
| Attributable to: | 以下各項應佔： | | |
| Equity shareholders of the Company | 本公司權益股東 | 200,730,255 | 148,675,602 |
| Non-controlling interests | 非控股權益 | 2,793,678 | 644,429 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 年內全面收益總額 | 203,523,933 | 149,320,031 |

The notes on pages 88 to 195 form part of these financial statements.

第88至第195頁的附註構成此等財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017 於二零一七年三月三十一日

(Expressed in Hong Kong dollars) (以港元列示)

| | | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|------------------|-------------|-----------------------------|-----------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 13 | 70,178,513 | 59,155,532 |
| Goodwill | 商譽 | 14 | 36,657,111 | 3,421,318 |
| Intangible assets | 無形資產 | 15 | 35,906,450 | 1,311,093 |
| Interest in joint venture | 於合營企業的權益 | 16 | 25,122,091 | – |
| Rental and other deposits | 租賃及其他按金 | 19 | 23,589,387 | 22,017,893 |
| Prepayments | 預付款項 | 19 | 7,884,968 | – |
| Deferred tax assets | 遞延稅項資產 | 25(b) | 1,461,626 | 637,917 |
| Total non-current assets | 非流動資產總值 | | 200,800,146 | 86,543,753 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 17 | 19,116,280 | 17,883,209 |
| Trade receivables | 貿易應收款項 | 18 | 52,142,746 | 32,484,344 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 19 | 60,729,829 | 42,344,444 |
| Deferred cost | 遞延成本 | 5 | 5,361,965 | – |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | 20 | 499,745,689 | 103,516,892 |
| Current tax recoverable | 可收回即期稅項 | 25(a) | – | 16,072,807 |
| Pledged time deposits | 已抵押定期存款 | 21 | 2,000,000 | 2,000,000 |
| Time deposits with original maturity over 3 months | 原到期日超過3個月的定期存款 | 21 | 158,712,370 | 500,000,000 |
| Cash and cash equivalents | 現金及現金等價物 | 21 | 200,644,165 | 354,717,582 |
| Total current assets | 流動資產總值 | | 998,453,044 | 1,069,019,278 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade payables | 貿易應付款項 | 22 | 6,468,211 | 5,214,323 |
| Other payables and accruals | 其他應付款項及應計費用 | 23 | 54,927,417 | 96,694,780 |
| Obligations under finance lease | 融資租賃承擔 | 26 | 342,714 | – |
| Deferred revenue | 遞延收入 | 24 | 327,894,405 | 312,891,746 |
| Current tax payable | 應付即期稅項 | 25(a) | 11,428,555 | 6,235,989 |
| Total current liabilities | 流動負債總額 | | 401,061,302 | 421,036,838 |
| NET CURRENT ASSETS | 流動資產淨額 | | 597,391,742 | 647,982,440 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | | 798,191,888 | 734,526,193 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017 於二零一七年三月三十一日

(Expressed in Hong Kong dollars) (以港元列示)

| | | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|--|----------------------|-------------|-----------------------------|-----------------------------|
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Deferred tax liabilities | 遞延稅項負債 | 25(b) | 3,107,841 | 139,109 |
| Obligations under finance lease | 融資租賃承擔 | 26 | 581,724 | – |
| Provision for reinstatement costs | 重置成本撥備 | 23 | 4,650,000 | 3,110,000 |
| Total non-current liabilities | 非流動負債總額 | | 8,339,565 | 3,249,109 |
| NET ASSETS | 資產淨額 | | 789,852,323 | 731,277,084 |
| CAPITAL AND RESERVES | 資本及儲備 | | | |
| Share capital | 股本 | 27(c) | 9,808 | 9,800 |
| Reserves | 儲備 | | 778,450,348 | 731,360,424 |
| Total equity attributable to equity shareholders of the Company | 本公司權益股東應佔權益總額 | | 778,460,156 | 731,370,224 |
| Non-controlling interests | 非控股權益 | | 11,392,167 | (93,140) |
| TOTAL EQUITY | 權益總額 | | 789,852,323 | 731,277,084 |

Approved and authorised for issue by the board of directors on 28 June 2017

於二零一七年六月二十八日獲董事會批准及授權刊發

Lee Gabriel

李嘉豪

Director

董事

Yeung Chin Wan

楊展昀

Director

董事

The notes on pages 88 to 195 form part of these financial statements.

第88至第195頁的附註構成此等財務報表的一部分。

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

| Share capital | Share held for | Employee | Merger reserve | Exchange reserve | Retained profits | Total | Non-controlling interests | Total equity | |
|-----------------|-----------------|------------------|------------------|-------------------|------------------|---------------|---------------------------|--------------|---------------|
| | share award | share-based | | | | | | | |
| | Share premium | compensation | | | | | | | |
| | reserve | reserve | | | | | | | |
| (note 27(d)(i)) | (note 27(d)(v)) | (note 27(d)(vi)) | (note 27(d)(ii)) | (note 27(d)(iii)) | | | | | |
| | 就股份獎勵計劃儲備 | 以股份支付的僱員酬金 | | | | | | | |
| 股本 | 股份溢價 | 持有之股份 | 儲備 | 兼併儲備 | 匯兌儲備 | 保留溢利 | 總計 | 非控股權益 | 權益總額 |
| HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| - | - | - | - | 19,608 | - | 3,671,822 | 3,691,430 | (737,569) | 2,953,861 |
| - | - | - | - | - | - | 148,663,969 | 148,663,969 | 644,429 | 149,308,398 |
| - | - | - | - | - | 11,633 | - | 11,633 | - | 11,633 |
| - | - | - | - | - | 11,633 | 148,663,969 | 148,675,602 | 644,429 | 149,320,031 |
| 11,000 | - | - | - | - | - | - | 11,000 | - | 11,000 |
| (3,650) | - | - | - | - | - | - | (3,650) | - | (3,650) |
| - | - | - | - | - | - | (124,441,636) | (124,441,636) | - | (124,441,636) |
| 2,450 | 703,435,028 | - | - | - | - | - | 703,437,478 | - | 703,437,478 |
| 9,800 | 703,435,028 | - | - | 19,608 | 11,633 | 27,894,155 | 731,370,224 | (93,140) | 731,277,084 |
| 9,800 | 703,435,028 | - | - | 19,608 | 11,633 | 27,894,155 | 731,370,224 | (93,140) | 731,277,084 |
| - | - | - | - | - | - | 11,538,073 | 11,538,073 | - | 11,538,073 |
| 9,800 | 703,435,028 | - | - | 19,608 | 11,633 | 39,432,228 | 742,908,297 | (93,140) | 742,815,157 |
| - | - | - | - | - | - | 200,702,539 | 200,702,539 | 2,793,678 | 203,496,217 |
| - | - | - | - | - | 27,716 | - | 27,716 | - | 27,716 |
| - | - | - | - | - | 27,716 | 200,702,539 | 200,730,255 | 2,793,678 | 203,523,933 |
| 8 | 2,250,361 | - | - | - | - | - | 2,250,369 | - | 2,250,369 |
| - | - | - | - | - | - | - | - | 8,691,629 | 8,691,629 |
| - | - | (92,162,744) | - | - | - | - | (92,162,744) | - | (92,162,744) |
| - | - | - | 14,859,281 | - | - | - | 14,859,281 | - | 14,859,281 |
| - | - | 11,464,621 | (12,083,180) | - | - | 618,559 | - | - | - |
| - | - | - | - | - | - | (90,125,302) | (90,125,302) | - | (90,125,302) |
| 9,808 | 705,685,389 | (80,698,123) | 2,776,101 | 19,608 | 39,349 | 150,628,024 | 778,460,156 | 11,392,167 | 789,852,323 |

第88至第195頁的附註構成此等財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

| | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|--|------------------------------|-----------------------------|-----------------------------|
| OPERATING ACTIVITIES | 經營活動 | | |
| Profit before tax | 除稅前溢利 | 244,608,182 | 184,407,790 |
| Adjustments for: | 調整： | | |
| Interest on bank borrowings and overdraft | 銀行借款及透支利息 | 7 | 544 |
| Finance charges on obligations under finance lease | 融資租賃承擔之融資開支 | 7 | 1,165 |
| Imputed interest expense/(income) on non-current rental deposits, net | 非即期租賃按金的估算利息開支／(收入)淨額 | 6,7 | (166,194) |
| Bank interest income | 銀行利息收入 | 6 | (305,454) |
| Interest income from listed debt investments and certificate of deposits | 上市債務投資及存款證的利息收入 | 6 | (1,014,988) |
| Write back on provision for settlement of tax audit | 撥回稅項審核結算撥備 | 6 | (11,379,562) |
| Depreciation | 折舊 | 8 | 27,465,740 |
| Impairment of goodwill | 商譽減值 | 8 | 282,940 |
| Amortisation of intangible assets | 無形資產攤銷 | 8 | 1,708,016 |
| Share of loss of joint venture | 分佔合營企業虧損 | | 31,909 |
| Equity-settled share-based payment expense | 以權益結算以股份為基礎之付款開支 | 8 | 14,859,281 |
| Loss on disposals and write-off of property, plant and equipment | 出售及撇銷物業、廠房及設備的虧損 | 8 | 1,404,863 |
| Unrealised fair value gains on financial assets at fair value through profit or loss, net | 按公平值計入損益的金融資產的未變現公平值損益淨額 | 6 | (183,225) |
| Realised (gains)/losses on disposals of financial assets at fair value through profit or loss, net | 出售按公平值計入損益的金融資產的已變現(收入)／虧損淨額 | 6 | (1,095,488) |
| Foreign exchange differences | 外匯差額 | | 450,193 |
| | | 273,640,371 | 209,686,596 |
| Increase in inventories | 存貨增加 | (826,047) | (4,212,048) |
| Increase in trade receivables | 貿易應收款項增加 | (18,469,235) | (10,360,563) |
| Increase in prepayments, deposits and other receivables | 預付款項、按金及其他應收款項增加 | (12,220,789) | (8,606,372) |
| Increase in deferred cost | 遞延成本增加 | (1,826,034) | — |
| Increase in trade payables | 貿易應付款項增加 | 1,138,839 | 1,284,525 |
| (Decrease)/increase in other payables and accruals | 其他應付款項及應計費用(減少)／增加 | (37,265,669) | 10,613,868 |
| Increase/(decrease) in deferred revenue | 遞延收入增加／(減少) | 9,012,855 | (34,576,130) |
| Cash generated from operations | 經營產生的現金 | 213,184,291 | 163,829,876 |
| Hong Kong Profits Tax paid | 已付香港利得稅 | (32,651,028) | (87,256,891) |
| Tax paid outside Hong Kong | 已付香港境外稅項 | (552,753) | (376,773) |
| Net cash generated from operating activities | 經營活動所得現金淨額 | 179,980,510 | 76,196,212 |

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

(Expressed in Hong Kong dollars) (以港元列示)

| | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|---------------------------|-----------------------------|-----------------------------|
| INVESTING ACTIVITIES | 投資活動 | | |
| Bank interest received | 已收銀行利息 | 2,820,796 | 129,020 |
| Purchases of financial assets designated as financial assets at fair value through profit or loss | 購買指定為按公平值計入損益的金融資產 | (798,943,678) | (153,585,666) |
| Purchase of intangible assets | 購買無形資產 | (19,164,000) | (354,000) |
| Proceeds from disposals of financial assets/liabilities at fair value through profit or loss | 出售指定為按公平值計入損益的金融資產／負債所得款項 | 403,993,594 | 76,779,477 |
| Interest income from listed debt investments and certificate of deposits | 上市債務投資及存款證的利息收入 | 1,701,330 | 1,014,988 |
| Acquisition of businesses, net | 收購業務淨額 | (28,493,626) | (719,979) |
| Acquisition of joint venture | 收購合營企業 | (25,154,000) | — |
| Decrease/(increase) in time deposits with original maturity over 3 months | 原到期日超過三個月的定期存款減少／(增加) | 341,287,630 | (500,000,000) |
| Purchases of property, plant and equipment | 購買物業、廠房及設備 | (31,260,174) | (28,207,605) |
| Net cash used in investing activities | 投資活動所用現金淨額 | (153,212,128) | (604,943,765) |
| FINANCING ACTIVITIES | 融資活動 | | |
| Interest paid | 已付利息 | — | (544) |
| Finance charges on obligation under finance lease | 融資租賃承擔之融資開支 | (1,165) | — |
| Payment for share issuance expenses | 支付股份發行開支 | — | (25,249,437) |
| Proceeds from issuance of share capital before initial public offering | 於首次公開發售前發行股本的所得款項 | — | 11,000 |
| Payment for repurchase of shares | 購回股份的付款 | — | (3,650) |
| Dividend paid | 派付股息 | (90,125,302) | (60,000,000) |
| Proceeds from shares issued under initial public offering | 根據首次公開發售發行股份的所得款項 | — | 742,350,000 |
| Capital element of finance lease | 融資租賃之資本部分 | (13,258) | — |
| Issuance of shares | 發行股份 | 2,250,369 | — |
| Change in balance with the Controlling Shareholder | 與控股股東的結餘變動 | — | 96,548,660 |
| Payment for purchase of shares for share award scheme | 關於就股份獎勵計劃購買股份之付款 | (92,162,744) | — |
| Net cash (used in)/generated from financing activities | 融資活動(所用)／所得現金流量淨額 | (180,052,100) | 753,656,029 |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物(減少)／增加淨額 | (153,283,718) | 224,908,476 |
| Cash and cash equivalents at 1 APRIL | 四月一日現金及現金等價物 | 354,717,582 | 129,884,745 |
| Effect of changes in foreign exchange rates | 外匯匯率變動的影響 | (789,699) | (75,639) |
| CASH AND CASH EQUIVALENTS AT 31 MARCH | 三月三十一日的現金及現金等價物 | 200,644,165 | 354,717,582 |

The notes on pages 88 to 195 form part of these financial statements.

第88至第195頁的附註構成此等財務報表的一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Suites 7–9, L21 Langham Place Office Tower, 8 Argyle Street, Mong Kok, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (together referred to as the “Group”) is principally engaged in the provision of medical, quasi-medical, health management and traditional beauty services, the sale of skincare, healthcare and beauty products, and investment holding.

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”).

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 2.3 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 financial statements.

1. 公司資料

本公司是在開曼群島註冊成立的獲豁免有限責任公司。本公司的註冊辦事處位於 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於香港旺角亞皆老街8號朗豪坊辦公大樓21層7–9室。

本公司為投資控股公司。本公司及其附屬公司(統稱為「本集團」)主要從事提供醫療、準醫療、健康管理及傳統美容服務，銷售護膚、保健及美容產品，以及投資控股。

2.1 合規聲明

該等財務報表乃按照所有適用的香港財務報告準則(「香港財務報告準則」)編製。香港財務報告準則包括由香港會計師公會(「香港會計師公會」)頒佈的所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則以及香港公司條例之披露規定。該等財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露條文。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可提早採納的新訂及經修訂香港財務報告準則。附註2.3提供初步應用該等發展所產生的會計政策任何變動，以與該等財務報表所反映本集團本會計期間及過往會計期間有關者為限。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2.2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial information relating to the years ended 31 March 2017 and 2016 included in this preliminary announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements.

The consolidated financial statements for the year ended 31 March 2017 comprise the Group and the Group's interest in joint venture.

The Company was incorporated in the Cayman Islands on 7 July 2015. On 18 September 2015 and as part of the corporate reorganisation, the entire issued share capital of Union (Group) Investment Limited ("UGIL") was transferred to Union Health Services, a wholly-owned subsidiary of the Company, which was in turn controlled by Mr. Tang Chi Fai ("the Controlling Shareholder") ("the Share Transfer"). Upon the completion of the Share Transfer, the Company and Union Health Services became the parent companies of UGIL and its subsidiaries, and the holding companies of the Group.

The companies that took part in the Share Transfer were controlled by the same ultimate equity shareholder before and after the Share Transfer and there were no changes in the business and operations of UGIL and its subsidiaries. The Share Transfer only involved incorporating the Company and Union Health Services with no prior substantive operations as the holding companies of UGIL and the Group. Accordingly, the Share Transfer has been accounted for using a principle similar to that for a reverse acquisition with UGIL treated as the acquirer for accounting purposes. The financial statements have been prepared and presented as a continuation of the consolidated financial statements of UGIL and its subsidiaries, with the assets and liabilities of the Group recognised and measured at their historical carrying amounts prior to the Share Transfer, and as if the group structure upon completion of the Share Transfer had been in existence at the beginning of the comparative period presented.

2.2 財務報表編製基準

本全年業績初步公告所載有關截至二零一七年及二零一六年三月三十一日止年度之財務資料不構成本公司該等年度之法定年度綜合財務報表，但資料數據摘錄自該等財務報表。

截至二零一七年三月三十一日止年度的綜合財務報表包括本集團以及本集團於合營企業的權益。

本公司於二零一五年七月七日在開曼群島註冊成立。於二零一五年九月十八日，作為公司重組的一部分，聯合(集團)投資有限公司(「UGIL」)的全部已發行股本已轉讓至本公司全資附屬公司Union Health Services，而Union Health Services則由鄧志輝先生(「控股股東」)控制(「股份轉讓」)。股份轉讓完成後，本公司及Union Health Services成為UGIL及其附屬公司的母公司，並為本集團的控股公司。

參與股份轉讓的公司於股份轉讓前後由同一最終權益股東控制，UGIL及其附屬公司的業務及經營並無變動。股份轉讓僅涉及併入本公司及Union Health Services，先前無實質業務，而是作為UGIL及本集團的控股公司。因此，股份轉讓已採用與關於UGIL之反向收購類似的原則入賬(就會計而言，UGIL被視為收購方)。財務報表已獲編製並呈列為UGIL及其附屬公司的綜合財務報表續表，本集團的資產及負債乃按其於股份轉讓前的過往賬面值確認及計量，猶如股份轉讓完成時集團架構於所呈列比較期間開始時已存在。

2.2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS *(Continued)*

The measurement basis used in the preparation of the financial statements is the historical cost basis except as otherwise stated in the accounting policies.

The preparation of financial statements in conformity HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 財務報表編製基準(續)

除會計政策另有指明外，編製本財務報表時以歷史成本作為計量基礎。

管理層需於編製符合香港財務報告準則的財務報表時作出對會計政策的應用以及對資產、負債、收入及支出的列報金額造成影響的判斷、估計及假設。該等估計及相關假設乃根據以往經驗及因應當時情況認為合理的各項其他因素而作出，其結果構成於無法從其他途徑下得知資產與負債的賬面值時所作出判斷的基礎。實際結果可能有別於估計金額。

管理層會持續審閱各項估計和相關假設。倘會計估計的修訂僅影響某一期間，其影響便會在該期間內確認；如果該項修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

2.3 CHANGES IN ACCOUNTING POLICIES

Except for the changes below, the Group has consistently applied the accounting policies to all periods presented in the consolidated financial statements.

The Group early adopted HKFRS 15, *Revenue from Contracts with Customers*, with a date of initial application of 1 April 2016. As a result, the Group has changed its accounting policies for revenue recognition and its incremental cost as detailed below.

The Group applied HKFRS 15 using the cumulative effect method – i.e. by recognising the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of equity at 1 April 2016. Therefore, the comparative information has not been restated and continues to be reported under HKAS 18, *Revenue*. The details of the significant changes and quantitative impact of the changes are set out below.

Provision of services

All of the services are sold on a prepaid basis. Payments received for prepaid packages are recorded as deferred revenue in the consolidated statement of financial position at the time of receipt. The service period of a prepaid package is generally one-year.

Revenue from the rendering of services is recognised when the services have been rendered to customers.

Deferred revenue is non-refundable and customers may not utilise all of their contracted rights within the service period.

Previously, any residual deferred revenue at the end of the service period is fully recognised in profit or loss. Under HKFRS 15, such unutilised service treatments are referred to as breakage. An expected breakage amount in deferred revenue is determined by historical experience and is recognised as revenue in proportion to the pattern of service treatments utilised by the customers.

2.3 會計政策變動

除下述變動外，本集團已就綜合財務報表呈列的所有期間貫徹應用會計政策。

本集團提早採納香港財務報告準則第15號「來自客戶合約的收入」，初步應用日期為二零一六年四月一日。因此，本集團如下文所詳述已變更收入確認及增量成本的會計政策。

本集團應用香港財務報告準則第15號並採用累積效應法——即通過確認初步應用香港財務報告準則第15號的累積效應作為對二零一六年四月一日的期初權益結餘的調整。因此，可資比較資料未予重列並繼續根據香港會計準則第18號「收入」報告。重大變動及變動的量化影響詳情載於下文。

提供服務

所有服務按預付基準出售。收到預付套票的付款於收款時記錄為綜合財務狀況表中的遞延收入。預付套票服務期一般為一年。

來自提供服務的收入在服務提供給客戶時確認。

遞延收入不可退還，而客戶在服務期內可能不使用其所有合約權利。

先前，任何剩餘遞延收入悉數於服務期末於損益確認。根據香港財務報告準則第15號，該未使用的服務療程被稱為未使用的權利。遞延收入的預期未使用的權利金額依過往經驗確定，並按客戶所使用服務療程的模式的比例確認為收入。

2.3 CHANGES IN ACCOUNTING POLICIES*(Continued)***Deferred costs**

The incremental costs of obtaining a contract with a customer, which represent sales commissions and bonuses paid or payable to the staff and agencies calculated, are recognised as deferred costs in the consolidated statement of financial position. Such costs are recognised in profit or loss in the period in which the deferred revenue to which they relate is recognised as revenue.

Impacts on financial statements

The following tables summarise the impacts of adopting HKFRS 15 on the Group's consolidated financial statements for the year ended 31 March 2017

i. Consolidated statement of financial position

| 31 March 2017 | 二零一七年三月三十一日 | As reported 如報告 HK\$ 港元 | Adjustments 調整 HK\$ 港元 | Balances without adoption of HKFRS 15 未採納香港 財務報告準則 第15號的結餘 HK\$ 港元 |
|--------------------------|--------------------|--|---|---|
| Deferred cost | 遞延成本 | 5,361,965 | (5,361,965) | – |
| Other | 其他 | 1,193,891,225 | – | 1,193,891,225 |
| Total assets | 總資產 | 1,199,253,190 | (5,361,965) | 1,193,891,225 |
| Deferred revenue | 遞延收入 | 327,894,405 | 31,157,270 | 359,051,675 |
| Current tax payable | 應付即期稅項 | 11,428,555 | (6,025,674) | 5,402,881 |
| Other | 其他 | 70,077,907 | – | 70,077,907 |
| Total liabilities | 總負債 | 409,400,867 | 25,131,596 | 434,532,463 |
| Retained profit | 保留溢利 | 150,628,024 | (30,493,561) | 120,134,463 |
| Other | 其他 | 639,224,299 | – | 639,224,299 |
| Total equity | 總權益 | 789,852,323 | (30,493,561) | 759,358,762 |

2.3 會計政策變動(續)**遞延成本**

取得與客戶之合約的增量成本指所計算支付或應付予員工及代理的銷售佣金及花紅，於綜合財務狀況表確認為遞延成本。該成本在與之相關的遞延收入確認為收入期間於損益確認。

對財務報表的影響

下表概述採納香港財務報告準則第15號對本集團於截至二零一七年三月三十一日止年度綜合財務報表的影響

i. 綜合財務狀況表

Impact of changes in accounting policies
會計政策變動的影響

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2.3 CHANGES IN ACCOUNTING POLICIES (Continued)

Impacts on financial statements (Continued)

- ii. Consolidated statement of profit or loss and other comprehensive income

2.3 會計政策變動(續)

對財務報表的影響(續)

- ii. 綜合損益及其他全面收益表

Impact of changes in accounting policies 會計政策變動的影響

| For the year ended 31 March 2017 | 截至二零一七年 三月三十一日止年度 | As reported 如報告 HK\$ 港元 | Adjustments 調整 HK\$ 港元 | Balances without adoption of HKFRS 15 未採納香港 財務報告準則 第15號的結餘 HK\$ 港元 |
|--|----------------------|----------------------------------|---------------------------------|--|
| Revenue | 收入 | 964,927,119 | (31,157,270) | 933,769,849 |
| Employee benefit expenses | 僱員福利開支 | (277,865,036) | 3,323,422 | (274,541,614) |
| Marketing and advertising expenses | 營銷及廣告開支 | (68,460,929) | (8,685,387) | (77,146,316) |
| Other | 其他 | (373,992,972) | – | (373,992,972) |
| Profit before tax | 除稅前溢利 | 244,608,182 | (36,519,235) | 208,088,947 |
| Income tax | 所得稅 | (41,111,965) | 6,025,674 | (35,086,291) |
| Profit for the year | 年內溢利 | 203,496,217 | (30,493,561) | 173,002,656 |
| Other | 其他 | 27,716 | – | 27,716 |
| Total comprehensive income for the year | 年內全面收益總額 | 203,523,933 | (30,493,561) | 173,030,372 |

2.3 CHANGES IN ACCOUNTING POLICIES (Continued)

Impacts on financial statements (Continued)

iii. Consolidated cash flow statement

2.3 會計政策變動(續)

對財務報表的影響(續)

iii. 綜合現金流量表

Impact of changes in accounting policies 會計政策變動的影響

| For the year ended 31 March 2017 | 截至二零一七年 三月三十一日止年度 | As reported 如報告 HK\$ 港元 | Adjustments 調整 HK\$ 港元 | Balances without adoption of HKFRS 15 未有採納香港 財務報告準則 第15號的結餘 HK\$ 港元 |
|---|----------------------|----------------------------------|---------------------------------|---|
| Profit before tax | 除稅前溢利 | 244,608,182 | (32,983,304) | 211,624,878 |
| Adjustments for: | 就下列各項調整： | | | |
| Changes in: | 變化： | | | |
| — Deferred cost | — 遞延成本 | (1,826,034) | 1,826,034 | — |
| — Deferred revenue | — 遞延收入 | 9,012,855 | 31,157,270 | 40,170,125 |
| — Other | — 其他 | (71,814,493) | — | (71,814,493) |
| Net cash generated from operating activities | 經營活動所得現金淨額 | 179,980,510 | — | 179,980,510 |
| Net cash used in investing activities | 投資活動所用現金淨額 | (153,212,128) | — | (153,212,128) |
| Net cash used in financing activities | 融資活動所用現金淨額 | (180,052,101) | — | (180,052,101) |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

3.1 重大會計政策概要

附屬公司及非控股權益

附屬公司指本集團控制的實體。當本集團通過參與該實體業務從而享有或有權獲取不同回報，及有能力運用其對該實體的權力而影響該等回報時，即對該實體實現控制。當評估本集團是否擁有權力時，僅考慮實質權利（本集團及其他方持有）。

於附屬公司之投資會自控制開始日期起綜合入賬綜合財務報表內，直至控制結束日期為止。集團內公司間之結餘、交易及現金流量以及集團內公司間之交易所產生之任何未變現盈利於編製綜合財務報表時悉數抵銷。倘並無出現耗損跡象，集團內公司間之交易所產生之未變現虧損則按照未變現收入之相同方式抵銷。

非控股權益指並非由本公司直接或間接擁有附屬公司的權益，而本集團並沒有同意與該等權益的持有人訂立任何可導致本集團整體就該等權益而承擔符合金融負債定義的合同義務的額外條款。就每項業務合併而言，本集團可選擇以公平值或非控股權益於附屬公司的可予識別資產淨值的份額以計量非控股權益。

非控股權益與本公司權益股東應佔權益於綜合財務狀況表的權益項目中分別列示。於本集團業績內的非控股權益在綜合損益及其他全面收益表內呈列為於非控股權益與本公司權益股東之間分配年度總利潤或虧損及全面收益總額。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsidiaries and non-controlling interests (Continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses.

Joint ventures

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

3.1 重大會計政策概要(續)

附屬公司及非控股權益(續)

倘本集團於附屬公司的權益變動不會導致喪失控制權，則作為股權交易入賬，而於綜合權益的控股權益及非控股權益將會被調整，以反映其有關權益轉變，惟不會調整商譽及確認盈虧。

當本集團喪失對一間附屬公司之控股權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益中確認。任何在喪失控股權日仍保留該前附屬公司之權益按公平值確認，而此金額被視為初始確認一項金融資產的公平值。

於本公司財務狀況表內，於附屬公司之投資按成本減減值虧損列賬。

合營企業

合營企業為一項安排，據此，本集團或本公司及其他各訂約方訂約同意共同控制安排，並對安排的淨資產享有權利。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint ventures (Continued)

An investment in a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

3.1 重大會計政策概要(續)

合營企業(續)

合營企業投資按權益法於綜合財務報表中入賬。根據權益法，投資初始按成本記錄，就本集團應佔被投資人可識別淨資產的收購日公平值超過投資成本(如有)的部分進行調整。其後，投資就本集團應佔被投資人淨資產及與投資相關的減值虧損的收購後變動進行調整。任何收購日超出成本的部分，本集團應佔被投資人收購後稅後業績及年內減值虧損於綜合損益表中確認，而本集團應佔被投資人其他全面收入的收購後稅後項目於綜合損益及其他全面收益表中確認。

當本集團應佔虧損超出其於合營企業權益時，本集團的權益減少至零及進一步虧損終止確認，除倘本集團產生法律或建設性義務或代表被投資人作出付款則除外。就此而言，本集團的利益為權益法項下的投資的賬面值及本集團的實質性長期利益構成本集團於合營企業的投資淨額。

本集團與其合營企業交易產生的未變現損益以本集團於被投資人的利益為限對銷，除尚未變現虧損提供證據表明已轉讓資產出現減值，在此情況下，彼等即時於損益確認。

倘本集團終止對合營企業的共同控制，其列賬為出售於該被投資人的全部權益，所得收入或虧損於損益確認。於喪失共同控制當日於該前被投資人的保留權益按公平值確認及該金額被視為初步確認金融資產的公平值。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred to the Group, liabilities assumed by the Group to the sellers of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of HKAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRSs. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

3.1 重大會計政策概要(續)

業務合併及商譽

業務合併按收購法列賬。轉讓代價乃按收購日期的公平值計量，該公平值為本集團獲轉讓的資產於收購日期的公平值、本集團對被收購方的賣方承擔的負債及本集團發行以換取被收購方控股權的股本權益的總和。收購相關成本於產生時列為開支。

本集團收購一項業務時會根據合同條款、收購日的經濟狀況及有關條件評估取得的金融資產及承擔的金融負債，以進行適當分類及指定。

倘業務合併為分階段實現，先前持有的股本權益應按收購日的公平值重新計算，產生的任何收入或虧損在損益中確認。

收購方轉讓的任何或然代價將以收購日的公平值確認。倘或然代價被分類為香港會計準則第39號範圍內並屬於金融工具的資產或負債，則按公平值計量，其公平值的後續變化將於損益確認或確認為其他全面收益變動。倘或然代價不在香港會計準則第39號範圍內，則根據適當的香港財務報告準則計量。或然代價如被分類為權益項目，則不再對其重新計量，後續的結算會計入權益中。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

3.1 重大會計政策概要(續)

業務合併及商譽(續)

商譽初始按成本計量，即轉讓代價、確認為非控股權益的金額及本集團此前持有的被收購方股權的公平值之和超出本集團所收購可識別資產淨值及所承擔負債的部分。倘該代價及其他項目之和低於所收購資產淨值的公平值，有關差額在重估後於損益確認為議價收購收入。

初始確認後，商譽按成本減任何累計減值虧損計量。如有任何事件或情況變動表明賬面值可能減值，每年或更頻繁地對商譽進行減值測試。本集團每年於三月三十一日進行減值測試。就減值測試而言，於業務合併時收購的商譽自收購日起分配至預期將從合併的協同效應受益之本集團各現金產生單位或現金產生單位組別，而不論本集團的其他資產或負債是否已被分配至該等單位或單位組別。

減值數額通過評估商譽所屬的現金產生單位(現金產生單位組別)的可收回金額而釐定。倘現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值虧損。就商譽所確認的減值虧損不會於其後期間撥回。

倘商譽被分配至某現金產生單位(或現金產生單位組別)，而該單位內的部分業務被出售，與被出售業務有關的商譽將於釐定出售該業務的收入或虧損時計入該業務賬面值。在此情況下被出售的商譽按被出售業務的相對價值及保留的現金產生單位部分計量。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, and loans and receivables, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value presented as other net income and gains in profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition” below.

3.1 重大會計政策概要(續)

投資及其他金融資產

初始確認及計量

金融資產在初始確認時被分類為按公平值計入損益的金融資產及貸款及應收款項(如適用)。金融資產於初始確認時以公平值加金融資產收購應佔的交易成本計量，惟按公平值計入損益的金融資產除外。

金融資產的所有一般買賣概於交易日(即本集團承諾買賣資產的日期)確認。一般買賣指按照一般市場規定或慣例須在指定期間內交付資產的金融資產買賣。

後續計量

金融資產的後續計量取決於其如下分類：

按公平值計入損益的金融資產

按公平值計入損益的金融資產包括持作買賣金融資產及在初始確認時指定為按公平值計入損益的金融資產。為於短期內出售而購入的金融資產分類為持作買賣金融資產。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣金融資產，除非其被指定為有效對沖工具(定義見香港會計準則第39號)。

按公平值計入損益的金融資產乃以公平值於財務狀況表確認，而公平值變動則在損益表內呈列為其他收益及收入淨額。該等公平值變動淨額並不包括就該等金融資產賺取的任何股息或利息，其根據下文「收入確認」所述政策確認。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

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

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other net income and gains in profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

3.1 重大會計政策概要(續)

投資及其他金融資產(續)

按公平值計入損益的金融資產(續)

於初始確認時指定為按公平值計入損益的金融資產，僅當符合香港會計準則第39號的標準時於初始確認日期指定。

倘主合約的嵌入式衍生工具的經濟特性及風險並非與主合約密切相關，而主合約並非持作買賣用途或指定按以公平值計入損益，則有關嵌入式衍生工具會入賬列作獨立衍生工具並按公平值入賬。該等嵌入式衍生工具以公平值計量，而公平值的變動於損益中確認。

貸款及應收款項

貸款及應收款項屬於非衍生金融資產，有固定或可釐定付款金額且並無活躍市場報價。於初始計量後，此等資產其後以實際利率法按攤銷成本扣除任何減值撥備計量。在計算攤銷成本時已計及任何收購折讓或溢價，包括屬實際利率組成部分的費用或成本。實際利率攤銷乃計入損益的其他收益及收入淨額內。減值所產生虧損在損益中就貸款確認為融資成本及就應收款項確認為其他開支。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.1 重大會計政策概要(續)

終止確認金融資產

金融資產(或(倘適用)一項金融資產的一部分或一組相類似金融資產的一部分)在下列情況下一般將會被終止確認(即從本集團綜合財務狀況表移除):

- 收取該項資產所得現金流量的權利已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或已根據一項「轉付」安排承擔向第三方全數支付(並無出現重大延誤)所收現金流量的責任;且(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產的控制權。

凡本集團已轉讓其收取該項資產所得現金流量的權利或作出一項轉付安排,其會評估是否以及在何種程度上保留資產所有權的風險及回報。如並無轉讓或保留該項資產的絕大部分風險及回報,亦無轉讓該項資產的控制權,則以本集團持續參與該資產的程度為限,本集團繼續確認已轉讓的資產。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按可反映本集團所保留權利及責任的基準計量。

所轉讓資產擔保形式的持續參與,以資產原賬面值與本集團可能須償還的最高代價金額中的較低者計量。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, and financial liabilities at fair value through profit or loss, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Gains or losses on liabilities held for trading are recognised in profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

3.1 重大會計政策概要(續)

金融負債

初始確認及計量

金融負債於初始確認時分類為貸款及借款，及按公平值計入損益的金融負債(如適合)。

所有金融負債初始時均按公平值確認，倘為貸款及借款，則應扣除直接應佔交易成本。

後續計量

金融負債按其分類的後續計量如下：

按公平值計入損益的金融負債

按公平值計入損益的金融負債包括持作買賣金融負債。金融負債如以短期內購回為目的而購入，則分類為持作買賣。此分類包括本集團所訂立的衍生金融工具(並非香港會計準則第39號所界定對沖關係中的對沖工具)。持作買賣負債的收入或虧損於損益確認。於損益確認的公平值收入或虧損淨額不包括就該等金融負債扣除的任何利息。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of each reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

3.1 重大會計政策概要(續)

金融負債(續)

貸款及借款

於初始確認後，計息貸款及借款隨後以實際利率法按攤銷成本計量，除非貼現影響不大，則按成本列賬。在終止確認負債時按實際利率進行攤銷過程中，盈虧在損益內確認。

攤銷成本於計及收購時的任何折讓或溢價以及組成實際利率一部分的費用或成本後計算。實際利率攤銷計入損益內的融資成本內。

財務擔保合約

本集團作出的財務擔保合約即要求發行人作出付款以償付持有人因特定債務人未能根據債務工具的條款償還到期款項而招致損失的合約。財務擔保合約初始按其公平值確認為一項負債，並就作出該擔保直接產生的交易成本作出調整。於初始確認後，本集團按(i)履行各報告期末的現有責任所需開支的最佳估計金額；及(ii)初始確認的金額減(如適用)累計攤銷(以較高者為準)計量財務擔保合約。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Fair value measurement

The Group measures its derivative financial instruments and equity and debt investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3.1 重大會計政策概要(續)

終止確認金融負債

當負債下的責任已履行、取消或屆滿，即會終止確認金融負債。

倘一項現有金融負債被另一項由同一貸款人按條款重大不同的金融負債所取代，或一項現有負債的條款經重大修改，該項取代或修改乃視為終止確認原有負債及確認一項新負債，而各自賬面值的差額則於損益內確認。

公平值計量

本集團於各報告期末按公平值計量其衍生金融工具、股本及債權投資。公平值為市場參與者之間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付的價格。公平值計量乃根據假設出售資產或轉讓負債的交易於該資產或負債的主要市場，或在無主要市場的情況下，則於對該資產或負債最有利的市場進行。主要市場或最有利市場須為本集團可進入的市場。資產或負債的公平值乃採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

非金融資產的公平值計量會計及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將會使用資產最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

本集團採用在各情況下適當的估值技術，而其有足夠資料以計量公平值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | |
|---------|---|
| Level 1 | – based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.1 重大會計政策概要(續)

公平值計量(續)

所有於財務報表中計量或披露公平值的資產及負債，乃按對整體公平值計量而言屬重大的最低層輸入數據分類至下述公平值層次：

- | | |
|-----|---|
| 第一層 | – 基於相同資產或負債於活躍市場的所報價格(未經調整) |
| 第二層 | – 基於估值技術所使用對公平值計量而言屬重大的最低層輸入數據乃為直接或間接觀察所得 |
| 第三層 | – 基於估值技術所使用對公平值計量而言屬重大的最低層輸入數據乃不可觀察 |

就於財務報表按經常基準確認的資產及負債而言，本集團於各報告期末按對整體公平值計量而言屬重大的最低層輸入數據重新評估分類，以釐定各層之間有否出現轉移。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

| | |
|------------------------|---|
| Leasehold improvements | Over the shorter of the lease terms and 25% |
| Furniture and fixtures | 25% |
| Operation equipment | 20% |
| Office equipment | 20% |
| Computers | 20% |
| Motor vehicles | 20% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

3.1 重大會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價以及使該資產達至營運狀況及擬定用途地點的任何直接應佔成本。

物業、廠房及設備項目投入運作後產生的支出，如維修保養等，一般於產生期間的損益中扣除。於符合確認標準後，則主要檢查開支於資產賬面值資本化為重置。當物業、廠房及設備的重大部分需不時更換，本集團會確認該等部分為有明確可使用年期的個別資產，並作出相應折舊。

折舊乃按其估計可使用年期以直線法計算，將物業、廠房及設備各項目的成本撇銷至其剩餘價值。就此所使用的主要年比率如下：

| | |
|--------|----------------------|
| 租賃物業裝修 | 租賃年期或25% (以較短者為準) |
| 傢具及裝置 | 25% |
| 營運設備 | 20% |
| 辦公設備 | 20% |
| 計算機 | 20% |
| 汽車 | 20% |

倘物業、廠房及設備項目的不同部分的可使用年期有別，該項目的成本乃按合理基準分配至不同部分且個別進行折舊。剩餘價值、可使用年期及折舊方法最少須於各財政年度末進行審查及調整(如適用)。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out below.

The principal annual rates used for this purpose are as follows:

| | |
|-----------------|------------|
| Customer lists | 33% |
| Licence | 33% |
| Club membership | Indefinite |
| Trademark | 33% |

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. For an intangible asset with an indefinite useful life, the recoverable amount is estimated annually, whether or not there is any indication of impairment.

3.1 重大會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

一項物業、廠房及設備項目(包括已作初始確認的任何重要部分)於出售或對其使用或出售後估計不會產生經濟利益時，將終止其確認。於資產終止確認的年度因出售或報銷而於損益確認的任何收入或虧損，乃有關資產的出售所得款項淨額與賬面值之間的差額。

無形資產 (商譽除外)

單獨取得的無形資產於初始確認時按成本計量。通過業務合併取得的無形資產的成本為收購日期的公平值。無形資產的可使用年期評定為有限期或無限期。有限期的無形資產隨後按可使用經濟年期攤銷，於有跡象顯示無形資產可能出現減值時須進行減值評估。

無形資產於其被評為具有無限可使用年期時不予攤銷。無形資產是否具有無限可使用年期之結論會每年檢討，以確定事件及情況是否持續支持該項資產具有無限可使用年期之評估。倘有關情況及事件並不持續，則可使用年期評估由無限轉為有限之變動，會自變動當日起按上文所載適用於具有有限可使用年期之無形資產之攤銷政策追溯入賬。

就此採用的主要年率如下：

| | |
|------|-----|
| 客戶名單 | 33% |
| 牌照 | 33% |
| 會所會籍 | 無限 |
| 商標 | 33% |

有限可使用年期的無形資產的攤銷期及攤銷方法至少於各財政年度結算日檢討一次。就具有無限可使用年期的無形資產而言，每年估計可收回金額(不論是否出現減值跡象)。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset. Impairment losses are accounted for in accordance with the accounting policy (see note 3.1 section head "Impairment of financial assets"). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

3.1 重大會計政策概要(續)

租賃資產

倘本集團釐定安排賦予權利於協定期間內使用特定資產或資產作為付款或一連串付款的回報，則包括交易或一連串交易的安排為或包含租賃。該等決定乃根據安排內容的評估作出及不論安排是否採取租約的法定形式。

(i) 向本集團出租的資產分類

對於本集團以租賃持有的資產，如果租賃使所有權的絕大部分風險及回報轉移至本集團，有關的資產便會分類為以融資租賃持有；如果租賃不會使所有權的絕大部分風險及回報轉移至本集團，則分類為經營租賃。

(ii) 以融資租賃購入的資產

如果本集團以融資租賃獲得資產的使用權，便會將相當於租賃資產公平值或最低租賃付款現值（如為較低者）的金額記錄為物業、廠房及設備，而扣除融資費用後的相應負債則列為融資租賃承擔。折舊按在資產的相關租賃期或可用期限（如本集團很可能取得資產的所有權）內撇銷資產成本或估值的比率計提。減值虧損按會計政策入賬（見「金融資產減值」一節附註3.1）。租賃付款內含的融資費用會計入租賃期內的損益，使各會計期間承擔餘額按大致相同的比率支出費用。或有租金在其產生的會計期間計入損益。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leased assets (Continued)

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.1 重大會計政策概要 (續)

租賃資產 (續)

(iii) 經營租賃費用

如果本集團以經營租賃獲得資產的使用權，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額計入損益；但如有其他基準能更清楚地反映租賃資產所產生的收入模式則除外。租賃所涉及的激勵措施均在損益中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期間計入損益。

金融資產減值

本集團於各報告期末評估有否客觀證據表明一項金融資產或一組金融資產出現減值。倘初始確認資產後發生的一宗或多宗事件對該項金融資產或該組金融資產的估計未來現金流量造成影響且有關影響能可靠地估計，則存在減值。減值證據可能包括一名債務人或一組債務人面臨嚴重的財務困難、拖欠或逾期支付利息或本金、可能將破產或進行其他財務重組以及有可觀察數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約有關的經濟狀況。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to profit or loss.

3.1 重大會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先會就個別屬重大的金融資產個別評估是否存在減值，或就個別不屬重大的金融資產共同評估是否存在減值。倘本集團釐定個別評估的金融資產(無論是否屬重大)並無客觀憑證顯示存在減值，則該項資產會歸入一組具有類似信貸風險特徵的金融資產內，並共同評估減值。經個別評估減值並已確認或將繼續確認減值虧損的資產，不會納入共同減值評估內。

已識別的任何減值虧損金額按資產的賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)的現值之間的差額計量。估計未來現金流量的現值按該金融資產的原實際利率(即初始確認時計算的實際利率)貼現。

資產的賬面值透過使用備抵賬目方式來扣減，虧損於損益內確認。利息收入持續按已扣減賬面值累計，並採用計量減值虧損時貼現未來現金流量所使用的利率累計。倘預期貸款及應收款項實際上無法收回且所有抵押品已變現或轉撥至本集團，則貸款及應收款項連同任何相關撥備一併撇銷。

倘於其後期間估計減值虧損金額因確認減值後發生的事件而增加或減少，則透過調整備抵賬目增加或減少先前確認的減值虧損。倘撇銷在其後收回，則有關收回款項計入損益。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

3.1 重大會計政策概要(續)

非金融資產減值

倘若出現任何減值跡象，或當有需要為資產進行每年減值測試，則會估計資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值與其公平值減出售成本之較高者計算，並按個別資產釐定，惟倘有關資產產生的現金流入不能大致獨立於其他資產或組別資產，其可收回金額則按資產所屬的現金產生單位釐定。

僅當資產的賬面值超過可收回金額時，減值虧損方予確認。評估使用價值時會以稅前貼現率將預計未來現金流量貼現至其現值，而該貼現率反映市場現時對貨幣時間價值的評估及該項資產的特有風險。減值虧損於所產生期間在損益中扣除，並列於與該減值資產功能一致的開支類別項下。

於各報告期間末會評定是否有任何跡象顯示之前已確認的減值虧損可能不再存在或已減少。倘出現此跡象，則會估計可收回金額。僅當用以釐定資產可收回金額的估計出現變動，之前確認的資產(商譽除外)減值虧損方可撥回，而撥回金額不得超過假設過往年度並無就資產確認減值虧損而釐定的賬面值(已扣除任何折舊／攤銷)。該減值虧損的撥回於其產生期間計入損益內。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of each reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

3.1 重大會計政策概要(續)

抵銷金融工具

倘有現行可強制執行的法定權利抵銷確認金額及有意按淨額基準結算或同時變現資產與結算負債，則會抵銷金融資產及金融負債及於財務狀況報表內呈報淨額。

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本按先進先出基準釐定。可變現淨值乃根據估計售價減完成及出售將會產生的任何估計成本計算。

撥備

倘由於過往發生的事件引致現有法律或推定責任，而日後可能需要資源流出以履行該責任，則確認撥備，但必須能可靠估計有關責任涉及的金額。

倘貼現的影響重大，就撥備而確認的金額為預期清償債務所需的未來開支於各報告期末的現值。因時間推移而引致的貼現現值金額增加會計入損益內。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及高流動性的短期投資，該等投資可隨時兌換已知款額的現金而毋須承受重大價值變動風險，且一般於由購入日期起計三個月內到期，到期時間短，但不包括須應要求償還及構成本集團現金管理一部分的銀行透支。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Retirement benefit scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group’s subsidiaries which operate in the People’s Republic of China (the “PRC”) and Macau are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

3.1 重大會計政策概要(續)

僱員福利

退休福利計劃

根據《強制性公積金計劃條例》，本集團為若干符合資格參與的僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款額根據有關僱員的基本薪金按一定比例計算，根據強積金計劃的規則在供款應予支付時，有關費用於損益內扣除。強積金計劃的資產與本集團的資產分開，並由獨立管理基金持有。根據強積金計劃的規則，除了本集團僱主自願性供款部分外，本集團僱主向強積金計劃的供款於供款時全部歸屬於僱員，倘僱員於有權獲得全數僱主自願性供款前離職，則本集團可收回該供款的未歸屬僱員部分。

本集團在中華人民共和國(「中國」)及澳門經營的附屬公司的僱員須參與由地方市政府管理的中央退休金計劃。該等附屬公司須就中央退休金計劃作出供款，金額為其工資成本的一定百分比。根據中央退休金計劃的規則，供款於應付時於損益中扣除。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment

Share option scheme

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the revision, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

3.1 重大會計政策概要(續)

以股份為基礎之付款

購股權計劃

授予僱員之購股權公平值確認為僱員成本，而權益內之資本儲備會相應增加。該公平值乃於授出日期經計及授出購股權之條款及條件後以二項式點陣模式計量。倘僱員須符合歸屬條件方能無條件地有權享有購股權，在計及購股權歸屬的可能性後，購股權的估計公平值總額於歸屬期內攤分。

本公司會在歸屬期內審閱預期歸屬的購股權數目。除合資格確認為資產的原僱員開支外，已於過往年度確認的累計公平值之任何調整會在修訂年度於損益支銷／計入損益，並對資本儲備作出相應的調整。除僅在不滿足與本公司股份市價相關的歸屬條件時而喪失購股權外，已確認為開支的數額會在歸屬日作出調整，以反映所歸屬購股權的實際數目（同時對資產儲備作出相應的調整）。權益數額在資本儲備中確認，直至購股權獲行使（計入就已發行股份於股本內確認的金額）或購股權到期（直接轉入保留溢利）時為止。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment (Continued)

Share award scheme

The Group operates an equity-settled, share-based compensation plan (the "Share Award Scheme"), under which the entity receives services from employees as consideration for equity instruments (shares) of the Group. The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- excluding the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Under the Share Award Scheme, employees (excluding core connected persons as defined in the Listing Rules) of the Group are entitled to the shares for which are held in trust by Bank of Communications Trustee Limited (the "Trustee") for the benefit of the employees. The Trustee may be instructed to buy shares from the market using the funds held by the Trustee. Details of outstanding shares can be referred to note 28.

3.1 重大會計政策概要(續)

以股份為基礎之付款(續)

股份獎勵計劃

本集團設有一項以權益結算以股份為基礎之付款的酬金計劃(「股份獎勵計劃」)，據此，實體收取來自僱員之服務作為本集團股本工具(股份)之代價。為換取股份發授所收取的僱員服務公平值確認為開支。將支銷之總額乃參考所授股份之公平值釐定：

- 包括任何市場表現條件；
- 不包括任何服務及非市場表現歸屬條件之影響；及
- 不包括任何非歸屬條件之影響。

在假設預期歸屬之股份數目時，亦計及非市場歸屬條件。總開支須於達致所有指定歸屬條件之歸屬期內確認。

於各報告期末，本集團根據非市場歸屬條件修訂對預期歸屬之股份數目所作估計，並在損益確認修訂原來估計產生之影響(如有)，並對權益作出相應調整。

根據股份獎勵計劃，本集團僱員(不包括上市規則所界定的核心關連人士)有權享有交通銀行信託有限公司(受託人)為僱員利益以信託方式持有的股份。可以指示受託人使用受託人所持資金從市場購買股份。流通股份之詳情可參閱附註28。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3.1 重大會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。與在損益以外確認的項目有關的所得稅於其他全面收益或直接在權益內於損益以外確認。

即期稅項資產及負債，乃經考慮本集團經營所在司法權區現行的詮釋及慣例後，根據於各報告期末已實施或實際上已實施的稅率（及稅法），按預期自稅務當局退回或付予稅務當局的金額計量。

遞延稅項採用負債法就於各報告期末資產及負債的稅基與兩者用作財務報告的賬面值之間的所有暫時差額計提準備。

遞延稅項負債乃就所有應課稅暫時差額確認，惟下列情況除外：

- 遞延稅項負債乃因在一項並非業務合併的交易中初始確認商譽或資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與對附屬公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間可以控制，且該等暫時差額於可見將來可能不會撥回。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

3.1 重大會計政策概要(續)

所得稅(續)

遞延稅項資產乃就所有可扣減暫時差額、未動用稅項抵免及任何未動用稅項虧損的結轉而確認。遞延稅項資產以可能將有應課稅溢利可用於抵銷可扣減暫時差額、未動用稅項抵免及未動用稅項虧損的結轉為限確認，惟下列情況除外：

- 與可扣減暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中初始確認資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與對附屬公司、聯營公司及合營公司的投資有關的可扣減暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回以及將有應課稅溢利可用於抵銷暫時差額的情況下方予確認。

於各報告期末檢討遞延稅項資產的賬面值，並在不再可能有足夠應課稅溢利以動用全部或部分遞延稅項資產時，則會相應扣減該賬面值。未確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅溢利以收回全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債乃按預期適用於變現資產或清還負債期間的稅率，根據於各報告期末已實施或實際上已實施的稅率（及稅法）計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Dividends

The Board recommends the declaration of a final dividend of HK\$5.0 cents per Share and a special dividend of HK\$7.9 cents per Share for the year ended 31 March 2017. The proposed final dividend and special dividend, if approved by the Shareholders at the AGM, will be paid on 12 September 2017 to the Shareholders whose names appear on the register of members of the Company on 29 August 2017.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) All of the services are sold on a prepaid basis. Payments received for prepaid packages are recorded as deferred revenue in the consolidated statement of financial position at the time of receipt. The service period of a prepaid package is generally one-year.

Revenue from the rendering of services is recognised when the services have been rendered to customers.

Deferred revenue is non-refundable and customers may not utilise all of their contracted rights within the service period. Such unutilised service treatments are referred to as breakage. An expected breakage amount in deferred revenue is determined by historical experience and is recognised as revenue in proportion to the pattern of service treatments utilised by the customers.

Any residual deferred revenue at the end of the service period is fully recognised in profit or loss.

3.1 重大會計政策概要(續)

所得稅(續)

倘若存在以即期稅項資產抵銷即期稅項負債的可合法執行權利，且遞延稅項與同一課稅實體及同一稅務當局有關，則遞延稅項資產可與遞延稅項負債抵銷。

股息

董事會建議就截至二零一七年三月三十一日止年度宣派每股5.0港仙的末期股息及每股7.9港仙的特別股息。倘股東於股東週年大會上批准，該等擬派末期股息及特別股息將於二零一七年九月十二日支付予於二零一七年八月二十九日名列本公司股東名冊的股東。

收入確認

收入乃於經濟利益可能流向本集團且收入能可靠地計量時按以下基準確認：

- (a) 所有的服務以預付方式出售。收到預付套票的付款於收款時記錄為綜合財務狀況表中的遞延收入。預付套票服務通常為期一年。

來自提供服務的收入在服務提供給客戶時予以確認。

遞延收入不可退還，而客戶在服務期內不得使用其所有合同權利。該未使用的服務療程被稱為未使用的權利。遞延收入中的預期未使用的權利金額依過往經驗確定，並按客戶所使用服務療程模式的比例確認為收入。

於服務期末的任何剩餘遞延收入悉數於損益確認。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

- (b) revenue from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, which generally coincides with the time when the goods are delivered to customers;
- (c) income from the sale of financial investments, when the relevant contract notes are executed on the transaction dates;
- (d) commission income and management fee income, when the relevant services are rendered;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (f) dividend income, when the shareholders' right to receive payment has been established.

Foreign currencies

The consolidated financial statements are presented in HK\$, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.1 重大會計政策概要 (續)

收入確認 (續)

- (b) 銷售貨品的收入，在所有權的重大風險及回報轉嫁予買家時確認，通常與貨品交付予客戶的時間一致；
- (c) 銷售財務投資的收入，在相關合約於交易日期簽立時確認；
- (d) 佣金收入及管理費收益，在提供相關服務時確認；
- (e) 利息收入，按應計基準採用實際利息法按於金融工具的預計年期或較短期間（如適當）將估計未來現金收入確切貼現至金融資產賬面淨值的貼現率計算；及
- (f) 股息收入，於確立股東收取付款的權利時確認。

外幣

綜合財務報表以港元呈列，港元為本公司的功能及呈列貨幣。本集團各實體確定其內部功能貨幣，且各實體財務報表內所載項目均使用該功能貨幣計量。本集團實體所錄得的外幣交易，初始使用其各自的功能貨幣於交易當日的匯率記賬。以外幣計值的貨幣資產及負債則按功能貨幣於各報告期末的匯率換算。結算或換算貨幣項目產生的差額於損益中確認。按歷史成本以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The functional currencies of certain subsidiaries outside Hong Kong are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of an operation outside Hong Kong and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of that operation and translated at the closing rate.

Deferred costs

The incremental costs of obtaining a contract with a customer, which represent sales commissions and bonuses paid or payable to the staff, are recognised as deferred costs in the consolidated statement of financial position. Such costs are recognised in profit or loss in the period in which the deferred revenue to which they relate is recognised as revenue.

3.1 重大會計政策概要(續)

外幣(續)

若干香港境外附屬公司的功能貨幣為港元以外的貨幣。於報告期末，該等實體的資產及負債，按報告期末的匯率換算為本公司的呈列貨幣，而其損益表則按年內的平均匯率換算為港元。

因而產生的匯兌差額於其他全面收入中確認，並於匯率波動儲備中累計。出售海外業務時，與該項特定境外業務有關的其他全面收入部分在損益中確認。

任何因收購香港境外業務產生的商譽及於收購時對資產及負債的賬面值作出的任何公平值調整均視為該業務的資產及負債，並按期末匯率換算。

遞延成本

與客戶簽訂合約的增量成本，即已付或應付予員工的銷售佣金及獎金，於綜合財務狀況表內確認為遞延成本。該等成本在相關的遞延收入確認為收入期間內於損益確認。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group; or

3.1 重大會計政策概要(續)

借款成本

借款成本直接屬於收購、興建或生產合資格資產(即需要相當長時間才可作擬定用途或銷售的資產)，撥充資本作為該等資產成本的一部分。當資產實質上可作擬定用途或銷售時，該等借款成本不再撥充資本。待就合資格資產支出的特定借款的臨時投資所賺取的投資收入從已資本化的借款成本中扣除。所有其他借款成本均於其產生期間支銷。借款成本包括一間實體就借用資金所產生的利息及其他成本。

關聯方

下列有關方將被視為與本集團有關聯，倘：

- (a) 該方為該人士家族的一名人士或近親，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；或

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) the party is an entity where any of the following conditions applies:

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3.1 重大會計政策概要(續)

關聯方(續)

(b) 該方為符合任何下列條件的實體：

- (i) 該實體與本集團屬同一集團的成員公司；
- (ii) 一實體為另一實體(或其他實體的母公司、附屬公司或同系附屬公司)的聯營公司或合資企業；
- (iii) 該實體與本集團為同一第三方的合資企業；
- (iv) 一實體為第三方實體的合資企業，而其他實體為第三方實體的聯營公司；
- (v) 該實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃；
- (vi) 該實體受(a)所識別人士控制或受共同控制；及
- (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或實體作為集團任何成員公司其中一部分向本集團或本集團的母公司提供主要管理人員服務。

一名人士的近親指預期可能會在與該實體的交易中影響該名人士或受其影響的家屬。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3.1 重大會計政策概要(續)

分部報告

經營分部及財務報表所呈列各分部項目的金額，乃從為向本集團多條業務線及地理位置分配資源及評估其表現而定期向本集團最高行政管理層提供的財務資料中識別出來。

就財務申報而言，個別重要的經營分部不會合併計算，除非有關分部具有類似經濟特徵且在產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以及監管環境本質等方面均屬類似，則作別論。個別不重要的經營分部如符合以上大部分條件，則可合併計算。

3.2 重大會計判斷及估計

編製本集團的綜合財務報表需要管理層作出會影響所呈報收入、開支、資產及負債的金額及其相關披露及或然負債披露的判斷、估計及假設。有關該等假設及估計的不明朗因素，可能會造成或須對未來受影響的資產或負債的賬面值作出重大調整的結果。

估計不確定因素

下文描述於各報告期末的未來及其他估計不確定因素的主要來源有關的主要假設，該等假設具有對下一個財政年度內的資產及負債賬面值造成重大調整的重大風險。

3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Business combinations

For the business combinations undertaken by the Group, the Group allocates the costs of the acquisition to the assets acquired and the liabilities assumed based on their estimated fair value on the date of acquisition. This process is commonly referred to as the purchase price allocation. As part of the purchase price allocation, the Group is required to determine the fair value of any identifiable intangible assets acquired. The determination of the fair value of the intangible assets acquired involves certain judgement and estimates. These judgements can include, but are not limited to, the cash flows that the intangible assets is expected to generate in the future.

The fair values of the identifiable intangible assets were determined by the Group with inputs from the independent appraisers using mainly the discount cash flow method of the income approach. Future cash flows are predominantly based on the historical pricing and expense levels, taking into consideration the relevant market size and growth factors, and involves making a number of assumptions including growth rates and royalty rates. The resulting cash flows are then discounted at a rate reflecting specific risks related to the relevant operation.

A change in the amount allocated to identifiable intangible assets would have an offsetting effect on the amount of goodwill recognised from the acquisition and would change the amount of amortisation expense recognised related to those identifiable intangible assets.

3.2 重大會計判斷及估計(續)

估計不確定因素(續)

業務合併

就本集團所進行的業務合併而言，本集團根據收購的成本於收購當日的估計公平值，將該等成本轉撥至所收購資產及所承擔負債。此程序通常稱為「購買價分配」。在購買價分配過程中，本集團須釐定所收購的任何可識別無形資產的公平值。釐定所收購無形資產的公平值涉及若干判斷及估計。該等判斷可包括(但不限於)預期無形資產未來可產生的現金流。

本集團主要以收入法的貼現現金流量法，使用來自獨立評值師的輸入數據而釐定可識別無形資產的公平值。未來現金流主要基於過往定價及開支水平，經考慮有關市場規模及增長因素而計算，並涉及多項假設，包括增長率及專利費稅率。然後，所得現金流按反映相關營運的特定風險的比率折現。

分配至可識別無形資產的金額有所變動，會對從收購確認的商譽金額產生抵銷效應，並會改變有關該等可識別無形資產的已確認攤銷開支金額。

3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of assets

The Group performs annual impairment test on goodwill and intangible assets, and also performs impairment assessment on the carrying amounts of other assets when indication of impairment is identified to determine whether there is objective evidence of impairment. Management assesses the differences between the carrying amount and recoverable amount and makes provision for impairment loss. Any change in the assumptions adopted in calculating the recoverable amount would increase or decrease the provision for impairment loss and affect the Group's financial position.

Provision for impairment of trade debtors and other receivables is assessed and made based on the management's regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by management when assessing the credit worthiness and past collection history of each individual customer. Any increase or decrease in such provision would affect the Group's profit or loss in future years.

Revenue

Revenue recognition on provision of services is dependent on the estimation of the utilisation pattern of treatments. Based on the Group's historical experience, the Group makes estimates of an expected amount of breakage. Actual utilisation may be higher or lower than those estimated at the end of each reporting period, which would affect the revenue and profit recognised in future year.

Depreciation and amortisation

Property, plant and equipment and intangible assets are depreciated and amortised on a reducing balance method or straight-line method over the estimated useful lives. The Group reviews annually the useful life of these assets and their residual values, if any. The depreciation and amortisation expenses for future periods are adjusted if there are significant changes from previous estimation.

3.2 重大會計判斷及估計 (續)

估計不確定因素 (續)

資產減值

本集團對商譽及無形資產進行年度減值測試，亦於發現減值跡象時對其他資產的賬面值進行減值測試以確定是否存在客觀減值證據。管理層評估賬面值與可收回金額之間的差額，就減值虧損計提撥備。計算可收回金額所採用的假設之任何變化將會增加或減少減值虧損的撥備，並影響本集團的財務狀況。

根據管理層對賬齡分析及可回收行評估的定期審查，評估貿易應收賬款及其他應收款項的減值撥備予以計提。在評估每個客戶的信用值及過往收款記錄時，管理層會採取相當程度的判斷。該等款項的任何增減將影響本集團未來年度的溢利或虧損。

收入

提供服務的收入確認取決於對療程使用模式的估計。根據本集團過往的經驗，本集團對預期未使用的權利金額作出估計。於各報告期間結束時的實際使用情況可能高於或低於該等估計，並將影響未來年度確認的收入及溢利。

折舊及攤銷

物業、廠房及設備以及無形資產在預計可使用年期內按余額遞減法或直線法進行折舊及攤銷。本集團每年審閱該等資產的可使用年期及其剩餘價值(如有)。如果過往估計存在重大變化，則對未來期間的折舊及攤銷費用進行調整。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4. OPERATING SEGMENT INFORMATION

For management purpose, the Group is organised into business unit based on their services and products and has two reportable operating segments as follows:

- (a) the provision of medical, quasi-medical, traditional beauty services and the sale of skincare, healthcare and beauty products; and
- (b) the provision of health management services.

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's management monitors the results attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of investment in joint venture, financial assets at fair value through profit or loss and deferred tax assets. Segment liabilities include trade payables, other payable and accruals.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment revenue and expenses include the Group's share of revenue and expenses arising from the activities of the Group's joint venture. However, other than reporting inter-segment sales, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, realised gains/(losses) on disposal of financial assets at fair value through profit or loss, net, equity-settled share-based payments are excluded from such measurement.

4. 經營分部資料

就管理而言，本集團按其服務及產品將業務單位分為兩個可報告經營分部，如下：

- (a) 提供醫療、準醫療、傳統美容服務及銷售護膚、保健及美容產品；及
- (b) 提供健康管理服務。

分部業績、資產及負債

就評估分部表現及分配分部間資源而言，本集團的管理層按以下基準監察各報告分部的應佔業績：

分部資產包括所有有形和無形資產以及流動資產，但對合營企業之投資、按公平值計入損益的金融資產及遞延稅項資產除外。分部負債包括貿易應付款項、其他應付款項及應計費用。

管理層參照該等分部取得的銷售和產生的開支，或由於該等分部應佔資產折舊或攤銷而產生的開支，將收入及開支分配至可報告分部。分部收入及開支包括本集團應佔本集團合營企業的活動產生的收入及開支。然而，除報告的分部間銷售外，由其中一個分部向另一個分部提供的協助（包括共用資產及技術知識）不予計量。

管理層會單獨監察本集團經營分部業績以作出有關資源分配及表現評估的決定。分部表現根據可報告分部溢利（即以經調整除稅前溢利計量）予以評估。經調整除稅前溢利／虧損以與本集團除稅前溢利貫徹一致之方式計量，惟利息收益、出售按公平值計入損益的金融資產之已變現收益／（虧損）淨額、以權益結算以股份為基礎的付款，均不計入該計量內。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

Segment results, assets and liabilities (Continued)

分部業績、資產及負債(續)

| | | The provision of medical beauty, traditional beauty and the sale of skincare, healthcare and beauty products 提供醫學美容、傳統美容及 銷售護膚、保健及美容產品 | | The provision of health management services 提供健康管理服務 | | Elimination 對銷 | | Total 總計 | |
|--|------------------------------|--|-----------------------------|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Revenue: | 收入： | | | | | | | | |
| Sales to external customers | 向外部客戶銷售 | 913,616,536 | 704,937,348 | 51,310,583 | - | - | - | 964,927,119 | 704,937,348 |
| Inter-segment sales | 分部間銷售 | 19,303,867 | - | 1,384,458 | - | (20,688,325) | - | - | - |
| Segment revenue | 分部收入 | 932,920,403 | 704,937,348 | 52,695,041 | - | (20,688,325) | - | 964,927,119 | 704,937,348 |
| Segment result | 分部業績 | 233,130,878 | 181,751,295 | 296,385 | - | - | - | 233,427,263 | 181,751,295 |
| Interest income | 利息收益 | | | | | | | 2,820,796 | 305,454 |
| Unrealised fair value gains on financial assets at fair value through profit or loss, net | 按公平值計入損益的金融資產的未變現公平值損益淨額 | | | | | | | 183,225 | - |
| Realised gains/(losses) on disposals of financial assets at fair value through profit or loss, net | 出售按公平值計入損益的金融資產之已變現收益/(虧損)淨額 | | | | | | | 1,095,488 | (1,209,090) |
| Others | 其他 | | | | | | | 21,940,691 | 3,560,131 |
| Equity-settled share-based payments | 以權益結算以股份為基礎的付款 | | | | | | | (14,859,281) | - |
| Profit before tax | 除稅前溢利 | | | | | | | 244,608,182 | 184,407,790 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4. OPERATING SEGMENT INFORMATION (Continued)

Segment results, assets and liabilities (Continued)

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment property, other property, plant and equipment, intangible assets, goodwill and investment in joint venture ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on (i) the physical location of the asset, in the case of property, plant and equipment, (ii) the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and (iii) the location of operations, in the case of investment in joint venture.

Information about geographical areas

| | | Revenue from external customers 來自外部客戶的收入 | | Specified non-current assets 特定非流動資產 | |
|-----------|----|---|-----------------------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Hong Kong | 香港 | 908,753,309 | 667,409,203 | 149,970,056 | 56,767,918 |
| Macau | 澳門 | 37,090,514 | 28,613,885 | 2,216,685 | 2,738,251 |
| The PRC | 中國 | 19,083,296 | 8,914,260 | 12,832,705 | 4,381,774 |
| | | 964,927,119 | 704,937,348 | 165,019,446 | 63,887,943 |

Information about major customers

Since no revenue derived from sales to a single customer of the Group has individually accounted for over 10% of the Group's total revenue during each of the reporting periods presented, no information about major customers in accordance with HKFRS 8 *Operating Segments* is presented.

4. 經營分部資料(續)

分部業績、資產及負債(續)

下表載列有關以下各項的地理位置的資料：
(i) 本集團來自外部客戶的收入及(ii) 本集團的投資物業、其他物業、廠房及設備、無形資產、商譽及對合營企業的投資(「特定非流動資產」)。客戶的地理位置基於所提供服務或所交付貨品的位置。特定非流動資產的地理位置基於(i) 資產的實際位置(就物業、廠房及設備而言)、(ii) 其被分配所在的運營位置(就無形資產及商譽而言)及(iii) 運營位置(就對合營企業的投資而言)。

有關地區的資料

有關主要客戶的資料

由於所呈列各報告期間向本集團單一客戶所作銷售產生的收入個別計算並無佔本集團收入總額10%以上，故並無根據香港財務報告準則第8號「經營分部」呈列主要客戶資料。

5. REVENUE

Revenue represents the value of medical, quasi-medical health management and traditional beauty services rendered and the net invoiced value of good sold, after allowances for return and trade discounts. An analysis of revenue is as follows:

5. 收入

收入指提供醫療、準醫療、健康管理及傳統美容服務的價值及已售出貨品的發票淨值（經扣除退貨撥備及貿易折扣）。收入分析如下：

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|---|---------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Revenue | 收入 | | |
| Medical services | 醫療服務 | 501,829,649 | 275,668,382 |
| Quasi-medical services | 準醫療服務 | 96,416,968 | 74,073,840 |
| Health management services | 健康管理服務 | 51,310,583 | — |
| Traditional beauty services | 傳統美容服務 | 175,362,952 | 65,042,514 |
| Skincare, healthcare and beauty products | 護膚、保健及美容產品 | 61,899,875 | 38,031,475 |
| Revenue recognised from unutilised prepaid packages | 就未使用預付套票確認的收入 | 78,107,092 | 252,121,137 |
| | | 964,927,119 | 704,937,348 |

Since all the revenue comprises income from the provision of medical, quasi-medical, health management, traditional beauty services and sales of skincare, healthcare and beauty products transferred to customers at a point in time, no revenue derived from services transferred over time.

由於所有收入包括來自提供醫療、準醫療、健康管理及傳統美容服務以及銷售護膚、保健及美容產品的收益，於某一時間點轉至客戶，故並無來自服務的收入隨時間而轉移。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5. REVENUE (Continued)

Deferred balances

The following table provides information about deferred liabilities from contract with customers and related deferred cost.

| | | 31 March 2017 二零一七年 三月三十一日 HK\$ 港元 | 31 March 2016 二零一六年 三月三十一日 HK\$ 港元 |
|----------------------------|------------|--|--|
| Deferred revenue (note 24) | 遞延收入(附註24) | (327,894,405) | (312,891,746) |
| Deferred cost | 遞延成本 | 5,361,965 | - |

The deferred cost primarily related to the incremental costs of obtaining a contract with a customer, which represent sales commissions and bonus paid or payable to the staff and agencies calculated, are recognised as deferred costs in the consolidated statement of financial position. Such costs are recognised in profit or loss in the period in which the deferred revenue to which they relate is recognised as revenue.

Deferred costs

Management expects that incremental cost paid to the staff and agencies as a result of obtaining prepaid packages are recoverable. The Group has therefore capitalised them as deferred cost in the amount of HK\$5,361,965 at 31 March 2017.

Capitalised incremental cost are amortised when the related revenue are recognised. In 2017, the amount of amortisation was HK\$180,341,504 and there was no impairment loss in relation to the costs capitalised.

5. 收入(續)

遞延結餘

下表載列與客戶所訂合約的遞延負債及相關遞延成本的資料。

| | | 31 March 2017 二零一七年 三月三十一日 HK\$ 港元 | 31 March 2016 二零一六年 三月三十一日 HK\$ 港元 |
|----------------------------|------------|--|--|
| Deferred revenue (note 24) | 遞延收入(附註24) | (327,894,405) | (312,891,746) |
| Deferred cost | 遞延成本 | 5,361,965 | - |

主要與取得客戶合約新增成本有關的遞延成本(指所計算已付或應付員工及代理的銷售佣金及花紅)於綜合財務狀況表確認為遞延成本。有關成本於與此有關的遞延收入確認為收入的期間內在損益內確認。

遞延成本

管理層預期因獲得預付套票而付予員工及代理的增量成本可予收回。因此本集團於二零一七年三月三十一日資本化該等金額為5,361,965港元的遞延成本。

已資本化的增量費用於確認有關收入時攤銷。於二零一七年的攤銷金額為180,341,504港元，並無有關資本化成本的減值虧損。

6. OTHER NET INCOME AND GAINS

6. 其他收益及收入淨額

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|--|------------------------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Bank interest income | 銀行利息收益 | 2,820,796 | 305,454 |
| Interest income from listed debt investments and certificate of deposits | 上市債務投資及存款證的利息收益 | 1,701,330 | 1,014,988 |
| Write back on provision for penalty | 撥回罰金撥備 | 11,379,562 | — |
| Unrealised fair value gains on financial assets at fair value through profit or loss, net | 按公平值計入損益的金融資產之未變現公平值收益淨額 | 183,225 | — |
| Realised gains/(losses) on disposals of financial assets at fair value through profit or loss, net | 出售按公平值計入損益的金融資產之已變現收益／(虧損)淨額 | 1,095,488 | (1,209,090) |
| Imputed interest income on non-current rental deposits | 非即期租賃按金的估算利息收益 | 328,801 | 577,412 |
| Others | 其他 | 9,975,774 | 2,982,719 |
| | | 27,484,976 | 3,671,483 |

7. FINANCE COSTS

7. 財務成本

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|---|----------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Interest on bank overdraft | 銀行透支的利息 | — | 544 |
| Finance charges on obligations under finance lease | 融資租賃承擔之融資開支 | 1,165 | — |
| Imputed interest expense on non-current rental deposits | 非即期租賃按金的估算利息開支 | 337,284 | 411,218 |
| | | 338,449 | 411,762 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

8. 除稅前溢利

本集團的除稅前溢利乃經扣除／(計入)以下各項後得出：

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|---|---------------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Employee benefit expenses (including directors' emoluments):* | 僱員福利開支(包括董事薪酬)：* | | |
| Salaries, wages, allowances, bonuses, commission and benefits in kind | 薪金、工資、津貼、花紅、佣金及實物利益 | 287,674,052 | 211,565,936 |
| Equity-settled share-based payment expenses | 以權益結算以股份為基礎之付款開支 | 14,859,281 | — |
| Pension scheme contributions (defined contribution scheme) | 退休金計劃供款(界定供款計劃) | 10,261,430 | 7,039,202 |
| | | 312,794,763 | 218,605,138 |
| Minimum lease payments under operating leases in respect of: | 經營租賃下以下各項的最低租賃付款： | | |
| Land and buildings | 土地及樓宇 | 71,630,060 | 49,519,995 |
| Equipment | 設備 | 269,837 | 225,802 |
| Auditors' remuneration | 核數師酬金 | 2,873,395 | 1,668,965 |
| Depreciation | 折舊 | 27,465,740 | 24,068,889 |
| Impairment of goodwill | 商譽減值 | 282,940 | — |
| Amortisation of intangible assets | 無形資產攤銷 | 1,708,016 | 572,520 |
| Loss on disposals and write-off of property, plant and equipment | 出售及撇銷物業、廠房及設備的虧損 | 1,404,863 | 1,032,361 |
| Foreign exchange differences, net | 外匯差額淨額 | 632,870 | (74,324) |
| Trade receivables written off as uncollectible | 作為不可收回款項撇銷的貿易應收款項 | — | 11,951 |

* Included in staff costs are employee benefit expenses of HK\$277,865,036 (2016: HK\$192,360,798) and registered practitioner expenses of HK\$34,929,727 (2016: HK\$26,244,340) paid/payable to certain registered medical practitioners who are also employees of the Group.

* 員工成本包括僱員福利開支277,865,036港元(二零一六年：192,360,798港元)及已付／應付亦為本集團僱員的若干註冊醫生為數34,929,727港元(二零一六年：26,244,340港元)的註冊醫生開支。

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

9. 董事薪酬

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部分披露的董事薪酬詳情如下：

| | | Directors' fees | Salaries, allowances and benefits in kind | Discretionary bonuses | Retirement scheme contributions | Sub-total | Share options | Share awards | Total |
|---|-------------------------|-----------------|---|-----------------------|---------------------------------|-----------|---------------|--------------|------------|
| | | 董事袍金 | 薪金、津貼及實物利益 | 酌情花紅 | 退休計劃供款 | 小計 | 購股權 | 股份獎勵 | 總計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| | | | | | | | (note) | | |
| | | | | | | | (附註) | | |
| Year ended 31 March 2017 | 截至二零一七年三月三十一日止年度 | | | | | | | | |
| <i>Executive director</i> | <i>執行董事</i> | | | | | | | | |
| Tang Chi Fai | 鄧志輝 | — | 1,218,000 | — | 18,000 | 1,236,000 | — | — | 1,236,000 |
| Lee Gabriel | 李嘉豪 | — | 2,579,500 | — | 18,000 | 2,597,500 | 2,437,140 | 5,434,880 | 10,469,520 |
| Yeung Chin Wan | 楊展畋 | — | 1,287,750 | — | 18,000 | 1,305,750 | 32,125 | 460,800 | 1,798,675 |
| Luk Kun Shing Ben | 陸韻晟 | — | 241,000 | — | 12,000 | 253,000 | — | 4,704,000 | 4,957,000 |
| | | — | 5,326,250 | — | 66,000 | 5,392,250 | 2,469,265 | 10,599,680 | 18,461,195 |
| <i>Independent-non-executive director</i> | <i>獨立非執行董事</i> | | | | | | | | |
| Ma Ching Nam | 馬清楠 | 266,667 | — | — | — | 266,667 | — | — | 266,667 |
| Yu Ka Fai Alexis | 余嘉輝 | 133,334 | — | — | — | 133,334 | — | — | 133,334 |
| Look Andrew | 陸東 | 244,444 | — | — | — | 244,444 | — | — | 244,444 |
| | | 644,445 | — | — | — | 644,445 | — | — | 644,445 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

9. DIRECTORS' EMOLUMENTS (Continued)

9. 董事薪酬(續)

| | | Directors' fees | Salaries, allowances and benefits in kind 薪金、津貼及實物利益 | Discretionary bonuses 酌情花紅 | Retirement scheme contributions 退休計劃供款 | Sub-total | Share options 購股權 | Share awards 股份獎勵 | Total 總計 |
|---|-------------------------|-----------------|---|-------------------------------|---|------------|----------------------|----------------------|-------------|
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 |
| Year ended 31 March 2016 | 截至二零一六年三月三十一日止年度 | | | | | | | | |
| <i>Executive director</i> | <i>執行董事</i> | | | | | | | | |
| Tang Chi Fai | 鄧志輝 | - | 1,218,000 | - | 18,000 | 1,236,000 | - | - | 1,236,000 |
| Lee Gabriel | 李嘉豪 | - | 1,622,000 | - | 18,000 | 1,640,000 | - | - | 1,640,000 |
| Yeung Chin Wan | 楊展均 | - | 1,312,700 | - | 18,000 | 1,330,700 | - | - | 1,330,700 |
| Luk Kun Shing Ben | 陸韻晟 | - | 390,500 | - | 13,000 | 403,500 | - | - | 403,500 |
| | | - | 4,543,200 | - | 67,000 | 4,610,200 | - | - | 4,610,200 |
| <i>Independent-non-executive director</i> | <i>獨立非執行董事</i> | | | | | | | | |
| Ma Ching Nam | 馬清楠 | 26,668 | - | - | - | 26,668 | - | - | 26,668 |
| Yu Ka Fai Alexis | 余嘉輝 | 24,444 | - | - | - | 24,444 | - | - | 24,444 |
| Look Andrew | 陸東 | 24,444 | - | - | - | 24,444 | - | - | 24,444 |
| | | 75,556 | - | - | - | 75,556 | - | - | 75,556 |

Note:

These represent the estimated value of share options granted to the directors under the company's share option scheme. The value of these share options is measured according to the group's accounting policies for share-based payment transactions as set out in note 3.1 and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and note 29.

附註：

指根據本公司購股權計劃授予董事之購股權的估計價值。該等購股權的價值根據附註3.1所載集團以股份為基礎之付款交易的會計政策計量，且根據該政策包括對過往年度（所授出的股本工具於歸屬前已遭沒收）累計撥回金額的調整。

該等實物利益詳情（包括所授購股權主要條款與數目）披露於董事會報告「購股權計劃」一段及附註29。

10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2016: nil) of the individuals are directors for the year ended 31 March 2017, the directors' emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the three (2016: five) individuals for the year ended 31 March 2017, are as follows:

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|-----------------|-----------------------------|-----------------------------|
| Salaries, allowances and other benefits in kind | 薪金、津貼及其他實物利益 | 6,427,823 | 6,405,016 |
| Performance related bonuses | 與表現掛鈎的獎金 | 9,728,474 | 11,484,106 |
| Equity-settled share-based payments | 以權益結算以股份為基礎之付款 | 123,674 | — |
| Pension scheme contributions (defined contribution schemes) | 退休金計劃供款(界定供款計劃) | 108,000 | 180,725 |
| | | 16,387,971 | 18,069,847 |

The emoluments of the three (2016: five) individuals with the highest emoluments for the year ended 31 March 2017 are within the following bands:

| | | 2017 二零一七年 | 2016 二零一六年 |
|--------------------------------|----------------------------|---------------|---------------|
| HK\$2,000,001 to HK\$2,500,000 | 2,000,001 港元至 2,500,000 港元 | — | 2 |
| HK\$2,500,001 to HK\$3,000,000 | 2,500,001 港元至 3,000,000 港元 | — | — |
| HK\$3,000,001 to HK\$3,500,000 | 3,000,001 港元至 3,500,000 港元 | — | 1 |
| HK\$3,500,001 to HK\$4,000,000 | 3,500,001 港元至 4,000,000 港元 | — | — |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,000 港元至 4,500,000 港元 | 1 | 1 |
| Over HK\$4,500,001 | 4,500,001 港元以上 | 2 | 1 |
| | | 3 | 5 |

截至二零一七年三月三十一日止年度，五名最高薪酬人士中兩名(二零一六年：零名)人士為董事，董事薪酬於附註9披露。截至二零一七年三月三十一日止年度，其他三名(二零一六年：五名)人士的薪酬總額分別載列如下：

截至二零一七年三月三十一日止年度，薪酬最高的三名(二零一六年：五名)人士的薪酬分別介於以下範圍：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

11. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

11. 綜合損益表內的所得稅

於綜合損益表內的稅項指：

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|---|-----------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Current — Hong Kong | 即期 — 香港 | | |
| Provision for the year | 年內撥備 | 38,076,163 | 35,165,609 |
| Under-provision in respect of prior years | 以往年度撥備不足 | 1,336,399 | 1,165,004 |
| | | 39,412,562 | 36,330,613 |
| Current — Outside Hong Kong | 即期 — 香港境外 | | |
| Provision for the year | 年內撥備 | 2,390,983 | 1,218,685 |
| Deferred tax | 遞延稅項 | (691,580) | (2,449,906) |
| Tax charge for the year | 年內稅項支出 | 41,111,965 | 35,099,392 |

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Hong Kong Profits Tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits for the year. Taxes on profits assessable outside Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

根據開曼群島及英屬處女群島的規則及法規，本集團在開曼群島及英屬處女群島毋須繳納任何所得稅。

年內香港利得稅乃按估計應課稅溢利以16.5%（二零一六年：16.5%）的稅率計提撥備。香港境外地區的應課稅溢利稅項乃按本集團經營所在司法權區的現行稅率計算。

11. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

- (b) Reconciliation between tax expense and accounting profit at the applicable tax rates:

11. 綜合損益表內的所得稅

- (b) 按適用稅率計算的稅項開支與會計溢利之間的對賬載列如下：

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|-----------------------------|-----------------------------|-----------------------------|
| Profit before tax | 除稅前溢利 | 244,608,179 | 184,407,790 |
| Tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned | 除稅前溢利之稅項，按相關稅務司法地區適用之利得稅率計算 | 41,446,831 | 30,374,143 |
| Under-provision in respect of prior years | 以往年度撥備不足 | 1,336,399 | 1,165,004 |
| Tax effect of non-taxable income | 非應課稅收入之稅項影響 | (2,746,135) | (835,254) |
| Tax effect of non-deductible expenses | 不可扣除開支之稅項影響 | 732,112 | 6,305,685 |
| Tax losses not recognised | 未確認的稅項虧損 | 1,157,053 | 2,714,441 |
| Utilisation of unused tax losses not recognised in prior years | 動用過往年度尚未確認的未動用稅項虧損 | (1,317,197) | (3,188,899) |
| Tax effect of temporary differences not recognised in prior year but recognised during the year | 於過往年度尚未確認但於年內確認的暫時差異之稅項影響 | — | (727,886) |
| Statutory deduction | 法定扣減 | (80,000) | — |
| Others | 其他 | 582,902 | (707,842) |
| Tax charge for the year | 年內稅項支出 | 41,111,965 | 35,099,392 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY SHAREHOLDERS OF THE COMPANY

Basic earning per Share

The calculation of basic earnings per Share is based on the profit for the year attributable to ordinary equity shareholders of the Company of HK\$200,702,539 (2016: HK\$148,663,969) and the weighted average of 964,770,157 ordinary Shares (2016: 749,095,890 ordinary Shares) in issue during the year, calculated as follows:

Weighted average number of ordinary Shares:

12. 本公司普通權益股東應佔每股盈利

每股基本盈利

每股基本盈利乃基於本公司普通權益股東應佔年內溢利200,702,539港元(二零一六年: 148,663,969港元)及年內已發行加權平均普通股數目964,770,157股(二零一六年: 749,095,890股普通股)計算如下:

普通股的加權平均數:

| | | For the year ended 31 March 截至三月三十一日止年度 | |
|---|---------------------|--|---------------|
| | | 2017 二零一七年 | 2016 二零一六年 |
| Issued/deemed issued ordinary Shares at the beginning of the financial year | 於財政年度初的已發行／視作已發行普通股 | 980,000,000 | 735,000,000 |
| Effect of ordinary Shares issued upon the initial public offering | 於首次公開發售時已發行普通股的影響 | — | 14,095,890 |
| Effect of ordinary Shares issued | 已發行普通股的影響 | 788,482 | — |
| Effect of purchase of Shares held for share award scheme | 就股份獎勵計劃購買股份的影響 | (16,018,325) | — |
| Weighted average number of ordinary Shares at 31 March | 於三月三十一日的普通股加權平均數 | 964,770,157 | 749,095,890 |

Diluted earnings per share

The diluted earning per Share is the same as basic earnings per Share as there were no dilutive potential ordinary Shares in existence during the years ended 31 March 2017 and 2016.

每股攤薄盈利

每股攤薄盈利與每股基本盈利相同，原因是截至二零一七年及二零一六年三月三十一日止年度不存在攤薄潛在普通股。

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

| | | Leasehold improvements 租賃物業裝修 HK\$ 港元 | Furniture and fixtures 傢俱及裝置 HK\$ 港元 | Operation equipment 營運設備 HK\$ 港元 | Office equipment 辦公設備 HK\$ 港元 | Computers 計算機 HK\$ 港元 | Motor vehicles 汽車 HK\$ 港元 | Total 總計 HK\$ 港元 |
|---------------------------------|--------------|---|--|--|---|--------------------------------|---------------------------------------|---------------------------|
| Cost: | 成本： | | | | | | | |
| At 1 April 2015 | 於二零一五年四月一日 | 44,324,151 | 2,990,176 | 48,576,003 | 2,606,840 | 3,313,382 | - | 101,810,552 |
| Additions | 添置 | 17,543,964 | 2,084,434 | 7,676,328 | 193,585 | 2,168,529 | 566,305 | 30,233,145 |
| Business combination | 業務合併 | 1,937,393 | 245,852 | - | - | - | - | 2,183,245 |
| Disposals | 出售 | (530,778) | (743,299) | (3,918,255) | (657,927) | (360,088) | - | (6,210,347) |
| Exchange adjustment | 匯兌調整 | (129,428) | (270,584) | - | - | - | - | (400,012) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 63,145,302 | 4,306,579 | 52,334,076 | 2,142,498 | 5,121,823 | 566,305 | 127,616,583 |
| At 1 April 2016 | 於二零一六年四月一日 | 63,145,302 | 4,306,579 | 52,334,076 | 2,142,498 | 5,121,823 | 566,305 | 127,616,583 |
| Additions | 添置 | 9,296,019 | 1,042,361 | 18,891,024 | 441,700 | 779,136 | 1,747,630 | 32,197,870 |
| Business combination | 業務合併 | 5,122,093 | 1,638,767 | 1,025,599 | 37,364 | - | - | 7,823,823 |
| Disposals | 出售 | (901,958) | (135,857) | (1,519,515) | - | - | - | (2,557,330) |
| Exchange adjustment | 匯兌調整 | (198,265) | (85,656) | - | - | - | - | (283,921) |
| At 31 March 2017 | 於二零一七年三月三十一日 | 76,463,191 | 6,766,194 | 70,731,184 | 2,621,562 | 5,900,959 | 2,313,935 | 164,797,025 |
| Accumulated depreciation | 累計折舊 | | | | | | | |
| At 1 April 2015 | 於二零一五年四月一日 | 17,936,245 | 1,888,058 | 26,507,864 | 1,489,009 | 1,808,326 | - | 49,629,502 |
| Charge for the year | 年內計入 | 14,149,461 | 642,377 | 8,191,363 | 433,011 | 624,362 | 28,315 | 24,068,889 |
| Written back on disposals | 於出售時撥回 | (515,326) | (622,738) | (3,237,785) | (505,801) | (296,336) | - | (5,177,986) |
| Exchange adjustment | 匯兌調整 | (56,210) | (3,144) | - | - | - | - | (59,354) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 31,514,170 | 1,904,553 | 31,461,442 | 1,416,219 | 2,136,352 | 28,315 | 68,461,051 |
| At 1 April 2016 | 於二零一六年四月一日 | 31,514,170 | 1,904,553 | 31,461,442 | 1,416,219 | 2,136,352 | 28,315 | 68,461,051 |
| Charge for the year | 年內計入 | 15,411,957 | 1,142,024 | 9,539,773 | 288,423 | 927,430 | 156,133 | 27,465,740 |
| Written back on disposals | 於出售時撥回 | (609,729) | (63,305) | (479,433) | - | - | - | (1,152,467) |
| Exchange adjustment | 匯兌調整 | (140,209) | (15,603) | - | - | - | - | (155,812) |
| At 31 March 2017 | 於二零一七年三月三十一日 | 46,176,189 | 2,967,669 | 40,521,782 | 1,704,642 | 3,063,782 | 184,448 | 94,618,512 |
| Net book value: | 賬面淨值： | | | | | | | |
| At 31 March 2017 | 於二零一七年三月三十一日 | 30,287,002 | 3,798,525 | 30,209,402 | 916,920 | 2,837,177 | 2,129,487 | 70,178,513 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 31,631,132 | 2,402,026 | 20,872,634 | 726,279 | 2,985,471 | 537,990 | 59,155,532 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

14. GOODWILL

| | | Notes 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|----------------------------|------|-------------|-----------------------------|-----------------------------|
| At the beginning of year | 年初 | | 3,421,318 | 1,773,481 |
| Business combinations | 業務合併 | 30 | 33,518,733 | 1,647,837 |
| Impairment during the year | 年內減值 | | (282,940) | – |
| At the end of year | 年末 | | 36,657,111 | 3,421,318 |

| | | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|------------------------|------|--|-----------------------------|-----------------------------|
| Cost | 成本 | | 39,002,518 | 5,483,785 |
| Accumulated impairment | 累計減值 | | (2,345,407) | (2,062,467) |
| Net carrying amount | 賬面淨值 | | 36,657,111 | 3,421,318 |

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating unit ("CGU") for impairment testing:

- Medical, quasi-medical and traditional beauty service CGU;
- Aesthetic dental service CGU; and
- Medical services in the PRC CGU.

商譽減值測試

透過業務合併收購的商譽被分配至下列現金產生單位(「現金產生單位」)以作減值測試：

- 醫療、準醫療及傳統美容服務現金產生單位；
- 美齒服務現金產生單位；及
- 中國醫療服務現金產生單位。

14. GOODWILL (Continued)**Impairment testing of goodwill (Continued)****Medical, quasi-medical and traditional beauty service CGU**

The recoverable amount of the medical, quasi-medical and traditional beauty service CGU has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections is 20% (2016: 17%) and the growth rate used to extrapolate the cash flows of the cash-generating units beyond the five-year period is 3% (2016: 3%).

Aesthetic dental service CGU

The recoverable amount of the aesthetic dental service CGU has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections is 16% (2016: 16%) and the growth rate used to extrapolate the cash flows of the cash-generating units beyond the five-year period is 3% (2016: 3%).

14. 商譽(續)**商譽減值測試(續)****醫療、準醫療及傳統美容服務現金產生單位**

於醫療、準醫療及傳統美容服務現金產生單位的可收回金額乃以使用價值法按根據高級管理層批准的財務預算所推算的五年期間內現金流量而釐定。適用於現金流量推算的貼現率為20%(二零一六年：17%)，而現金產生單位五年期間後的現金流量採用3%(二零一六年：3%)的增長率推算。

美齒服務現金產生單位

美齒服務現金產生單位的可收回金額乃以使用價值法按根據高級管理層批准的財務預算所推算的五年期間內現金流量而釐定。適用於現金流量推算的貼現率為16%(二零一六年：16%)，而現金產生單位五年期間後的現金流量採用3%(二零一六年：3%)的增長率推算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

14. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

Medical services in the PRC CGU

The recoverable amount of the medical services in the PRC CGU has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five- year period. The discount rate applied to the cash flow projection is 23% (2016: 16%) and the growth rate used to extrapolate the cash flows of the cash-generating units beyond the five-year period is 3% (2016: 3%).

The carrying amounts of goodwill allocated to each of the cash-generating units is as follows:

| | | 2017 二零一七年 \$ 元 | 2016 二零一六年 \$ 元 |
|--|---------------|--------------------------|--------------------------|
| Medical, quasi-medical and traditional beauty services | 醫療、準醫療及傳統美容服務 | 31,241,474 | 1,378,540 |
| Aesthetic dental services | 美齒服務 | 394,941 | 394,941 |
| Medical services in the PRC | 中國醫療服務 | 5,020,696 | 1,647,837 |
| | | 36,657,111 | 3,421,318 |

Assumptions were used in the value-in-use calculations of all the CGUs. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Discount rate — The discount rates used are before tax and reflect specific risks relating to the relevant cash-generating units.

Price inflation — The basis used to determine the price inflation is the forecast price index during the budget year for Hong Kong, Macau or the PRC where the operations are carried out.

The values assigned to the key assumptions are consistent with external information sources.

14. 商譽(續)

商譽減值測試(續)

中國醫療服務現金產生單位

中國醫療服務現金產生單位的可收回金額乃以使用價值法按高級管理層批准的財務預算所推算的五年期間內現金流量而釐定。適用於現金流量推算的貼現率為23%(二零一六年:16%)，而現金產生單五年期間後的現金流量採用3%(二零一六年:3%)的增長率推算。

分配至各現金產生單位的商譽賬面值如下：

所有現金產生單位的使用價值乃在若干假設的基礎上進行計算。下文說明管理層推算現金流量以進行商譽減值測試時採用的主要假設：

貼現率 — 所用貼現率為除稅前貼現率且反映與相關現金產生單位有關的特定風險。

物價膨脹 — 用於釐定物價膨脹的這一基準為業務所在地香港、澳門或中國預算年度內的預測物價指數。

賦予主要假設的價值與外部資料來源一致。

15. INTANGIBLE ASSETS

15. 無形資產

| | | Club membership 會所會籍 HK\$ 港元 | Customer lists 客戶名單 HK\$ 港元 | Licence 牌照 HK\$ 港元 | Trademark 商標 HK\$ 港元 | Total 總計 HK\$ 港元 |
|----------------------------------|--------------|--|---|-----------------------------|-------------------------------|---------------------------|
| At 1 April 2015 | 於二零一五年四月一日 | – | 1,314,454 | – | – | 1,314,454 |
| Additions | 添置 | 354,000 | – | – | – | 354,000 |
| Business combinations (note 30) | 業務合併(附註30) | – | – | 1,239,956 | – | 1,239,956 |
| Exchange adjustment | 匯兌調整 | – | – | (68,727) | – | (68,727) |
| At 31 Mar 2016 | 於二零一六年三月三十一日 | 354,000 | 1,314,454 | 1,171,229 | – | 2,839,683 |
| At 1 April 2016 | 於二零一六年四月一日 | 354,000 | 1,314,454 | 1,171,229 | – | 2,839,683 |
| Additions | 添置 | 19,164,000 | – | – | – | 19,164,000 |
| Business combinations (note 30) | 業務合併(附註30) | – | 5,608,093 | 2,676,121 | 8,907,318 | 17,191,532 |
| Exchange adjustment | 匯兌調整 | – | – | (62,499) | – | (62,499) |
| At 31 Mar 2017 | 於二零一七年三月三十一日 | 19,518,000 | 6,922,547 | 3,784,851 | 8,907,318 | 39,132,716 |
| Accumulated amortisation: | | 累計攤銷： | | | | |
| At 1 April 2015 | 於二零一五年四月一日 | – | 962,697 | – | – | 962,697 |
| Charge for the year | 年內計入 | – | 326,535 | 245,985 | – | 572,520 |
| Exchange adjustment | 匯兌調整 | – | – | (6,627) | – | (6,627) |
| At 31 Mar 2016 | 於二零一六年三月三十一日 | – | 1,289,232 | 239,358 | – | 1,528,590 |
| At 1 April 2016 | 二零一六年四月一日 | – | 1,289,232 | 239,358 | – | 1,528,590 |
| Charge for the year | 年內計入 | – | 25,222 | 242,981 | 1,439,813 | 1,708,016 |
| Exchange adjustment | 匯兌調整 | – | – | (10,340) | – | (10,340) |
| 31 Mar 2017 | 二零一七年三月三十一日 | – | 1,314,454 | 471,999 | 1,439,813 | 3,226,266 |
| Net book value: | | 賬面淨值： | | | | |
| At 31 March 2017 | 於二零一七年三月三十一日 | 19,518,000 | 5,608,093 | 3,312,852 | 7,467,505 | 35,906,450 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 354,000 | 25,222 | 931,871 | – | 1,311,093 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

15. INTANGIBLE ASSETS (Continued)

The amortisation charge for the year is included in “other expenses” in the consolidated statement of profit or loss.

The intangible assets with indefinite useful life are related to club memberships in Hong Kong. No impairment loss was recognised during the year (2016: HK\$Nil).

16. INVESTMENT IN JOINT VENTURE

- (a) Details of the Group’s interest in the joint venture, which is accounted for using the equity method in the consolidated financial statements, are as follows:

| Name of joint venture | Place of incorporation and business 註冊成立及業務經營地點 | Particulars of issued and paid up capital 已發行及繳足資本詳情 | Proportion of ownership interest 所有者權益比例 | | | Principal activity 主營業務 |
|--|--|---|---|------------------------------|--------------------------------|---|
| | | | Group’s effective interest 本集團實際權益 | Held by the Company 本公司所持 | Held by a subsidiary 附屬公司所持 | |
| 合營企業名稱 | | | | | | |
| Good Union Corporation Limited (“GUC”) | Hong Kong | Registered capital HK\$100 | 50% | – | 50% | Provision of repair and maintenance services for beauty equipment |
| 創金匯有限公司(「創金匯」) | 香港 | 註冊資本 100 港元 | 50% | – | 50% | 為美容設備提供維修及維護服務 |
| Good Union Medical Limited (“GUM”) | Hong Kong | Registered capital HK\$100 | 50% | – | 50% | Sales of medication products |
| Good Union Medical Limited (「GUM」) | 香港 | 註冊資本 100 港元 | 50% | – | 50% | 銷售藥物產品 |

GUC and GUM (together referred to as the “GU”), the joint ventures in which the Group participates, are unlisted corporate entities whose quoted market price is not available.

15. 無形資產(續)

年內的攤銷費用計入綜合損益表中的「其他開支」。

無限可使用年期的無形資產乃與香港的會所會籍有關。年內並無確認減值虧損(二零一六年：零港元)。

16. 於合營企業的投資

- (a) 本集團於合營企業的權益(於綜合財務報表使用權益法入賬)詳情如下：

創金匯及GUM(統稱「GU」)，本集團持股的合營企業，為並無可得市場報價的非上市公司實體。

16. INVESTMENT IN JOINT VENTURE (Continued)

- (b) Summarised financial information of GU, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

16. 於合營企業的投資 (續)

- (b) 就會計政策任何差額作出調整的GU財務資料概要及與綜合財務報表賬面值的對賬披露如下：

| | | 2017 二零一七年 HK\$ 港元 |
|---|------------------------|-----------------------------|
| Gross amounts of GU | GU總額 | |
| Current assets | 流動資產 | 19,973,712 |
| Non-current assets | 非流動資產 | 1,593,256 |
| Current liabilities | 流動負債 | (8,967,436) |
| Equity | 權益 | 12,599,532 |
| Included in the above assets and liabilities: | 計入上述資產及負債： | |
| Cash and cash equivalents | 現金及現金等價物 | 2,939,202 |
| Current financial liabilities (excluding trade and other payables and provisions) | 即期金融負債(貿易及其他應付款項及撥備除外) | (217,717) |

| | | 2017 二零一七年 HK\$ 港元 |
|--|--------------|-----------------------------|
| Revenue | 收入 | 59,776,201 |
| Profit from continuing operations | 來自持續經營業務的溢利 | 2,529,547 |
| Total comprehensive income | 總額全面收入 | 2,529,547 |
| Included in the above profit: | 計入上述溢利的項目： | |
| Interest income | 利息收入 | 515 |
| Interest expense | 利息開支 | (14) |
| Income tax expense | 所得稅開支 | — |
| Reconciled to the Group's interest in GU | 與本集團所持GU權益對賬 | |
| Gross amounts of GU's net assets | GU資產淨值總額 | 12,599,532 |
| Group's effective interest | 本集團實際權益 | 50% |
| Group's share of GU net assets | 本集團應佔GU資產淨值 | 6,299,766 |
| Identifiable intangible assets | 可識別無形資產 | 5,847,728 |
| Fair values adjustment on net asset acquired | 所收購淨資產之公平值調整 | 591,451 |
| Goodwill | 商譽 | 12,383,146 |
| Carrying amount in the consolidated financial statements | 於綜合財務報表的賬面值 | 25,122,091 |

16. INVESTMENT IN JOINT VENTURE (Continued)

- (c) On 1 November 2016, the Union Medical Technology Holdings Limited ("UMTHL"), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Cheng Yeung ("Mr. Cheng"). Pursuant to the sale and purchase agreement, UMTHL and Mr. Cheng holds 50% equity interest of GU and the decisions on those relevant activities as defined under HKFRS 10, *Consolidated Financial Statements*, of GU requires unanimous consent of the directors as nominated by each of UMTHL and Mr. Cheng present and voting.

The transaction was completed on 25 November 2016 with total consideration of HK\$25,154,000 upon which GU has become a joint venture of the Company.

The Group incurred acquisition-related cost of HK\$150,911 on 25 November 2016. These cost have been charged to other expenses in the consolidated statement of profit or loss for the year.

16. 於合營企業的投資 (續)

- (c) 於二零一六年十一月一日，本公司的間接全資附屬公司Union Medical Technology Holdings Limited (「UMTHL」)與鄭泐先生(「鄭先生」)訂立買賣協議。根據買賣協議，UMTHL及鄭先生持有GU 50%股權，有關GU的該等相關活動的決議(定義見香港財務報告準則第10號「綜合財務報表」)要求取得UMTHL及鄭先生各自提名的在場董事的一致同意並進行投票。

該交易已於二零一六年十一月二十五日完成，總代價為25,154,000港元，於完成後GU成為本公司的合營企業。

本集團於二零一六年十一月二十五日產生收購相關成本150,911港元。該等成本已自年內綜合損益表內的其他開支中扣除。

17. INVENTORIES

- (a) Inventories in the consolidated statement of financial position comprise:

| | | As at 31 March 於三月三十一日 | |
|--|------------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Skincare, healthcare and beauty products | 護膚、保健及美容產品 | 5,440,773 | 3,177,581 |
| Consumables and other supplies | 耗材及其他供應品 | 13,675,507 | 14,705,628 |
| | | 19,116,280 | 17,883,209 |

- (b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

| | | Year ended 31 March 截至三月三十一日止年度 | |
|--|--------------|------------------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Carrying amount of inventories sold and consumed | 已出售及消耗的存貨賬面值 | 130,478,323 | 70,687,271 |

- (a) 綜合財務狀況表的存貨包括：

- (b) 確認為開支並計入損益的存貨金額分析如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18. TRADE RECEIVABLES

| | | As at 31 March 於三月三十一日 | |
|-------------------|--------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Trade receivables | 貿易應收款項 | 52,142,746 | 32,484,344 |

The Group's trading terms with its customers are mainly on credit card settlements. The credit period is generally 5 to 120 days for the credit card settlements from the respective financial institutions. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables, based on the invoice date, is as follows:

18. 貿易應收款項

本集團與客戶的貿易條款主要關於信用卡結算。自各金融機構取得的信用卡結算的信用期一般為5至120天。本集團力圖嚴格控制其未收回的應收款項，而逾期結餘由高級管理層定期審閱。本集團並無就其貿易應收款項結餘持有任何抵押品或採取其他信用增強措施。貿易應收款項不計息。

貿易應收款項的賬齡分析(按發票日期作出)如下：

| | | As at 31 March 於三月三十一日 | |
|----------------|-------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Within 1 month | 1個月內 | 41,988,028 | 26,249,632 |
| 1 to 3 months | 1至3個月 | 4,865,166 | 4,065,694 |
| Over 3 months | 3個月以上 | 5,289,552 | 2,169,018 |
| | | 52,142,746 | 32,484,344 |

18. TRADE RECEIVABLES (Continued)

The ageing analysis of the trade receivables based on the payment due date and net of provision is as follows:

| | |
|-------------------------------|----------|
| Neither past due nor impaired | 既未逾期亦無減值 |
| Less than 3 months past due | 逾期少於3個月 |
| 3 to 6 months past due | 逾期3至6個月 |
| 7 to 12 months past due | 逾期7至12個月 |
| More than 1 year past due | 逾期1年以上 |

18. 貿易應收款項(續)

貿易應收款項的賬齡分析(按付款到期日作出，並已扣除撥備)如下：

| | | As at 31 March | |
|-------------------------------|----------|-----------------------|------------|
| | | 於三月三十一日 | |
| | | 2017 | 2016 |
| | | 二零一七年 | 二零一六年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Neither past due nor impaired | 既未逾期亦無減值 | 38,791,121 | 27,093,828 |
| Less than 3 months past due | 逾期少於3個月 | 12,790,901 | 4,068,655 |
| 3 to 6 months past due | 逾期3至6個月 | 313,509 | 687,861 |
| 7 to 12 months past due | 逾期7至12個月 | 135,377 | 392,787 |
| More than 1 year past due | 逾期1年以上 | 111,838 | 241,213 |
| | | 52,142,746 | 32,484,344 |

At 31 March 2017, none of the trade receivables were individually determined to be impaired (2016: HK\$11,951).

於二零一七年三月三十一日，概無貿易應收款項被個別釐定為已減值(二零一六年：11,951港元)。

Trade receivables that were neither past due nor impaired relate to a number of receivables due from financial institutions in respect of credit card settlements for whom there was no recent history of default.

既未逾期亦無減值的貿易應收款項涉及就信用卡結算應收金融機構的多項應收款項，該等金融機構近期並無拖欠款項記錄。

There was trade receivables of HK\$2,870,107 due from Healthy Concept (HK) Limited, a company beneficially owned by Mr. Tang. At the beginning of the year, the outstanding balance was nil. The maximum amount outstanding was HK\$2,870,107 during the year. The amount was interest-free and repayable on demand, and the whole amount has been repaid on the date of this annual report.

應收由鄧先生實益擁有公司康宏(香港)有限公司的貿易應收款項為2,870,107港元。於年初，尚未償還結餘為零。年內尚未償還金額上限為2,870,107港元。該款項免息及按要求償還，以及全部款項已於本年報日期結清。

Trade receivables that were past due but not impaired also relate to a number of financial institutions and a related party that have a good track record with the Group. Based on past experience, the directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

已逾期但未減值的貿易應收款項涉及多名與本集團在過去有著良好業務往來記錄的金融機構以及一名關連方。根據過往經驗，董事認為，由於有關結餘的信貨質素並無重大轉變，且有關結餘仍被視為可全數收回，毋須就該等結餘計提減值撥備。本集團並無就該等結餘持有任何抵押品或採取其他信用增強措施。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

19. 預付款項、按金及其他應收款項

| | | As at 31 March 於三月三十一日 | |
|-----------------------------------|-----------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Prepayments | 預付款項 | 42,234,973 | 27,211,102 |
| Deposits | 按金 | 39,824,059 | 31,967,628 |
| Other receivables | 其他應收款項 | 10,145,152 | 5,183,607 |
| | | 92,204,184 | 64,362,337 |
| Portion classified as non-current | 列為非即期的部分 | | |
| — Rental and other deposits | — 租賃及其他按金 | (23,589,387) | (22,017,893) |
| — Prepayments | — 預付款項 | (7,884,968) | — |
| Current portion | 即期部分 | 60,729,829 | 42,344,444 |

The above assets are neither past due nor impaired. The financial assets included in the above balance relate to receivables for which there was no recent history of default.

上述資產既未逾期亦無減值。上述結餘中的金融資產涉及近期並無拖欠款項記錄的應收款項。

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

20. 按公平值計入損益的金融資產

| | | As at 31 March 於三月三十一日 | |
|--|----------------------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | | |
| Unlisted fund investments, at fair value, in Hong Kong | 香港非上市基金投資，按公平值計 | — | 85,499,126 |
| Unlisted bond investment, at fair value, in Hong Kong | 香港非上市債券投資，按公平值計 | 15,012,489 | — |
| Certificate of deposits, at fair value, in Hong Kong | 香港存款證，按公平值計 | 459,733,200 | 18,017,766 |
| Coupon note, at fair value, in Hong Kong | 香港票據，按公平值計 | 25,000,000 | — |
| | | 499,745,689 | 103,516,892 |

Certificate of deposits earn interest at fixed rates from creditworthy banks with no recent history of default.

存款證按固定利率自近期並無拖欠記錄的信譽良好的銀行賺取利息。

21. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS**21. 現金及現金等價物以及定期存款**

| | | As at 31 March 於三月三十一日 | |
|--|----------------------------|------------------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Cash and cash equivalents | 現金及現金等價物 | 200,644,165 | 352,428,805 |
| Time deposits | 定期存款 | 160,712,370 | 504,288,777 |
| | | 361,356,535 | 856,717,582 |
| Less: Pledged time deposits for banking facilities as security for credit card instalments programme | 減：就銀行融資作為信用卡分期付款擔保的已抵押定期存款 | (2,000,000) | (2,000,000) |
| Time deposits with original maturity over 3 months | 原到期日超過三個月的定期存款 | (158,712,370) | (500,000,000) |
| | | 200,644,165 | 354,717,582 |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying period from one day to one year depending on the Group's immediate cash requirements, and earn interest at the respective time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

Included in cash and cash equivalents, HK\$9,036,583 (2016: HK\$3,346,862) are denominated in Renminbi and deposited with the banks in the PRC. These deposits are not freely convertible and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

存放於銀行的現金按在銀行存款日利率的基礎上浮動的利率計息。定期存款的存款期為一天至一年不等（視乎本集團的即時現金需求而定），按各定期存款利率計息。銀行結餘及定期存款存放在信譽可靠且近期並無違約記錄的銀行。

於現金及現金等價物中，9,036,583港元（二零一六年：3,346,862港元）乃以人民幣計值，並存放於中國的銀行。該等存款並不可自由轉換，資金匯出中國須遵守中國政府施行的匯兌限制。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

22. TRADE PAYABLES

An ageing analysis of the trade payables, based on the invoice date, is as follows:

| | | As at 31 March 於三月三十一日 | |
|----------------|----------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Within 1 month | 1 個月內 | 5,422,769 | 5,084,524 |
| 1 to 2 months | 1 至 2 個月 | 404,531 | 80,159 |
| 2 to 3 months | 2 至 3 個月 | 7,155 | — |
| Over 3 months | 3 個月以上 | 633,756 | 49,640 |
| | | 6,468,211 | 5,214,323 |

The trade payables are non-interest-bearing and generally have payment terms within 60 days.

22. 貿易應付款項

貿易應付款項的賬齡分析(按發票日期作出)如下:

| | | As at 31 March 於三月三十一日 | |
|----------------|----------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Within 1 month | 1 個月內 | 5,422,769 | 5,084,524 |
| 1 to 2 months | 1 至 2 個月 | 404,531 | 80,159 |
| 2 to 3 months | 2 至 3 個月 | 7,155 | — |
| Over 3 months | 3 個月以上 | 633,756 | 49,640 |
| | | 6,468,211 | 5,214,323 |

貿易應付款項不計息，付款期一般為60天以內。

23. OTHER PAYABLES AND ACCRUALS

| | | As at 31 March 於三月三十一日 | |
|-------------------------------------|----------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Other payables | 其他應付款項 | 16,541,678 | 5,896,845 |
| Accruals | 應計費用 | 37,085,739 | 88,637,935 |
| Provision for reinstatement costs | 重置成本撥備 | 5,950,000 | 5,270,000 |
| | | 59,577,417 | 99,804,780 |
| Portion classified as non-current | 分類為非即期部分 | | |
| — provision for reinstatement costs | — 重置成本撥備 | (4,650,000) | (3,110,000) |
| Current portion | 即期部分 | 54,927,417 | 96,694,780 |

Other payables are non-interest-bearing and have an average payment term of three months.

23. 其他應付款項及應計費用

其他應付款項不計息，平均付款期為三個月。

23. OTHER PAYABLES AND ACCRUALS*(Continued)*

The provision for reinstatement costs represents management's best estimate of the Group's liabilities of the costs of dismantling and removing the leasehold improvements and restoring the sites on which they are located.

The movements in the provision for reinstatement costs are as follows:

23. 其他應付款項及應計費用 (續)

重置成本撥備指管理層對本集團有關拆卸及移除租賃物業裝修以及恢復租賃物業裝修所在地盤的成本的負債之最佳估計。

重置成本撥備的變動如下：

| | | As at 31 March | |
|---|------------|-----------------------|-------------|
| | | 於三月三十一日 | |
| | | 2017 | 2016 |
| | | 二零一七年 | 二零一六年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| At the beginning of year | 年初 | 5,270,000 | 4,740,000 |
| Additional provision | 額外撥備 | 1,110,000 | 1,010,000 |
| Amounts utilised during the year | 年內所動用金額 | (430,000) | (480,000) |
| At the end of year | 年末 | 5,950,000 | 5,270,000 |
| Portion classified as current liabilities | 分類為流動負債的部分 | (1,300,000) | (2,160,000) |
| Non-current portion | 非即期部分 | 4,650,000 | 3,110,000 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

24. DEFERRED REVENUE (Continued)

The movements in deferred revenue are as follows:

24. 遞延收入(續)

遞延收入的變動如下：

| | | As at 31 March 於三月三十一日 | |
|---|----------------------|-----------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| At the beginning of year | 年初 | 312,891,746 | 347,467,876 |
| Impact of changes in accounting policy (note 2.3) | 會計政策變動的影響 (附註2.3) | (10,282,120) | — |
| | | 302,609,626 | 347,467,876 |
| Sales contracts entered into during the year | 年內訂立的銷售合約 | 969,770,195 | 671,822,226 |
| Business combination (Note 30) | 業務合併(附註30) | 16,725,618 | — |
| Revenue recognised upon the provision of services | 提供服務時確認的收入 | (824,920,153) | (414,784,736) |
| Revenue recognised upon the retail sales of products | 零售產品時確認的收入 | (49,612,366) | (37,280,066) |
| Refunds | 退款 | (7,735,902) | (2,450,010) |
| Revenue recognised from unutilised prepaid packages | 就未使用預付套票確認的收入 | (78,107,092) | (252,121,137) |
| Exchange adjustment | 匯兌調整 | (835,521) | 237,593 |
| At the end of year | 年末 | 327,894,405 | 312,891,746 |

25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**25. 綜合財務狀況表內的所得稅**

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合財務狀況表內即期稅項指：

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|--------------------------------|---------|-----------------------------|-----------------------------|
| Provision for tax for the year | 年內稅項撥備 | 40,467,146 | 36,384,294 |
| Provisional tax paid | 已付臨時稅項 | (29,038,591) | (46,221,112) |
| | | 11,428,555 | (9,836,818) |
| Current tax recoverable | 可收回即期稅項 | – | (16,072,807) |
| Current tax payable | 應付即期稅項 | 11,428,555 | 6,235,989 |
| | | 11,428,555 | (9,836,818) |

(b) Deferred Tax (Assets)/Liabilities**(b) 遞延稅項(資產)/負債**

| | | Temporary difference between depreciation and the related depreciation allowance 折舊與相關折舊撥備之間的暫時差額 | |
|---|---------------------------|--|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| At 1 April | 於四月一日 | (498,808) | 1,951,098 |
| Deferred tax credited to profit or loss during the year (note 11) | 年內於損益內計入的遞延稅項(附註11) | (691,580) | (2,449,906) |
| Business combination (note 30) | 業務合併(附註30) | 2,836,603 | – |
| Deferred tax liabilities recognised in the consolidated statement of financial position at 31 March | 於三月三十一日於綜合財務狀況表內確認的遞延稅項負債 | 1,646,215 | (498,808) |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

Reconciliation to the consolidated statement of financial position

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|-------------------|-----------------------------|-----------------------------|
| Deferred tax assets recognised in the consolidated statement of financial position | 於綜合財務狀況表確認的遞延稅項資產 | (1,461,626) | (637,917) |
| Deferred tax liabilities recognised in the consolidated statement of financial position | 於綜合財務狀況表確認的遞延稅項負債 | 3,107,841 | 139,109 |
| | | 1,646,215 | (498,808) |

The Group has tax losses arising in Hong Kong and the PRC of HK\$32,072,975 (2016: HK\$40,672,719) subject to agreement by the local tax authorities. The tax losses are available indefinitely for offsetting against future taxable profits of the companies from which the losses arose, except for tax losses arising in the PRC of HK\$1,917,870 (2016: HK\$2,644,138), which will be expired within 3–5 years.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

25. 綜合財務狀況表內的所得稅(續)

綜合財務狀況表的對賬

本集團產生自香港及中國的稅項虧損(須待當地稅務機關同意)為數32,072,975港元(二零一六年: 40,672,719港元)。該等稅項虧損可無限期用於抵銷產生虧損的公司之未來應課稅溢利, 惟在中國產生的稅項虧損1,917,870港元(二零一六年: 2,644,138港元)則除外, 其將於三至五年內到期。

由於有關虧損乃產生自虧損已有一段時日的附屬公司, 且不太可能會產生可用於抵銷稅項虧損的應課稅溢利, 故並無就該等虧損確認遞延稅項資產。

26. OBLIGATIONS UNDER FINANCE LEASES

At 31 March 2017, the Group had obligations under finance leases repayable as follows:

26. 融資租賃承擔

於二零一七年三月三十一日，本集團的應付融資租賃承擔如下：

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|--------------------------------------|------------|---|---|---|---|
| | | Present value of the minimum lease payments 最低租賃 付款現值 HK\$ 港元 | Total minimum lease payments 最低租賃 付款總額 HK\$ 港元 | Present value of the minimum lease payments 最低租賃 付款現值 HK\$ 港元 | Total minimum lease payments 最低租賃 付款總額 HK\$ 港元 |
| Within 1 year | 1年內 | 342,714 | 366,912 | - | - |
| After 1 year but within 2 years | 1年以上但2年內 | 353,975 | 366,912 | - | - |
| After 2 years but within 5 years | 2年以上但5年內 | 227,749 | 230,185 | - | - |
| | | 581,724 | 597,097 | - | - |
| | | 924,438 | 964,009 | - | - |
| Less: total future interest expenses | 減：未來利息開支總額 | | (39,571) | | - |
| Present value of lease obligations | 租賃承擔的現值 | | 924,438 | | - |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

27. SHARE CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the date of incorporation and the end of the year are set out below:

| | | | Share capital | Share premium (note 27 (d)(i)) | Contribution reserve (note 27 (d)(iv)) | Share held for share award scheme reserve (note 27(d)(vi)) 為股份獎勵計劃儲備而持有的股份 (附註 27 (d)(vi)) | Employee share-based compensation reserve (note 27(d)(vii)) 以股份支付的僱員酬金儲備 (附註 27 (d)(vii)) | Accumulated losses | Total |
|---|---------------------------------------|----------------|------------------|--------------------------------------|---|---|--|--------------------|------------------|
| | | Notes 附註 | 股本 HK\$ 港元 | 股份溢價 (附註 27 (d)(i)) HK\$ 港元 | 出資儲備 (附註 27 (d)(iv)) HK\$ 港元 | 股份獎勵計劃儲備而持有的股份 (附註 27 (d)(vi)) HK\$ 港元 | 以股份支付的僱員酬金儲備 (附註 27 (d)(vii)) HK\$ 港元 | 累計虧損 HK\$ 港元 | 總計 HK\$ 港元 |
| Balance at 7 July 2015 (date of incorporation) | 於二零一五年七月七日 (註冊成立日期) 的結餘 | | | | | | | | |
| Changes in equity for the period ended 31 March 2016: | 於截至二零一六年 三月三十一日 止期間的權益變動： | | | | | | | | |
| Issuance of shares before initial public offering | 於首次公開發售前 發行股份 | 27(c)(i), (ii) | 11,000 | - | 7 | - | - | - | 11,007 |
| Repurchase of shares before initial public offering | 於首次公開發售前 購回股份 | 27(c)(iii) | (3,650) | - | - | - | - | - | (3,650) |
| Dividends declared | 已宣派股息 | 27(b) | - | - | - | - | - | (60,000,000) | (60,000,000) |
| Shares issued under initial public offering, net of share issuance expenses | 根據首次公開發售發行 股份，扣除股份發行 開支 | 27(c)(iv) | 2,450 | 703,435,028 | - | - | - | - | 703,437,478 |
| Loss and total comprehensive income for the year | 年內虧損及 全面收入總額 | | - | - | - | - | - | (21,308,482) | (21,308,482) |
| Balance at 31 March 2016 and 1 April 2016 | 於二零一六年 三月三十一日及 二零一六年四月一日 的結餘 | | 9,800 | 703,435,028 | 7 | - | - | (81,308,482) | 622,136,353 |
| Changes in equity for the year ended 31 March 2017: | 截至二零一七年 三月三十一日 止年度權益變動： | | | | | | | | |
| Issuance of share | 發行股份 | 27(c)(v) | 8 | 2,250,361 | - | - | - | - | 2,250,369 |
| Purchase of shares for share award scheme | 就股份獎勵計劃購買 股份 | 28 | - | - | - | (92,162,744) | - | - | (92,162,744) |
| Recognition of equity-settled share-based compensation: | 確認以權益結算 以股份為基礎酬金： | | | | | | | | |
| share award and share option | 股份獎勵及購股權 | 28, 29 | - | - | - | - | 14,859,281 | - | 14,859,281 |
| Vesting of shares under share award scheme | 根據股份獎勵計劃 歸屬股份 | 28 | - | - | - | 11,464,621 | (12,083,180) | 618,559 | - |
| Dividends declared | 已宣派股息 | 27(b) | - | - | - | - | - | (90,125,302) | (90,125,302) |
| Loss and total comprehensive income for the year | 年內虧損及全面 收入總額 | | - | - | - | - | - | (6,402,331) | (6,402,331) |
| Balance at 31 March 2017 | 於二零一七年 三月三十一日的結餘 | | 9,808 | 705,685,389 | 7 | (80,698,123) | 2,776,101 | (177,217,556) | 450,555,626 |

27. 股本、儲備及股息

(a) 權益部分變動

本集團各部分綜合權益於期初及期終的對賬載於綜合權益變動表。本公司個別權益部分於註冊成立日期至年末期間的變動詳情載列如下：

27. SHARE CAPITAL, RESERVES AND DIVIDENDS (Continued)**27. 股本、儲備及股息(續)****(b) Dividends****(b) 股息**

- (i) Dividends payable by the Company to equity shareholders:

- (i) 本公司應付權益股東的股息：

| | | As at 31 March 於三月三十一日 | |
|--|--|------------------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Interim dividends declared and paid of HK7.50 cents per ordinary Share (2016: HK12.58 cents per ordinary share) | 已宣派及支付中期股息每股普通股7.50港仙(二零一六年：每股普通股12.58港仙) | 73,562,024 | 124,441,636 |
| Final dividend and special dividend proposed after the end of the Reporting Period of HK12.90 cents per ordinary Share (2016: HK1.91 cents per ordinary Share) | 於報告期間末後擬派發末期股息及特別股息每股普通股12.90港仙(二零一六年：每股普通股1.91港仙) | 126,526,683 | 18,733,796 |
| | | 200,088,707 | 143,175,432 |

The final dividend and special dividend proposed after the end of the Reporting Period has not been recognised as a liability at the end of the Reporting Period.

於報告期間末後擬派發之末期股息及特別股息尚未在報告期間末確認為負債。

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

- (ii) 上一財政年度應佔應付予本公司權益股東的股息，於本年度批准及派付：

| | | As at 31 March 於三月三十一日 | |
|--|---|------------------------------------|-----------------------------|
| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
| Final dividend in respect of the previous financial year, approved and paid during the year, of HK1.91 cents per share (2016: Nil cents per Share) | 上一財政年度末期股息於年內批准及派付每股1.91港仙(二零一六年：每股零港仙) | 18,733,796 | — |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

27. SHARE CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Share capital

| | | 31 March 2017 於二零一七年三月三十一日 | | 31 March 2016 於二零一六年三月三十一日 | |
|---|----------------------------------|-------------------------------|------------|-------------------------------|------------|
| | | Number of shares 股份數目 | HK\$ 港元 | Number of shares 股份數目 | HK\$ 港元 |
| Authorised | 法定 | | | | |
| Ordinary Shares of HK\$0.00001 each | 每股面值0.00001港元 的普通股 | 38,000,000,000 | 380,000 | 38,000,000,000 | 380,000 |
| Ordinary Shares, issued and fully paid | 普通股，已發行及繳足 | | | | |
| At 1 April | 於四月一日 | 980,000,000 | 9,800 | - | - |
| Issuance of new Share before IPO and share sub-division (i) | 於首次公開發售及股份 分拆前發行新股份(i) | - | - | 100 | - |
| Effect of share sub-division (ii) | 股份分拆的影響(ii) | - | - | 99,900 | 1 |
| Issuance of new Shares before initial public offering but after share sub-division (ii) | 於首次公開發售前但 於股份分拆後發行 新股份(ii) | - | - | 1,099,900,000 | 10,999 |
| Repurchase of Shares before initial public offering but after share sub-division (iii) | 於首次公開發售前但 於股份分拆後購回 股份(iii) | - | - | (365,000,000) | (3,650) |
| Shares issued under initial public offering (iv) | 根據首次公開發售 已發行的股份(iv) | - | - | 245,000,000 | 2,450 |
| Issuance of new Shares (v) | 發行新股份(v) | 827,000 | 8 | - | - |
| At 31 March | 於三月三十一日 | 980,827,000 | 9,808 | 980,000,000 | 9,800 |

The holders of ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary Shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派的股息，於本公司股東大會上每股股份有一票投票權。所有普通股對本公司的剩餘資產享有同等權利。

27. SHARE CAPITAL, RESERVES AND DIVIDENDS (Continued)**(c) Share capital (Continued)**

The Company's issued and fully paid shares as at 31 March 2017 included 35,995,770 shares held in trust by the trustee under the share award scheme.

- (i) The Company is an exempted company with limited liability incorporated in the Cayman Islands on 7 July 2015 with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each, 1 nil paid Share was issued to the Controlling Shareholder. There was no authorised and issued capital as at 31 March 2015 since the Company has not been incorporated on 31 March 2015.

On 18 September 2015, additional 99 Shares were issued to the Controlling Shareholder. All shares together with the 1 nil paid Share issued on the date of incorporation were then transferred to Union Medical Care Holding Limited and were fully paid-up on 18 September 2015.

- (ii) On 19 February 2016, the Company underwent a Share sub-division whereby each of the issued or unissued ordinary shares of par value of HK\$0.01 each was sub-divided into 1,000 shares of par value of HK\$0.00001 each. Upon completion of the share sub-division, the authorised share capital was HK\$380,000, dividing into 38,000,000,000 Shares of par value of HK\$0.00001 each, and 100,000 shares were issued and allotted. On the same date, a total of 1,099,900,000 Shares were further allotted and issued, at par.
- (iii) On 26 February 2016, the Company repurchased 365,000,000 shares at par, the Company's issued Shares consisted of 735,000,000 Shares of par value of HK\$0.00001 each.

27. 股本、儲備及股息(續)**(c) 股本(續)**

本公司於二零一七年三月三十一日的已發行及繳足股份包括受託人根據股份獎勵計劃以信託方式持有的35,995,770股股份。

- (i) 本公司於二零一五年七月七日在開曼群島註冊成立為獲豁免有限公司，法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份，控股股東獲發行1股未繳股款股份。於二零一五年三月三十一日並無法定及已發行股本，原因是本公司於二零一五年三月三十一日尚未註冊成立。

於二零一五年九月十八日，控股股東獲發行另外99股股份。所有股份連同於註冊成立當日發行的1股未繳股款股份其後轉讓予Union Medical Care Holding Limited，並於二零一五年九月十八日獲悉數繳足。

- (ii) 於二零一六年二月十九日，本公司進行股份分拆，據此每股面值0.01港元的已發行或未發行普通股分拆為1,000股每股面值0.00001港元的股份。於股份分拆完成後，法定股本為380,000港元，分為38,000,000,000股每股面值0.00001港元的股份，且100,000股股份已發行及配發。同日，共計1,099,900,000股股份按面值進一步予以配發及發行。
- (iii) 於二零一六年二月二十六日，本公司按面值購回365,000,000股股份，本公司的已發行股份由735,000,000股每股面值0.00001港元股份組成。

**27. SHARE CAPITAL, RESERVES AND
DIVIDENDS (Continued)**

(c) Share capital (Continued)

- (iv) On 11 March 2016, the Company issued 245,000,000 Shares with a par value of HK\$0.00001 each, at price of HK\$3.03 per share by way of a global initial public offering to Hong Kong and international investors. Net proceeds from such issue amounted to HK\$703,437,478 (after offsetting share issuance expenses of HK\$38,912,522) of which HK\$2,450 and HK\$703,435,028 were recorded in share capital and share premium respectively.

The holders of ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per Share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

- (v) On 18 April 2016, the Company issued 827,000 Shares at HK\$3.03 per Share by way of over-allotment Shares under the global initial public offering to Hong Kong and International investors.

27. 股本、儲備及股息(續)

(c) 股本(續)

- (iv) 於二零一六年三月十一日，本公司透過全球首次公開發售以每股3.03港元的價格向香港及國際投資者發行245,000,000股每股面值0.00001港元的股份。經抵銷38,912,522港元的股份發行開支後，該發行的所得款項淨額為703,437,478港元（當中2,450港元及703,435,028港元分別於股本及股份溢價記錄）。

普通股持有人有權收取不時宣派的股息，於本公司股東大會上每股股份有一票投票權。所有普通股對本公司的剩餘資產享有同等權利。

- (v) 於二零一六年四月十八日，本公司透過全球首次公開發售項下超額配發股份的方式按每股3.03港元向香港及國際投資者發行827,000股股份。

27. SHARE CAPITAL, RESERVES AND DIVIDENDS *(Continued)***(d) Nature and purpose of reserves****(i) Share premium**

The share premium represents the difference between the nominal value of the shares of the Company and proceeds received from the issuance of the shares of the Company. Under the Cayman Companies Law, the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of the business.

(ii) Merger reserve

The merger reserve represents the consolidated share capital of UGIL and a subsidiary acquired under common control.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong. The reserve is dealt with in accordance with the accounting policies set out in note 3.1.

(iv) Contribution reserve

The contribution reserve represents the difference between the share of equity of Union Health Services and the par value of share capital for the issuance of new shares.

27. 股本、儲備及股息(續)**(d) 儲備的性質及目的****(i) 股份溢價**

股份溢價指本公司的股份面值與發行本公司股份所收取所得款項之間的差額。根據開曼群島公司法，本公司股份溢價賬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已到期之債務。

(ii) 兼併儲備

兼併儲備指UGIL與一家收購而來的附屬公司(受共同控制)的綜合股本。

(iii) 匯兌儲備

匯兌儲備包含所有因換算香港境外業務財務報表產生的外匯差額。該儲備按附註3.1所載的會計政策處理。

(iv) 出資儲備

出資儲備指分佔Union Health Services的股權與發行新股的股本面值之間的差額。

27. SHARE CAPITAL, RESERVES AND DIVIDENDS *(Continued)*

(d) Nature and purpose of reserves *(Continued)*

(v) Shares held for share award scheme reserve

The shares held for share award scheme reserve represents the purchase costs of shares held for share award scheme as disclosed in note 28.

(vi) Employee share-based compensation reserve

The employee share-based compensation reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share-based payment in note 3.1.

(e) Distributability of reserves

As at 31 March 2017, the Company's reserves available for distribution to equity shareholders of the Company was HK\$450,545,818.

27. 股本、儲備及股息 *(續)*

(d) 儲備的性質及目的 *(續)*

(v) 為股份獎勵計劃儲備而持有的股份

為股份獎勵計劃儲備而持有的股份指附註28所披露購買為股份獎勵計劃而持有的股份的成本。

(vi) 以股份支付的僱員酬金儲備

以股份支付的僱員酬金儲備指根據附註3.1所載為以股份為基礎之付款而採納的會計政策所確認授予本集團僱員的實際或估計未行使購股權數目的公平值。

(e) 儲備的可分配性

於二零一七年三月三十一日，本公司可供分配予本公司權益股東的儲備為450,545,818港元。

28. SHARE AWARD SCHEME

On 26 September 2016, the Board approved the Company's Employees' Share Award Scheme (the "Share Award Scheme"). Pursuant to the rules of the Share Award Scheme, the Company has appointed a trustee for the purpose of administering the Share Award Scheme and holding the shares purchased for the Share Award Scheme before the award and vesting of the same. The Company pays to the trustee from time to time for the purchase of shares held for the Share Award Scheme from market.

The terms of the Share Award Scheme provide for the award of shares in the Company to employees of the Group as part of their compensation package. Subject to the rules of the Share Award Scheme, the Board shall determine at the time of grant the vesting date for the relevant awarded shares.

Dividend payable to the awarded share are applied to acquire further shares and pay the related purchase expenses and expenses incurred by the trustee.

For awardees who cease employment with the Group before vesting, the unvested shares are forfeited and held by the trustee of the Share Award Scheme who may award such shares to other awardees taking into consideration the recommendations of the Board.

Movements in the number of awarded shares in the Company and their related average fair values are as follows:

28. 股份獎勵計劃

董事會於二零一六年九月二十六日批准本公司僱員股份獎勵計劃(「股份獎勵計劃」)。根據股份獎勵計劃規則，本公司已委任一名受託人以管理股份獎勵計劃及於股份獎授及歸屬前持有為股份獎勵計劃而購買的股份。本公司不時就從市場購買為股份獎勵計劃而持有的股份向受託人付款。

股份獎勵計劃條款訂明可授予本集團僱員本公司股份作為彼等薪酬的一部分。根據股份獎勵計劃之規則，董事會須於授予時決定相關獎授股份的歸屬日期。

應付已獎授股份的股息可用作進一步購入股份及支付相關購買開支以及受託人引致之開支。

於歸屬前不再受僱於本集團的獲獎勵者，未歸屬股份會遭沒收，由股份獎勵計劃的受託人持有，受託人可經考慮董事會的推薦意見後將該等股份獎授予其他獲獎勵者。

所持本公司獲獎勵股份數目及相關平均公平值變動如下：

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|-------------|---------|---|---|---|---|
| | | Number of awarded shares 獲獎勵股份數目 | Average fair value per share 每股平均公平值 HK\$ 港元 | Number of awarded shares 獲獎勵股份數目 | Average fair value per share 每股平均公平值 HK\$ 港元 |
| At 1 April | 於四月一日 | - | - | - | - |
| Granted | 授出 | 5,127,000 | 2.56 | - | - |
| Vested | 歸屬 | (4,719,992) | 2.56 | - | - |
| At 31 March | 於三月三十一日 | 407,008 | 2.56 | - | - |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

28. SHARE AWARD SCHEME (Continued)

Movements in the number of shares in the Company and their held under the Share Award Scheme are as follows:

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|---------------------------|---------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | | Number of shares held 所持股份數目 | Fair value 公平值 HK\$ 港元 | Number of shares held 所持股份數目 | Fair value 公平值 HK\$ 港元 |
| At 1 April | 於四月一日 | - | - | - | - |
| Purchased during the year | 年內購買 | 35,995,770 | 92,162,744 | - | - |
| Vested during the year | 年內歸屬 | (4,719,992) | (11,464,621) | - | - |
| At 31 March | 於三月三十一日 | 31,275,778 | 80,698,123 | - | - |

During the year, the Share Award Scheme transferred 4,719,992 shares of the Company to the awardees upon vesting of certain awarded shares. The total cost of the vested shares was HK\$11,464,621.

The remaining vesting period of the awarded shares in the Company outstanding as at 31 March 2017 is within 3 years.

28. 股份獎勵計劃(續)

本公司股份數目及根據股份獎勵計劃持股的變動如下：

年內，股份獎勵計劃於若干獎勵股份歸屬時將4,719,992股本公司股份轉撥予獲獎勵者。歸屬股份的總費用為11,464,621港元。

於二零一七年三月三十一日，本公司已發行獎勵股份的剩餘歸屬期為3年。

29. SHARE OPTION SCHEME

The Company has a share option scheme which was adopted on 26 September 2016 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any Company in the Group, to take up options at HK\$3.03 consideration to subscribe for shares of the Company. Unless otherwise cancelled or amended, the share option scheme will be valid and effective within 10 years commencing on the date on which it became effective. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

(a) The terms and conditions of the grants are as follows:**29. 購股權計劃**

本公司於二零一六年九月二十六日採納購股權計劃，本公司董事獲授權酌情邀請本集團僱員（包括本集團任何公司董事）以代價3.03港元接納購股權，以認購本公司股份。除非另行註銷或修訂，購股權計劃將自其生效當日起十年有效及生效。每份購股權賦予持有人權利認購本公司一股普通股，並全數以股份結算。

(a) 授出條款及條件如下：

| | Number of instruments 工具數目 | Vesting conditions 歸屬條件 | Contractual life of options 購股權合約年期 |
|--|----------------------------------|--|---|
| Options granted to directors: | | | |
| 授予董事的購股權： | | | |
| — On 26 September 2016 | 7,350,000 | Exercisable in ten tranches from 1 January 2017 to 31 December 2026 | 10 years |
| — 於二零一六年九月二十六日 | | 可分為同等之十批 於二零一七年一月一日至 二零二六年十二月三十一日 期間行使 | 10年 |
| — On 26 September 2016 | 80,000 | Exercisable in four tranches from 1 January 2017 to 31 December 2020 | 4 years |
| — 於二零一六年九月二十六日 | | 可分為同等之四批 於二零一七年一月一日至 二零二零年十二月三十一日 期間行使 | 4年 |
| Options granted to employees: | | | |
| 授予僱員的購股權： | | | |
| — On 26 September 2016 | 460,000 | Exercisable in four tranches from 1 January 2017 to 31 December 2020 | 4 years |
| — 於二零一六年九月二十六日 | | 可分為同等之四批 於二零一七年一月一日至 二零二零年十二月三十一日 期間行使 | 4年 |
| Total share options granted 所授購股權總計 | 7,890,000 | | |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29. SHARE OPTION SCHEME (Continued)

(b) The number and weighted average exercise prices of share options are as follows:

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|---|-------|--|--|--|--|
| | | Number of options 購股權數目 HK\$'000 千港元 | Weighted average exercise price 加權平均行使價 | Number of options 購股權數目 HK\$'000 千港元 | Weighted average exercise price 加權平均行使價 |
| Outstanding at the beginning of the period | 期初未行使 | - | - | - | - |
| Granted during the period | 期內授出 | 7,890,000 | 3.03 | - | - |
| Outstanding at the end of the period | 期末未行使 | 7,890,000 | 3.03 | - | - |
| Exercisable at the end of the period | 期末可行使 | 870,000 | 3.03 | - | - |

The options outstanding at 31 March 2017 had an exercise price of \$3.03 and a weighted average remaining contractual life of 9.35 years.

29. 購股權計劃(續)

(b) 購股權數目及加權平均行使價如下：

於二零一七年三月三十一日未行使購股權的行使價為3.03元，加權平均剩餘合約年期為9.35年。

29. SHARE OPTION SCHEME (Continued)**(c) Fair value of share options and assumptions**

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial option pricing model, which takes into account the suboptimal exercise factors and the post-vesting exit rates. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

Fair value of share options and assumptions

| | | | |
|--|---------------------|------------------|----------------|
| Fair value at measurement date | 計量日期的公平值 | \$1.54 | \$0.90 |
| Share price | 股價 | 3.03 | 3.03 |
| Exercise price | 行使價 | 3.03 | 3.03 |
| Expected volatility | 預期波幅 | 65.673% | 53.802% |
| Option life | 購股權年期 | 10 years 10 年 | 4 years 4 年 |
| Expected dividends | 預期股息 | Nil 零 | Nil 零 |
| Risk-free interest rate (based on yield of the Hong Kong government bonds) | 無風險利率(按香港政府債券的收入計算) | 1.025% | 0.601% |

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

29. 購股權計劃(續)**(c) 購股權公平值及假設**

以授出購股權作為酬謝所獲得服務之公平值參考所授出購股權的公平值計量。所授出購股權的估計公平值根據二項式期權定價模式(考慮提早行使因素及歸屬後的退出率)計量。購股權的合約年期用作本模式的參數。二項式點陣模式已計及預期提早行使的因素。

購股權公平值及假設

| 26 September 2016 二零一六年 九月二十六日 | 26 September 2016 二零一六年 九月二十六日 |
|---|---|
| \$1.54 | \$0.90 |
| 3.03 | 3.03 |
| 3.03 | 3.03 |
| 65.673% | 53.802% |
| 10 years 10 年 | 4 years 4 年 |
| Nil 零 | Nil 零 |
| 1.025% | 0.601% |

預期波幅乃以按購股權之加權平均剩餘年期計算之歷史波幅為基準，並就按公開可得資料計算之預期日後波幅變動作出調整。預期股息乃按歷史股息計算。主觀參數假設變動可能嚴重影響公平值的估計。

購股權乃根據服務條件授出。此條件於計算所獲得服務於授出日期之公平值時並無考慮在內。已授出之購股權並無附帶市場條件。

30. BUSINESS COMBINATIONS

NYMG

On 23 September 2016, Union Chiropractic and Physiotherapy Limited, an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with the New York Medical Group (Pain Center) Limited and its fellow subsidiaries (together referred to as "NYMG"). NYMG is one of the largest groups of chiropractors, physiotherapists and other health professionals in Hong Kong which specialise in the musculoskeletal and nervous systems. Under the terms of the agreement, the Company agreed to acquire 51% shareholding in the issued share capital of NYMG.

The transaction was completed on 7 October 2016 with total consideration of HK\$33,512,505, upon which NYMG has become an indirect subsidiary of the Company.

The acquisition will bring synergistic benefits to the Group's strategy to diversify the Group's business portfolio and provide a new source of income to the Group. The goodwill of HK\$24,545,805 arising from the acquisition is attributable to acquired economies of scale expected from combining the operations of the Group and NYMG. None of the goodwill recognised is expected to be deductible for income tax purposes.

The Group incurred acquisition-related cost of HK\$132,600 on 7 October 2016. These costs have been charged to other expenses in the consolidated statement of profit or loss for the year.

30. 業務合併

NYMG

於二零一六年九月二十三日，Union Chiropractic and Physiotherapy Limited（本公司間接全資附屬公司）與New York Medical Group (Pain Centre) Limited及其同系附屬公司（統稱為「NYMG」）訂立買賣協議。NYMG是香港最大脊醫、物理治療及其他醫療專業人員集團之一，是肌肉骨骼及神經系統方面的專家。根據協議條款，本公司同意收購NYMG已發行股本51%股權。

交易於二零一六年十月七日完成，總代價為33,512,505港元，之後NYMG成為本公司間接附屬公司。

收購將為本集團豐富其業務組合及產生新收入來源的策略帶來協同利益。收購產生的商譽24,545,805港元來自合併本集團與NYMG業務預計取得的規模經濟。所確認的商譽就所得稅而言預計不可扣除。

本集團於二零一六年十月七日產生收購相關成本132,600港元。該等成本計入年內綜合損益表的其他開支。

30. BUSINESS COMBINATIONS (Continued)**NYMG (Continued)**

The fair value of the identifiable assets and liabilities of NYMG as at the date of acquisition is as follows:

| | | Notes 附註 | Total 總計 HK\$ 港元 |
|--|----------------------------|-------------|---------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 13 | 1,483,206 |
| Intangible assets | 無形資產 | 15 | 8,907,318 |
| Inventory | 存貨 | | 250,244 |
| Trade receivables | 貿易應收款項 | | 479,470 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | | 10,820,563 |
| Cash and cash equivalents | 現金及現金等價物 | | 8,736,736 |
| Trade payables | 貿易應付款項 | | (115,049) |
| Other payables and accruals | 其他應付款項及應計費用 | | (11,003,359) |
| Current tax payable | 應付即期稅項 | | (495,893) |
| Deferred tax liabilities | 遞延稅項負債 | | (1,469,707) |
| Total identifiable net liabilities at fair value | 按公平值計量的可識別負債淨值總額 | | 17,593,529 |
| Non-Controlling interests | 非控股權益 | | (8,620,829) |
| Goodwill on acquisition | 收購時的商譽 | 14 | 24,545,805 |
| Satisfied by cash | 以現金結償 | | 33,518,505 |
| Cash consideration | 現金代價 | | (33,518,505) |
| Cash and cash equivalents acquired | 所收購的現金及現金等價物 | | 8,736,736 |
| Net outflow of cash and cash equivalents included in cash flows used in investing activities | 投資活動所用現金流量中包括的現金及現金等價物流出淨額 | | (24,781,769) |

Since the acquisition, the NYMG contributed HK\$20,538,935 to the Group's revenue and profit HK\$6,004,689 to the consolidated profit for the year ended 31 March 2017.

Had the combination taken place at the beginning of the year ended 31 March 2017, the revenue of the Group and the profit of the Group for the year would have been HK\$40,925,649 and HK\$10,122,896, respectively.

In addition to the acquisition of NYMG, the Group acquired other subsidiaries which are insignificant to the consolidated financial statements and generated net cash outflow totalling HK\$3,711,857.

In aggregate, the Group generated net cash outflow totalling HK\$28,493,626 from acquisition of subsidiaries during the year ended 31 March 2017.

30. 業務合併(續)**NYMG (續)**

NYMG於收購日期的可識別資產及負債公平值如下：

自收購以來，截至二零一七年三月三十一日止年度NYMG分別為本集團收入及綜合溢利貢獻20,538,935港元及6,004,689港元。

倘合併於截至二零一七年三月三十一日止年度初發生，則本集團年內收入及溢利將分別為40,925,649港元及10,122,896港元。

除收購NYMG外，本集團收購其他對綜合財務報表並不重要的附屬公司及產生現金流出淨額合計3,711,857港元。

截至二零一七年三月三十一日止年度，本集團自收購附屬公司產生現金流出淨額合計28,493,626港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31. MATERIAL NON-CASH TRANSACTIONS

During the year ended 31 March 2016, interim dividend of HK\$64,441,636 were settled through the current accounts maintained between the Group and the Controlling Shareholder.

32. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the consolidated financial statements are as follows:

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|---------------|-----------------------------|-----------------------------|
| Bank guarantee given to a credit card institution | 向信用卡機構提供的銀行擔保 | 2,000,000 | 2,000,000 |

As at 31 March 2017, the maximum liability of the Group under the bank guarantee given to a credit card institution was HK\$2,000,000 (2016: HK\$2,000,000).

33. OPERATING LEASE COMMITMENTS

The Group leases certain of its beauty service centres, office premises and warehouses under operating lease arrangements. Leases for these properties are negotiated for terms ranging from 1 to 5 years.

The Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

| | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|---------------|-----------------------------|-----------------------------|
| Within one year | 一年內 | 86,859,505 | 40,823,424 |
| In the second to fifth years, inclusive | 第二至五年(包括首尾兩年) | 64,382,744 | 49,533,469 |
| | | 151,242,249 | 90,356,893 |

31. 重大非現金交易

於截至二零一六年三月三十一日止年度，中期股息64,441,636港元透過本集團與控股股東之間的往來賬目結算。

32. 或然負債

於報告期末，並無於綜合財務報表內計提撥備的或然負債如下：

於二零一七年三月三十一日，本集團向信用卡機構提供的銀行擔保項下的最高負債為2,000,000港元(二零一六年：2,000,000港元)。

33. 經營租賃承擔

本集團根據經營租賃安排出租其若干美容服務中心、辦公物業及倉庫。此等物業的經磋商租期介乎1至5年。

本集團於不可撤銷經營租約下按以下到期日於未來應付的最低租賃款項總額載列如下：

34. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

34. 關聯方交易

- (a) 除財務報表其他部分所詳述的交易及結餘外，本集團年內關聯方訂有下列重大交易：

| | | | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---|-------------|----------------------|-----------------------------|-----------------------------|
| | Notes 附註 | | | |
| Companies beneficially owned by Tang Chi Fai | | 由鄧志輝實益擁有的公司 | | |
| Sales of skincare and beauty products | (i) | 銷售護膚及美容產品 | – | 149,455 |
| Purchases of skincare and beauty products and medical consumables | (i) | 購買護膚及美容產品及醫療耗材 | 3,589 | 126,955 |
| Commission expenses | (ii) | 佣金開支 | 1,764,614 | 61,597 |
| Registered practitioner expenses | (iii) | 註冊醫生開支 | – | 272,750 |
| Rental expenses | (iv) | 租金開支 | 1,574,000 | 144,000 |
| Companies beneficially owned by the spouse of Tang Chi Fai | | 由鄧志輝配偶實益擁有的公司 | | |
| Sales of skincare and beauty products | (i) | 銷售護膚及美容產品 | 24,338 | 611,030 |
| Purchases of skincare and beauty products and medical consumables | (i) | 購買護膚及美容產品及醫療耗材 | 10,999,940 | 12,382,171 |
| Purchases of property, plant and equipment | (v) | 購買物業、廠房及設備 | 4,259,543 | 867,820 |
| Rental expenses | (iv) | 租金開支 | 288,000 | 288,000 |
| Insurance brokerage service fee | (vi) | 保險經紀服務費 | 180,150 | 422,975 |
| Equipment maintenance service fee | (vii) | 設備維護服務費 | 1,471,453 | 738,644 |
| Travelling expenses | (viii) | 差旅開支 | 371,188 | 204,282 |

Notes:

- (i) Sales and purchases were made with the related parties according to the mutually agreed pricing.
- (ii) The Commission expenses were charged from related parties according to mutually agreed terms.
- (iii) The registered practitioner expenses were reimbursed to the related parties on an actual cost basis.

附註：

- (i) 銷售及購買乃根據雙方協定定價與關聯方作出。
- (ii) 佣金開支乃根據雙方協定的條款向關聯方收取。
- (iii) 註冊醫生開支乃按實際成本基準賠償予關聯方。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

34. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Notes: (Continued)

- (iv) The rental expenses were charged from the related parties on an actual cost basis.
- (v) Items of property, plant and equipment were purchased from a related party according to mutually agreed terms.
- (vi) Insurance brokerage service fee was charged from the related party according to mutually agreed terms.
- (vii) Equipment maintenance service fee was charged from the related party according to mutually agreed terms.
- (viii) Travelling expenses were charged from the related party according to mutually agreed terms.

(b) Compensation of key management personnel of the Group:

All members of key management personnel are directors of the Company, and their compensation is disclosed in note 9.

(c) During the year ended 31 March 2017, the related party transactions in respect of purchases of skincare and beauty products and medical consumables and purchases of property, plant and equipment from a related company beneficially owned by the spouse of the Controlling Shareholder as disclosed in Note 34(a) constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules, which the disclosures required by Chapter 14A of the Listing Rules are provided under section Continuing Connected Transaction of the Report of the Directors. The remaining related party transactions disclosed in note 34(a) are exempted from the disclosure requirements in Chapter 14(A) of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1).

34. 關聯方交易 (續)

(a) (續)

附註：(續)

- (iv) 租金開支乃按實際成本基準向關聯方收取。
- (v) 物業、廠房及設備項目乃根據雙方協定的條款購自一名關聯方。
- (vi) 保險經紀服務費乃根據雙方協定的條款向關聯方收取。
- (vii) 設備維護服務費乃根據雙方協定的條款向關聯方收取。
- (viii) 差旅開支乃根據雙方協定的條款向關聯方收取。

(b) 本集團主要管理層人員的薪酬：

所有主要管理層人員為本公司董事，而彼等的薪酬於附註9中披露。

(c) 截至二零一七年三月三十一日止年度，於附註34(a)披露有關購買護膚及美容產品以及醫療耗材，及自控股股東配偶實益擁有的關聯公司購買物業、廠房及設備的關聯方交易構成上市規則第14A章所定義的持續關連交易，而上市規則第14A章規定的披露於董事會報告中「持續關連交易」一節提供。於附註34(a)披露的餘下關聯方交易獲豁免遵守上市規則第14A章的披露規定，原因為有關交易低於根據第14A.76(1)條的最低水平。

35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amount of each of the categories of financial instruments as at the end of the reporting period is as follows:

As at 31 March 2017

Financial assets

| | | Financial assets at fair value through profit or loss 按公平值計入損益的金融資產 | | |
|---|----------------|--|----------------------------------|-------------|
| | | Designated as such upon initial recognition 於初始確認時作出有關指定 | Loans and receivables 貸款及應收款項 | Total 總計 |
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 |
| Trade receivables | 貿易應收款項 | – | 52,142,746 | 52,142,746 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | – | 49,969,210 | 49,969,210 |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | 499,745,689 | – | 499,745,689 |
| Pledged time deposits | 已抵押定期存款 | – | 2,000,000 | 2,000,000 |
| Time deposits with original maturity over 3 months | 原到期日超過3個月的定期存款 | – | 158,712,370 | 158,712,370 |
| Cash and cash equivalents | 現金及現金等價物 | – | 200,644,165 | 200,644,165 |
| | | 499,745,689 | 463,468,491 | 963,214,180 |

35. 按種類劃分的金融工具

各金融工具類別於各報告期末的賬面值如下：

於二零一七年三月三十一日

金融資產

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

35. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 31 March 2017 (Continued)

Financial liabilities

| | | Financial liabilities at amortised cost 按攤銷成本入賬的金融負債 HK\$ 港元 |
|---|---------------|---|
| Trade payables | 貿易應付款項 | 6,468,211 |
| Other payables and accruals | 其他應付款項及應計費用 | 52,145,544 |
| Bank guarantee given to a credit card institution | 向信用卡機構提供的銀行擔保 | 2,000,000 |
| | | 60,613,755 |

35. 按種類劃分的金融工具(續)

於二零一七年三月三十一日(續)

金融負債

As at 31 March 2016

Financial assets

於二零一六年三月三十一日

金融資產

| | | Financial assets at fair value through profit or loss 按公平值計入損益的金融資產 | | | |
|---|----------------|---|--|--|---------------------------|
| | | Designated as such upon initial recognition 於初始確認時作出有關指定 HK\$ 港元 | Held for trading 持作買賣 HK\$ 港元 | Loans and receivables 貸款及應收款項 HK\$ 港元 | Total 總計 HK\$ 港元 |
| Trade receivables | 貿易應收款項 | – | – | 32,484,344 | 32,484,344 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | – | – | 37,151,235 | 37,151,235 |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | 18,017,766 | 85,499,126 | – | 103,516,892 |
| Pledged time deposits | 已抵押定期存款 | – | – | 2,000,000 | 2,000,000 |
| Time deposits with original maturity over 3 months | 原到期日超過3個月的定期存款 | – | – | 500,000,000 | 500,000,000 |
| Cash and cash equivalents | 現金及現金等價物 | – | – | 354,717,582 | 354,717,582 |
| | | 18,017,766 | 85,499,126 | 926,353,161 | 1,029,870,053 |

35. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

As at 31 March 2016 (Continued)

Financial liabilities

| | | Financial liabilities at amortised cost 按攤銷成本入賬的金融負債 HK\$ 港元 |
|---|---------------|---|
| Trade payables | 貿易應付款項 | 5,214,323 |
| Other payables and accruals | 其他應付款項及應計費用 | 70,207,754 |
| Bank guarantee given to a credit card institution | 向信用卡機構提供的銀行擔保 | 2,000,000 |
| | | 77,422,077 |

35. 按種類劃分的金融工具 (續)

於二零一六年三月三十一日 (續)

金融負債

36. FAIR VALUE AND FAIR VALUE HIERARCHY

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

36. 公平值及公平值層級

下表闡明本集團金融工具的公平值計量層級：

按公平值計量的資產：

| | | Fair value measurement using 使用下列者進行公平值計量 | | | Total 總計 HK\$ 港元 |
|---|--------------------------------------|---|---|--|---------------------------|
| | | Quoted prices in active markets (Level 1) 於活躍市場 所報價格 (第1層級) HK\$ 港元 | Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第2層級) HK\$ 港元 | Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第3層級) HK\$ 港元 | |
| As at 31 March 2017 | 於二零一七年三月三十一日 | | | | |
| Unlisted bond investment, certificate of deposits and coupon note at fair value — designated as such upon initial recognition | 按公平值計量的非上市債券投資、存款證及票據 — 於初始確認時作出有關指定 | - | 499,745,689 | - | 499,745,689 |
| As at 31 March 2016 | 於二零一六年三月三十一日 | | | | |
| Unlisted fund investments and certificate of deposits at fair value — designated as such upon initial recognition | 按公平值計量的非上市投資基金及存款證 — 於初始確認時作出有關指定 | 85,499,126 | 18,017,766 | - | 103,516,892 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

36. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

The fair values of the unlisted fund investments are based on quoted market prices.

Valuation techniques and inputs used in Level 2 fair value measurements

The unlisted bond investment, certificate of deposits and coupon note (2016: unlisted fund investments and certificate of deposits) are not quoted in an active market and may be subject to restrictions on redemptions. The fair value is determined by discounting the contractual cash flows. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus credit spread.

Financial assets and liabilities not measured at fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at the end of the reporting period.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and debt price and investment fund risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Credit risk

The Group was involved in the provision of medical, quasi-medical and traditional beauty services and the sale of skincare and beauty products and receivable balances are mainly from financial institutions in respect of credit card receivables. Receivable balances are monitored on an ongoing basis by senior management and the Group's exposure to bad debts is not significant. In addition, the Group's bank balances are deposited with creditworthy banks with no recent history of default.

36. 公平值及公平值層級(續)

年內，第1層級與第2層級之間並無公平值計量轉撥，以及並無就金融資產及金融負債進行第3層級轉入或轉出。

非上市投資基金的公平值以市場報價為基準。

第2層級公平值計量所用的估值技術及輸入數據

非上市債券投資、存款證及票據(二零一六年：非上市投資基金及存款證)在活躍市場並無報價，可能受到贖回限制。公平值乃按貼現合約現金流量釐定。所用貼現率為報告期末有關政府收入率曲線，另加信貸息差。

不按公平值計量的金融資產及負債

本集團按成本或攤銷成本列賬的金融工具的賬面值與其於報告期末的公平值並無重大差別。

37. 金融風險管理目標及政策

本集團金融工具所產生的主要風險為信貸風險、流動資金風險及債務價格與投資基金風險。董事審閱及同意管理此等風險的政策，而此等風險概述如下。

信貸風險

本集團從事提供醫療、準醫療及傳統美容服務以及銷售護膚及美容產品，而應收款項結餘主要來自金融機構的信用卡應收款項。應收款項結餘由高級管理層持續監控，而本集團面對的壞賬風險並不重大。此外，本集團的銀行結餘存於近期並無違約歷史且信用良好的銀行。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

The credit risk of the Group's other financial assets arises from the default of the counterparties, with a maximum exposure equal to the carrying amounts of these financial assets.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 18 to the financial statements.

Liquidity risk

The Group monitors and maintains a sufficient level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuation in cash flows. Management reviews and monitors its working capital requirements regularly.

The maturity profile of the Group's financial liabilities, based on the contractual undiscounted amounts, are as follows:

As at 31 March 2017

| | | Within 1 year or on demand 須於1年內或 按要求償還 HK\$ 港元 |
|---|---------------|---|
| Trade payables | 貿易應付款項 | 6,468,211 |
| Other payables and accruals | 其他應付款項及應計費用 | 52,145,544 |
| Bank guarantee given to a credit card institution | 向信用卡機構提供的銀行擔保 | 2,000,000 |
| | | 60,613,755 |

37. 金融風險管理目標及政策 (續)

信貸風險 (續)

本集團自對手方違約產生的其他金融資產的信貸風險最大值相等於此等金融資產的賬面值。

有關本集團因貿易應收款項而面對的信貸風險的進一步定量數據披露於財務報表附註18。

流動資金風險

本集團密切注視及維持管理層認為充足的現金及現金等價物水平，以撥付本集團的營運及降低現金流量波動的影響。管理層定期審閱及密切注視其營運資金需求。

本集團的金融負債基於合約未貼現金額的到期情況如下：

於二零一七年三月三十一日

**37. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (Continued)**

As at 31 March 2016

37. 金融風險管理目標及政策(續)

於二零一六年三月三十一日

| | | |
|--|------------------------|---|
| | | Within 1 year or on demand 須於1年內或 按要求償還 HK\$ 港元 |
| Trade payables | 貿易應付款項 | 5,214,323 |
| Financial liabilities included in other payables and accruals | 計入其他應付款項及應計費用的 金融負債 | 70,207,754 |
| Bank guarantee given to a credit card institution | 向信用卡機構提供的銀行擔保 | 2,000,000 |
| | | 77,422,077 |

Investment fund risk

Investment fund risk is the risk that the fair value or future cash flows of investment funds will fluctuate due to changes in the prices of underlying securities. The maximum risk resulting from investment funds equals their fair value.

投資基金風險

投資基金風險為投資基金的公平值或未來現金流量將因相關證券的價格變動而波動的風險。投資基金所產生的最高風險值相等於其公平值。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Investment fund risk (Continued)

The following table demonstrates the sensitivity to every 5% change in the fair values of the unlisted bond investment, certificate of deposits and coupon note (2016: unlisted fund investment and certificate of deposits) to which the Group has significant exposure at the end of the reporting period, with all other variables held constant and before any impact on tax. There is no impact on the Group's equity except on the retained profits.

| | | Carrying amount of investments 投資的 賬面值 HK\$ 港元 | Change in profit before tax 除稅前溢利 的變動 HK\$ 港元 |
|---|--------------------------------------|---|--|
| As at 31 March 2017 | 於二零一七年三月三十一日 | | |
| Unlisted bond investment, certificate of deposits and coupon note at fair value — designated as such upon initial recognition | 按公平值計量的非上市債券投資、存款證及票據 — 於初始確認時作出有關指定 | 499,745,689 | 24,987,284 |
| As at 31 March 2016 | 於二零一六年三月三十一日 | | |
| Unlisted fund investments and certificate of deposits at fair value — designated as such upon initial recognition | 按公平值計量的非上市投資基金及存款證 — 於初始確認時作出有關指定 | 103,516,892 | 5,175,845 |

Capital management

The Group's main objectives with respect to capital management include maintaining a solid and stable financing structure to support its ongoing business growth so that it can continue to maximise shareholders' return, and providing an adequate return to the shareholders by pricing products and services commensurate with the level of risk.

The Group regularly reviews and manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, return capital to the shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes for managing capital during the year.

37. 金融風險管理目標及政策 (續)

投資基金風險 (續)

下表列示在所有其他變量保持不變且未計入任何稅務影響的情況下，本集團於報告期末面對重大風險的非上市債券投資、存款證及票據（二零一六年：非上市投資基金及存款證）的公平值變動5%的敏感度。此對本集團的股權（保留溢利除外）並無影響。

資本管理

本集團有關資本管理的主要目標包括維持穩固的融資架構，以支持其持續的業務增長以讓其可持續將股東回報最大化，以及透過將產品及服務的價格設定為與風險水平相稱來為股東提供充足回報。

本集團定期審閱及管理其資本架構並就經濟狀況的變動及相關資產的風險特性對之作出調整。為維持或調整資本架構，本集團可能調整向股東作出的股息付款、向股東退還資本或發行新股。本集團並無面對任何外部施加的資本需求。年內並無對管理資本的目標、政策或流程作出任何變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

38. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

38. 公司財務狀況表

| | | Note 附註 | 2017 二零一七年 HK\$ 港元 | 2016 二零一六年 HK\$ 港元 |
|---------------------------------|---------------|------------|-----------------------------|-----------------------------|
| NON-CURRENT ASSET | 非流動資產 | | | |
| Investment in a subsidiary | 於一間附屬公司的投資 | | 8 | 8 |
| CURRENT ASSETS | 流動資產 | | | |
| Amount due from a related party | 應收一名關聯方款項 | | 422,711,591 | — |
| Cash and cash equivalents | 現金及現金等價物 | | 27,844,027 | 706,461,328 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Other payables and accruals | 其他應付款項及應計費用 | | — | 13,655,736 |
| Amount due to a related party | 應付一名關聯方款項 | | — | 70,669,247 |
| | | | — | 84,324,983 |
| NET CURRENT ASSETS | 流動資產淨值 | | 450,555,618 | 622,136,345 |
| NET ASSETS | 資產淨值 | | 450,555,626 | 622,136,353 |
| EQUITY | 權益 | 27(a) | | |
| Share capital | 股本 | | 9,808 | 9,800 |
| Reserves | 儲備 | | 450,545,818 | 622,126,553 |
| | | | 450,555,626 | 622,136,353 |

Approved and authorised for issue by the board of directors on
28 June 2017

於二零一七年六月二十八日獲董事會批准
及授權刊發

Lee Gabriel
李嘉豪
Director
董事

Yeung Chin Wan
楊展昀
Director
董事

39. INVESTMENT IN A SUBSIDIARY

The following list contains only the particular of subsidiaries which principally affected the results, assets and liabilities of the Group.

39. 於一間附屬公司的投資

以下名單僅載列主要影響本集團之業績、資產或負債之附屬公司詳情。

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment/ operation 註冊成立/ 成立/營業地點 | Issued share capital/ paid-up share capital 已發行股本/ 繳足股本 | Effective percentage of equity interest held by the Group 本集團持有的實際 股權百分比 | | Principal activities 主要業務 |
|---|--|--|--|------------------|---|
| | | | Directly 直接 | Indirectly 間接 | |
| Able Lead Corporation Limited (領誌有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision for healthcare services 提供護理服務 |
| All Union International Investment Limited (栢聯國際投資有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Investment holding 投資控股 |
| Best Union (China) Limited (佳聯(中國)有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision of medical, quasi-medical and traditional beauty services and sale of skincare and beauty products 提供醫療、準醫療及傳統美容 服務以及銷售護膚及美容產品 |
| Doctor Reborn Cosmetic Surgery Centre Limited (專業醫生重新中心有限公司) | Hong Kong 香港 | HK\$10 10港元 | – | 100% | Holding of healthcare machines 持有護理儀器 |
| Doctor Reborn Cosmetic Surgery Institute Limited (專業醫生整容中心有限公司) | Hong Kong 香港 | HK\$10,000 10,000港元 | – | 100% | Holding of healthcare machines 持有護理儀器 |
| Dr. Pro and Dr. Reborn Medical Aesthetics Centre Limited (專生美醫學美容中心有限公司) | Macau 澳門 | MOP26,000 26,000澳門元 | – | 85% | Provision of aesthetic medical beauty services 提供醫學美容服務 |
| Grand Best Union Limited (創豐聯有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision of administrative services 提供行政服務 |
| Grand Best Union Services Limited | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Investment holding 投資控股 |
| Guangzhou Zhuansheng Aesthetic Medical Beauty Clinic Company Limited (廣州專生美醫療美容門診部有限公司) | The PRC (note 1) 中國(附註1) | RMB10,000,000 (note 1) 人民幣 10,000,000元(附註1) | – | 100% | Provision of medical services 提供醫療服務 |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

39. INVESTMENT IN A SUBSIDIARY (Continued)

39. 於一間附屬公司的投資(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment/ operation 註冊成立/ 成立/營業地點 | Issued share capital/ paid-up share capital 已發行股本/ 繳足股本 | Effective percentage of equity interest held by the Group 本集團持有的實際 股權百分比 | | Principal activities 主要業務 |
|--|--|--|--|------------------|---|
| | | | Directly 直接 | Indirectly 間接 | |
| Guangzhou Zhuansheng Enterprise Management Company Limited (廣州專生企業管理有限公司) | The PRC (note 2) 中國(附註2) | RMB500,000 人民幣 500,000元 | – | 100% | Provision of medical services 提供醫療服務 |
| Jade Master International Limited | British Virgin Islands 英屬處女群島 | US\$10 10美元 | – | 100% | Investment holding 投資控股 |
| Medic One Surgery Center Limited | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision for management services 提供管理服務 |
| New Elite Inc. Limited (新麗興業有限公司) | Hong Kong 香港 | HK\$10 10港元 | – | 100% | Provision of medical and traditional beauty services and sale of skincare and beauty products 提供醫療及傳統美容服務以及 銷售護膚及美容產品 |
| New Union International Capital Limited (新聯國際資本有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision of management services 提供管理服務 |
| New York Medical Group 紐約醫療集團 | Hong Kong 香港 | HK\$1,000 1,000港元 | – – | 51% 51% | Provision of chiropractic services 提供脊醫服務 |
| Professional Aesthetic Surgery Centre Limited (專業醫學整形中心有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision for management services 提供管理服務 |
| Professional Medical and Surgery Center Limited (專科醫學整容中心有限公司) | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision of management services 提供管理服務 |
| Team Expert Investment Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | – | 100% | Investment holding 投資控股 |
| The One Dental Limited | Hong Kong 香港 | HK\$100 100港元 | – | 100% | Provision of dental services 提供牙科服務 |
| The One Dental Plus Limited | Hong Kong 香港 | HK\$1 1港元 | – | 100% | Provision of dental services 提供牙科服務 |

39. INVESTMENT IN A SUBSIDIARY (Continued)

39. 於一間附屬公司的投資(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment/ operation 註冊成立/ 成立/營業地點 | Issued share capital/ paid-up share capital 已發行股本/ 繳足股本 | Effective percentage of equity interest held by the Group 本集團持有的實際股權百分比 | | Principal activities 主要業務 |
|--|--|--|--|------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Union Dental Holding Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Union Dermatory Holding Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Union Enchanting Limited (聯合迷仁有限公司) | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Union (Group) Investment Limited (聯合(集團)投資有限公司) | Hong Kong 香港 | HK\$29,608 29,608港元 | - | 100% | Provision of medical, quasi-medical and traditional beauty services and sale of skincare and beauty products 提供醫療、準醫療及傳統美容服務以及銷售護膚及美容產品 |
| Union Harvest Corporation Limited (豐會有限公司) | Hong Kong 香港 | HK\$1 1港元 | - | 100% | Provision of marketing services 提供市場推廣服務 |
| Union Health Services Holding Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | 100% | - | Investment holding 投資控股 |
| Union Honor International Enterprise Limited (聯信國際企業有限公司) | Hong Kong 香港 | HK\$10,000 10,000港元 | - | 100% | Provision of management services 提供管理服務 |
| Union Laboratory Healthcare Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Union Medical Association Limited | Hong Kong 香港 | HK\$1 1港元 | - | 100% | Owner of trademarks 商標擁有人 |
| Union Medical Capital Management Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Union Preventive Healthcare Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |

Note 1: The subsidiary is a limited liability company in the PRC. The registered capital of this subsidiary was not paid-up as at 31 March 2016.

附註1：該附屬公司為中國的有限公司。該附屬公司的註冊資本於二零一六年三月三十一日尚未繳足。

Note 2: The subsidiary is a wholly-foreign owned enterprise in the PRC.

附註2：該附屬公司為中國外商獨資企業。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

40. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 March 2017, the directors consider the immediate parent of the Group to be Union Medical Care Holding Limited, which is incorporated in the BVI, and the ultimate controlling party of the Group to be the Controlling Shareholder. None of the parties produces financial statements available for public use.

40. 直接及最終控股方

於二零一七年三月三十一日，董事認為本集團的直接母公司為於英屬處女群島註冊成立的Union Medical Care Holding Limited，而本集團的最終控股方為控股股東。該等實體並無編製可供公眾使用的財務報表。

41. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 March 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

41. 已頒佈但尚未於截至二零一七年三月三十一日止年度生效的修訂、新準則及詮釋的可能影響

截至該等財務報表刊發日期，香港會計師公會已頒佈多項修訂及新準則，惟彼等尚未於截至二零一七年三月三十一日止年度生效且並無於該等財務報表內採用。其中可能與本集團相關者載列如下。

| | Effective for accounting periods beginning on or after 於以下日期或之後開始 的會計期間生效 |
|---|--|
| Amendments to HKAS 7, <i>Statement of cash flows: Disclosure initiative</i> 香港會計準則第7號的修訂，現金流量表：披露計劃 | 1 January 2017 二零一七年一月一日 |
| Amendments to HKAS 12, <i>Income taxes: Recognition of deferred tax assets for unrealised losses</i> 香港會計準則第12號的修訂，所得稅：確認未變現虧損的遞延稅項資產 | 1 January 2017 二零一七年一月一日 |
| HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號，金融工具 | 1 January 2018 二零一八年一月一日 |
| Amendments to HKFRS 2, <i>Share-based payment: Classification and measurement of share-based payment transactions</i> 香港財務報告準則第2號的修訂，以股份為基礎之付款：以股份為基礎之付款交易之分類及計量 | 1 January 2018 二零一八年一月一日 |
| HKFRS 16, <i>Leases</i> 香港財務報告準則第16號，租賃 | 1 January 2019 二零一九年一月一日 |

**41. POSSIBLE IMPACT OF AMENDMENTS ,
NEW STANDARDS AND
INTERPRETATIONS ISSUED BUT NOT YET
EFFECTIVE FOR THE YEAR ENDED 31
MARCH 2017 (Continued)**

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 the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

HKFRS 16, Leases

In respect of lease accounting for lessees, the current policy is set out in note 3.1. Under HKFRS 16, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As disclosed in note 33, at 31 March 2017, the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$151,242,249. Most of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted.

**41. 已頒佈但尚未於截至二零一七年
三月三十一日止年度生效的修
訂、新準則及詮釋的可能影響
(續)**

本集團正評估此等修訂及新準則於初次應用期間的預期影響。本集團迄今的結論為，新準則部分方面可能對綜合財務報表構成重大影響。預期影響的進一步詳情於下文討論。由於本集團尚未完成其評估，其於適當時間可能識別進一步影響，並於有關新規定生效日期前於釐定是否採納該等新規定、將採取之過渡方法以及新準則項下可採取之其他方法時，將有關影響考慮在內。

香港財務報告準則第16號，租賃

關於承租人的租賃會計處理，當前政策載於附註3.1。根據香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受實際權宜方法的規限，承租人將須以與當前融資租賃會計處理方法類似的方式入賬所有租賃，即承租人將於租賃起始日期按最低未來租賃付款的現值確認及計量租賃負債，並將確認相應的「使用權」資產。於該資產及負債初始確認後，承租人將確認租賃負債未償還結餘應計的利息開支及使用權資產的折舊，而非按關於按系統性基準確認租期內產生的經營租賃租金開支的當前政策。如附註33所披露，於二零一七年三月三十一日，本集團的不可撤銷經營租賃項下未來最低租賃付款為151,242,249港元。一旦採用香港財務報告準則第16號，大多數該等款項可能因此需要確認作租賃負債，並確認相應的使用權資產。

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

TANG Chi Fai (*Chairman, CEO*)
LEE Gabriel (*Chief Operating Officer*)
LUK Kun Shing Ben (*Chief Information Officer*)
YEUNG Chin Wan (*Chief Financial Officer*)

Independent Non-Executive Directors

MA Ching Nam
YU Ka Fai Alexis
LOOK Andrew

AUDIT COMMITTEE

LOOK Andrew (*Chairman*)
MA Ching Nam
YU Ka Fai Alexis

NOMINATION COMMITTEE

TANG Chi Fai (*Chairman*)
YU Ka Fai Alexis
LOOK Andrew

REMUNERATION COMMITTEE

YU Ka Fai Alexis (*Chairman*)
MA Ching Nam
LOOK Andrew

COMPANY SECRETARY

LEUNG Ka Kit (*HKICPA member*)
(appointed on 9 September 2016)

AUTHORISED REPRESENTATIVES

LEE Gabriel
YEUNG Chin Wan

STOCK CODE

2138

COMPANY'S WEBSITE

www.umhgp.com

董事

執行董事

鄧志輝(主席、行政總裁)
李嘉豪(營運總監)
陸韵晟(資訊科技總監)
楊展昀(財務總監)

獨立非執行董事

馬清楠
余嘉輝
陸東

審核委員會

陸東(主席)
馬清楠
余嘉輝

提名委員會

鄧志輝(主席)
余嘉輝
陸東

薪酬委員會

余嘉輝(主席)
馬清楠
陸東

公司秘書

梁家傑(香港會計師公會會員)
(於二零一六年九月九日獲委任)

授權代表

李嘉豪
楊展昀

股份代號

2138

公司網站

www.umhgp.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG SHARE REGISTRAR

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

REGISTERED OFFICE

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 7-9, L21
Langham Place Office Tower
8 Argyle Street
Mong Kok
Hong Kong

LEGAL ADVISER

as to Hong Kong law
Deacons
5th Floor, Alexandra House
18 Chater Road
Central, Hong Kong

COMPLIANCE ADVISER

Ample Capital Limited
Unit A, 14/F
Two Chinachem Plaza
135 Des Voeux Road Central
Hong Kong

AUDITOR

KPMG
Certified Public Accountants
8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

主要證券登記處

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

香港證券登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

註冊辦事處

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman KY1-1111
Cayman Islands

香港總部及主要營業地點

香港
旺角
亞皆老街8號
朗豪坊辦公大樓
21樓7-9室

法律顧問

香港法律
的近律師行
香港中環
遮打道十八號
歷山大廈五樓

合規顧問

豐盛融資有限公司
香港
德輔道中135號
華懋廣場II期
14樓A室

核數師

畢馬威會計師事務所
執業會計師
香港
中環
遮打道10號
太子大廈
8樓

DEFINITION

釋義

| | |
|---|---|
| “AGM” 「股東週年大會」 | the annual general meeting of the Company proposed to be held on 22 August 2017 建議於二零一七年八月二十二日舉行的本公司股東週年大會 |
| “Articles of the Association” 「組織章程細則」 | the Company’s articles of the association 本公司的組織章程細則 |
| “Board” 「董事會」 | the board of Directors 董事會 |
| “CG Code” 「企業管治守則」 | the Corporate Governance Code contained in Appendix 14 to the Listing Rules, as amended from time to time 上市規則附錄 14 所載的企業管治守則（經不時修訂） |
| “Chinese Medicine Ordinance” 「中醫藥條例」 | the Chinese Medicine Ordinance (Chapter 549 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第 549 章《中醫藥條例》（經不時修訂、補充或以其他方式修改） |
| “Chinese Medicine Practitioner(s)” 「中醫」 | the Registered Chinese Medicine Practitioner and the Listed Chinese Medicine Practitioner who are employed by our Group 本集團聘用的註冊中醫及表列中醫 |
| “Clinical Microbiologist” 「臨床微生物學家」 | a Hong Kong Doctor who is registered under the Specialist Register of the Hong Kong Medical Council for clinical microbiology and infection kept in accordance with the Medical Registration Ordinance 於按照《醫生註冊條例》備存的香港醫務委員會臨床微生物及感染學專科醫生名冊註冊的香港醫生 |
| “Company” 「本公司」 | Union Medical Healthcare Limited, an exempted company incorporated in the Cayman Islands with limited liability 香港醫思醫療集團有限公司，於開曼群島註冊成立的獲豁免有限公司 |
| “Dentist(s)” 「牙醫」 | person(s) who is (are) registered on the General Register kept in accordance with the Dentists Registration Ordinance 於按照《牙醫註冊條例》備存的普通科醫生名冊註冊的人士 |
| “Dentists Registration Ordinance” 「《牙醫註冊條例》」 | the Dentists Registration Ordinance (Chapter 156 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第 156 章《牙醫註冊條例》（經不時修訂、補充或以其他方式修改） |
| “Director(s)” 「董事」 | the director(s) of the Company 本公司董事 |

| | |
|--|---|
| “Doctor(s)” 「醫生」 | collectively, Hong Kong Doctors, Macau Doctors and PRC Doctors, and each, a “Doctor” 香港醫生、澳門醫生及中國內地醫生的統稱，各自稱為醫生 |
| “General Practitioner(s)” 「普通科醫生」 | Hong Kong Doctor(s) who is (are) not a Specialist(s) 並非專科醫生的香港醫生 |
| “General Register” 「普通科醫生名冊」 | the register of registered medical practitioners kept by the Hong Kong Medical Council, as specified in the Medical Registration Ordinance 如《醫生註冊條例》所指明由香港醫務委員會備存的註冊醫生名冊 |
| “Greater China” 「大中華」 | the PRC, Hong Kong, Macau and Taiwan 中國、香港、澳門及台灣 |
| “Group” 「本集團」 | the Company and its subsidiaries 本公司及其附屬公司 |
| “g.f.a.” 「總樓面面積」 | gross floor area 總樓面面積 |
| “Hong Kong” 「香港」 | the Hong Kong Special Administrative Region of the People’s Republic of China 中華人民共和國香港特別行政區 |
| “Hong Kong Doctors” or “ registered medical practitioner(s)” 「香港醫生」或「註冊醫生」 | person(s) who is (are) qualified to practise medicine, surgery and midwifery in Hong Kong and is (are) registered as registered medical practitioner(s) of the Hong Kong Medical Council under the General Register or the Specialist Register kept in accordance with the Medical Registration Ordinance 合資格在香港從事內科、外科及助產科並已於按照《醫生註冊條例》備存的普通科醫生名冊或專科醫生名冊註冊為香港醫務委員會註冊醫生的人士 |
| “IPO” 「首次公開發售」 | initial public offering of the Shares on the Main Board of the Stock Exchange 股份於聯交所主板首次公開發售 |
| “IRD” 「稅務局」 | the Inland Revenue Department of Hong Kong 香港稅務局 |
| “IRO” 「稅務條例」 | Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 稅務條例(香港法例第112章)，經不時修訂、補充或以其他方式修改 |

DEFINITION

釋義

| | |
|--|--|
| “Key Client(s)” 「重要客戶」 | a client who has, in the relevant financial year, contributed at least HK\$5,000 to our revenue from service provided and visited our service centres and/or clinics for at least four times 於有關財政年度為我們所提供服務帶來收入貢獻至少5,000港元且到訪我們的服務中心及／或門診診所至少四次的客戶 |
| “Listed Chinese Medicine Practitioner(s)” 「表列中醫」 | person(s) who is (are) listed as listed Chinese medicine practitioner(s) maintained by the Chinese Medicine Council of Hong Kong kept in accordance with the Chinese Medicine Ordinance 於香港中醫藥管理委員會根據《中醫藥條例》備存的名單內列作表列中醫的人士 |
| “Listing Date” 「上市日期」 | 11 March 2016, being the date on which the Shares were first listed on the Main Board of the Stock Exchange 二零一六年三月十一日，即股份首次在聯交所主板上市及買賣之日 |
| “Listing Rules” 「上市規則」 | the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則 |
| “Macau” 「澳門」 | the Macau Special Administrative Region of the People’s Republic of China 中華人民共和國澳門特別行政區 |
| “Macau Doctor(s)” 「澳門醫生」 | doctor(s) licensed by and registered with the department of health in Macau (澳門特別行政區政府衛生局) 獲澳門特別行政區政府衛生局許可及登記的醫生 |
| “Medical Registration Ordinance” 「《醫生註冊條例》」 | the Medical Registration Ordinance (Chapter 161 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第161章《醫生註冊條例》(經不時修訂、補充或以其他方式修改) |
| “Memorandum and Article of Association” 「組織章程大綱及細則」 | the Company’s memorandum and article of association 本公司組織章程大綱及細則 |
| “Model Code” 「標準守則」 | Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄10所載《上市發行人董事進行證券交易的標準守則》 |
| “ NYMG (Pain Center)” 「紐約醫療脊椎痛症有限公司 (NYMG PC)」 | New York Medical Group (Pain Center) Limited, a company incorporated under the laws of Hong Kong with limited liability 紐約醫療脊椎痛症中心有限公司 (NYMG PC)，根據香港法律註冊成立的有限公司 |

| | |
|---|---|
| “NYMG Central” 「中環紐約醫療有限公司 (NYMG CTL)」 | New York Medical Group Central Limited, a company incorporated under the laws of Hong Kong with limited liability 中環紐約醫療有限公司 (NYMG CTL) · 根據香港法律註冊成立的有限公司 |
| “NYMG Kwun Tong” 「觀塘紐約醫療有限公司 (NYMT KT)」 | New York Medical Group Kwun Tong Limited, a company incorporated under the laws of Hong Kong with limited liability 觀塘紐約醫療有限公司 (NYMT KT) · 根據香港法律註冊成立的有限公司 |
| “NYMG Midlevels” 「半山紐約醫療有限公司 (NYMG ML)」 | New York Medical Group Midlevels Limited, a company incorporated under the laws of Hong Kong with limited liability 半山紐約醫療有限公司 (NYMG ML) · 根據香港法律註冊成立的有限公司 |
| “NYMG North Point” 「北角紐約醫療有限公司 (NYMG NP)」 | New York Medical Group North Point Limited, a company incorporated under the laws of Hong Kong with limited liability 北角紐約醫療有限公司 (NYMG NP) · 根據香港法律註冊成立的有限公司 |
| “NYMG Quarry Bay” 「鰂魚涌紐約醫療有限公司 (NYMG QB)」 | New York Medical Group Quarry Bay Limited, a company incorporated under the laws of Hong Kong with limited liability 鰂魚涌紐約醫療有限公司 (NYMG QB) · 根據香港法律註冊成立的有限公司 |
| “NYMG Shatin” 「沙田紐約醫療有限公司 (NYMG ST)」 | New York Medical Group Shatin Limited, a company incorporated under the laws of Hong Kong with limited liability 沙田紐約醫療有限公司 (NYMG ST) · 根據香港法律註冊成立的有限公司 |
| “NYMG Tsimshatsui” 「尖沙咀紐約醫療有限公司 (NYMG TST)」 | New York Medical Group Tsimshatsui Limited, a company incorporated under the laws of Hong Kong with limited liability 尖沙咀紐約醫療有限公司 (NYMG TST) · 根據香港法律註冊成立的有限公司 |
| “NYMG Tsuen Wan” 「荃灣紐約醫療有限公司 (NYMG TW)」 | New York Medical Group Tsuen Wan Limited, a company incorporated under the laws of Hong Kong with limited liability 荃灣紐約醫療有限公司 (NYMG TW) · 根據香港法律註冊成立的有限公司 |
| “NYMG Wan Chai” 「灣仔紐約醫療有限公司 (NYMG WC)」 | New York Medical Group Wan Chai Limited, a company incorporated under the laws of Hong Kong with limited liability 灣仔紐約醫療有限公司 (NYMG WC) · 根據香港法律註冊成立的有限公司 |

DEFINITION

釋義

| | |
|---|---|
| “Offer” | The IRD agrees not to commence proceedings against the Relevant Subsidiary under section 80(2) of the IRO relating to the Tax Audit if the Relevant Subsidiary agrees to pay the IRD the required sums specified in the Letters (such sums, in aggregate, amount to approximately HK\$12.2 million) |
| 「該建議」 | 稅務局同意，倘相關附屬公司同意向稅務局支付該等函件中列明的所需款額（有關款額總計約12.2百萬港元），其將不會根據稅務條例第80(2)條就稅務審核對相關附屬公司提起訴訟 |
| “Plastic Surgeon(s)” | Hong Kong Doctor(s) who is (are) registered under the Specialist Register of the Hong Kong Medical Council for plastic surgery kept in accordance with the Medical Registration Ordinance |
| 「整形外科醫生」 | 於根據《醫生註冊條例》存置的香港醫務委員會整形外科專科醫生名冊註冊的香港醫生 |
| “PRC” | the People’s Republic of China which, for the purpose of this annual report and unless the context suggests otherwise, excludes Hong Kong, Macau and Taiwan |
| 「中國」 | 中華人民共和國，就本年報而言及除文義另有所指外，不包括香港、澳門及台灣 |
| “PRC Doctor(s)” | medical practitioner(s) with the qualification of a doctor (醫師) or assistant doctor (執業助理醫師) under the PRC Law on Medical Practitioners (中華人民共和國執業醫師法) and is practicing at a medical or healthcare institution |
| 「中國內地醫生」 | 根據《中華人民共和國執業醫師法》具備醫師或執業助理醫師資格的醫生，在醫療或保健機構執業 |
| “Prospectus” | the prospectus dated 1 March 2016 issued by the Company |
| 「招股章程」 | 本公司於二零一六年三月一日刊發的招股章程 |
| “Registered Chinese Medicine Practitioner(s)” | person(s) who is (are) registered as registered Chinese medicine practitioner(s) of the Chinese Medicine Council of Hong Kong under the Register of Chinese Medicine Practitioners kept in accordance with the Chinese Medicine Ordinance |
| 「註冊中醫」 | 於根據《中醫藥條例》備存的中醫註冊名冊內註冊為香港中醫藥管理委員會註冊中醫的人士 |
| “Registered Practitioner(s)” | Doctor(s), Chinese Medicine Practitioner(s) and/or Dentist(s) |
| 「註冊醫生」 | 醫生、中醫及／或牙醫 |
| “Relevant Disclosures” | the relevant disclosures made under the section headed “Business — Legal Proceedings, Claims and Compliance — Non-compliance Incidents — Inland Revenue Ordinance — Late Filing of Profit Tax Returns” of the Prospectus |
| 「相關披露」 | 招股章程「業務 — 法律訴訟、申索及合規 — 不合規事件 — 稅務條例 — 逾期提交利得稅報稅表」一節作出的相關披露 |

| | |
|-------------------------------------|---|
| “Relevant Subsidiaries” 「相關附屬公司」 | Union Honor International Enterprise Limited and Union (Group) Investment Limited, and each the “Relevant Subsidiary” 聯信國際企業有限公司及聯合(集團)投資有限公司，各稱「相關附屬公司」 |
| “Reporting Period” 「報告期間」 | financial year ended 31 March 2017 截至二零一七年三月三十一日止財政年度 |
| “Share(s)” 「股份」 | ordinary share(s) in the share capital of the Company with par value of HK\$0.00001 each 本公司股本中每股面值0.00001港元的普通股 |
| “Shareholder(s)” 「股東」 | holder(s) of Share(s) 股份的持有人 |
| “Specialist Register” 「專科醫生名冊」 | the register of registered medical practitioners who are Specialists and kept by the Hong Kong Medical Council, as specified in the Medical Registration Ordinance 如《醫生註冊條例》所指明由香港醫務委員會備存的註冊醫生(為專科醫生)名冊 |
| “Specialist(s)” 「專科醫生」 | Hong Kong Doctor(s) who is (are) registered under the Specialist Register of the Hong Kong Medical Council kept in accordance with the Medical Registration Ordinance 於根據《醫生註冊條例》備存的香港醫務委員會專科醫生名冊註冊的香港醫生 |
| “Stock Exchange” 「聯交所」 | The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司 |
| “Target Company(ies)” 「目標公司」 | collectively, NYMG Central, NYMG Kwun Tong, NYMG North Point, NYMG Quarry Bay, NYMG Tsimshatsui, NYMG Tsuen Wan, NYMG Wan Chai, NYMG Midlevels, NYMG Shatin and NYMG (Pain Center) 中環紐約醫療有限公司(NYMG CTL)、觀塘紐約醫療有限公司(NYMT KT)、北角紐約醫療有限公司(NYMG NP)、鰂魚涌紐約醫療有限公司(NYMG QB)、尖沙咀紐約醫療有限公司(NYMG TST)、荃灣紐約醫療有限公司(NYMG TW)、灣仔紐約醫療有限公司(NYMG WC)、半山紐約醫療有限公司(NYMG ML)、沙田紐約醫療有限公司(NYMG ST)及紐約醫療脊椎痛症中心有限公司(NYMG PC)，各自及共同稱為目標公司 |
| “Tax Audit” 「稅務審核」 | During the three years ended 31 March 2013, 2014 and 2015 and for the six months ended 30 September 2015, certain of the Group companies had been the subject of a tax audit 於截至二零一三年、二零一四年及二零一五年三月三十一日止三個年度以及截至二零一五年九月三十日止六個月，部分本集團公司為稅務審核對象 |

DEFINITION

釋義

“Trade Descriptions Ordinance”

「商品說明條例」

the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
香港法例第362章《商品說明條例》(經不時修訂、補充或以其他方式修改)

“Trained Therapists”

「已接受培訓的治療師」

our employees who are trained in accordance with our internal guidelines to provide quasi-medical services and/or traditional beauty services
按照我們的內部指引經培訓以提供準醫療服務及／或傳統美容服務的本公司僱員

“HK\$”

「港元」

Hong Kong dollar, the lawful currency of Hong Kong
香港法定貨幣港元

“%”

「%」

per cent.

百分比



Union Medical Healthcare Limited
香港醫思醫療集團有限公司*



This Annual Report is printed on environmentally friendly paper
本年度報告以環保紙張印刷