



Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(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 : 8310

ANNUAL REPORT 年報 2019



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BOARD OF DIRECTORS

Executive Directors

Mr. Tao Ying (*Chairman*)
Mr. Miao Zhibin
Mr. Chen Wenxiang
Ms. Leng Panpan

Non-executive Directors

Mr. Ji Longtao
Mr. Yang Yue Xia

Independent Non-executive Directors

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

AUDIT COMMITTEE

Mr. Lau Hon Kee (*Chairman*)
Dr. Bian Zhaoxiang
Mr. Zhang Fangmao

NOMINATION COMMITTEE

Mr. Tao Ying (*Chairman*)
Mr. Lau Hon Kee
Mr. Zhang Fangmao

REMUNERATION COMMITTEE

Dr. Bian Zhaoxiang (*Chairman*)
Mr. Lau Hon Kee
Mr. Chen Wenxiang

COMPANY SECRETARY

Ms. Xu Jing

COMPLIANCE OFFICER

Mr. Chen Wenxiang

董事會

執行董事

陶瑩先生(*主席*)
繆志斌先生
陳文祥先生
冷盼盼女士

非執行董事

吉龍濤先生
楊越夏先生

獨立非執行董事

卞兆祥博士
劉漢基先生
于緒剛先生
張方茂先生

審核委員會

劉漢基先生(*主席*)
卞兆祥博士
張方茂先生

提名委員會

陶瑩先生(*主席*)
劉漢基先生
張方茂先生

薪酬委員會

卞兆祥博士(*主席*)
劉漢基先生
陳文祥先生

公司秘書

徐靜女士

合規主任

陳文祥先生

CORPORATE INFORMATION

公司資料

AUTHORISED REPRESENTATIVES

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Ms. Xu Jing

REGISTERED OFFICE

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LEGAL ADVISER

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授權代表

陳文祥先生
徐靜女士

註冊辦事處

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Cayman Islands

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Tricor Investor Services Limited
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PRINCIPAL BANKERS

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Bank of Communications Co., Ltd.
Industrial Bank Co., Ltd.
Agricultural Bank of China Limited
China Construction Bank Corporation

STOCK CODE

8310

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主要往來銀行

中國銀行(香港)有限公司
交通銀行股份有限公司
興業銀行股份有限公司
中國農業銀行股份有限公司
中國建設銀行股份有限公司

股份代號

8310

公司網站

www.dfport.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MACRO SITUATION REVIEW

During the year ended 31 December 2019 (the “Year”), the Company and its subsidiaries (the “Group”) faced very severe macro situation. This situation is very detrimental to the business development of the Group.

The China-USA trade war

The China-USA trade war broke out in 2018 and it has become more intense during the Year. US Government imposed the tariffs on the goods imported from China. Moreover, the trade frictions brought many uncertainties to the development of the world economy, and slowing the growth of global trade. This situation had negative impact on major business of the Group’s trading and import and export of electronic products, petrochemical products and various other products.

The changes in the value added tax (“VAT”) in the PRC

The Ministry of Finance, the State Administration of Taxation and the General Customs Administration of the PRC jointly announced that the VAT rate would be lowered from 1 April 2019. In case of import and export of goods by general VAT taxpayers, if the original 16% tax rate was applied, the tax rate should be adjusted to 13%; if the original 10% tax rate was applied, the tax rate should be adjusted to 9%. The VAT rate was reduced, and the export tax rebate was reduced correspondingly. After the reduction of the VAT rate, the corresponding impact on price advantage of import and export market compared with the domestic market could not be shown immediately. As a result, many enterprises took a wait-and-see attitude and needed a transitional period to adjust the direction of business development accordingly.

The changes in the chemical industry policies in Jiangsu Province

On 21 March 2019, a major explosion accident occurred at a chemical plant in Chenjiagang Chemical Industry Park, Chenjiagang, Xiangshui County, Yancheng City, Jiangsu Province, the PRC. The event spurred a significant emergency response at the national and local levels. The local government immediately close almost the entire industrial park and the State Council of the PRC ordered immediate safety inspections of chemical parks across the country, instructing regulators to shut down plants if necessary. The Jiangsu provincial government has decided to slash the number of chemical production enterprises as part of an ambitious plan to overhaul the local chemical manufacturing industry.

宏觀情況回顧

截至二零一九年十二月三十一日止年度(「本年度」)，本公司及其附屬公司(「本集團」)面臨極為嚴峻的宏觀情況。此情況對本集團之業務發展非常不利。

中美貿易戰

中美貿易戰於二零一八年爆發，且貿易戰於本年度內更趨緊張。美國政府對中國進口商品加徵關稅。此外，雙方的貿易摩擦亦為全球經濟發展增添許多不明朗因素，並拖緩全球貿易增長。此情況對本集團的貿易以及進出口電子產品、石化產品及多種其他產品之主要業務造成不利影響。

中國增值稅(「增值稅」)調整

中國財政部、國家稅務總局及海關總署聯合宣佈自二零一九年四月一日起下調增值稅稅率。對於增值稅一般納稅人的商品進出口，原來採用16%稅率的，將調整為13%；原來採用10%稅率的，將調整為9%。隨著增值稅稅率下降，出口退稅亦相應下降。在下調增值稅稅率後，對進出口市場的價格優勢的相應影響較國內市場尚不能立馬顯現。因此，許多企業保持觀望的態度，並因此需要一段調整業務發展方向的過渡階段。

江蘇省化工行業的政策變動

二零一九年三月二十一日，中國江蘇省鹽城市響水縣陳家港鎮陳家港化工園區的一家化工廠發生重大爆炸事故。該事件觸發國家及當地部門的重大緊急響應。當地政府迅速關閉幾乎整個化工園，中國國務院亦命令全國各地化工園立即開展安全檢查，指示有關監管機構於必要時關停廠房。江蘇省政府已決定落實一項整頓當地化工製造業的重大計劃，其中一步是大幅削減化工生產企業。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 1 April 2019, the Jiangsu Province Government General Office ("Jiangsu General Office") promulgated the Jiangsu Province Chemical Industry Improvement and Modernization Plan (Draft) (《江蘇省化工行業整治提升方案(徵求意見稿)》), which aims to reduce the Jiangsu Province chemical plants to 1,000 before the end of 2022. This draft was not adopted ultimately, but it implies the expected scope of the Jiangsu Provincial Government's regulatory changes on the chemical industry.

On 27 April 2019, the Jiangsu General Office officially promulgated the Jiangsu Province Chemical Industry Safety and Environment Improvement and Modernization Plan ("Jiangsu Chemical Industry Plan"), 《江蘇省化工產業安全環保整治提升方案》(蘇辦[2019]96號), but the Jiangsu Chemical Industry Plan did not list detailed figures of required chemical plants closings. Instead, it lays out closing standards whereby if the chemical plants cannot meet the technological and environmental requirements, they will be closed or modernized.

On 20 September 2019, the Department of Implementation and Modernization of Environment and Security of the Provincial Government of Jiangsu (江蘇省化工產業安全環保整治提升領導小組) also published the Notice on Jiangsu Province Chemical Industry Safety and Environment Improvement and Modernization 2019 Working Goals ("Jiangsu Chemical Working Goals", 《關於下達2019年全省化工產業安全環保整治提升工作目標任務的通知》(蘇化治[2019]3號)) in order to close or upgrade the plants that have outdated technology, disastrous environmental impacts and harmful production. According to the Jiangsu Chemical Working Goals, a total of 1,431 companies would be "phased out", 267 will have to cease production completely for the modernization and 1,302 will have to be completely overhauled within a limited period of time. Furthermore, 77 companies must be relocated and 945 modernized. The goal of the Jiangsu Chemical Working Goals is to close 579 chemical companies.

The operations of the Group's terminal handling and berthing business and petrochemical storage business located at Yancheng City, Jiangsu Province and most of the major customers are chemical companies in Jiangsu Province. The above mentioned proposed measures by the Jiangsu Province Government had significant adverse impact on the up stream of the Group's terminal handling and berthing business and petrochemical storage business located in Jiangsu Province during the Year and on future operations.

於二零一九年四月一日，江蘇省政府辦公廳(「江蘇省辦公廳」)下發《江蘇省化工行業整治提升方案(徵求意見稿)》，旨在於二零二二年底前將江蘇省化工廠減少至1,000家。該徵求意見稿最終未獲採納，但其顯示了江蘇省政府對化工行業監管調整的預期目標範圍。

於二零一九年四月二十七日，江蘇省辦公廳正式頒佈《江蘇省化工產業安全環保整治提升方案》(蘇辦[2019]96號)(「江蘇省化工產業方案」)，但該方案並無列出須關停化工廠的具體數字。相反，其制定的關停標準為，要求不符合技術及環境要求的化工廠關閉或進行升級改造。

於二零一九年九月二十日，江蘇省化工產業安全環保整治提升領導小組亦公佈《關於下達2019年全省化工產業安全環保整治提升工作目標任務的通知》(蘇化治[2019]3號)(「江蘇省化工工作目標」)，以關閉或整治提升技術陳舊、對環境造成嚴重危害及進行有害生產的工廠。根據江蘇省化工工作目標，合共1,431家企業將「關閉退出」，267家須完全停產整改及1,302家將須於限期內全面整改。此外，77家企業須異地遷建及945家須整治提升。江蘇省化工工作目標的計劃為關閉579家化工企業。

本集團於江蘇省鹽城市經營碼頭處理及靠泊服務以及石化產品倉儲業務，且主要客戶為江蘇省的化工企業。於本年度及日後營運中，江蘇省政府採取的上文所述建議措施對本集團位於江蘇省的碼頭處理及靠泊服務以及石化產品倉儲業務的上游造成重大不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

During the Year, the Group is principally engaged in trading business, the provision of integrated logistics handling and the relevant supporting services business as well as petrochemical products storage business.

Our major business activities can be divided into below segments during the Year:

1. Trading Business

The Group is engaged in the trading and import and export businesses of electronic products, petrochemical products and various other products. During the Year, the Group's trading business recorded revenue of approximately HK\$1,502.1 million (2018: approximately HK\$4,160.0 million). The decrease in revenue in this segment was mainly attributable to (i) the termination of some products trading business which had high operating risks or recorded gross losses in the last financial year, (ii) many customers took a wait-and-see attitude as the change of the value added tax in the PRC has affected the export rebate, and (iii) the impact of the China-USA trade war.

2. Integrated Logistics Handling and The Relevant Supporting Services Business

During the Year, the Group's integrated logistics handling and the relevant supporting services business ("Integrated Logistics Handling Business") mainly involves the provision of terminal handling and berthing services and was solely engaged by 江蘇海融大豐港油品化工碼頭有限公司 (Jiangsu Hairong Dafeng Port Petrochemical Product Terminal Company Limited*) ("Jiangsu Hairong") and recorded revenue of approximately HK\$7.1 million (2018: approximately HK\$201.1 million, of which approximately HK\$0.7 million was generated from Jiangsu Hairong, and approximately HK\$200.4 million was generated from Gamma Logistics (B.V.I.) Corporation ("Gamma Logistics") and its subsidiaries ("Gamma Logistics Group")).

業務回顧

於本年度，本集團主要從事貿易業務、提供綜合物流處理及有關配套服務業務以及石化產品倉儲業務。

於本年度，本集團主要業務活動可分為以下分部：

1. 貿易業務

本集團從事電子產品、石化產品及多種其他產品之貿易及進出口業務。於本年度，本集團貿易業務錄得收益約1,502,100,000港元(二零一八年：約4,160,000,000港元)。此分部收益減少主要由於(i)終止若干於上一個財政年度具有較高運營風險或錄得毛損之產品貿易業務，(ii)很多客戶因中國增值稅變動以致影響出口退稅而採取觀望態度，及(iii)受到中美貿易戰影響。

2. 綜合物流處理及相關配套服務業務

於本年度，本集團的綜合物流處理及有關配套服務業務(「綜合物流處理業務」)主要涉及提供碼頭處理及靠泊服務且均由江蘇海融大豐港油品化工碼頭有限公司(「江蘇海融」)獨家運營，並錄得收益約7,100,000港元(二零一八年：約201,100,000港元，其中約700,000港元產生自江蘇海融，而約200,400,000港元則產生自伽瑪物流(B.V.I.)集團(「伽瑪物流」)及其附屬公司(「伽瑪物流集團」))。

The decrease in revenue in this segment was mainly attributable to (i) the Group has just completed the acquisition of the entire equity interest in Jiangsu Hairong on 21 December 2018; and (ii) the disposal of Gamma Logistics on 10 January 2019; and (iii) the explosion accident in the chemical industry park on 21 March 2019 has caused a large number of chemical industry companies to be shut down or rectified, resulting in a decline in business volume of Jiangsu Hairong.

On 28 December 2018, the Company and Great Panorama International Limited entered into an agreement to dispose of all its remaining 51% equity interests in Gamma Logistics (“Gamma Logistics Disposal Agreement”), pursuant to which the Company conditionally agreed to sell, and Great Panorama International Limited conditionally agreed to purchase 51% equity interests in Gamma Logistics at the consideration of HK\$4.15 million (the “Gamma Disposal”). The Gamma Disposal was completed on 10 January 2019. Following the completion of the Gamma Disposal, Gamma Logistics ceased to be a subsidiary of the Company.

3. Petrochemical Products Storage Business

The Group is engaged in petrochemical products storage business through 江蘇中南匯石化倉儲有限公司 (Jiangsu Zhongnanhui Petrochemical Storage Company Limited*) (“Zhongnanhui”). During the Year, the Group’s petrochemical products storage business recorded decrease in revenue of 10.2% to approximately HK\$7.9 million (2018: approximately HK\$8.8 million). The decrease in revenue was mainly attributable to (i) the prolonged suspension of operation of the majority of storage tanks that are affected by the construction of new petrochemical storage tanks; (ii) the repairing and upgrading of the existing fire services in accordance with the safety regulations and environment protection authorities during the Year; and (iii) the explosion accident in the chemical industry park has resulted in a decline in petrochemical products storage business volume.

此分部的收益減少主要由於(i)本集團於二零一八年十二月二十一日方才完成收購江蘇海融之全部股權；(ii)於二零一九年一月十日出售伽瑪物流；及(iii)於二零一九年三月二十一日在化工園區發生之爆炸事故導致大量化工企業關閉或整改，以致江蘇海融業務量下降。

於二零一八年十二月二十八日，本公司與 Great Panorama International Limited 訂立協議，以出售其於伽瑪物流的全部餘下 51% 股權（「伽瑪物流出售協議」），據此，本公司同意有條件出售而 Great Panorama International Limited 同意有條件購買伽瑪物流 51% 股權，代價為 4,150,000 港元（「伽瑪出售事項」）。伽瑪出售事項於二零一九年一月十日完成。伽瑪出售事項完成後，伽瑪物流不再為本公司附屬公司。

3. 石化產品倉儲業務

本集團透過江蘇中南匯石化倉儲有限公司（「中南匯」）從事石化產品倉儲業務。於本年度，本集團之石化產品倉儲業務錄得收益減少 10.2% 至約 7,900,000 港元（二零一八年：約 8,800,000 港元）。收益減少主要由於 (i) 大部分倉儲池受新石化倉儲池之建設影響而延長暫停運作；(ii) 於本年度根據安全法規及環保部門的規定維修及升級現有消防服務，及 (iii) 在化工園區發生之爆炸事故導致石化產品倉儲業務量下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOKS

The Group expects that global economic activities will be greatly hindered as (i) the conflict and trade war between China and USA is likely to continue and it undermines the global economy and logistics services; and (ii) the outbreak of COVID-19 caused the blockade of borders by all countries around the world and had materially affected the global productivity and the associated logistics services. In the face of adverse external operating environment and the Group's total equity was negative, the Company will prudently monitor the operating environment of its business segments, reasonably optimize the Company's resources, and to streamline and restructure its operation to maintain the interests of shareholders.

FINANCIAL REVIEW

The Group's revenue decreased by approximately 63.6% to approximately HK\$1,517.1 million for the Year (2018: generated from continuing operations approximately HK\$4,169.5 million). The decrease in revenue, please refer to the above paragraph headed "Business Review" for details.

The Group's cost of revenue decreased by approximately 64.0% to approximately HK\$1,516.2 million for the Year (2018: incurred from continuing operations approximately HK\$4,205.9 million). The decrease in cost was mainly driven by the effect of decrease in revenue of the Group's trading business.

With the combined effects of revenue and cost of revenue, the Group recorded a gross profit margin of approximately 0.1% for the Year (2018: gross loss margin incurred from continuing operations of approximately 0.9%). The gross profit was mainly due to the termination of some products trading business which had recorded gross losses in the last financial year.

The Group's finance costs amounted to approximately HK\$58.7 million for the Year (2018: incurred from continuing operations approximately HK\$31.4 million). The finance costs consist of the interests on bank loans, overdrafts, other borrowings and the amounts due representing the outstanding consideration payable in relation to acquisition of Jiangsu Hairong. The increase in finance cost was mainly attributable to the placing of the unlisted secured bonds of US\$50 million, for details, please refer to paragraph headed "Unlisted secured bonds and account charge by controlling shareholder", and increase in the amounts due representing the consideration payable in relation to acquisition of the entire equity interest in Jiangsu Hairong, which were denominated in Renminbi with interest rate of 4.35% per annum.

展望

本集團預計，隨著(i)中美衝突及貿易戰可能將會持續並破壞全球經濟及物流服務；及(ii)二零一九年新冠病毒(COVID-19)疫情大爆發導致全球各國紛紛封鎖邊界，全球生產力及相關物流服務飽受拖累，全球經濟活動將面臨巨大阻礙。面對不利的外部經營環境，及本集團權益總額已經出現負值的情況，本公司將審慎監控其業務分部的經營環境、合理優化本公司資源、簡化及重組其經營，以維持股東利益。

財務回顧

於本年度，本集團之收益減少約63.6%至約1,517,100,000港元(二零一八年：來自持續經營業務約4,169,500,000港元)。收益減少之詳情，請參閱上文「業務回顧」一段。

於本年度，本集團之收益成本減少約64.0%至約1,516,200,000港元(二零一八年：持續經營業務產生約4,205,900,000港元)。成本減少主要由於受本集團貿易業務之收益減少所影響。

在收益及收益成本之共同影響下，本集團於本年度錄得毛利率約0.1%(二零一八年：持續經營業務產生毛損率約0.9%)，毛利主要由於終止於上個財政年度錄得毛損的若干產品貿易業務。

於本年度，本集團之融資成本約為58,700,000港元(二零一八年：持續經營業務產生約31,400,000港元)。融資成本包括銀行貸款、透支、其他借貸及應付款項(即就收購江蘇海融應付之未償付代價)之利息。融資成本增加主要歸因於配售非上市抵押債券50,000,000美元(詳情請參閱「非上市有抵押債券及控股股東賬戶抵押」一段)及應付款項(即就收購江蘇海融全部股權應付之代價)增加，有關款項以人民幣計值，年利率為4.35%。

The Group recorded net impairment loss on goodwill and other assets of approximately HK\$848.6 million for the Year (2018: incurred from continuing operations approximately HK\$45.6 million). There was an unfortunate explosion accident in the chemical industry park in Yancheng Jiangsu on 21 March 2019, which caused numerous chemical plants to suspend their operations for a long term and some even shut down the chemical business. This has a significant and marked negative impact on the Group's operating activities. The recoverable amounts of the Group's cash-generating unit ("CGUs") of Integrated Logistics Handling Business was determined to be lower than their respective carrying amount. For details of impairment loss are set out in note 15 to the consolidated financial statements.

The Group recorded loss for the Year of approximately HK\$945.0 million (2018: loss of approximately HK\$174.0 million). The increase in loss for the Year was also mainly driven by the net impairment losses of approximately HK\$837.2 million made on the carrying amounts of goodwill and other assets under the Integrated Logistics Handling Business segment, approximately HK\$3.5 million made on the carrying amounts of other assets under the Petrochemical Products Storage Business segment, and approximately HK\$7.9 million made on the carrying amounts of other assets under the Trading Business segment respectively. The loss attributable to the equity holders of the Company was approximately HK\$946.6 million (2018: loss of approximately HK\$155.6 million) and the basic loss per share was HK cents 73.49 (2018: basic loss per share of HK cents 12.08).

Liquidity and financial resources

As at 31 December 2019, the Group had net current liabilities of approximately HK\$788.5 million (2018: approximately HK\$591.2 million), including net amounts due to connected companies of approximately HK\$845.7 million (2018: approximately HK\$796.4 million).

The Group's equity capital and bank and other borrowings have been applied to fund its working capital and other operational needs. The Group's current ratio as at 31 December 2019 was approximately 0.57 (2018: approximately 0.72).

As at 31 December 2019, the Group's gearing ratio (defined as the ratio of total interest-bearing borrowings to total equity) was approximately negative 60.6% (2018: approximately 4,443.3%).

於本年度，本集團錄得商譽及其他資產減值虧損淨額約848,600,000港元(二零一八年：持續經營業務產生約45,600,000港元)。於二零一九年三月二十一日，江蘇鹽城一處化學工業園區不幸發生爆炸事故，導致眾多化工廠長期停業，而部分甚至關閉化工業務。此對本集團之業務活動造成重大而顯著之負面影響。本集團綜合物流處理業務現金產生單位(「現金產生單位」)之可收回金額釐定為低於有關賬面值。有關減值虧損之詳情，載於綜合財務報表附註15。

本集團於本年度錄得虧損約945,000,000港元(二零一八年：虧損約174,000,000港元)。本年度虧損增加之原因亦主要包括綜合物流處理業務分部之商譽及其他資產賬面值減值虧損淨額約837,200,000港元，石化產品倉儲業務分部之其他資產賬面值減值虧損淨額約3,500,000港元，及貿易業務分部之其他資產賬面值減值虧損淨額約7,900,000港元。本公司權益持有人應佔虧損約為946,600,000港元(二零一八年：虧損約155,600,000港元)，而每股基本虧損則為73.49港仙(二零一八年：每股基本虧損12.08港仙)。

流動資金及財務資源

於二零一九年十二月三十一日，本集團之淨流動負債約為788,500,000港元(二零一八年：約591,200,000港元)，包括應付關連公司款項淨額約845,700,000港元(二零一八年：約796,400,000港元)。

本集團之股本、銀行及其他借貸已用作為其營運資金及其他營運需要提供資金。本集團於二零一九年十二月三十一日之流動比率約為0.57(二零一八年：約0.72)。

於二零一九年十二月三十一日，本集團之資產負債比率(定義為計息借貸總額對權益總額之比率)約為負60.6%(二零一八年：約4,443.3%)。

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In order to meet its financial obligations as and when they fall due within the next twelve months and improve the Group's current ratio, the directors of the Company will actively pursuing a series of contingency financing plans, which includes but not limited to the following measures:

- (i) the unutilised banking facilities readily available to the Group amounted to approximately HK\$29,576,000 at 31 December 2019;
- (ii) the Group is in negotiation with financial institutions for the renewals of the Group's short-term bank borrowings upon expiry, new borrowings and application of additional credit facilities;
- (iii) the Group is expected to generate adequate cash flows to maintain its operations; and
- (iv) the proposed disposal of 60% equity interests in Jiangsu Hairong.

Capital structure

As at 31 December 2019, the Group's total deficit attributable to equity holders of the Company amounted to approximately HK\$967.5 million (2018: approximately HK\$6.4 million). The capital of the Company only comprised of the ordinary share. There was no movement in the issued share capital of the Company during the Year.

Unlisted secured bonds and account charge by controlling shareholder

On 27 March 2018, the Company, as issuer, 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*, "Jiangsu Dafeng"), as guarantor, and Industrial Bank Co., Ltd. Hong Kong Branch (the "Placing Agent"), entered into a placing agreement pursuant to which the Company agreed to appoint the Placing Agent as a placing agent for the purpose of procuring, and to use its best efforts, the subscription of the bonds of up to an aggregate principal amount of US\$50 million (the "Placing").

大豐港海外投資控股有限公司 (Dafeng Port Overseas Investment Holdings Limited*) ("Dafeng Port Overseas"), a controlling shareholder of the Company, entered into a deed of account charge (the "Account Charge") with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign absolutely to the security trustee, as trustee for the bondholders, all of Dafeng Port Overseas' right, title and interest from time to time in and to each secured account, which is interested in 740,040,000 shares (the "Shares") of the Company, representing approximately 57.46% of the total issued Shares as at 29 March 2018, as security for the payment and discharge of the secured obligations.

為履行其於未來十二個月內到期的財務責任並提高本集團的流動比率，本公司董事將積極推行一系列應急融資計劃，包括但不限於以下措施：

- (i) 於二零一九年十二月三十一日，本集團可即時取得之未動用銀行融資約29,576,000港元；
- (ii) 與金融機構就到期後重續本集團短期銀行借款、新借款及申請日後信貸額度進行磋商；
- (iii) 本集團預期會產生充足現金流量維持其營運；及
- (iv) 建議出售江蘇海融之60%股權。

資本架構

於二零一九年十二月三十一日，本集團之本公司權益持有人應佔虧絀總額約為967,500,000港元（二零一八年：約6,400,000港元）。本公司之資本僅包括普通股。於本年度內，本公司已發行股本概無變動。

非上市抵押債券及控股股東賬戶抵押

於二零一八年三月二十七日，本公司（作為發行人）、江蘇大豐海港控股集團有限公司（「江蘇大豐」）（作為擔保人）及興業銀行股份有限公司香港分行（「配售代理」）訂立一項配售協議，據此，本公司同意委任配售代理為配售代理，藉以盡最大努力促使認購本金總額最多50,000,000美元之債券（「配售事項」）。

本公司之控股股東大豐港海外投資控股有限公司（「大豐港海外」）於二零一八年三月二十九日與抵押受託人訂立賬戶抵押契據（「賬戶抵押」），據此，大豐港海外將大豐港海外不時於各抵押賬戶之所有權利、所有權及權益（於本公司740,040,000股股份（「股份」）中擁有權益，相當於於二零一八年三月二十九日已發行股份總數約57.46%）轉讓並同意絕對轉讓予抵押受託人（作為債券持有人之受託人），作為償付及履行抵押責任之擔保。

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The Placing was completed on 29 March 2018. Pursuant to the results of a book building exercise, the bonds in the principal amount of US\$50 million has been placed to bondholders at a coupon rate of 7.5% per annum, and terms of 3 years.

The proceeds has been used in construction and repairing of petrochemical storage tanks and upgrading the supporting facilities, acquisition of Jiangsu Hairong as well as satisfying the Group's normal working capital requirement.

For further details, please refer to the announcements of the Company dated 27 March 2018 and 29 March 2018 in relation to the Placing.

Dividend

The board of directors (the "Board") did not recommend the payment of any dividend in respect of the Year (2018: Nil).

Significant investment, material acquisitions and disposals

On 28 December 2018, the Company and Great Panorama International Limited entered into the Gamma Logistics Disposal Agreement to dispose of all its remaining 51% equity interests in Gamma Logistics, pursuant to which the Company conditionally agreed to sell, and Great Panorama International Limited conditionally agreed to purchase 51% equity interests in Gamma Logistics at the consideration of HK\$4.15 million. The Gamma Disposal was completed on 10 January 2019. Following the completion of the Gamma Disposal, Gamma Logistics ceased to be a subsidiary of the Company.

For further details, please refer to the announcements of the Company dated 30 December 2018, 3 January 2019 and 10 January 2019 in relation to the Gamma Disposal.

Save and except for the aforesaid completion of the disposal of 51% of the issued share capital of Gamma Logistics, the Group had no significant investment, no material acquisition and disposal of subsidiaries and associates during the Year.

配售事項於二零一八年三月二十九日完成。根據簿記結果，本金額為50,000,000美元之債券已配售予債券持有人，票面息率為每年7.5%，為期三年。

所得款項已用作建造及維修石化倉儲池與配套設施的更新、收購江蘇海融及應付本集團一般營運資金之需要。

有關進一步詳情，請參閱本公司日期為二零一八年三月二十七日及二零一八年三月二十九日有關配售事項之公告。

股息

董事會(「董事會」)不建議就本年度派付股息(二零一八年：無)。

主要投資、重大收購及出售

於二零一八年十二月二十八日，本公司與Great Panorama International Limited訂立伽瑪物流出售協議，以出售其於伽瑪物流的全部餘下51%股權，據此，本公司有條件同意出售而Great Panorama International Limited有條件同意購買伽瑪物流51%股權，代價為4,150,000港元。伽瑪出售事項於二零一九年一月十日完成。伽瑪出售事項完成後，伽瑪物流不再為本公司附屬公司。

有關進一步詳情，請參閱本公司日期為二零一八年十二月三十日、二零一九年一月三日及二零一九年一月十日有關伽瑪出售事項之公告。

除上文所述完成出售伽瑪物流51%已發行股本外，本集團於本年度並無任何重大投資，亦無有關附屬公司及聯營公司之重大收購及出售。

MANAGEMENT DISCUSSION AND ANALYSIS

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Pledge of assets

The Group used bank facilities and other borrowings to finance the expansion of its business. Secured borrowings are secured by the Group's property, plant and equipment, having carrying amounts of approximately HK\$61.7 million as at 31 December 2019 (31 December 2018: approximately HK\$66.5 million), sea use right payments under right-of-use assets of approximately HK\$2.2 million (2018: HK\$2.9 million), prepaid lease payments under right-of-use assets of approximately HK\$40.2 million (31 December 2018: approximately HK\$35.1 million), security deposit for loan from a third party of approximately HK\$3.3 million (31 December 2018: approximately HK\$3.4 million) and pledged bank deposits of approximately HK\$395.6 million as at 31 December 2019 (31 December 2018: approximately HK\$307.4 million).

Unlisted secured bonds of US\$50 million is secured and guaranteed by Dafeng Port Overseas entering into Account Charge with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign absolutely all of Dafeng Port Overseas' rights, titles and interests from time to time in and to each secured account, Dafeng Port Overseas is interested in 740,040,000 Shares, representing approximately 57.46% of the total issued Shares as at 31 December 2019 and at the date of this report.

Foreign currency exposure

The income and expenditure of the Group are mainly carried in Hong Kong Dollars, Renminbi and US dollars. Exposures to foreign currency risk arise from certain of the Group's trade and other receivables, trade and other payables and cash and bank balances denominated in Renminbi and US dollars. The Group mainly adopts measures such as adjusting the time of foreign exchange receipt and payment, matching the balance of foreign exchange receipts and payments, and signing foreign exchange lock agreements with banks to control foreign exchange risks. The Group does not use derivative financial instruments to hedge its foreign currency risk. The management team of the Group reviews the foreign currency exposures regularly and does not expect significant exposure to foreign currency risk.

資產抵押

本集團透過銀行融資及其他借貸為其業務擴展提供資金。有抵押借貸以本集團於二零一九年十二月三十一日賬面值約61,700,000港元(二零一八年十二月三十一日:約66,500,000港元)之物業、廠房及設備,約2,200,000港元(二零一八年:2,900,000港元)之使用權資產項下海域使用權付款,約40,200,000港元(二零一八年十二月三十一日:約35,100,000港元)之使用權資產項下預付租賃付款,約3,300,000港元(二零一八年十二月三十一日:約3,400,000港元)之來自第三方之貸款之保證金,及於二零一九年十二月三十一日約395,600,000港元(二零一八年十二月三十一日:約307,400,000港元)之已抵押銀行存款作抵押。

50,000,000美元之非上市抵押債券乃以大豐港海外於二零一八年三月二十九日與抵押受託人訂立賬戶抵押作抵押及擔保,據此,大豐港海外將大豐港海外不時於各抵押賬戶之所有權利、所有權及權益轉讓並同意絕對轉讓予抵押受託人,於二零一九年十二月三十一日及本報告日期,大豐港海外於740,040,000股股份中擁有權益,相當於已發行股份總數約57.46%。

外幣風險

本集團之收入及開支主要以港元、人民幣及美元計值。外幣風險來自本集團若干以人民幣及美元計值之貿易及其他應收款項、貿易及其他應付款項以及現金及銀行結餘。本集團主要採納調整外匯收支時間、配對外匯收支結餘及與銀行簽訂外匯鎖定協議等措施以監控外匯風險。本集團並無使用衍生金融工具以對沖其外幣風險。本集團管理團隊定期審閱外幣風險,並預計不會承擔重大外幣風險。

Employees and emolument policy

As at 31 December 2019, the Group employed a total of 195 employees (2018: 128 employees for continuing operations) based in Hong Kong and the Mainland China. During the Year, the total staff costs, including Directors' emoluments, amounted to approximately HK\$25.8 million (2018: approximately HK\$29.1 million). The Group reviews the emoluments of its directors and staff based on their respective qualification, experience, performance and the market rates so as to maintain the remunerations of its directors and staff at a competitive level.

Contingent liabilities

As at 31 December 2019, the Group had no material contingent liabilities (2018: Nil).

EVENTS AFTER THE REPORTING PERIOD

- (a) The outbreak of coronavirus disease 2019 (COVID-19) has caused disruptions to many industries worldwide. Despite the challenges, governments and international organizations have implemented a series of measures to contain the epidemic. The Group will closely monitor the development of the epidemic and assess its impact on its operations.

The Company will closely monitor the situation, and assess its impacts on the Group's financial position and operating results. At the date of authorisation of these consolidated financial statements, such assessment is still ongoing.

- (b) On 28 April 2020, 鹽城大豐和順國際貿易有限公司 (Yancheng Dafeng Heshun International Trading Company Limited*, "Heshun Trading"), an indirect wholly-owned subsidiary of the Company, and Jiangsu Dafeng entered a share transfer agreement to transfer 60% equity interests in Jiangsu Hairong to Jiangsu Dafeng at the consideration of RMB226,980,000 (equivalent to HK\$252,947,000). Since Jiangsu Dafeng was a connected party to the Group, the completion of the disposal will be subject to the approval from the shareholders and the regulatory bodies. The details of the proposed disposal are summarised in the Company's announcement dated 28 April 2020.

僱員及酬金政策

於二零一九年十二月三十一日，本集團聘用合共195名僱員(二零一八年：持續經營業務有128名僱員)派駐香港及中國內地。於本年度，包括董事酬金在內之總員工成本約為25,800,000港元(二零一八年：約29,100,000港元)。本集團按資歷、經驗、表現及市場水平檢討董事及員工酬金，以維持董事及員工薪酬於具競爭力之水平。

或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債(二零一八年：無)。

報告期後事項

- (a) 二零一九年冠狀病毒病(COVID-19)的爆發給全球眾多行業造成了干擾。儘管挑戰重重，各國政府及國際組織已實施一系列措施來控制疫情。本集團將密切監察疫情發展並評估其對營運的影響。

本公司將密切關注時勢並評估其對本集團財務狀況及經營業績的影響。於該等綜合財務報表授權刊發日期，相關評估仍在進行中。

- (b) 於二零二零年四月二十八日，鹽城大豐和順國際貿易有限公司(「和順貿易」)，本公司之間接全資附屬公司，與江蘇大豐訂立了一份股份轉讓協議，以向江蘇大豐轉讓江蘇海融60%的股權，代價為人民幣226,980,000元(相當於252,947,000港元)。由於江蘇大豐為本集團的關連方，完成出售事項須經股東及監管機構批准後，方可作實。建議出售事項之詳情於本公司日期為二零二零年四月二十八日之公告所概述。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Environmental, Social and Governance

The Company attaches great importance to environmental, social and governance (“ESG”) risks and has been improving its ESG management. The Board retains overall responsibility for our ESG governance and establishes an ESG working group (“We”) that reports to the Board to implement ESG management. During the Year, the Company engaged a professional third party institution to assist us to thoroughly evaluate ESG risks and opportunities of the Company, accordingly establish risk management and internal control policies, and draft management approaches, strategies, and objectives.

Meanwhile, We have been actively communicating with our stakeholders through various channels, for fully understanding their expectations, interests and information needs with the help of the professional third party institution. The Company’s key stakeholders include shareholders and investors, customers, employees, suppliers, the community, etc. We listen to stakeholders’ feedback via questionnaires, visits, phone calls, to understand their interests on ESG information. During the Year, We screened ESG issues that are of importance to the Company according to stakeholders’ opinions and drafted ESG report based on such important issues.

A detailed ESG report is set out in pages 51 to 92 of this report.

環境、社會及管治

本公司高度重視環境、社會及管治(「ESG」)風險，持續提升ESG管理水平，明確董事會在ESG管理工作中的責任，通過成立向董事會彙報的ESG工作小組(「我們」)，以負責公司ESG管理工作執行。於本年度，本公司已委聘一間專業第三方機構以協助我們全面評估本公司在ESG的風險和機遇，設置相應的風險管理及內部控制制度，並相應制定管理方針、策略和目標。

同時，在該第三方機構的幫助下，我們積極與各利益相關方通過多元渠道進行溝通，充分了解利益相關方的期望、權益及信息需求。本公司主要的利益相關方包括：股東及投資者、客戶、員工、供應商、及社區等，我們通過問卷調研、實地走訪、電話溝通等形式，主動收集各方的反饋以了解彼等對ESG信息的興趣。本年度我們根據各利益相關方的意見，篩選出與本公司有關的重要ESG議題，並以此作ESG報告的編製基礎。

有關ESG報告之詳盡信息載於本報告第51頁至第92頁。

EXECUTIVE DIRECTORS

Mr. Tao Ying (“Mr. Tao”), aged 58, has been appointed as an executive Director and the chairman of the Board since 18 March 2019. Mr. Tao is also an executive director and the chairman of the board of Jiangsu Dafeng, in which he has served since June 2011. Mr. Tao is also currently an executive director and the chairman of the board of Dafeng Port Overseas, which is the Company’s direct controlling shareholder. From November 2001 to December 2014, he worked in 大豐市港務管理局 (Dafeng Port Administration Authority*) and his last position was as deputy secretary, deputy director and principal staff member. From April 1993 to November 2001, he worked in 大豐市港務局 (Dafeng Port Authority*) and his last position was as deputy director. From October 1997 to June 2011, he served as deputy general manager of 大豐港開發建設有限公司 (Dafeng Port Development and Construction Co., Ltd.*).

Mr. Miao Zhibin (“Mr. Miao”), aged 50, has been re-designated as an executive Director and the chief executive officer on 28 December 2018. He was a non-executive Director from 26 June 2018 to 27 December 2018. Mr. Miao has been working as the general manager in 上海信志能源有限公司 (Shanghai Xinzhi Energy Co., Limited*) since 2004. Mr. Miao is also the legal representative, the chairman and the general manager of 江蘇大豐港海融海運有限公司 (Jiangsu Dafeng Port Hairong Shipping Co., Limited*), an associate of one of the controlling shareholders of the Company, namely Jiangsu Dafeng. Mr. Miao graduated from Tsinghua University School of Information Management System with a bachelor degree in the PRC in 1992. He later obtained a master degree in business administration from the University of International Business and Economics in the PRC in 1995.

Mr. Chen Wenxiang (“Mr. Chen”), aged 46, has been appointed as an executive Director since 18 March 2019. Mr. Chen joined the Group on 15 February 2017 and currently is the chief financial officer of the Company and Heshun Trading, an indirect wholly-owned subsidiary of the Company and he has resigned all the positions in the holding company and the connected companies of the Company. He is also a director or/and the general manager of certain other subsidiaries of the Company. He holds a bachelor’s degree in accountancy and a mid-level accounting qualification. Mr. Chen has more than 20 years of experience in the accounting and finance industry. Mr. Chen worked at 江蘇超力機械有限公司 (Jiangsu Super Machinery Company Limited*) from 1995 to 2010 and his last position was a deputy general manager of the company. He then worked as the chief financial officer at 江蘇興東海港置業發展有限公司 (Jiangsu Hing Tung Harbour Property Development Company Limited*) from 2010 to 2013. Prior to joining the Group, Mr. Chen

執行董事

陶瑩先生(「陶先生」)，58歲，於二零一九年三月十八日獲委任為執行董事兼董事會主席。陶先生自二零一一年六月起任職於江蘇大豐，現時亦擔任該公司執行董事兼董事會主席。陶先生現時亦為本公司直接控股股東大豐港海外之執行董事兼董事會主席。於二零零一年十一月至二零一四年十二月，彼任職於大豐市港務管理局，最終職位為副書記、副局長及主任科員。於一九九三年四月至二零零一年十一月，彼任職於大豐市港務局，最終職位為副局長。於一九九七年十月至二零一一年六月，彼擔任大豐港開發建設有限公司之副總經理。

繆志斌先生(「繆先生」)，50歲，於二零一八年十二月二十八日獲調任為執行董事兼行政總裁，彼曾於二零一八年六月二十六日至二零一八年十二月二十七日擔任非執行董事。繆先生自二零零四年起於上海信志能源有限公司任職總經理。繆先生亦為江蘇大豐港海融海運有限公司之法定代表、董事長兼總經理，該公司為本公司其中一名控股股東江蘇大豐的聯繫人士。繆先生於一九九二年在中國清華大學管理信息系統專業畢業，獲頒學士學位。彼其後於一九九五年在中國對外經濟貿易大學企業管理專業取得碩士學位。

陳文祥先生(「陳先生」)，46歲，於二零一九年三月十八日獲委任為執行董事。陳先生於二零一七年二月十五日加入本集團，現為本公司及本公司間接全資附屬公司和順貿易之財務總監。彼已辭任於本公司控股公司及關連公司之所有職務。彼亦為本公司若干其他附屬公司之董事或／及總經理。彼持有會計學學士學位及中級會計職稱。陳先生於會計及金融業有逾20年經驗。陳先生於一九九五年至二零一零年於江蘇超力機械有限公司任職及彼最後的職位為該公司之副總經理。彼其後於二零一零年至二零一三年在江蘇興東海港置業發展有限公司擔任財務總監。加入本集團前，陳先生於二零一三年

PROFILE OF DIRECTORS

董事簡介

worked as a deputy general manager at 江蘇黃海港城實業有限公司 (Jiangsu Huanghai City Industrial Company Ltd.*), a wholly-owned subsidiary of Jiangsu Dafeng, a controlling shareholder of the Company, from September 2013 to February 2017.

Ms. Leng Panpan (“Ms. Leng”), aged 31, has been appointed as an executive Director since 27 February 2020. Ms. Leng joined the Group on 13 May 2019, she currently is the vice chief executive officer of the Company and is the executive director, the general manager and the legal representative of Heshun Trading, an indirect wholly-owned subsidiary of the Company. From August 2013 to May 2019, Ms. Leng consecutively served as the office manager, head of human resources department and assistant to general manager in 江蘇大豐港和順科技有限公司 (Jiangsu Dafeng Port Heshun Technology Company Limited*). From August 2012 to March 2013, she worked in 大豐港融資租賃(北京)有限責任公司 (Dafeng Port Financial Leasing Beijing Company Limited*), as the assistant to general manager.

NON-EXECUTIVE DIRECTORS

Mr. Ji Longtao (“Mr. Ji”), aged 55, has been appointed as a non-executive Director since 23 February 2015. He owns 55% equity interest in each of Success Pacific Investment Group Limited (“**Success Pacific**”) and Jiangsu Huahai, which in turn own 18% and 10% equity interests in the Dafeng Port Overseas respectively. Mr. Ji owns 50% equity interests of 鹽城市龍橋置業有限公司 (Yancheng Longqiao Property Development Limited*), which is engaged in property development and investment business. He is a director of Dafeng Port Overseas and an executive director of Success Pacific and Jiangsu Huahai, both of which are engaged in investment and asset management businesses.

Mr. Yang Yue Xia (“Mr. Yang”), aged 47, has been appointed as a non-executive Director since 12 March 2015. He was an executive Director from 20 December 2013 to 11 March 2015. He is a director of certain subsidiaries of the Company. He has many years of experience in corporate management. Mr. Yang is currently a director of 深圳市融成投資有限公司 (Shenzhen Rongcheng Investment Company Limited*). He gained working experience across different industries such as trading and property development.

九月至二零一七年二月在本公司控股股東江蘇大豐之全資附屬公司江蘇黃海港城實業有限公司擔任副總經理。

冷盼盼女士(「冷女士」)，31歲，自二零二零年二月二十七日起獲委任為執行董事。冷女士於二零一九年五月十三日加入本集團，彼現任本公司副行政總裁，彼亦為本公司間接全資附屬公司和順貿易之執行董事、總經理兼法定代表。自二零一三年八月至二零一九年五月，冷女士先後擔任江蘇大豐港和順科技有限公司之辦公室經理、人力資源部主管兼總經理助理。自二零一二年八月至二零一三年三月，彼於大豐港融資租賃(北京)有限責任公司擔任總經理助理。

非執行董事

吉龍濤先生(「吉先生」)，55歲，於二零一五年二月二十三日獲委任為非執行董事。彼擁有興亞投資集團有限公司(「興亞」)及江蘇華海之55%股權，而該兩間公司則分別擁有大豐港海外之18%及10%股權。吉先生擁有鹽城市龍橋置業有限公司之50%股權，該公司從事物業開發及投資業務。彼為大豐港海外之董事以及興亞及江蘇華海之執行董事，該兩間公司均從事投資及資產管理業務。

楊越夏先生(「楊先生」)，47歲，於二零一五年三月十二日獲委任為非執行董事。彼曾於二零一三年十二月二十日至二零一五年三月十一日擔任執行董事。彼為本公司若干附屬公司之董事。彼具備多年公司管理經驗。楊先生現為深圳市融成投資有限公司之董事。彼擁有貿易及房地產發展等多個行業之工作經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Bian Zhaoxiang (“Dr. Bian”), aged 53, has been appointed as an independent non-executive Director since 15 May 2015. He had been educated in 南京中醫藥大學 (Nanjing University of Traditional Chinese Medicine*), 北京中醫藥大學 (Beijing University of Traditional Chinese Medicine and Pharmacology*) and 廣州中醫藥大學 (Guangzhou University of Traditional Chinese Medicine*) and was conferred the Ph.D. degree in Integrated Chinese and Western Medicine. Currently, Dr. Bian serves as a director of the clinical division of the School of Chinese Medicine, and an associate vice-president of the Hong Kong Baptist University. He has engaged in clinical and basic research in digestive diseases and involved in publication of many experimental and clinical researches. He has been awarded a second prize of National Science and Technology Award of China in 1999.

Mr. Lau Hon Kee (“Mr. Lau”), BComm, MPA, FCPA, CPA (Aust.), aged 49, has been appointed as an independent non-executive Director since 31 May 2016. He was the financial controller and company secretary of 山東羅欣藥業集團股份有限公司 (Shandong Luoxin Pharmaceutical Group Stock Co. Ltd*) (a company listed on the Stock Exchange with stock code: 8058) until 31 December 2017 and a joint company secretary of Zhejiang Tengy Environmental Technology Co., Ltd (a company listed on the Stock Exchange with stock code: 1527) until 31 January 2018. Mr. Lau has been an independent non-executive director of Astrum Financial Holdings Limited (a company listed on the Stock Exchange with stock code: 8333) since 23 June 2016. Mr. Lau was an independent non-executive director of Strong Petrochemical Holdings Limited (a company listed on the Stock Exchange with stock code: 852) from November 2008 to January 2012. Mr. Lau obtained a bachelor's degree in commerce from the Australian National University in April 1994 and a master's degree in professional accounting from the Hong Kong Polytechnic University in October 2009. Mr. Lau is a CPA of CPA (Aust.) and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since 1999. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants since 2006.

獨立非執行董事

卞兆祥博士 (「卞博士」), 53歲, 於二零一五年五月十五日獲委任為獨立非執行董事。彼曾就讀南京中醫藥大學、北京中醫藥大學及廣州中醫藥大學, 並獲頒授中西醫結合醫學博士學位。現時, 卞博士為香港浸會大學中醫藥學院臨床部主任及協理副校長。彼長期從事消化系疾病臨床及基礎研究, 並參與發表多項實驗及臨床研究。彼於一九九九年獲頒國家科技進步二等獎。

劉漢基先生 (「劉先生」), BComm, MPA, FCPA, CPA (Aust.), 49歲, 於二零一六年五月三十一日獲委任為獨立非執行董事。彼於二零一七年十二月三十一日前為聯交所上市公司山東羅欣藥業集團股份有限公司 (股份代號: 8058) 之財務總監兼公司秘書, 並於二零一八年一月三十一日前為聯交所上市公司浙江天潔環境科技股份有限公司 (股份代號: 1527) 之聯席公司秘書。劉先生自二零一六年六月二十三日起擔任聯交所上市公司阿仕特朗金融控股有限公司 (股份代號: 8333) 之獨立非執行董事。劉先生於二零零八年十一月至二零一二年一月曾任聯交所上市公司海峽石油化工控股有限公司 (股份代號: 852) 之獨立非執行董事。劉先生於一九九四年四月獲得澳洲國立大學商業學士學位, 並於二零零九年十月獲得香港理工大學專業會計碩士學位。自一九九九年, 劉先生為澳洲會計師公會執業會計師及香港會計師公會執業會計師。自二零零六年起, 彼亦為香港會計師公會資深會員。

PROFILE OF DIRECTORS

董事簡介

Mr. Yu Xugang ("Mr. Yu"), aged 51, has been appointed as an independent non-executive Director since 31 May 2016. He has been acted as an independent non-executive director of Central China Securities Co., Ltd. (a company listed on the Stock Exchange with stock code: 1375) since December 2015. Mr. Yu was an independent director of Polaris Bay Group Co., Ltd. (a company listed on the Shanghai Stock Exchange with stock code: 600155) since December 2016. He was a partner at Beijing Dentons Law Offices, LLP from August 2001 to December 2003 and has been promoted to a senior partner at Beijing Dentons Law Offices, LLP since January 2004. Mr. Yu was an independent director of Da Cheng Fund Management Company Limited from August 2008 to August 2011. Mr. Yu was an independent director of Inner Mongolia Baotou Steel Union Co., Ltd (a company listed on the Shanghai Stock Exchange with stock code: 600010), from August 2009 to August 2015, and an independent director of Hubei Shuangjian Blower Company Limited (a company listed on National Equities Exchange and Quotations with stock code: 833468) from October 2012 to October 2015. Mr. Yu obtained a bachelor's degree in law from the China University of Political Science and Law in 1990, a master's degree in international economic law from the Peking University in July 1998 and a doctorate degree in law from the Peking University in July 2001.

Mr. Zhang Fangmao ("Mr. Zhang"), formerly named 張芳茂, aged 55, has been appointed as an independent non-executive Director since 1 June 2014. He has over 15 years of experience in import and export businesses in the PRC. Mr. Zhang served as a manager of the business department in 中國深圳經濟特區對外貿易(集團)公司 (China Shenzhen Economic Special Zone Foreign Trade (Group) Corporation*), a state-owned enterprise. He is a director of 深圳市澳德投資顧問有限公司 (Shenzhen AUDE Investment Consulting Co., Ltd.*). Mr. Zhang obtained a bachelor's degree in finance from the Shenzhen University.

于緒剛先生(「于先生」), 51歲, 於二零一六年五月三十一日獲委任為獨立非執行董事。彼自二零一五年十二月起擔任聯交所上市公司中原證券股份有限公司(股份代號: 1375)之獨立非執行董事。于先生自二零一六年十二月起擔任上海證券交易所上市公司華創陽安股份有限公司(股份代號: 600155)之獨立董事。彼於二零零一年八月至二零零三年十二月曾任北京大成律師事務所合夥人, 並自二零零四年一月起獲擢升為北京大成律師事務所高級合夥人。于先生於二零零八年八月至二零一一年八月曾任大成基金管理有限公司之獨立董事。于先生於二零零九年八月至二零一五年八月曾任上海證券交易所上市公司內蒙古包鋼鋼聯股份有限公司(股份代號: 600010)之獨立董事, 並於二零一二年十月至二零一五年十月曾任全國中小企業股份轉讓系統上市公司湖北雙劍鼓風機股份有限公司(股份代號: 833468)之獨立董事。于先生於一九九零年獲得中國政法大學法律學士學位, 於一九九八年七月獲得北京大學國際經濟法碩士學位及於二零零一年七月獲得北京大學法律博士學位。

張方茂先生(「張先生」), 曾用名為張芳茂, 現年55歲, 於二零一四年六月一日獲委任為獨立非執行董事。彼於中國出入口業務方面具備超過15年經驗。張先生曾於國營企業中國深圳經濟特區對外貿易(集團)公司擔任業務部經理。彼現為深圳市澳德投資顧問有限公司之董事。張先生獲深圳大學頒授金融學士學位。

The Board herein presents the annual report together with the audited consolidated financial statements of the Group for the Year.

董事會謹此提呈本年度之年度報告連同本集團之經審核綜合財務報表。

PRINCIPAL ACTIVITIES

The Group is principally engaged in trading business, the provision of integrated logistics handling and the relevant supporting services business as well as petrochemical products storage business.

主要業務

本集團主要從事貿易業務、提供綜合物流處理及相關配套服務業務以及石化產品倉儲業務。

Business Review

The business review of the Group for the Year is set out in the section headed "Management Discussion and Analysis" on page 6 to 16 of this annual report.

業務回顧

本集團於本年度之業務回顧載於本年度報告第6頁至第16頁的「管理層討論及分析」一節。

FINANCIAL RESULTS

The results of the Group for the Year and the state of affairs of the Company and of the Group as at the date are set out in the consolidated financial statements on pages 103 to 231 of this report.

財務業績

本集團於本年度之業績以及本公司及本集團於該日之財務狀況載於本報告第103頁至第231頁之綜合財務報表。

FINAL DIVIDEND

The Board did not recommend the payment of any final dividend for the Year (2018: Nil).

末期股息

董事會不建議就本年度派付任何末期股息(二零一八年：無)。

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the revenue attributable to the Group's largest and the five largest customers accounted for approximately 16.0% and 46.5% (2018: 21.8% and 54.9%) of the total value of the Group's revenue, respectively.

主要客戶及供應商

於本年度，本集團最大及五大客戶應佔收益分別佔本集團收益總值約16.0%及46.5% (二零一八年：21.8%及54.9%)。

During the Year, the purchases attributable to the Group's largest and the five largest suppliers accounted for approximately 24.7% and 65.2% (2018: 10.8% and 20.2%) of the total value of the Group's purchases, respectively.

於本年度，本集團最大及五大供應商應佔採購額分別佔本集團採購額總值約24.7%及65.2% (二零一八年：10.8%及20.2%)。

Based on the information publicly available to the Company and to the best knowledge of the Directors, none of the Directors, their close associates, or any shareholder of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had interest in any of the Group's five largest customers or suppliers during the Year.

根據本公司可得公開資料及據董事所深知，於本年度，概無董事、彼等之緊密聯繫人士或本公司任何股東(據董事所知擁有本公司已發行股本超過5%)於本集團五大客戶或供應商中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

There is no change in share of the Company during the Year.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at 31 December 2019 are set out in note 27 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

The Company and its subsidiaries did not redeem, purchase or cancel any of their redeemable securities either.

DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company's reserves available for distribution to the shareholders of the Company comprising share premium account of HK\$201.4 million and accumulated losses amounted to approximately HK\$561.7 million. Details of the Company's distributable reserves as at 31 December 2019 are set out in note 38(a) to the consolidated financial statements. Movements in reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 107 of this report.

INTEREST CAPITALISED

No interest was capitalised by the Group during the Year.

附屬公司

本公司主要附屬公司之詳情載於綜合財務報表附註14。

物業、廠房及設備

物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註15。

股本

本公司之股本於本年度並無變動。

銀行貸款及其他借貸

本集團於二零一九年十二月三十一日之銀行貸款及其他借貸詳情載於綜合財務報表附註27。

購買、出售或贖回本公司之上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

本公司及其附屬公司亦無贖回、購買或註銷其任何可贖回證券。

可供分派儲備

於二零一九年十二月三十一日，本公司可分派予本公司股東之儲備包括股份溢價賬201,400,000港元及累計虧損約561,700,000港元。本公司於二零一九年十二月三十一日之可供分派儲備詳情載於綜合財務報表附註38(a)。本集團於本年度之儲備變動載於本報告第107頁之綜合權益變動表。

資本化權益

本集團於本年度並無將任何權益資本化。

GROUP 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 232 of this report.

DIRECTORS

The Directors who held office during the Year and up to the date of this report were as follows:

Executive Directors

Mr. Tao Ying (*Chairman*) (appointed on 18 March 2019)
Mr. Ni Xiangrong (*Chairman*) (resigned on 18 March 2019)
Mr. Shum Kan Kim (resigned on 22 February 2020)
Mr. Pan Jian (resigned on 18 March 2019)
Mr. Miao Zhibin
Mr. Chen Wenxiang (appointed on 18 March 2019)
Ms. Leng Panpan (appointed on 27 February 2020)

Non-executive Directors

Mr. Ji Longtao
Mr. Yang Yue Xia
Mr. Sun Lin (resigned on 20 February 2020)

Independent Non-executive Directors

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

Biographical details of the Directors currently in service are set out on pages 17 to 20 of this report.

In accordance with article 83(3) of the Articles, Ms. Leng Panpan as an executive Director will hold office until the AGM and, being eligible, offer herself for re-election at the AGM.

In accordance with article 84(1) of the Articles, Mr. Yang Yue Xia and Mr. Ji Longtao as non-executive Directors and Mr. Zhang Fangmao as an independent non-executive Director will retire from office by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

The Company has received from each independent non-executive director an annual confirmation of his independence pursuant to 5.09 of the GEM Listing Rules and the Board considers them independent.

本集團財務概要

本集團於上五個財政年度之業績以及資產及負債概要載於本報告第232頁。

董事

於本年度內及截至本報告日期，在任董事如下：

執行董事

陶瑩先生(主席)(於二零一九年三月十八日獲委任)
倪向榮先生(主席)(於二零一九年三月十八日辭任)
沈勤儉先生(於二零二零年二月二十二日辭任)
潘健先生(於二零一九年三月十八日辭任)
繆志斌先生
陳文祥先生(於二零一九年三月十八日獲委任)
冷盼盼女士(於二零二零年二月二十七日獲委任)

非執行董事

吉龍濤先生
楊越夏先生
孫林先生(於二零二零年二月二十日辭任)

獨立非執行董事

卞兆祥博士
劉漢基先生
于緒剛先生
張方茂先生

現任董事之履歷詳情載於本報告第17至20頁。

根據細則第83(3)條，執行董事冷盼盼女士將任職直至股東週年大會為止，並符合資格及願意於股東週年大會上重選連任。

根據細則第84(1)條，非執行董事楊越夏先生及吉龍濤先生以及獨立非執行董事張方茂先生須於股東週年大會上輪值退任，且彼等均符合資格及願意於股東週年大會上重選連任。

本公司已接獲每位獨立非執行董事根據GEM上市規則第5.09條確認其獨立性的年度確認函，且董事會認為彼等均具獨立性。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company and is subject to termination by either party giving not less than three months' prior written notice to the other.

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Each of the non-executive Directors (including the independent non-executive Directors) has entered into service contract with the Company for a fixed term of three years, subject to retirement by rotation and re-election at the AGM in accordance with the Articles.

DIRECTORS' EMOLUMENTS

Directors' remuneration is subject to shareholders' approval at general meetings. Other emoluments are determined by the Remuneration Committee with reference to Directors' duties, responsibilities and performance and the results of the Group.

During the Year, Mr. Tao Ying, Mr. Ni Xiangrong and Mr. Pan Jian have waived their emoluments, which was HK\$754,000, HK\$206,000 and HK\$129,000 respectively.

Details of the emoluments of the Directors are set out in note 10(i) to the consolidated financial statements.

FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees and their emoluments are set out in note 10(iv) to the consolidated financial statements.

董事服務合約

各董事已與本公司訂立服務合約，可由任何一方方向另一方發出不少於三個月的事先書面通知予以終止。

概無董事與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

各非執行董事(包括獨立非執行董事)已與本公司訂立服務合約，固定期限為三年，惟須根據細則於股東週年大會上輪席告退及重選連任。

董事酬金

董事薪酬須經股東於股東大會上批准。其他酬金由薪酬委員會參考董事的職責及責任、本集團的表現及業績釐定。

年內，陶瑩先生、倪向榮先生及潘健先生均已放棄彼等酬金，分別為754,000港元、206,000港元及129,000港元。

董事酬金之詳情載列於綜合財務報表附註10(i)。

五名最高薪人士

五名最高薪人士及彼等酬金載列於綜合財務報表附註10(iv)。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2019, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME, CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives, recognising and acknowledging the contributions that eligible persons had made or may make to the Group. The Scheme was adopted pursuant to the written resolution passed by the sole shareholder of the Company on 3 August 2013. The expiry date of the Scheme is 2 August 2023. For further details of the Scheme, please refer to note 30 to the consolidated financial statements. Since the Scheme came into effect after the Company was listed on GEM of the Stock Exchange, no share options have been granted, exercised or cancelled by the Company under the Scheme and there were no outstanding share options under the Scheme as at 31 December 2019 and as at the date of this report.

Up to 31 December 2019, the Company and its subsidiaries have not issued or granted any convertible securities, warrants or other similar rights.

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一九年十二月三十一日，概無董事或本公司主要行政人員於本公司或任何相聯法團(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)之股份、相關股份及債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉)，或根據證券及期貨條例第352條須登記於該條文所述登記冊內之權益或淡倉，或根據GEM上市規則第5.46至5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。

購股權計劃、可換股證券、認股權證或類似權利

本公司設有購股權計劃(「該計劃」)，旨在激勵及肯定合資格人士曾對或將對本集團作出之貢獻。該計劃乃根據本公司唯一股東於二零一三年八月三日通過之書面決議案採納。該計劃將於二零二三年八月二日屆滿。有關該計劃之進一步詳情，請參閱綜合財務報表附註30。自該計劃於本公司在聯交所GEM上市後生效以來，概無任何購股權根據該計劃獲授出、行使或遭本公司註銷，且於二零一九年十二月三十一日及本報告日期，該計劃項下概無尚未行使之購股權。

直至二零一九年十二月三十一日，本公司及其附屬公司並無發行或授出任何可換股證券、認股權證或其他類似權利。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2019, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東權益及其他人士於本公司股份及相關股份之權益及淡倉

於二零一九年十二月三十一日，據董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉如下：

Name of shareholders	Capacity/ Nature of interests	Number of Shares held (Note 1)	% of the Company's issued share capital (Approximate)
股東名稱	身份／權益性質	所持股份數目 (附註1)	佔本公司 已發行股本 的百分比(概約)
Dafeng Port Overseas (Note 3)	Beneficial owner and have provided an interest in the shares as security to a person other than a qualified lender	740,040,000 (L)/(S)	57.46%
大豐港海外(附註3)	實益擁有人，並已向一名合資格放債人以外之人士提供股份權益作為抵押		
Jiangsu Dafeng (Note 4)	Interest of controlled corporation	740,040,000 (L)/(S)	57.46%
江蘇大豐(附註4)	受控制法團權益		
大豐區人民政府 (the People's Government of Dafeng District*) ("PGDD") (Note 4)	Interest of controlled corporation	740,040,000 (L)/(S)	57.46%
大豐區人民政府(「大豐區人民政府」)(附註4)	受控制法團權益		
Mr. Jiang Wen (Note 5)	Beneficial owner, interest of controlled corporation and interest of spouse	78,650,000 (L)	6.11%
姜文先生(附註5)	實際擁有人、受控制法團權益及配偶權益		
Ms. Li Qiu Hua (Note 6)	Beneficial owner and interest of spouse	78,650,000 (L)	6.11%
李秋華女士(附註6)	實際擁有人及配偶權益		

Notes:

1. The letter "L" denotes a long position in the interest in the issued share capital of the Company.

The letter "S" denotes a short position in the interest in the issued share capital of the Company.

2. Dafeng Port Overseas entered into an account charge with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign absolutely all of Dafeng Port Overseas' rights, titles and interests from time to time in and to each secured account, which had 740,040,000 Shares of approximately 57.46% of the total issued Shares as 31 December 2019.
3. Dafeng Port Overseas is a company incorporated in Hong Kong with limited liability, and is owned as to 40% by Jiangsu Dafeng, which in turn is wholly owned by PGDD.
4. Jiangsu Dafeng and PGDD are deemed to be interested in the Shares of the Company held by Dafeng Port Overseas under the SFO.
5. Mr. Jiang Wen, the director, the general manager and the legal representative of 前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain (Shenzhen) Company Limited*) ("Qianhai Mingtian") which is an indirect subsidiary of the Company, directly and beneficially owns 54,530,000 Shares. Ms. Li Qiu Hua, the spouse of Mr. Jiang Wen, directly and beneficially owns 10,520,000 Shares. Jing Ji (Holdings) Co., Limited, a company wholly-owned by Mr. Jiang Wen, directly and beneficially owns 13,600,000 Shares. As such, under the SFO, Mr. Jiang Wen is deemed, or taken to be, interested in 78,650,000 Shares.
6. Ms. Li Qiu Hua directly and beneficially owns 10,520,000 Shares. As Mr. Jiang Wen's spouse, she is, under the SFO, deemed to be, or taken to be, interested in the same number of Shares in which Mr. Jiang Wen is interested.

Save as disclosed above, as at 31 December 2019, the Directors were not aware of any other persons or entities (other than the Directors and chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

As informed by Mr. Jiang Wen on 3 January 2020, Mr. Jiang Wen sold 1,800,000 Shares by his personal account after 31 December 2019. As a result, Mr. Jiang Wen directly and beneficially owned 52,730,000 Shares, Jing Ji (Holding) Co., Limited directly and beneficially owned 13,600,000 Shares, and Ms. Li Qiu Hua directly and beneficially owned 10,520,000 Shares by 2 January 2020.

附註:

1. 字母「L」指於本公司已發行股本權益之好倉。

字母「S」指於本公司已發行股本權益之淡倉。

2. 大豐港海外於二零一八年三月二十九日與抵押受託人訂立賬戶抵押，據此，大豐港海外轉讓並同意無條件轉讓大豐港海外不時於各抵押賬戶之所有權利、所有權及權益(涉及740,040,000股股份，相當於二零一九年十二月三十一日已發行股份總數約57.46%)。
3. 大豐港海外為於香港註冊成立之有限公司，由江蘇大豐擁有40%權益，而江蘇大豐則由大豐區人民政府全資擁有。
4. 根據證券及期貨條例，江蘇大豐及大豐區人民政府被視為於大豐港海外所持本公司股份中擁有權益。
5. 姜文先生(本公司之間接附屬公司前海明天供應鏈(深圳)有限公司(「前海明天」)之董事、總經理兼法定代表)直接實益擁有54,530,000股股份。李秋華女士(姜文先生之配偶)直接實益擁有10,520,000股股份。京基(控股)有限公司(姜文先生全資擁有之公司)直接實益擁有13,600,000股股份。因此，根據證券及期貨條例，姜文先生被視為或當作於78,650,000股股份中擁有權益。
6. 李秋華女士直接實益擁有10,520,000股股份。作為姜文先生之配偶，根據證券及期貨條例，彼被視為或當作於姜文先生所擁有權益之相同數目股份中擁有權益。

除上文披露者外，於二零一九年十二月三十一日，董事概不知悉有任何其他人士或實體(董事及本公司主要行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉。

據姜文先生於二零二零年一月三日所告知，於二零一九年十二月三十一日之後，姜文先生以彼之個人賬戶出售1,800,000股股份，因此，於二零二零年一月二日之前，姜文先生直接實益擁有52,730,000股股份，京基(控股)有限公司直接實益擁有13,600,000股股份，及李秋華女士直接實益擁有10,520,000股股份。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries or its ultimate holding company or any subsidiary of such ultimate holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

There were no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Company's directors or an entity connected with a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the Year.

CONNECTED TRANSACTIONS

Exempted continuing connected transactions

Financial assistance received by the Group

The details of financial assistance received by the Group from connected companies are set out in note 27(c) to the financial statements.

Since the financial assistance received by the Company is provided on normal commercial terms and is not secured by the assets of the Group, according to Rule 20.88 of the GEM Listing Rules, the financial assistance received by the Company was exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

董事收購股份或債權證之安排

於本年度內任何時間，本公司或其任何附屬公司或其最終控股公司或該最終控股公司之任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券(包括債權證)而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

董事於重大合約之權益

於本年度末或本年度內任何時間並無存在由本公司或其任何附屬公司就本集團業務訂立且本公司任何董事或一間與本公司一名董事有關連之實體於當中直接或間接擁有重大權益之重大交易、安排或合約。

管理層合約

於本年度，除聘用合約外，概無訂立或存續有關本集團全部業務或其主要部分之管理及行政事宜之合約。

關連交易

獲豁免持續關連交易

本集團收取之財務資助

本集團收取關連公司財務資助之詳情載於財務報表附註27(c)。

由於本公司收取之財務資助乃按照一般商業條款提供，且並非由本集團資產作抵押，根據GEM上市規則第20.88條，本公司收取之財務資助獲豁免遵守GEM上市規則第20章之申報、公告及獨立股東批准之規定。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and the laws of the Cayman Islands, which would oblige the Company to offer Shares on a pro rata basis to its existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors on 7 May 2020, as at the latest practicable date prior to the issue of the annual report, the Company has maintained sufficient public float in the issued share capital of the Company under the GEM Listing Rules.

COMPETING INTERESTS

As 鹽城大豐碧港貿易有限公司 (Yancheng Dafeng Bi Port Trading Limited*) (“**Dafeng Bi Port**”) has ceased its business, Jiangsu Dafeng, a controlling shareholder of the Company, has two indirect wholly-owned subsidiaries, namely 大豐海融國際貿易有限公司 (Dafeng Hairong International Trade Co., Ltd.) (“**Dafeng Hairong**”) and 鹽城市港城商業管理有限公司 (Yancheng City Gangcheng Commercial Management Co., Ltd.) (“**Yancheng Commercial**”), and has an indirect non-wholly-owned subsidiary, namely 江蘇悅達港口物流發展有限公司 (Jiangsu Yueda Harbour Logistics Development Company Limited*) (“**Yueda Logistics**”) which are engaged in trading of various goods including coals, metal ores, non-metallic ores, non-ferrous metal, chemical products, non-metal construction materials, scrap steel and wood. Whereas the Company has also developed the business of trading of electronic products, petrochemical products and various other products through Heshun Trading, an indirect wholly-owned subsidiary of the Company, and its subsidiaries, and Qianhai Mingtian and its subsidiary. Accordingly, the businesses of Jiangsu Dafeng and its subsidiaries (the “**Jiangsu Dafeng Group**”) may be construed as businesses which compete with or are likely to compete with one of the core principal activities of the Group. The Board considered that the businesses of the Jiangsu Dafeng Group do not pose material competitive threat to the Group because the Group and Jiangsu Dafeng Group have different focuses on the type of products offered which target at different customers in the market.

優先購買權

細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

足夠公眾持股量

根據本公司可得公開資料及據董事所知，於二零二零年五月七日(即刊發年度報告前之最後實際可行日期)，本公司根據GEM上市規則維持本公司已發行股本的足夠公眾持股量。

競爭權益

由於鹽城大豐碧港貿易有限公司(「**大豐碧港**」)已終止經營，本公司之控股股東江蘇大豐有兩間間接全資附屬公司(即大豐海融國際貿易有限公司(「**大豐海融**」)及鹽城市港城商業管理有限公司(「**鹽城商業**」))，並有一間間接非全資附屬公司(即江蘇悅達港口物流發展有限公司(「**悅達物流**」))，該等公司從事多種貨品之貿易業務，包括煤炭、金屬礦、非金屬礦、有色金屬、化工產品、非金屬建築材料、廢舊鋼及木材。至於本公司則透過其間接全資附屬公司和順貿易及其附屬公司以及前海明天及其附屬公司發展電子產品、石化產品及多種其他產品之貿易業務。因此，江蘇大豐及其附屬公司(「**江蘇大豐集團**」)之業務可能被當作對本集團其中一項核心主要活動構成或可能構成競爭的業務。董事會認為，由於本集團與江蘇大豐集團所提供產品類型重點有所不同，於市場上以不同客戶為目標，故江蘇大豐集團業務不會對本集團構成重大競爭威脅。

REPORT OF THE DIRECTORS

董事會報告

Other than Mr. Tao Ying (appointed as an executive Director on 18 March 2019), Mr. Ni Xiangrong (resigned as an executive Director on 18 March 2019) and Mr. Pan Jian (resigned as an executive Director on 18 March 2019) who are the directors of Jiangsu Dafeng, there is no overlap in the directorships among the Company, Jiangsu Dafeng, Dafeng Hairong, Yancheng Commercial and Yueda Logistics. The Directors consider that the Board can operate independently from Jiangsu Dafeng, because (i) pursuant to the Articles, a Director shall not vote on any board resolutions approving any contract or arrangement or any other proposal in which such Director or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and (ii) the Directors are fully aware of their fiduciary duties owing to the shareholders of the respective companies and their duty to avoid conflicts with the shareholders of the respective companies and their duty to avoid conflicts of interests in carrying out their respective duties as directors of the relevant companies.

Save as disclosed above, during the Year, none of the Directors, controlling shareholders of the Company or their respective close associates had any interests in a business, which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

除陶瑩先生(於二零一九年三月十八日獲委任為執行董事)、倪向榮先生(於二零一九年三月十八日辭任執行董事)及潘健先生(於二零一九年三月十八日辭任執行董事)擔任江蘇大豐之董事外，本公司、江蘇大豐、大豐海融、鹽城商業及悅達物流之董事並無重疊。董事認為，董事會可自江蘇大豐獨立營運，原因為(i)根據細則，董事不得就有關批准其本身或其任何聯繫人士擁有重大權益之任何合約或安排或任何其他計劃之任何董事會決議案投票，亦不得計入有關會議之法定人數；及(ii)董事全面知悉彼等對有關公司股東之受託責任以及彼等避免與有關公司股東構成衝突及於執行相關公司董事職務時避免利益衝突之職責。

除上文披露者外，於本年度，董事、本公司控股股東或彼等各自之緊密聯繫人士概無於與本集團業務構成或可能構成直接或間接競爭之業務中擁有須根據GEM上市規則第11.04條予以披露之任何權益。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the Year.

CORPORATE GOVERNANCE CODE

A detailed corporate governance report is set out in pages 32 to 50 of this report.

AUDITOR

Mazars CPA Limited acted as the auditor of the Group for the Year.

The consolidated financial statements of the Company for the year ended 31 December 2019 were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming AGM to re-appoint Mazars CPA Limited as the auditor of the Company.

By order of the Board
Dafeng Port Heshun Technology Company Limited
Tao Ying
Chairman

Hong Kong, 7 May 2020

董事進行證券交易之行為守則

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經向全體董事作出具體查詢後，本公司並不知悉於本年度有任何違反交易規定準則及有關董事進行證券交易之行為守則之情況。

企業管治守則

詳盡企業管治報告載於本報告第32至50頁。

核數師

中審眾環(香港)會計師事務所有限公司於本年度擔任本集團之核數師。

本公司截至二零一九年十二月三十一日止年度之綜合財務報表由中審眾環(香港)會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈有關續聘中審眾環(香港)會計師事務所有限公司為本公司核數師之決議案。

承董事會命
大豐港和順科技股份有限公司
主席
陶瑩

香港，二零二零年五月七日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintain a high standard of corporate governance. In the opinion of the Directors, the Company has complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules during the Year. The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

DIRECTORS' SECURITIES TRANSACTIONS

Conduct on share dealings

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made specific enquiries to all the Directors who have confirmed their compliance with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the Year. No incident of non-compliance was noted by the Company during the Year.

CORPORATE MANAGEMENT

Board of directors

Composition

As at the date of this report, the Board is comprised of 10 members, including four executive Directors, namely, Mr. Tao Ying (chairman), Mr. Miao Zhibin, Mr. Chen Wenxiang and Ms. Leng Panpan, two non-executive Directors, namely, Mr. Ji Longtao and Mr. Yang Yue Xia and four independent non-executive Directors, namely, Dr. Bian Zhaoxiang, Mr. Lau Hon Kee, Mr. Yu Xugang and Mr. Zhang Fangmao.

The Company has received annual written confirmations from each of the independent non-executive Directors in respect of their independence to the Company in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules and believes that their independence is in compliance with the GEM Listing Rules as at the date of this report.

本公司致力維持高水平之企業管治。董事認為，本公司於本年度內一直遵守GEM上市規則附錄15所載企業管治守則（「企業管治守則」）所載全部守則條文。本公司將持續檢討其企業管治常規，以提升其企業管治標準、遵守監管規定並達致股東及投資者之預期增長。

董事證券交易

進行股份交易

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經本公司向全體董事作出具體查詢後，全體董事已確認彼等於本年度一直遵守交易規定準則及有關董事進行證券交易之行為守則。據本公司所知，本年度並無任何違規情況。

公司管理

董事會

組成

於本報告日期，董事會由10名成員組成，包括四名執行董事陶瑩先生（主席）、繆志斌先生、陳文祥先生及冷盼盼女士，兩名非執行董事吉龍濤先生及楊越夏先生，以及四名獨立非執行董事卞兆祥博士、劉漢基先生、于緒剛先生及張方茂先生。

本公司已接獲各獨立非執行董事之年度書面確認，確認彼等根據GEM上市規則第5.09條所載指引獨立於本公司，並相信彼等於本報告日期符合GEM上市規則之獨立身份規定。

Directors' training

All Directors should keep abreast of the responsibilities as a Director, and of the conduct and business activities of the Company. During the Year, the Company had organised a professional seminar conducted by a professional firm which provided the Directors with updates on the latest development and changes in the GEM Listing Rules and other applicable legal and regulatory requirements. All Directors including newly appointed Directors were provided with written training reading materials.

The Directors were also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each of the Directors to discharge their duties. The secretary of the Company from time to time updated and provided written training materials to the Directors relating to the roles, functions and duties of a director.

All Directors confirmed that they have complied with code provision A.6.5 of the CG Code on directors' training. During the Year, all Directors have participated in continuous professional development by reading materials or attending seminars/briefing sessions to develop and refresh their knowledge and skills and provided a record of training to the Company.

董事培訓

全體董事須緊守作為董事之責任以及配合本公司之管理方式行為及業務活動。於本年度，本公司已安排由專業公司為董事舉辦專業研討會，提供有關GEM上市規則最新發展及變動以及其他適用法律及監管規定之最新資料。全體董事(包括新委任董事)已獲發有關書面培訓讀物。

董事亦定期獲提供有關本公司表現、狀況及前景之最新資料，讓董事會整體及各董事履行其職責。本公司秘書不時向董事更新及提供有關董事角色、職能及職責之書面培訓材料。

全體董事確認，彼等已遵守有關董事培訓之企業管治守則守則條文第A.6.5條。於本年度，全體董事已藉閱覽讀物或出席研討會／簡介會參與持續專業發展，以加強及重溫知識及技術，並已向本公司提供培訓記錄。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board process

The Board met regularly throughout the Year to discuss the overall strategy as well as the operational and financial performance of the Group. Notice of at least 14 days were given to all Directors of a regular Board meeting. For all other Board meetings, reasonable notice were given to all Directors. The Board delegates necessary powers and authorities to the executive Directors to facilitate the efficient day-to-day management of the Group's business. During the Year, the Board held 6 scheduled full Board meetings. In addition, executive Board meetings were convened when necessary to deal with day-to-day matters that required the Board's prompt decisions, and therefore usually only executive Directors attended such meetings. Individual attendance records of full Board meetings and committees meetings are set out on page 35 of this report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles and the matters to be dealt with by the Board would be dealt with by a physical Board meeting rather than by a written resolution. Independent non-executive Directors who have no material interest in the transaction and their close associates would be entitled to attend the Board meeting. The secretary of the Company maintains minutes of the Board meetings and meetings of Board committees for inspection by the Directors. All Directors have access to the services of the secretary of the Company who regularly updates the Board on corporate governance and regulatory matters. Any Director, audit committee member, remuneration committee member and nomination committee member of the Company may seek independent professional advice at the expense of the Company should they so wish.

董事會程序

董事會於本年度定期舉行會議，討論整體策略以及本集團之經營及財務表現。定期董事會會議均向全體董事發出至少14日通知。而所有其他董事會會議均向全體董事發出合理通知。董事會將必要權力及職權賦予執行董事，以便有效率地管理本集團之日常業務。於本年度，董事會曾舉行6次全體會議。此外，已於必要時召開執行董事會會議，處理需要董事會迅速決策之日常事宜，故有關會議一般僅由執行董事出席。全體董事會會議及委員會會議個別出席記錄載於本報告第35頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟細則所載若干例外情況除外，而董事會將處理之事宜會由實質董事會會議而非書面決議案處理。並無於交易中擁有重大權益之獨立非執行董事及其緊密聯繫人士可出席董事會。本公司秘書保存董事會會議及董事委員會會議記錄以供董事查閱。本公司秘書定期為董事會更新企業管治及法規事宜之資料，並向全體董事提供有關服務。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

Board and board committee attendance

The following table indicates the number of Board meetings, committee meetings and general meetings throughout the Year, and the number of attendance by each of the Directors:

董事會及董事委員會出席率

下表顯示於本年度內舉行之董事會會議、委員會會議及股東大會次數，以及各董事之出席次數：

Name 姓名	Number of meetings attended/held 出席/舉行之會議數目					
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Legal Compliance Committee 法律合規委員會	General Meeting 股東大會
Executive Directors 執行董事						
Mr. Ni Xiangrong (Note 1) 倪向榮先生(附註1)	1/1	-	-	1/1	-	-
Mr. Shum Kan Kim (Note 2) 沈勤儉先生(附註2)	6/6	-	-	-	4/4	1/1
Mr. Pan Jian (Note 3) 潘健先生(附註3)	0/1	-	0/1	-	-	-
Mr. Miao Zhibin 繆志斌先生	6/6	-	-	-	-	1/1
Mr. Tao Ying (Note 4) 陶瑩先生(附註4)	4/5	-	1/1	1/1	-	-
Mr. Chen Wenxiang (Note 5) 陳文祥先生(附註5)	5/5	-	1/1	4/4	1/1	-
Non-executive Directors 非執行董事						
Mr. Ji Longtao 吉龍濤先生	6/6	-	-	-	-	1/1
Mr. Yang Yue Xia 楊越夏先生	4/6	-	-	-	-	1/1
Mr. Sun Lin (Note 6) 孫林先生(附註6)	6/6	-	-	-	3/4	0/1
Independent Non-executive Directors 獨立非執行董事						
Dr. Bian Zhaoxiang 卞兆祥博士	6/6	5/6	2/2	-	-	1/1
Mr. Lau Hon Kee 劉漢基先生	6/6	6/6	2/2	2/2	-	1/1
Mr. Yu Xugang 于緒剛先生	5/6	-	-	-	-	1/1
Mr. Zhang Fangmao 張方茂先生	5/6	5/6	-	2/2	-	1/1

Notes:

- resigned on 18 March 2019
- resigned on 22 February 2020
- resigned on 18 March 2019
- appointed on 18 March 2019
- appointed on 18 March 2019
- resigned on 20 February 2020

附註:

- 於二零一九年三月十八日辭任
- 於二零二零年二月二十二日辭任
- 於二零一九年三月十八日辭任
- 於二零一九年三月十八日獲委任
- 於二零一九年三月十八日獲委任
- 於二零二零年二月二十日辭任

Pursuant to code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings. During the Year, all of the independent non-executive Directors and other non-executive Directors attended the general meetings of the Company in person or through telecommunication.

根據企業管治守則守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會。於本年度，獨立非執行董事及其他非執行董事均親身或透過電子通訊方法出席本公司股東大會。

Pursuant to code provision A.2.7 of the CG Code, the Chairman held a meeting with independent non-executive Directors without the presence of other Directors on 22 March 2019.

根據企業管治守則守則條文第A.2.7條，主席已於二零一九年三月二十二日與獨立非執行董事舉行一次其他董事避席之會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each Director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or re-appointment of Directors, and other significant operational and financial matters. The Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations. The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgement and estimates have been made. The Group announces its financial results on a timely basis.

Senior management's duties

The day-to-day management, administration and operation of the Company are delegated to the senior management of the Company which include evaluating business and operational performances, ensuring effective implementation of the Board's decisions, ensuring adequate funding and monitoring performance of the management of the Group. The senior management of the Company is being closely monitored by the Board and is accountable for the performance of the Company as measured against the business targets and management directions set by the Board. The senior management of the Company and the management of the relevant subsidiaries met together on regular basis to review and discuss operational and financial matters in order to enhance and strengthen internal communications and cooperation within the Group. The delegated functions and work tasks were periodically reviewed.

Indemnification of directors and officers

The Company's Articles of Association provides that every Director is entitled to be indemnified out of the assets and profits of the Company against all losses or liabilities which they may sustain or incur in or about the execution of the duties of their office or otherwise in relation thereto.

The Company has taken out directors liability insurance, which provides appropriate cover for the Directors and directors the subsidiaries of Group before 14 October 2019.

董事職責

董事會負責領導及監督本集團事務，共同負責帶領本集團邁向成功。各董事有責任以真誠及符合本公司最佳利益之方式行事。

須由董事會決策之事宜一般包括但不限於本集團整體策略、主要收購及出售、全年及中期業績、有關委任或續聘董事之推薦意見，以及其他重大經營及財務事宜。董事透過每月如期發出之管理資料了解最新情況以及可能影響本集團業務之主要變動，包括相關規則及規例。董事會知悉其編製財務報表及每年審核財務報表之責任。本公司已採納香港公認會計準則編製財務報表，並已作出合理審慎判斷及估計。本集團會適時公佈其財務業績。

高級管理人員之職責

本公司日常管理、行政及營運由本公司高級管理人員負責，包括負責評估業務及營運表現、確保有效執行董事會之決策、確保資金充裕及監察本集團管理層之表現。本公司高級管理人員由董事會密切監察，並須對本公司相對董事會所釐定業務目標及管理方針之表現負責。本公司高級管理人員及有關附屬公司之管理人員定期會面以審閱並討論營運及財務事宜，藉此改善及加強本集團之內部溝通與合作。本公司定期檢討賦權職能及工作任務。

董事及主要人員之彌償

根據本公司組織章程細則，本公司每名董事在其執行職責或其他方面與此有關之情況下可能蒙受或產生之所有損失或責任，有權獲得從本公司之資產及溢利中撥付彌償。

本公司已於二零一九年十月十四日之前購買董事責任保險，為董事及本集團附屬公司之董事提供適當保障。

Chairman and chief executive officer

Code provision A.2.1 of the CG Code provides that the role of chairman and the chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing.

During the Year, Mr. Tao Ying is the chairman of the Board and an executive Director (following the resignation of Mr. Ni Xiangrong on 18 March 2019) and was responsible for overall strategic planning, development, decision making and management of senior executives of the Group. Mr. Tao Ying, as chairman of the Board, was responsible for reviewing and approving the agenda of each Board meeting prepared by the company secretary of the Company. Mr. Tao Ying was also responsible for taking the primary responsibility for ensuring that good corporate governance practices and procedures are established.

Mr. Miao Zhibin is an executive Director and the chief executive officer of the Company and is responsible for the corporate strategic planning, execution and day-to-day management and administration of the Group's business and operation.

BOARD COMMITTEES

The Board has received appropriate delegation of its functions and powers and has established appropriate Board committees, with specific written terms of reference in order to manage and monitor specific aspects of the Group's affairs. The terms of reference of the Board committees are posted on the websites of the Company and the Stock Exchange and are available to the shareholders of the Company upon request. The Board and the Board committees are provided with all necessary resources including the advice of external auditor, external legal advisers and other independent professional advisors as needed.

In relation to the Board's corporate governance functions, the Board has determined the policy of the corporate governance of the Company and has performed its duties by firstly, developing and reviewing the Company's policies and practices on corporate governance; secondly, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; thirdly, developing and monitoring the codes of conduct applicable to the Directors and employees of the Company; fourthly, reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report, and lastly, receiving and monitoring the training and continuous professional development of the Directors.

主席及行政總裁

企業管治守則守則條文第A.2.1條規定，主席及行政總裁職務須分開且不能由同一人士擔任。主席及行政總裁職責分工須清楚界定並以書面列載。

於本年度，陶瑩先生擔任董事會主席兼執行董事（於倪向榮先生在二零一九年三月十八日辭任後），負責整體策略規劃、發展、決策及管理本集團高級行政人員。陶瑩先生（作為董事會主席）有責任審核及批准本公司公司秘書編製之各董事會會議之議程。陶瑩先生亦有責任承擔確建立良好企業管治常規及程序之主要責任。

繆志斌先生為本公司執行董事兼行政總裁，負責企業策略規劃、執行以及本集團業務及營運之日常管理及行政事務。

董事委員會

董事會已適當轉授其職能及權力，並已設立訂有具體書面職權範圍之適當董事委員會，以管理及監督本集團之特定事務。董事委員會之職權範圍於本公司及聯交所網站登載，本公司股東可提出要求查閱。董事會及董事委員會獲提供所有必要資源，包括外聘核數師、外聘法律顧問及其他獨立專業顧問（如需要）之意見。

就董事會之企業管治職能而言，董事會已制定本公司之企業管治政策並履行其職責：第一，制定及檢討本公司企業管治政策及常規；第二，檢討及監察本公司之政策及常規以遵守法律及監管規定；第三，制定及監察本公司董事及僱員適用之行為守則；第四，審查本公司遵守企業管治守則之情況及企業管治報告之披露資料；及第五，為董事提供並監督培訓及持續專業發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board has established an audit committee (the "Audit Committee"), a remuneration committee (the "Remuneration Committee"), a nomination committee (the "Nomination Committee") and a legal compliance committee (the "Legal Compliance Committee") with defined terms of reference. The Audit Committee and the Remuneration Committee are chaired by independent non-executive Directors, the Nomination Committee is chaired by the chairman of the Board and the Legal Compliance Committee is chaired by an executive Director.

(a) Audit Committee

The Audit Committee was established on 3 August 2013 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee is currently comprised of three independent non-executive Directors, namely Mr. Lau Hon Kee (chairman), Dr. Bian Zhaoxiang and Mr. Zhang Fangmao. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditor, review the financial statements and related materials and provide advice in respect of the financial reporting process and oversee the internal control and risk management system of the Group.

During the Year, the Audit Committee reviewed the quarterly, interim and annual results of the Group and reviewed, with both the auditor and management, the audit approach and methodology applies, and in particular to those key audit matters included in the annual auditor's report. The Audit Committee also reviewed the internal control procedures of the Group, including financial, operational and compliance controls and risk management functions as well as the findings reports from the internal audit department of the Company.

(b) Remuneration Committee

The Remuneration Committee was established on 3 August 2013 with written terms of reference in compliance with code provision B.1.2 of the CG Code. The Remuneration Committee is currently comprised of one executive Director, Mr. Chen Wenxiang, and two independent non-executive Directors, Dr. Bian Zhaoxiang (chairman) and Mr. Lau Hon Kee. The primary duties of the Remuneration Committee are to make recommendations to our Board on the overall remuneration policy and structure relating to the Directors and senior management of our Group, review and evaluate their performance in order to make recommendations on the remuneration

董事會已成立具有明確職權範圍之審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)及法律合規委員會(「法律合規委員會」)。審核委員會及薪酬委員會主席為獨立非執行董事，提名委員會主席為董事會主席，而法律合規委員會主席為一名執行董事。

(a) 審核委員會

審核委員會於二零一三年八月三日成立，其書面職權範圍符合GEM上市規則第5.28至5.29條及企業管治守則守則條文第C.3.3條之規定。審核委員會目前由三名獨立非執行董事劉漢基先生(主席)、卞兆祥博士及張方茂先生組成。審核委員會之主要職責為就委聘及罷免外部核數師向董事會提供推薦意見，審閱財務報表及相關資料以及就財務報告程序提供意見，並監督本集團之內部監控及風險管理系統。

於本年度，審核委員會已審閱本集團之季度、中期及全年業績，並與核數師及管理層共同審閱所應用的審核方式及方法，尤其是載入年度核數師報告的關鍵審核事項。審核委員會亦已審閱本集團之內部監控程序(包括財務、經營及合規監控以及風險管理職能)以及本公司內部審核部門發出的結果報告。

(b) 薪酬委員會

薪酬委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第B.1.2條之規定。薪酬委員會目前由一名執行董事陳文祥先生以及兩名獨立非執行董事卞兆祥博士(主席)及劉漢基先生組成。薪酬委員會之主要職責為就與董事及本集團高級管理人員有關之整體薪酬政策及架構向董事會提供推薦意見

package of each of the Directors and members of the senior management as well as other employee benefit arrangements.

During the Year, the Remuneration Committee determined the policy for the remuneration of the Directors, assessed performance of the Directors and approved the terms of the Directors' service contracts. The Remuneration Committee also reviewed, confirmed and recommended to the Board the remuneration package of each of the Directors and senior management of the Company.

(c) Nomination Committee

The Nomination Committee was established on 3 August 2013 with written terms of reference in compliance with code provision A.5.2 of the CG Code. The Nomination Committee is currently comprised of one executive Director, Mr. Tao Ying (chairman) and two independent non-executive Directors, Mr. Lau Hon Kee and Mr. Zhang Fangmao. The primary duties of the Nomination Committee are to nominate potential candidates for directorship, review the nomination of Directors and make recommendations to the Board on the appointment of Directors.

Board Diversity Policy

The Company had adopted the board diversity policy in accordance with the requirements as set out in the CG Code. The Board recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skill, knowledge and length of service.

The Board currently has one female member. The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments.

The Nomination Committee will review and monitor the implementation of the Board diversity policy, to ensure the effectiveness of the Board diversity policy and discuss any revision that may be required and recommend any such revision to the Board for consideration and approval.

見，檢討及評估各董事及高級管理人員表現以就彼等之薪酬組合以及其他員工福利安排提供推薦意見。

於本年度，薪酬委員會已制定董事之薪酬政策、評估董事之表現及批准董事之服務合約條款。薪酬委員會亦已審閱及確認各董事及本公司高級管理人員之薪酬組合，並就此向董事會提供推薦意見。

(c) 提名委員會

提名委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第A.5.2條之規定。提名委員會目前由一名執行董事陶瑩先生(主席)以及兩名獨立非執行董事劉漢基先生及張方茂先生組成。提名委員會之主要職責為提名出任董事人選，審閱董事提名並就委任董事向董事會提供推薦意見。

董事會多元化政策

本公司已根據企業管治守則所載規定採納董事會成員多元化政策。董事會認同並深明擁有多元化董事會以提高公司表現質素之益。多元化董事會人選將按一系列多元化範疇為基準，除教育背景、專業經驗、技能、知識及服務任期外，亦包括但不限於性別、年齡、文化背景及種族。

董事會目前擁有一名女性成員。董事會將藉此機會於甄選及向董事會提供建議合適候選人任命為董事時，增加女性成員的比例。

提名委員會將審閱及監察董事會多元化政策的實施，以確保董事會多元化政策的有效性以及討論任何需要作出的修訂並向董事會提出修訂建議，供董事會考慮及審批。

Nomination Policy

When making recommendations regarding the appointment of any proposed candidate(s) to the Board or re-appointment of any existing member(s) of the Board based on the Board diversity policy, the Articles and other appropriate rules and regulations, the Nomination Committee shall consider a variety of factors including without limitation the followings in assessing the suitability of the proposed candidate:

- (i) Reputation for integrity;
- (ii) Accomplishment, experience and reputation in the relevant industry and other relevant sectors;
- (iii) Commitment in respect of sufficient time, interest and attention to the Company's business;
- (iv) Diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge;
- (v) The ability to assist and support management and make significant contributions to the Company's success;
- (vi) Compliance with the criteria of independence as prescribed under Rule 5.09 of the GEM Listing Rules for the appointment of an independent non-executive Director; and
- (vii) Any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

Procedures for the appointment of any proposed candidate(s) to the Board or re-appointment of any existing member(s) of the Board are as follows:

- (i) The secretary of the Nomination Committee shall invite nominations of candidate(s) from Board members (if any), for consideration by the Nomination Committee. The Nomination Committee may also nominate candidates for its consideration.
- (ii) In the context of appointment of any proposed candidate(s) to the Board, the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.

提名政策

提名委員會根據董事會成員多元化政策、細則以及其他適用規則及規例，就委任任何董事會推薦候選人或重新委任任何現有董事會成員提出建議時，會考慮各種因素，包括但不限於以下因素，以評估推薦候選人的適用性：

- (i) 誠信的聲譽；
- (ii) 相關行業及其他相關部門的成就，經驗及聲譽；
- (iii) 對本公司業務給予足夠的時間，興趣及關注的承諾；
- (iv) 所有方面的多樣性，包括但不限於性別，年齡，文化及教育背景，經驗（專業或其他方面），技能及知識；
- (v) 協助及支持管理並有為本公司的成功做出重大貢獻的能力；
- (vi) 遵守GEM上市規則第5.09條對委任獨立非執行董事所規定的獨立性準則；及
- (vii) 提名委員會或董事會可能不時決定的任何其他相關因素。

就委任任何董事會推薦候選人或重新委任任何現有董事會成員的提名程式如下：

- (i) 提名委員會秘書須邀請董事會成員提名的候選人(如有)供提名委員會考慮。提名委員會亦可提名候選人供其考慮。
- (ii) 在向董事會建議任命任何推薦候選人的背景下，提名委員會應該對該個人進行充分的盡職調查，並提出建議供董事會審議及批准。

- (iii) In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.
- (iv) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

The work performed by the Nomination Committee during the Year included:

- (i) to assess the independence of independent non-executive Directors;
- (ii) to review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations on any proposed change to the Board to complement the Company's corporate strategy;
- (iii) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iv) to review the terms of reference of the Nomination Committee; and
- (v) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

During the Year, the Nomination Committee reviewed the Board's structure, number of members and composition taking into account the Board diversity policy and formed the view that the Board has maintained an appropriate mix and balance of skills, knowledge, experience, expertise and diversity of perspectives appropriate to the business requirements of the Company.

- (iii) 在重新任命董事會任何現有成員的情況下，提名委員會須提交建議供董事會考慮及作出推薦讓推薦候選人可於股東大會上膺選連任。
- (iv) 對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。

提名委員會於本年度所履行工作包括：

- (i) 評估獨立非執行董事之獨立身份；
- (ii) 檢討董事會之架構、人數及組成(包括技能、知識及經驗)並就任何為配合本公司企業策略而擬對董事會作出之變動提出建議；
- (iii) 物色具備合適資格成為董事會成員之個別人士並甄選獲提名人士擔任董事職務或就此向董事會提供建議；
- (iv) 審閱提名委員會之職權範圍；及
- (v) 就委任或重新委任董事及董事繼任計劃向董事會提供建議。

於本年度，提名委員會在計及董事會成員多元化政策下已檢討董事會的架構、人數及組成，並認為董事會在本公司業務要求適用之技能、知識、經驗、專業知識及多元觀點方面維持適當組合及平衡。

(d) Legal Compliance Committee

The Legal Compliance Committee was established on 30 April 2013, which is mainly responsible for the Group's internal control matters and to ensure the proper compliance of the laws and regulations relevant to the Group's operations as well as the adequacy and the effectiveness of the Group's internal control measures.

The members of the Legal Compliance Committee currently comprises two executive Directors, Mr. Chen Wenxiang (chairman) and Ms. Leng Panpan, one non-executive Director Mr. Yang Yue Xia and the secretary of the Company, Ms. Xu Jing.

The Legal Compliance Committee also assists the Board in overseeing the Group's corporate governance functions which include but not limited to the followings:

- (i) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board on a quarterly basis;
- (ii) to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
- (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees of the Group; and
- (v) to review the Group's compliance with the CG Code and disclosure in the corporate governance report.

During the Year, the Legal Compliance Committee held four meetings to review the internal control and compliance matters and the findings of which were reported to the Board.

(d) 法律合規委員會

法律合規委員會於二零一三年四月三十日成立，主要負責本集團之內部監控事宜，並確保妥為遵守與本集團營運相關之法律及規例以及確保本集團之內部監控措施充足及有效。

法律合規委員會目前由兩名執行董事陳文祥先生(主席)及冷盼盼女士、一名非執行董事楊越夏先生及公司秘書徐靜女士組成。

法律合規委員會亦協助董事會監督本集團企業管治職能，包括但不限於：

- (i) 制訂及審閱本集團有關企業管治之政策及常規並每季向董事會提出建議；
- (ii) 檢討及監察董事及本集團高級管理層之培訓及持續專業發展；
- (iii) 檢討及監察本集團有關遵守法律及監管規定之政策及常規；
- (iv) 制訂、檢討及監察適用於董事及本集團僱員之操守守則及合規手冊；及
- (v) 審視本集團遵守企業管治守則之情況及企業管治報告內之披露事宜。

於本年度，法律合規委員會共舉行四次會議，以檢討內部監控及合規事宜，並向董事會匯報有關結果。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders of the Company and the regulatory authorities.

Timely release of quarterly, interim and annual results announcements reflects the Board's commitment to providing transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's quarterly, interim and annual financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements to comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the external auditor acknowledges its responsibilities in respect of financial reporting which are set out in the independent auditor's report on page 93 of this report.

External Auditor

The Audit Committee recommends the re-appointments of Mazars CPA Limited as the auditor of the Group and the Board has adopted such recommendation.

During the Year, the fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services provided by the auditors of the Company are as follows:

問責及審核

財務報告

董事會致力於向本公司股東及監管機構作出之所有披露中就本集團財務表現及前景提供持平、清晰及全面評估。

適時發佈季度、中期及全年業績公告，顯示董事會致力就本集團業績提供透明及最新披露。

董事會在審核委員會協助下，監督本集團財務報告程序及財務報告之質素。審核委員會審閱及監督本集團季度、中期及全年財務報表之完整性，並檢討本集團會計政策及該等政策之變動是否恰當，以及確保該等財務報表符合會計準則及規例要求。

董事確認彼等對編製本公司之賬目承擔責任，而外聘核數師就本報告第93頁所載獨立核數師報告承擔財務報告責任。

外聘核數師

審核委員會建議重新委任中審眾環(香港)會計師事務所有限公司為本集團核數師，而董事會已採納有關建議。

於本年度，就本公司核數師中審眾環(香港)會計師事務所有限公司所提供審核服務及非審核服務已付／應付本公司核數師之費用如下：

Category of services 服務種類	Amounts 金額 HK\$'000 千港元
Audit services	審核服務
Audit fee for the financial statements of the Group for the year ended 31 December 2019	本集團截至二零一九年十二月三十一日止年度之財務報表所產生審核費用 1,500

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound systems of risk management and internal control and also reviewing their effectiveness to safeguard interests of the shareholders, customers, employees, and the Group's assets. However, such systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve business objectives of the Group, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the systems of risk management and internal control from time to time in response to the changes to the business environment or regulatory guidelines.

The Board always regards risk management and internal control process as an important task and believes that effective corporate risk management and internal control process is an essential element of good corporate governance. The Legal Compliance Committee and the Audit Committee have been established by the Board, which are responsible for monitoring and reviewing the risk management and internal control systems of the Group.

During the Year, the Company established internal audit department to carry out review on the internal control system and risk management system of the Group. The review involves all material monitoring aspects, including but not limited to finance, operation, compliance and risk management. The internal audit team has conducted analysis and assessment on the adequacy and the effectiveness of the internal control system and risk management of the Group, and has submitted the findings and rectification measures to the Audit Committee and the Board.

風險管理及內部監控

董事會全權負責評估及釐定本集團達成策略目標時所願意接受之風險性質及程度，並維持健全之風險管理及內部監控制度，檢查其成效以保障股東、客戶及僱員之利益以及本集團資產。然而，該等制度乃為於可接受之風險範圍內管理本集團風險而設，而並非消除不能達致本集團業務目標之風險，故僅可提供合理保證而非絕對保證，以免出現重大錯誤陳述或損失。

董事會已確立程序，以持續識別、評估及管理本集團所面對之重大風險，有關程序包括因應營商環境或監管指引之變動而不時加強風險管理及內部監控制度。

董事會一直重視風險管理及內部監控程序，並相信有效之企業風險管理及內部監控程序為良好企業管治不可或缺一環。董事會已成立法律合規委員會及審核委員會，負責監督及檢討本集團之風險管理及內部監控制度。

於本年度，本公司成立內部審計部門對本集團內部監控制度及風險管理系統進行覆核。有關覆核涉及所有重大監控方面，包括但不限於財務、營運、合規及風險管理。內部審計團隊已對本集團的內部監控制度及風險管理的充足性及有效性進行了分析和評估，並已將覆核結果及整改措施提交審核委員會及董事會。

Risk Management

Control environment

The Group believes that risk management is the responsibility of everyone within the Group. It aims to develop risk awareness and control responsibility as our culture and the foundation of our internal control system. The internal control system applies to the Group's critical business processes including strategy development, business planning, investment decisions, capital allocation and day-to-day operations.

The Group also believes that corporate governance is often associated with business ethics. In order to ensure the Company's reputation be enhanced by the honest, loyal and ethical behaviours of its staff, the Group has formulated a formal staff code and whistleblowing policy. Furthermore, the Group has from time to time arranged different levels of staff, ranging from top management to front-line staff, to participate in a series of business ethics seminars conducted by the Independent Commission Against Corruption, reputed lecturers or internal audit functions of the Company and the Group in order to enhance the staff's recognition and commitment to the staff code.

Management has also conducted annual self-check to see whether the rules and guidelines specified in the staff code have been properly adhered to, and the respective written declarations have been documented and reported to the Audit Committee.

Control activities

The Group's control activities have been built on regular top-level reviews, segregation of duties and physical controls. Currently, the key features of the internal control system include:

- the design of an organisational structure with defined lines of responsibility and delegation of authority;
- the setup and adherence of authorisation and approval limits of the Company and each business unit;
- the establishment of policies and procedures to support deployment of management's directives; and
- the systems and procedures to identify and mitigate risks on an ongoing basis.

風險管理

監控環境

本集團深信風險管理乃本集團旗下每名人員之責任，旨在將風險警覺性及監控責任融入本集團文化，並作為內部監控制度之基礎。內部監控制度適用於本集團之重大業務過程，包括策略發展、業務規劃、投資決策、資金分配及日常營運。

本集團亦相信企業管治通常與商業道德有關。為確保其員工誠實、忠誠及道德行事藉以提高本公司聲譽，本集團已制訂正式員工守則及舉報政策。此外，本集團不時安排由高級管理層以至一線員工等各級員工參與由廉政公署、知名講者或本公司及本集團內部審核部舉辦之一系列商業道德講座，從而加強員工對員工守則之認同及承擔。

管理層每年亦進行自我審查，以檢視員工守則所載規則及指引是否已獲妥善遵從，而相關書面聲明已存檔並向審核委員會匯報。

監控活動

本集團之監控活動建基於定期進行高規格檢討、權責劃分及實質監控。目前，內部監控制度之主要特點包括：

- 設計具明確職責範圍及授權之組織架構；
- 設立並遵守本公司及各業務單位之授權及批准限制；
- 制訂政策及程序以支持管理層指令之部署；及
- 持續識別及減低風險之制度及程序。

CORPORATE GOVERNANCE REPORT

企業管治報告

Major operational risk factors and measures

The Group seeks to have risk management features embedded in the day-to-day operations. At the beginning of each year, the Group conducted a risk assessment on the existing or potential risks that may impact the achievement of business objectives over the course of business operation. The assessment includes potential likelihood and impact of the identified risks. For the risks identified, the Group determined the action plans and management targets. The management of each business unit of the Group is responsible for managing their respective day-to-day operating risks, and implementing measures to mitigate such risks.

Corporate affairs department monitors the implementation of risk management, and continuously reviews and assesses the efficiency and adequacy of action plans on a regular basis. Such assessment results will be regularly communicated and reported to the Legal Compliance Committee and the Board.

During the Year, the Legal Compliance Committee and the Board were not aware of any unexpected adverse changes that were significant to the risks related to the Group's businesses.

Internal Control

The Board recognises the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations and reviews the internal control system annually. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Company has an internal audit function to perform the review on the internal control system of the Group (including financial, operational and compliance controls and risk management functions).

The Audit Committee comprising three independent non-executive Directors, which will retain overall responsibility for the internal control matters of the Group and assess the robustness of our regulatory compliance procedures and system reviewed by the Legal Compliance Committee to ensure, among other things, that the Group fully complies with all applicable laws and regulations relevant to our operations. In addition, the Audit Committee will make recommendations to the Board for the improvement of our regulatory compliance procedures and system as is necessary.

主要經營風險因素及措施

本集團致力將風險管理特點融入日常營運當中。本集團於每年年初均會對於業務營運過程中可能影響達成業務目標之現有或潛在風險進行風險評估。評估包括已識別風險發生之可能性及影響。就已識別風險而言，本集團釐定行動計劃及管理目標。本集團各業務單位之管理層負責管理各自日常營運風險，並推行減低有關風險之措施。

公司事務部監督風險管理之執行情況，並持續定期檢討及評估行動計劃之成效及是否充分。有關評估結果將定期與法律合規委員會及董事會溝通並向其匯報。

於本年度，法律合規委員會及董事會並不知悉對有關本集團業務之風險屬重大之任何無法預料不利變動。

內部監控

董事會確認對內部監控制度之建立、維持及檢討負全責，該制度就財務及經營資料之可靠性及完整性、經營效率及效益、保障資產以及遵守法例及規例提供合理保證以及對內部監控制度進行年度檢閱。內部監控制度旨在管理而非消除所有失敗風險，其目的在於就達成組織目標提供合理而非絕對保證。

本公司設立內部審計部門審閱本集團之內部監控制度(包括財務、經營及合規監控以及風險管理職能)。

審核委員會由三名獨立非執行董事組成，對本集團內部監控事務負全責，並就監管合規程序及經法律合規委員會檢討之制度是否穩健作出評估，以確保(其中包括)本集團完全遵守經營相關的所有適用法例及規例。此外，審核委員會向董事會建議於必要時改進法律合規程序及制度。

The Board conducted a review of the internal control system of the Group for the Year. Having reviewed the effectiveness of the Group's internal control system through the Audit Committee, the Legal Compliance Committee and the external auditor, which covers all material controls, including financial, operational and compliance control and risk management functions, the Board is satisfied that such system is effective and adequate.

COMPANY SECRETARY

The company secretary plays an important role in supporting the Board by ensuring good information flow within the Board and the Board committees. The company secretary advises the Board on corporate governance matters and facilitates the induction and professional development of Directors. The company secretary also attends and ensures that all Board and Board committees meetings are properly convened, and that accurate and proper record of the proceeding and resolutions passed are taken and maintained. The Board approves the selection, appointment or dismissal of the company secretary. The company secretary reports to the chairman of the Board and/or chief executives of the Company. All Directors have direct access to the advice and services of the company secretary.

As at the end of 31 December 2019, Ms. Xu Jing is the company secretary and employee of the Company. During the Year, Ms. Xu Jing has confirmed that she has taken not less than 15 hours of relevant professional training.

SHAREHOLDERS' RIGHTS

Convening extraordinary general meeting and putting forward proposals at shareholders' meetings

Pursuant to the Articles, shareholders are requested to follow article 58 of the Articles to propose new resolutions at the general meetings. Pursuant to article 58 of the Articles, general meetings shall be convened by any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

董事會已就本年度檢討本集團之內部監控制度。經透過審核委員會、法律合規委員會及外聘核數師檢討本集團內部監控制度(涵蓋所有重大控制,包括財務、營運以及合規監控及風險管理職能)之成效後,董事會信納該制度有效及充足。

公司秘書

公司秘書在支援董事會方面擔當重要角色,確保董事會及董事委員會內資訊交流良好。公司秘書向董事會提供企業管治事項之意見,並協助董事的就職及專業發展。公司秘書亦會出席所有董事會及董事委員會會議,並確保該等會議妥善召開,以及程序及所通過決議案均準確及適當地記錄及保存。董事會批准公司秘書之甄選、委任或解僱。公司秘書向本公司董事會主席及/或主要行政人員匯報。全體董事均可直接取得公司秘書之意見及服務。

於二零一九年十二月三十一日結束時,徐靜女士為本公司之公司秘書兼僱員。於本年度,徐靜女士已確認彼已接受不少於15個小時之相關專業培訓。

股東權利

召開股東特別大會並於股東大會提呈建議

根據細則,股東須根據細則第58條以於股東大會提呈新決議案。根據細則第58條,股東大會須由於提呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會之表決權)十分之一之任何一名或多名股東隨時向董事會或本公司秘書發出書面要求,要求董事會召開股東特別大會,以處理有關要求中指明之任何事項,且該大會應於提呈有關要求後兩(2)個月內舉行。倘提呈要求後二十一(21)日內,董事會未有召開該大會,則提呈要求人士可以相同方式作出有關行動,因董事會未有召開該大會而對提呈要求人士招致之所有合理費用,須由本公司償還予提呈要求人士。

CORPORATE GOVERNANCE REPORT

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Dividend Policy

The Company may consider the declaring and paying dividends to the shareholders of the Company provided that the Group records profits and that the declaration and payment of dividends does not affect the normal operations of the Group.

In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia:

- i. the general financial condition of the Group;
- ii. capital and debt level of the Group;
- iii. future cash requirements and availability for business operations, business strategies and future development needs;
- iv. any restrictions on payment of dividends that may be imposed by the Group's lenders;
- v. the general market conditions; and
- vi. any other factors that the Board deems appropriate.

Detailed procedures for our shareholders to propose a person for election as a Director are available on the Company's website.

Shareholders' enquiries

Shareholders may send their enquiries and concerns to the Board of the Company by addressing them to the principal place of business of the Company in Hong Kong at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong by post for the attention of the secretary of the Company.

股息政策

在本集團錄得溢利的情況下，本公司會考慮向本公司股東宣派及派付股息，唯宣派及派付股息不會影響本集團的正常營運。

在決定是否建議派息及派息金額時，董事會須考慮，尤其是：

- i. 本集團的一般財務狀況；
- ii. 本集團的資本及債務水準；
- iii. 業務運營、業務策略及未來發展需求之未來現金需求情況與可獲得性；
- iv. 本集團的貸款人就派付股息施加的任何限制；
- v. 一般市場情況；及
- vi. 董事會認為合適的任何其他因素。

本公司股東建議人士參選董事之具體程序可於本公司網站查閱。

股東查詢

股東可將彼等對本公司董事會之查詢及關注事宜以郵遞方式寄往本公司於香港的主要營業地點(地址為香港九龍九龍灣宏照道33號國際交易中心1009室)，註明收件人為本公司秘書。

INVESTOR RELATIONS AND COMMUNICATIONS

The Company believes that effective communication with our shareholders is essential for ensuring that they are provided with timely access to important information about the Company, including its financial performance, strategic goals and plans, material developments, governance and risk profile, in order to enable them to exercise their rights in an informed manner.

General meetings of the Company provide the best opportunity for exchange of views between the Board and our shareholders by maintaining an on-going dialogue with our shareholders.

- Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote on their behalf if they are unable to attend.
- The process of general meetings will be monitored and reviewed by the Board on a continuous and regular basis to ensure that shareholders' needs are best served and, if necessary, changes will be made to safeguard shareholders' interests.
- The chairman of the Board as well as the chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee or, in their absence, other members of the respective committees will attend general meetings to answer shareholders' questions. The chairman of the independent board committee or, in his absence, other members of the independent board committee, will also be available to answer shareholders' questions at general meetings convened for the approval of connected transactions or any other transactions that are subject to independent shareholders' approval.
- The Board will ensure appropriate arrangement is in place to encourage shareholders' participation in general meetings.

投資者關係及溝通

本公司認為，與本公司股東有效溝通實屬必要，可確保彼等獲適時提供有關本公司之重要資料，包括其財務表現、策略目標及計劃、重大發展、管治及風險概況，從而使彼等有依據行使其權利。

本公司股東大會透過不斷維持與本公司股東對話，提供良好機會促進董事會與本公司股東之間意見交流。

- 鼓勵股東參與股東大會，或倘彼等無法出席，則委任代表代彼等出席大會並於會上投票。
- 股東大會過程將受董事會持續定期監督及檢討，以確保以最佳方法處理股東之需求，並於必要時作出變動以保障股東權益。
- 董事會主席以及審核委員會、薪酬委員會及提名委員會主席或(如彼等缺席)各委員會其他成員將出席股東大會以解答股東提問。獨立董事委員會主席或(如彼缺席)獨立董事委員會其他成員亦會出席就批准關連交易或任何其他須經獨立股東批准之交易而召開之股東大會以解答股東提問。
- 董事會將確保作出恰當安排以鼓勵股東參與股東大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.dfport.com.hk) to disseminate information relating to the Company's information such as announcements, circulars, financial statements and notices of general meetings. The Company regards the AGM as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and committee members are available to answer questions on the business.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENT

During the Year, there had been no change in the Company's constitutional document.

為促進股東與投資者之間溝通，本公司設有網站(www.dfport.com.hk)發佈本公司資料，如公告、通函、財務報表及股東大會通告。本公司視股東週年大會為重要事項，原因為大會可為董事會與其股東之間提供直接溝通機會。本公司至少於股東週年大會舉行足20個營業日前通知本公司全體股東有關舉行股東週年大會之日期及地點，屆時董事及委員會成員可解答有關業務之提問。

憲章文件重大變動

於本年度，本公司之憲章文件並無變動。

ABOUT THIS REPORT

This report is the third annual environmental, social and governance (“ESG”) report issued by Dafeng Port Heshun Technology Company Limited (“the Company”, “we”) for the period covering 1 January 2019 to 31 December 2019. This report comprehensively explains the Company’s environmental, social and corporate governance performance and management policy in 2019, focusing on matters of concern of stakeholders.

In the process of writing this report, we strive to cover the information covered by the Stock Exchange’s four major principles of importance, quantification, balance, and consistency. We will continue to strengthen the collection of information to enhance our performance and disclosure on sustainable development issues.

SCOPE OF THE REPORT

The policy document, declaration and data set out in this report cover the Company and our major subsidiaries.

BASIS OF PREPARATION

This report is principally prepared by reference to the revised “Environmental, Social and Governance Reporting Guide” (“ESG Reporting Guide”) issued by the Stock Exchange in December 2015. Those aspects and content of general disclosure defined in the ESG Reporting Guide which are considered to be relevant and material to the Group’s businesses and operations will be presented under the four subject areas, namely: Environmental, Employment and Labour, Operational Practices and Community.

This report is determined according to a set of systematic procedures which includes identifying and ranking major stakeholders and ESG-related issues, defining the extent of information covered in this ESG report, collecting relevant materials and data, preparing data based on the collected information, and examining the data in this report.

DATA AND RELIABILITY STATEMENT

The disclosures in this report are mainly extracted from the Company’s statistical reports and relevant documents and the Company undertakes that this report does not contain any false information or misleading statement, and takes charge of the responsibility for the contents of this report as to its authenticity, accuracy and completeness.

關於本報告

本報告是大豐港和順科技股份有限公司(「本公司」、「我們」)的第三份年度環境、社會及管治(ESG)報告，內容涵蓋二零一九年一月一日至同年十二月三十一日的工作。本報告全面闡釋了本公司二零一九年度在環境、社會及公司治理方面的表現及管理方針，集中討論權益人關注的事宜。

在本次報告撰寫過程中，我們力求報告涵蓋的信息滿足聯交所對本報告重要性、量化、平衡、一致性的四大原則要求。我們將持續加強報告資訊收集工作，以提高我們在可持續發展事項上的表現和披露情況。

報告範圍

本報告所載政策文件、聲明及數據涵蓋本公司及旗下主要附屬公司。

編寫依據

本報告主要參考聯交所於二零一五年十二月頒佈之經修訂《環境、社會及管治報告指引》(「ESG報告指引」)編製。ESG報告指引中所界定且被視為與本公司業務及營運有關之重大層面及一般披露內容將按四個主要範疇呈列，即環境、僱傭及勞工、營運慣例以及社區。

本報告乃按照一套有系統之程序擬定。有關程序包括：識別和排列重要利益相關方、識別和排列ESG相關重要議題、決定ESG報告之界限、收集相關材料和數據、根據所收集資料編製數據及對本報告中之數據進行檢視。

數據及可靠性說明

本報告內之披露主要來源於本公司統計報告及相關文件，並承諾不存在任何虛假記載或誤導性陳述，並對其內容真實性、準確性和完整性負責。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The board (the "Board") of directors (the "Directors") and senior management team of the Company have proceed with this report to ensure that there are no false information, misleading statements or major omissions in the contents of this report.

This report is approved and authorised for issue by the Board on 7 May 2020.

CHAPTER ONE RESPONSIBILITY GOVERNANCE

The principal businesses of the Company include the trading and import and export businesses of electronic products, petrochemical products and other products, the terminal handling and berthing services in the Yangtze River Delta region and the storage services for petrochemical products. In order to better identify and manage the ESG risks related to the diversified businesses of the Company, the Company established an ESG working group led by the general manager office to jointly carry out the ESG management together with the safety management committee and other relevant key departments of the Company. The ESG working group is responsible to communicate with the stakeholders of the Company, identify and evaluate the ESG risks in relation to the Company's operations, collect and analyze the Company's ESG information, and report important ESG matters to the Board on a regular basis.

本公司的董事(「董事」)會(「董事會」)和高級管理人員團隊對本報告內容進行監督，以確保其內容不存在任何虛假記載、誤導性陳述或重大遺漏。

本報告於二零二零年五月七日獲得董事會批准發佈。

第一章 責任治理

本公司主營業務包括：電子產品、石化產品及多種其他產品之貿易及進出口業務，長三角地區的碼頭處理及靠泊服務，以及石化產品倉儲業務。為完善公司對多元業務相關ESG風險的識別與管理，公司建立以總經辦為主導的ESG工作小組，協同公司安全管理委員會及其他關鍵部門共同推進ESG管理工作。ESG工作小組負責與公司利益相關方溝通，識別及評估公司運營相關ESG風險，匯總及分析公司ESG信息，並定期向董事會匯報重要ESG事宜。

ESG Governance Structure of the Company 本公司ESG管治架構	
ESG Decision-makers ESG決策層	The Board is responsible for the review and decision-making of important ESG matters 由董事會負責重要ESG事宜的審核及決策
ESG Management ESG管理層	The ESG working group led by the general manager office and formed by people in charge of every department is responsible for the ESG management 由總經辦主導，及各部門負責人組成ESG工作小組負責ESG管理
ESG Executives ESG執行層	The departments of the Company and relevant departments of its subsidiaries perform the ESG work in accordance with the requirements of the Management 由各部門及附屬公司相關部門依照管理層部署開展ESG工作實施

1.1 Compliance with Laws and Regulations

The Company adheres to observe laws and regulations under the stable, prudent and effective supervision governance structure and strictly complies with various laws and regulations including the Company Law of the People's Republic of China, Law of the People's Republic of China on Anti-Corruption and Anti-Bribery, Law of the People's Republic of China on State-Owned Assets in Enterprises and Law of the People's Republic of China Against Unfair Competition by establishing the Anti-malpractice Management System, the Internal Control System and other management systems on business ethics, and continuously improves guidelines including the Staff Code of Conduct, which clarify the staff's responsibilities and obligations in the Company's operations, provide staff with a clear code of professional conduct and strengthen the clean-fingered atmosphere of the Company, with an aim to create long-term stable returns for shareholders.

To implement the Internal Control System and various effective internal control systems, the Company evaluates and improves the internal control by formulating annual internal audit plan to conduct relevant audit work. In July 2019, the Company carried out inspection on the internal control compliance. Through reviewing the internal control deficiency, the Company enhanced the Financial Management System and formulated the monthly funding plan. Meanwhile, the Company strengthened the implementation of its anti-corruption-related systems by continuing to provide trainings on business ethics, so as to ensure the operational compliance of the Company.

1.1 守法合規

本公司堅持在穩定、審慎及有效監督的管治架構下堅持守法合規，公司嚴格遵守《中華人民共和國公司法》《中華人民共和國反貪污賄賂法》《中華人民共和國企業國有資產法》《中華人民共和國反不正當競爭法》等法律法規，在公司內部制定了《反舞弊管理制度》《內控制度》等商業道德相關管理制度，並持續完善包括《員工守則》在內的指導章程，明確員工在公司經營環節的責任與義務，為員工提供明確的職業行為準則，持續強化公司廉潔的職業氛圍，致力為股東創造長期穩定的回報。

為了貫徹執行《內控制度》，落實有效的內部控制體系，公司通過制定年度內部審計計劃，開展相應審計工作，對內部控制進行評估和改善。二零一九年七月，公司開展內控法律合規檢查，通過對內部控制缺陷進行審閱，公司完善《財務管理制度》，制定了月度資金計劃。同時，公司通過持續實施商業道德培訓，深化公司的反腐敗相關制度的貫徹落實，保障守法合規運營。

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Sustainable development practice: subsidiaries strengthened the internal control management 可持續發展實踐：附屬公司加強內部控制管理

Qianhai Mingtian, a subsidiary, strengthened the execution of the seal management system by keeping the financial seal and the legal person seal separately, and improved the Investment Management System and the investment process and clarified the investment norms. Other subsidiaries have strengthened the implementation of finance-related systems, increased the process and personnel of financial mutual audit and comprehensively improved the internal control system.

附屬公司前海明天加強了印章管理制度的執行，財務章及法人章分開保管，並完善了《投資管理制度》，完善投資流程，明確投資規範。其餘附屬公司加強了財務相關制度的執行，增加了財務互審的流程及人員，對內控體系進行了全面提升。

Sustainable development practice: assessment on Jiangsu Hairong's internal control risk 可持續發展實踐：江蘇海融內控風險評估

In October 2019, the internal audit department of the Company made a risk assessment on Jiangsu Hairong. This audit reviewed the internal control deficiencies, improved the tracking mechanism on wharf contract performance through risk assessment, standardized the invoice approval process, expedited relevant approval procedures on allocation, transfer and scrap of fixed assets, urged the comprehensive management department of the wharf to establish the purchase, sale and storage ledger and hence comprehensively improved the internal control management system.

二零一九年十月，公司內部審計部門重點對江蘇海融進行了風險評估活動。本次審計對內部控制缺陷進行審閱，通過風險評估完善了碼頭合同履約跟蹤機制，規範了開票審批流程，推進固定資產辦理相關調撥轉移和報廢審批手續，督促碼頭綜合管理部建立進銷存台賬，對內控管理體系進行全面提升。

In addition, the Company has established a system for reporting violations and a system for protecting whistleblowers. Under the guideline of the basic principle of "Implementing penalty and prevention simultaneously and focusing on prevention (懲防並舉、重在預防)" and "Protecting whistleblowers and avoidance while investigation (舉報保護、調查回避)", the internal control audit department of the Company has set up channels of reporting through writing, telephone and e-mail, etc. to encourage employees to report malpractice once corruption is found. In order to protect the rights and interests of the whistleblowers, the Company promises to keep the whistleblowers' information confidential according to the relevant management systems, carry out timely investigation and verification based on the reported information, and strictly prohibit the alleged wrongdoers from retaliating. If there is any retaliation, the Company will punish the wrongdoers according to the Company's relevant systems or transfer the case to the judicial authority for handling.

During the reporting period, there was no settled or pending legal proceeding against the Company and our employees in relation to corruption and no breach of relevant national and local anti-corruption laws were found.

1.2 Communication with Stakeholders

The sustainable development of the Company is closely related to various stakeholders. On the one hand, as a member of the industry's industrial chain and a member of the society, stakeholders can directly influence the enterprise through their decision-making and behavior. We can effectively obtain the continuous driving force for development by timely responding to the needs of stakeholders. On the other hand, through the products and services we provide, we have a direct and indirect impact on various stakeholders. In the course of the Company's operations, the effective participation of stakeholders can help the Company correctly assess the impact of our decisions, adjust the direction of action in a timely manner, and ultimately achieve sustainable development for both the Company and its stakeholders.

此外，公司建立了違規舉報制度，及檢舉人保護制度。在「懲防並舉、重在預防」及「舉報保護、調查回避」的基本原則指導下，公司在內控審計部設立了書面、電話、電郵等舉報渠道，鼓勵員工一旦發現有貪污腐敗的現象發生，立即舉報不當行為。為保障檢舉人權益，公司依據相關管理制度，承諾保密檢舉人信息，根據舉報信息及時開展調查核實，並嚴厲禁止被檢舉人打擊報復的行為，如若出現將依照公司制度進行處罰或移送司法機關處理。

於報告期內，概無發生任何關於本公司及員工的已審結或正在審理的有關貪污的法律訴訟，亦無發現違反相關國家及當地反貪污法律的情況。

1.2 相關方溝通

本公司之可持續發展與各利益相關方息息相關。一方面，作為行業產業鏈及社會中的一員，利益相關方能通過他們的決策及行為對企業產生直接影響，我們通過對利益相關方需求的及時回應，能有效獲得發展的持續動力；另一方面，我們通過所提供的產品及服務，對各利益相關方產生了直接及間接的影響。在本公司的運營過程中，利益相關方的有效參與能夠幫助公司正確評估自身的決策影響，及時調整行動方向，最終實現公司自身與利益相關方的可持續發展。

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Stakeholders 利益相關方	Subject of Communication 溝通訴求	Ways of Communication 溝通方式	
Customers 客戶	Safeguarding product and service quality 保障產品及服務質量	Official website 官方網站	Customer service hotline 客戶服務熱線
		Customer interview 客戶訪談	Customer relationship periodic maintenance 客戶關係定期維護
Staff 員工	Guaranteeing employees' legal rights and interests 保障員工合法權益	Company's intranet 公司內部聯絡網	Staff meeting 員工會議
	Providing vocational training and development 提供職業培訓發展	Staff suggestion box 員工信箱	Staff problem activity 員工問題活動
	Creating a safe and healthy environment 創造安全健康環境	Staff training 員工培訓	
Government and regulators 政府及監管機構	Compliance operation 合法合規運營	Forum between Government and Enterprises 政企座談會	Supervision and inspection 監督檢查
	Tax compliance 依法納稅	Working report and research 工作報告及調研	
Shareholders and investors 股東與投資者	Generating return on capital 創造資本回報	Shareholders' meeting 股東會議	Periodic report 定期報告
	Information openness and transparency 信息公開透明	Official website 官方網站	Investor research 投資者調研
	Corporate governance 公司規範治理	Online interactive platform 線上互動平台	
Suppliers 供應商	Maintaining sound cooperation 保持良好合作	Direct communication and visit 直接溝通訪問	Regular review and assessment 定期審核及評估
	Jointly supporting industrial upgrading 共助產業升級	Suppliers' meeting 供貨商會議	Tendering activity 招投標活動
		Online opinion survey 網上意見調查	
Media 媒體	Information openness and transparency 信息公開透明	Telephone interview 電話訪談	Special interview 專題採訪
Others 其他	Promoting community development 促進社區發展	Regular communication 常規交流	Email 電子郵件
		Community communication 社區溝通	

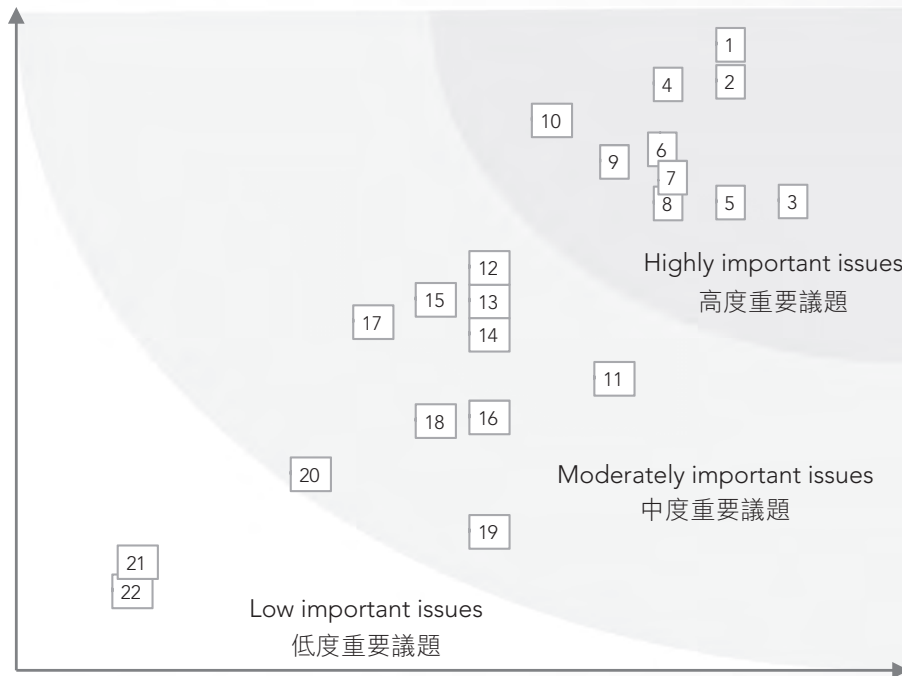
1.3 Materiality Analysis

In order to understand stakeholders' concern on and expectation of the Company's ESG management in a timely manner, the Company conducted stakeholder research and materiality analysis in 2019, which will serve as the basis for the ESG information disclosure for this year and will also become the premise of the Company's ESG working group on the management of related ESG issues by the Company in the future.

1.3 重大性分析

為及時了解利益相關方對公司ESG管理的關注與期望，公司在二零一九年開展了利益相關方調研及重大性分析，並依此作為本年度ESG信息披露的基礎，同時也將成為公司ESG工作小組未來對公司運營相關ESG事宜管理的依據。

Materiality Analysis of ESG Report 2019 of the Company
本公司2019年ESG報告重大性分析



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List of major ESG issues of the Company in 2019 本公司二零一九年ESG重要議題列表		
	No. 序號	Issues 議題
Highly important issues 高度重要議題	1	Compliance operation 合規經營
	2	Potential environmental risks in managing warehouse operation 管控倉儲運營可能存在的環境風險
	3	Continuing growth in profits 利潤持續增長
	4	Internal integrity management 內部廉政管理
	5	Protecting employees' health and safety 保障員工健康與安全
	6	Discharging pollutant according to relevant emission standards 污染排放達到相關的標準
	7	Building of production safety system 安全生產體系建設
	8	Properly disposing of solid waste 妥善處置固體廢棄物
	9	Protecting the marine ecological environment around the port 保護港口周邊的海洋生態環境
	10	Improving business information transparency 提升經營信息透明度
Moderately important issues 中度重要議題	11	Providing training and growth opportunities for employees 為員工提供培訓和成長機會
	12	Guaranteeing and improving service quality 保障及提升服務質量
	13	Standardising supply chain management 規範供應鏈管理
	14	Legitimate recruitment and use of workforce 合法合規用工
	15	Investing resources to reduce pollution emissions 投入資源減少污染排放量
	16	Advocating green supply chain 倡導綠色供應鏈
	17	Energy conservation 節省能源
	18	Water conservation 節約用水
	19	Creating job opportunity 創造就業機會
	20	Investing resources to support the development of surrounding communities 投入資源支持周邊社區的發展
Low important issues 低度重要議題	21	Potential risks of climate change to the Company's operations 氣候變化對公司經營的潛在風險
	22	Greenhouse gas emissions 溫室氣體排放

CHAPTER TWO GREEN DEVELOPMENT

第二章 綠色發展

Good ecological environment is the foundation of human survival and health. The Company actively responds to policy guidance, values ecological environmental protection and emphasises green and low-carbon development. With sticking to an accountability system for environmental goals, the Company has established an environmental protection leading group led by the safety and environmental management department in major production business units, implemented approaches, policies and regulations on environmental protection of the national and local governments consistently, developed plans and objectives as well as annual work plan for environmental protection, and in charge of monitoring and managing work of environmental protection of the Company. In 2019, each of the Company's production business units, under the supervision of the environmental protection leading group, established and improved environmental management systems and regulations, including "Environmental Management Systems and Measures" and "Environmental Protection Accountability System", actively adopted pollutant treatment technology to reduce emissions, and proactively investigated environmental risks associated with the operation process to strive to reduce the impact on the ecological environment around the port.

良好的生態環境是人類生存與健康的基礎，本公司積極響應政策導向，重視生態環境保護，強調綠色低碳發展。公司堅持環境目標責任制，在主要生產業務單元成立了由安全環境管理部門主導的環保組織領導小組，認真貫徹落實國家及地方政府的環保方針、政策和法規，制定環保規劃和目標以及全年工作計劃，並負責全公司的環保監督和管理工作。二零一九年，公司各生產業務單元在環保組織領導小組的督導下，建立及完善包括《環境管理制度及措施》《環境保護責任制》在內的環境管理制度及章程，積極採用污染物治理技術減少排放，主動排查運營過程相關的環境風險，致力降低對港口周邊生態環境的影響。

Environmental Risk Management

In order to prevent environmental pollution caused by pollutants and improve environmental risk management, the Company continuously improves the operation and management of its environmental protection facilities, requiring the facilities to be monitored by specialists to operate in accordance with operation procedures and prepare operational records. For the purpose of controlling the occurrence of potential accidents or emergencies, the Company has formulated the Emergency Management System as its emergency preparedness and response, which stipulates that the units discharging pollutants shall immediately take emergency measures to prevent accidents, control pollution from spreading and to reduce and eliminate the impact of the accidents once pollution accidents or other unexpected events may occur or have occurred. Within 2 hours after the occurrence of a major accident or an unexpected event, it shall be reported to the Company's environmental protection leading group and be investigated and handled.

環境風險管理

為預防由污染物產生的環境污染，提升環境風險管理，本公司不斷完善環保設施運行管理，規定環保設施必須由專人管理，按照操作流程進行操作並做好運行記錄。為控制潛在事故或緊急情況的發生，本公司制定《應急管理制度》作為應急準備和響應，規定有污染物排放的單位，在可能或者已經發生污染事故或其他突發性事件時，應當立即採取應急措施，防止事故發生，控制污染蔓延，減輕、消除事故影響。在重大事故或者突發性事件發生後2小時內，應向公司環保組織領導小組報告，並接受調查及處理。

2.1 Emission Reduction

The main pollutants involved in the operation of the Company include wastewater generated from warehousing wash tank, Volatile Organic Compounds (VOCs) and solid waste in the process of operation. In order to actively control the impact on the surrounding ecological environment, the Company strictly abides by relevant national environmental protection laws and regulations, such as the Environmental Protection Law of the People's Republic of China and Law of the People's Republic of China on Environment Impact Assessment and relevant laws on pollution and emission, such as Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution and the Environmental Protection Tax Law of the People's Republic of China, as well as the relevant national and local policies. The Company earnestly implements "Environment Management System and Measures" and the "Environmental Protection Accountability System" of the Company, and accordingly establishes and improves the relevant regulations and norms of emission management. For each type of waste, the Company formulates management regulations including "Hazardous Waste Management Regulation" and "Accountabilities of Hazardous Waste Pollution Prevention and Control", and strictly enforces the corresponding emission control requirements. The Company's environmental protection leading group instructs each of its subordinate units to develop their own pollution source control plans and annual control plans. The plans will be incorporated into annual plans of the Company after review and will be organised and implemented seriously to achieve "Control, examination and operation step by step (治理一項、驗收一項、運行一項)".

During the reporting period, the Company was strictly in compliance with the relevant laws and regulations on environmental protection and did not have any illegal emissions.

2.1 降低排放

本公司運營過程中涉及的主要污染物包括倉儲洗罐產生的廢水、運營過程中產生的揮發性有機物(VOCs)及固體廢棄物，為積極控制對周邊生態環境的影響，公司嚴格遵守《中華人民共和國環境保護法》《中華人民共和國環境影響評價法》等國家環境保護相關法律法規，及污染排放相關法律，包括《中華人民共和國水污染防治法》《中華人民共和國大氣污染防治法》《中華人民共和國固體廢物污染環境防治法》《中華人民共和國噪聲污染防治條例》《中華人民共和國環境保護稅法》，及國家與地方的相關政策的要求。本公司認真貫徹公司的《環境管理制度及措施》和《環境保護責任制》，相應建立及完善排放物管理相關章程與規範，針對各類型廢棄物制定有包括《危險廢棄物管理章程》《危險廢物污染防治工作責任制》在內的管理章程，並嚴格執行相應的排放物監管要求。公司環保組織領導小組指導各下屬單位制定本單位的污染源治理規劃和年度治理計劃，經公司審查後列入年計劃，並認真組織實施，做到治理一項、驗收一項、運行一項。

報告期內，本公司嚴格遵守與環保相關的法律及法規，未發生違規排放的情況。

Exhaust Gas Emission Management

According to the requirements of the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Company strictly manages atmospheric pollutants to ensure that emissions meet relevant standards, and it continuously reduces emissions of atmospheric pollutants and reduces environmental impact through measures such as source control and processing improvement.

In order to control the possible VOCs leaks in the storage process and in strict compliance with relevant national and local laws and regulations, the Company carries out VOCs pollution prevention and control according to the Technical Policy on Volatile Organic Compounds (VOCs) Pollution Prevention and Control. During the Reporting Period, the Company engaged a qualified third-party agency to conduct comprehensive inspection for the uncontrolled exhaust gas in the park according to the Standard Operating Procedures and Technical Specifications for VOCs Non-Leakage Detection. Through the inspection and re-inspection on uncontrolled emission points of storage tanks, the results were both in compliance with the national and local emission standards and a qualification report was issued. In addition, the Company also engaged a third-party detection agency to conduct leak detection and repair by detecting nearly 1,700 sealed points in the tank yard so as to make all-round investigation for the environmental risk in the storage process. It turned out that the Company can well manage and control the VOCs leak risk with a good sealed petrochemical storage and transportation pipeline.

To further control VOCs emissions in the process of oils loading and unloading in the terminal, Jiangsu Hairong and Zhongnanhui, both being the subsidiaries of the Company, introduced the oil vapor recovery unit in 2019 to recover the vapor volatilized in the process of oils loading and unloading through condensation and adsorption. The oil vapor recovery unit will effectively improve the exhaust gas treatment efficiency and reduce VOC emissions after putting into use.

廢氣排放管理

根據《中華人民共和國大氣污染防治法》要求，本公司嚴格管理大氣污染物，確保排放達到相關標準要求，通過源頭控制、工藝改進等措施不斷減少大氣污染物排放，減少對環境的影響。

為控制倉儲過程中可能存在的VOCs洩漏，公司嚴格遵守國家及地方相關法規，依據《揮發性有機物(VOCs)污染防治技術政策》開展VOCs污染防治工作。報告期內，公司聘請有資質的第三方機構依據《VOCs無洩漏檢測標準操作流程及技術規範》對園區內無組織廢氣進行全面檢測，通過對儲罐的無組織排放點進行檢驗及復檢，結果均符合國家與地方廢氣排放標準，並出具了檢測合格報告。此外，公司還聘請第三方檢測機構開展洩漏檢測與修復工作，對罐區近1700個密封點進行檢測，全面排查倉儲過程的環境風險，結果顯示公司石化倉儲運輸管線密封性良好，對VOCs洩漏風險有良好的管控能力。

為進一步控制碼頭油品裝卸過程的VOCs排放，附屬公司江蘇海融及中南匯在二零一九年引進油氣回收裝置，通過冷凝吸附的方式回收油品裝卸過程中揮發的氣體。該油氣回收裝置投入使用後，將有效提升廢氣處理效率並降低VOC排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



On-site photo of the oil vapor recovery unit of Jiangsu Hairong
圖：江蘇海融油氣回收裝置現場照片



On-site photo of the oil vapor recovery unit of Zhongnanhui
圖：中南匯油氣回收裝置現場照片

Wastewater Discharge Management

The Company strictly follows Law of the People's Republic of China on Prevention and Control of Water Pollution, adheres to the comprehensive treatment of production wastewater. In according to the Integrated Wastewater Discharge Standard of the People's Republic of China, the Company implements the management of water pollutants, and forbids the direct discharge of pollutants such as oils, acids, and lye, etc. to water body to prevent water pollution. Meanwhile, the Company establishes a sewage pipeline to collect ground sewage and cleaning tank sewage, tank bottom oil sewage and rainwater, and have the sewage treated by a self-built sewerage treatment station and then sent to the industrial park sewerage treatment station for further treatment to further reduce pollution and eventually meet the emission standard. Office sewage is discharged into the municipal sewage pipeline and enters into the local municipal sewage treatment plant. At the same time, the Company will monitor the surrounding seawater in order to have a real-time understanding of our impact on the surrounding waters and respond to accidents in a timely manner.

Solid Waste Management

The Company is committed to reducing the pollution of the surrounding ecological environment caused by various types of waste generated in its operations, and has continuously improved its relevant management system. We have formulated and have strictly followed the "Hazardous Waste Management Procedures" according to the relevant requirements of the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes, Regulations on the Safety Administration of Dangerous Chemicals, National Hazardous Waste List, Standard for Pollution Control on Hazardous Waste Storage, Measures for the Prevention and Control of Environment Pollution by Discarded Dangerous Chemicals, and Hazardous Waste Transfer Contact Management Measures to ensure the proper disposal of hazardous wastes.

污水排放管理

本公司嚴格遵循《中華人民共和國水污染防治法》，堅持做好生產廢水綜合處理工作。公司依照《中華人民共和國污水綜合排放標準》落實水污染物管理，嚴禁直接向水體排放油類、酸類以及鹼液等含有污染物的廢水，防止水體污染。與此同時，公司建立污水管網收集地面及清洗儲罐污水、罐底油污水及雨水，通過自建污水處理站進行處理，自建污水站處理後的污水匯入園區污水處理站進行深度處理進一步削減污染物，最終達標排放。辦公污水則排入市政污水管網，進入當地市政污水處理廠。同時，本公司將開展周圍海水的監測，以實時掌握我們對周圍水域的影響情況並得以及時對意外事件作出反應。

固體廢棄物管理

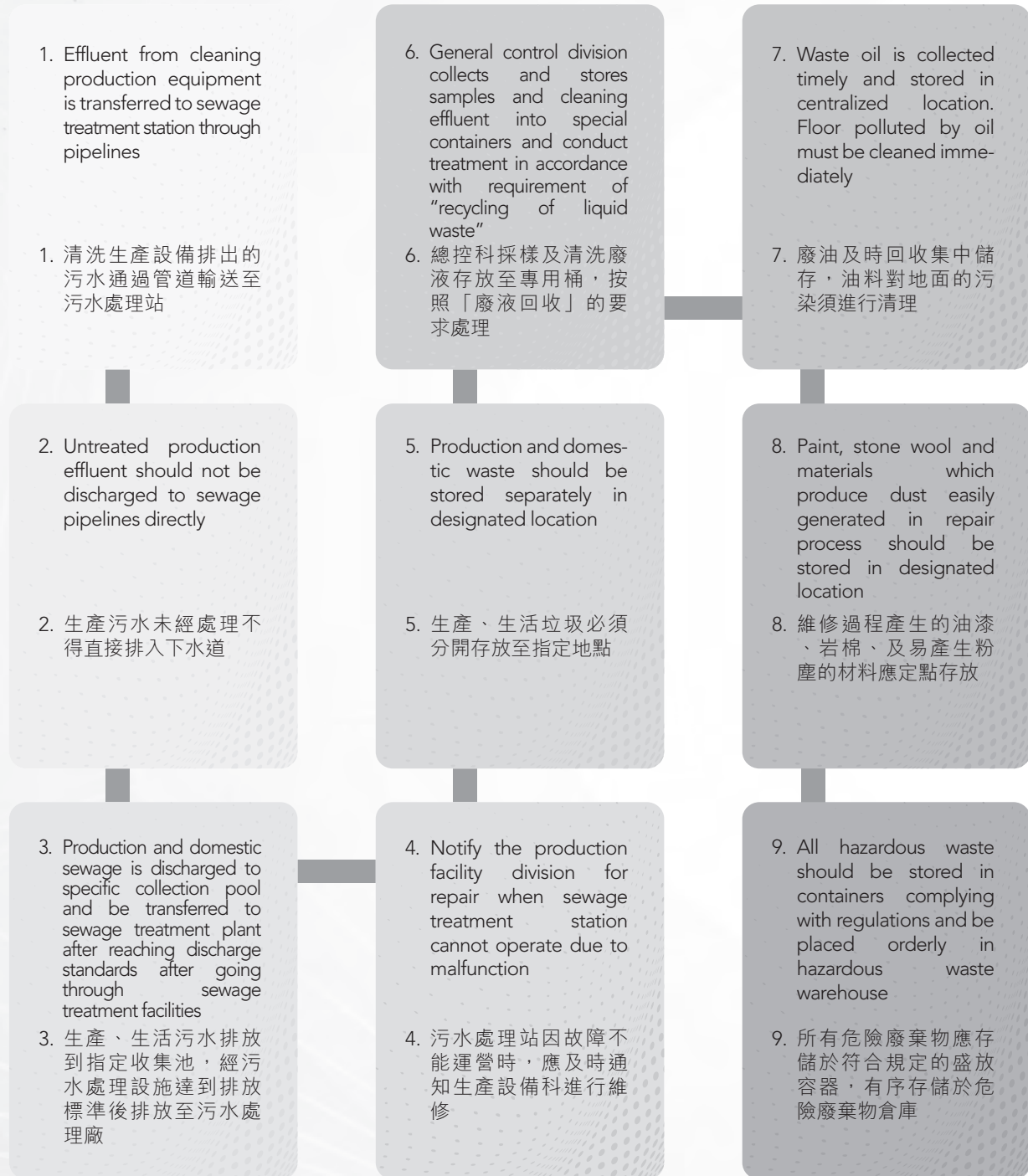
本公司致力於減少業務中產生的各類廢棄物對周圍生態環境的污染，並不斷完善相關管理制度。我們已根據《中華人民共和國固體廢物污染環境防治法》、《危險化學品安全管理條例》、《國家危險廢棄物名錄》、《危險廢物儲存污染控制標誌》、《廢棄危險化學品污染環境防治辦法》、《危險廢棄物轉移聯繫管理辦法》的相關要求制定並嚴格遵循《危險廢棄物管理制度》以確保危險廢棄物得以妥善處置。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Hazardous waste generated in the Company's production and operation mainly includes waste oil in grease trap, oil polluted waste and liquid (沾油廢物及廢液). The Company has defined relevant treatment procedures in "Hazardous Waste Management Procedures":

本公司生產經營過程中產生的危險廢棄物類型主要包括隔油池廢油、沾油廢物及廢液。公司在《危險廢棄物管理制度》明確了相應的處置程序：



“Hazardous Waste Management Procedures” also specifies the requirements and standards for pre-handling, storage and classification of hazardous waste. Production facility division classifies and counts hazardous waste collected and transfers the waste in kinds and batches to the hazardous waste warehouse after confirmation by safety and environment protection division. The Company has set up hazardous waste warehouse in its plants to classify and store hazardous waste generated in its operation. Real-time cameras and surveillance are set outside the warehouse to ensure effective management of hazardous waste. Requirements for containers and storage of hazardous waste of the Company are set out below:

《危險廢棄物管理制度》對危險廢棄物的預處理及分類儲存也明確了要求和規範，生產設備科對收集到的危險廢棄物進行分類統計，交由安全環保科確認後，將危險廢棄物分類分批移送至危廢倉庫。本公司在廠區設置了危險廢棄物倉庫，將業務中產生的危險廢棄物分類存儲，倉庫外設置了實時視頻監控以確保危險廢棄物的有效管理。公司對危險廢棄物容器及儲存要求如下圖所示：

1. Disposition of container tanks or boxes for hazardous waste

1. 設置危險廢棄物存放桶或箱

- Ensure container to be stored safely and secured and kept away from fire and water.
- 保證容器安全、牢固、遠離火源、水源。

2. Container in direct contact with hazardous waste should satisfy the following requirements:

2. 直接存放危險廢棄物的容器須滿足以下要求：

- Material of the container should be compatible with (no reaction) the hazardous waster
- The container should satisfy relevant intensity and protection requirement
- The container should be in perfect condition and sealed to prevent leakage during transfer and transportation
- Each container storing hazardous waste should have clear label or stick new label to indicate the Chinese name and nature of the material stored. The labels should not show any sign of markups
- All containers storing hazardous waste should have appropriate space
- 容器材質必須與危險廢棄物相容（不發生反應）
- 容器須滿足相應的強度和防護要求
- 容器必須完好無損，封口嚴緊，防止在搬動和運輸過程中洩漏
- 每個盛裝危險廢棄物的容器上都必須粘貼明顯的標籤，或貼上新的標籤，註明所盛物質的中文名稱及危險性質，標籤不能有塗改痕跡
- 凡盛裝液體危險廢棄物的容器必須留有適量空間

3. Temporary storage of hazardous waste should:

3. 臨時存儲危險廢棄物必須做到：

- Be stored separately in kinds. Materials not compatible should be stored separately to prevent any danger
- Direct packaging materials for fragile packgae should, according to their nature, be fixed in wooden case or firm cartons and fillers should be added to prevent collision and pressure and for secured storage
- Container in direct contact with hazardous should avoid leakage from tilting and slanted storage
- 按類分別存放，不相容的物質應分開存放，以防發生危險
- 易碎包裝物的直接包裝物應按性質不同分別固定在木箱或牢固的紙箱中，並加裝填充物，防止碰撞、擠壓，以保證安全存放
- 直接盛裝危險廢棄物的容器在存儲過程中應避免傾斜、傾置而洩漏

The safety and environment protection division engages qualified units to undergo unified safe disposal of hazardous waste and strictly adheres to the “Five Joint List System for the Transfer of Hazardous Wastes”. In order to better track the handling of hazardous wastes, a series of information, such as order submission, acceptance of wastes by qualified units, removal from plant areas, confirmation of transfer amount, etc., can be updated and inquired in real time in the online “Hazardous Waste Dynamic Management Information System”. In addition to the proper disposal of hazardous wastes, the Company transfers non-hazardous waste and domestic waste generated during storage and operation to the material recovery unit for unified treatment or recycling.

Responding to climate change

We are concerned about global climate change, and we continuously reduce the greenhouse gas emissions during the Company’s operations by saving energy and applying low-carbon energy. We actively cooperate with the “13th Five-Year Work Plan for Greenhouse Gas Emission Control” promulgated by the State Council in the “13th Five-Year Plan” to contribute to the sustainable economic and social development of China and the preservation of global ecological equilibrium.

2.2 Use of Resources

Energy Management

The Company abides by the Law of the People’s Republic of China on Conserving Energy and related laws and regulations, and continues to improve energy structure and increases energy efficiency. By 2019, the Company’s main business operation process, including petrochemical storage and terminal operation with the highest energy consumption, has realised the energy structure dominated by electricity, and continuously reduced the proportion of fossil fuels such as gasoline and diesel used in the liquid supply system in the operation process. At the same time, through setting annual production objectives and making monthly production work plans, and incorporating energy use into performance indicators of production management, the Production Division of the Company makes regular statistics and analysis on energy use of unit capacity, reviews and summarises factors affecting energy efficiency, and puts forward energy conservation and consumption reduction measures.

公司安全環保科將危險廢棄物委託有資質的單位進行統一安全處置，並嚴格遵守《危險廢物轉移五聯單制度》。為了更好的追蹤危險廢棄物的處理情況，從下訂單、資質單位接受廢棄物、移出廠區、轉移量確認等一系列的信息都可以在線上的「危險廢物動態管理信息系統」中實時更新和查詢。除了妥善處置危險廢棄物以外，本公司將倉儲與運營中產生的無害廢棄物及生活垃圾轉移至物資回收單位進行統一處理或回收再利用。

應對氣候變化

我們關注全球氣候變化，通過節省能源以及應用低碳能源等手段不斷降低公司運營過程的溫室氣體排放。積極配合國務院頒布的《「十三五」控制溫室氣體排放工作方案》，為促進我國經濟社會可持續發展和維護全球生態安全作出貢獻。

2.2 資源使用

能源管理

本公司依據《中華人民共和國節約能源法》及相關法律法規，不斷改善能源結構，提升能源使用效率。截至二零一九年，公司主營業務經營過程，包括能源消耗佔比最高的石化倉儲及碼頭業務，已實現以電力為主的能源結構，不斷降低運營過程中供液系統的汽油柴油等化石燃料的使用比例。與此同時，公司生產科通過制定年度生產工作目標及月度生產工作計劃，並將能源使用納入生產管理的績效關注指標，定期統計及分析單位產能的能源使用情況，回顧和總結影響能源使用效率的因素，提出節能降耗措施。

Meanwhile, we make reasonable plans for the berthing and loading and unloading time of ships near the port by improving the information management of petrochemical storage and terminal, so as to improve the utilisation efficiency of terminal facilities. In addition, we continue to promote paperless office, standardise the use and management of official vehicles, advocate the energy-saving use of air conditioning facilities, and comprehensively advocate the concept of energy conservation and consumption reduction.

Water Resources Management

The Company complies with relevant laws and regulations such as the Water Law of the People's Republic of China, and attaches importance to the protection of water resources and improvement of utilisation efficiency in the course of our production and operations.

During the reporting period, the Company increased the measurement of water consumption nodes and wastewater discharge in the process of petrochemical storage and terminal operation, and comprehensively monitored the water resources utilisation efficiency in the operation process by improving the statistics of water consumption and drainage data. At the same time, the Company improved the water efficiency of specific production links through scientific overall planning, such as reasonable planning of material classification storage area in the storage process, so as to reduce the length of pipeline in the tank washing process and improve the water efficiency of tank washing. There is no issues in sourcing water within the operation of the company.

同時我們通過改善石化倉儲及碼頭的信息管理水平，合理規劃臨港船隻的停泊及裝卸時間，提升碼頭設施的使用效率。此外，我們持續推進無紙化辦公，規範公務車的使用管理，提倡空調設施的節能使用，全面倡導節能降耗理念。

水資源管理

公司遵守《中華人民共和國水法》等相關法律法規，在生產運營過程中重視水資源保護、提高水資源的使用效率。

報告期內，本公司增加了石化倉儲及碼頭運營過程用水節點以及廢水排放的計量，通過完善用水及排水數據的統計，全面監測運營過程中的水資源使用效率。與此同時，公司通過科學統籌提升特定生產環節的用水效率，例如倉儲過程合理規劃物料分類儲存區域，由此減少洗罐過程的管線長度，提高洗罐用水效率。公司目前在經營過程中不存在求取水源的問題。

CHAPTER THREE SAFE PRODUCTION

3.1 Safe Operations Management

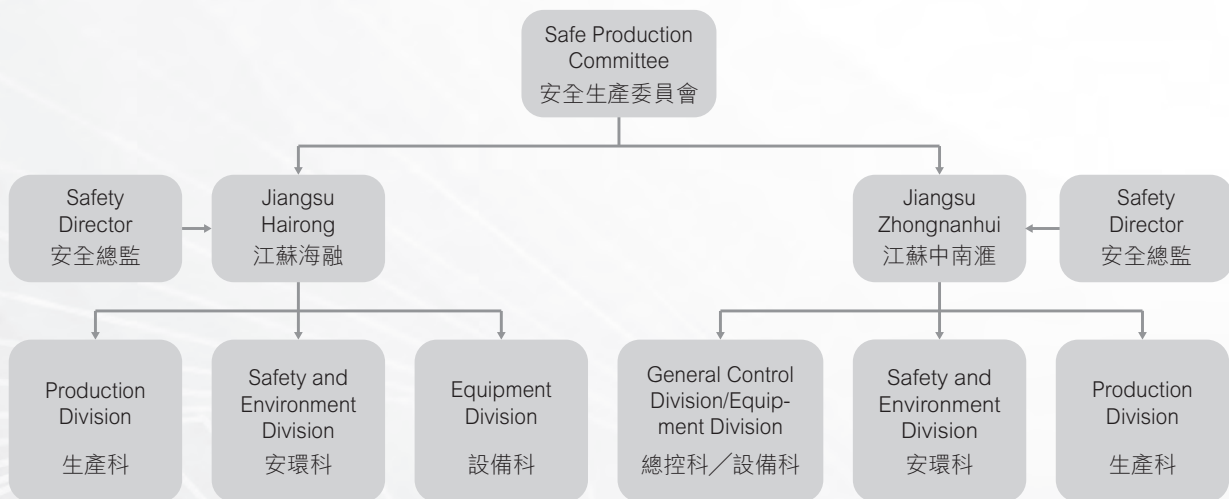
The Company attached great importance to production safety. Adhering to the principle of "Safety first based on prevention and comprehensive control (安全第一、預防為主、綜合治理)", it continuously improved the safety management structure of oil and petrochemical wharf and storage business, and established a production safety leading group to implement the production safety responsibility system. The Company has strictly abided by the national and local laws and regulations including Production Safety Law of the People's Republic of China, Fire Protection Law of the People's Republic of China and Production Safety Regulations of Jiangsu Province. Supervised by the Safe Production Committee, the production safety leading group organized the preparation of the Company's production safety regulations, operating regulations and emergency plans for safety accidents, including Safety Management System, Production Safety Reward and Punishment Management System, Safety Inspection Management System, Risk Identification and Evaluation Management System, Safety Devices Contents and Technical Requirements for Petrochemical Wharfs and Warehouse Areas, Regulations on the Safety Management of Dangerous Chemicals, Provisions on the Safety Management of Hazardous Goods at Ports. Each production and operation unit further refined the safety management system and operating regulations based on their respective business characteristics to form a management system in line with the characteristics of business operations.

第三章 安全生產

3.1 安全運營管理

本公司重視安全生產，堅持「安全第一、預防為主、綜合治理」的方針，持續完善油品石化碼頭及倉儲業務的安全管理架構，建立安全生產領導小組，貫徹落實安全生產責任制。本公司嚴格遵守國家及地方法律法規，包括《中華人民共和國安全生產法》《中華人民共和國消防法》及《江蘇省安全生產條例》，由安全生產委員會督導，安全生產領導小組組織編製公司安全生產規章制度、操作章程及安全事故應急預案，包括《安全管理制度》《安全生產獎懲管理制度》《安全檢查管理制度》《風險識別和評價管理制度》《石油化工碼頭及庫區安全設施配備目錄及技術要求》《危險化學品安全管理條例》《港口危險貨物安全管理規定》，各生產經營單元依據各自業務特徵將安全管理制度及操作章程進一步細化，形成符合業務經營特徵的管理制度體系。

Safety Management Structure of the Company
公司安全管理架構



The Group's safety management was led by the Company Safe Production Committee, with the general manager and the legal representative of the production and operation business unit as the first person responsible, which carefully implemented the production safety principles and policies, and incorporated production safety into the Company's development strategy and long-term planning. The safety director assisted in implementing the safety responsibility system, organized annual and quarterly safety leading group meetings, as well as summarized and deployed safety management work. The production division organized the formulation of annual production work goals, and organized the formulation or revision of operating procedures according to the actual situation of the production. The equipment division was responsible for the safety management of equipment power, devices and industrial buildings and structures, the preparation of equipment management systems and operating procedures, and organizing training and implementation to ensure that special types of work received professional qualification training and certification. The safety and environment division was responsible for the safety management of oil and petrochemical wharfs and storage facilities, identifying national and local safety related laws and regulations, conducting identification of dangerous sources and investigation of hidden dangers in production safety accidents, assessing the current status of safety management, and organizing drills for emergency rescue plans.

In 2019, the Company's safety leading group collaborated with various departments to continue to investigate and manage hidden dangers and monitor dangerous sources in accordance with the Safety Management System, and timely and effectively improved the existing production safety management methods to adapt to changes in the Company's safe operating conditions, with an aim to improve the level of production safety management. Through the active promotion of the management and the efforts of employees at all levels, Zhongnanhui and Jiangsu Hairong have all passed the secondary standard of production safety standardization, and are preparing for the certification of the primary standard of production safety standardization.

本集團安全管理工作由本公司安全生產委員會領導，由生產經營業務單元總經理、法人代表擔任第一責任人，認真落實安全生產方針及政策，將安全生產納入企業發展戰略與長遠規劃。安全總監協助落實安全責任制，組織開展年度、季度安全領導小組會議，總結及部署安全管理工作。生產科組織制定年度生產工作目標，根據生產實際情況組織制定或修訂操作規程。設備科負責對設備動力、裝置及工業建築物、構築物的安全管理，編製設備管理制度及操作規程，並組織培訓和實施，保障特殊工種獲取專業資質的培訓與認證。安環科負責對油品石化碼頭及倉儲設施的安全保障管理工作，識別國家與地方安全相關法律法規，開展危險源辨識及安全生產事故隱患排查，評估安全管理現狀，組織演練事故應急救援預案。

二零一九年，公司安全領導小組協同各部門，依據《安全管理制度》持續開展排查治理隱患和監控危險源工作，及時有效地改進現有安全生產管理方法來適應公司安全運營狀況的改變，實現安全生產管理水平的提升。經過管理層的積極推進與各級員工的努力實踐，中南匯及江蘇海融均已通過安全生產標準化二級標準，同時正在籌備安全生產一級標準化認證工作。

3.2 Safety Risk Control

Following the safety management policy of "Safety first based on prevention (安全第一、預防為主)", the Company pays attention to the safety risk management during the operation process and continuously optimizes the safety risk assessment system related to petrochemical wharf and storage business, including "Safety Inspection and Management System", "Risk Identification and Assessment Management System", as well as the provisions like "Safety Devices Contents and Requirements for the Petrochemical Wharf and Warehouse Area", "Regulations on the Safety Administration of Dangerous Chemicals", and "Provisions on the Safety Management of Hazardous Goods at Ports", so as to continuously reduce the risk of operating procedures.

In order to effectively identify and control risks, as well as to reduce risks and hazardous and harmful factors, the Company has specifically formulated "Safety Check and Accidental Hidden Risk Management System" and "Risk Assessment and Control System" in the "Safety Production Management System". The Company's safety and environment division is responsible for leading the identification of hazardous and harmful factors, risk assessment and risk control work.

3.2 安全風險管控

為貫徹「安全第一，預防為主」的安全管理工作方針，本公司重視運營過程的安全風險管理，持續完善油品石化碼頭及倉儲業務相關的安全風險評價制度，包括《安全檢查管理制度》《風險識別與評價管理制度》，及《石油化工碼頭及庫區安全設施配備目錄及技術要求》《危險化學品安全管理條例》《港口危險貨物安全管理規定》等規定，不斷降低運營過程的風險。

為有效識別和控制風險，降低風險、減少危險有害因素，本公司在《安全生產管理制度》中專門制定了《安全檢查和事故隱患排查治理管理制度》《風險評價和控制制度》，由本公司安環科負責主導危險有害因素的識別、風險評價和風險控制工作。

Risk Identification Management Process
風險識別管理流程



During the process of risk identification, the Company established a quantized risk assessment standard according to the frequency of risk and the consequence of accident, and categorized risks as medium, significant and enormous based on their level and accordingly developed control measures and implementation deadlines.

本公司在風險識別過程中，依據風險的發生概率和事故造成的後果，形成了量化的風險評估標準，按風險等級劃分為中等、重大、巨大風險，並制定相應的控制措施及實施期限。

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Risk degree 風險度	Risk level 風險等級	Control measures 控制措施
21-25	Enormous 巨大	Forbid operation before taking measures to reduce harm and conduct assessment on improvement measures 在採取措施降低危害前，不能繼續作業，對改進措施進行評估
16-20	Significant 重大	Take emergency measures to reduce risk, establish operating control procedure and conduct regular inspection, measurement and assessment 採取緊急措施降低風險，建立運行控制程序，定期檢查、測量及評估
6-15	Medium 中等	Consider setting targets, establishing operating specification and strengthening training and communication 可考慮建立目標、建立操作規程，加強培訓及溝通
1-5	Acceptable 可接受	Consider establishing operating specification, operation instruction but require regular inspection or require no control measures, and require keeping records 可考慮建立操作規程、作業指導書但需定期檢查或無需採用控制措施，需保存記錄

According to "Safety Inspection and Management System", the Company conducted comprehensive safety inspection on production and operating activity on a regular basis, ensuring that each production and operating unit shall achieve safety target and working plan, comply with safety management requirements and operating specification as well as effectively identify safety hazards and provide rectification advice. In respect of the important areas of high risk such as wharf berth, nitrogen room, fire-pump room, sewage treatment station, the Company also conducted specific safety inspection, and timely check and eliminate operating breakdown of equipment and facilities or unstandardized operation. In addition, leading group of safety work conducted daily and irregular spot check, gave specific rectification advice on major problems identified and required corresponding positions to complete the rectification and conduct re-inspection as soon as possible.

本公司依據《安全檢查管理制度》對生產經營活動開展定期的綜合安全檢查，確保各生產經營單元落實安全目標及工作計劃，遵循安全管理規定及操作規程，有效識別安全隱患並提供整改意見。針對重要的高風險區域如碼頭泊位、氮氣房、消防泵房、污水處理站還會開展專項安全檢查，及時排查設備設施運行故障或不規範操作行為。此外，安全工作領導小組還開展日常及不定期的抽查，對所發現的主要問題提出針對性整改建議，並要求對應崗位盡快按要求完成整改並複查。

In response to the climate change and its resulting frequent occurrence of extreme weather, to enhance the safety emergency management capability of the Company's petrochemical wharf and storage business to handle and defend against natural disasters, the Company formulated "Emergency Plan against Lightning and Static electricity" in order to minimize and reduce safety risks caused by disasters like lightning, ensure normal operation of facilities by establishing efficient and orderly rescuing plan.

應對氣候變化及其造成的極端天氣發生頻率增加，為增強公司油品石化碼頭及倉儲業務應對和抵禦自然災害的安全應急能力，本公司制定了《防雷防靜電應急預案》，最大程度避免和減輕雷電災害引發的安全風險，保障設備的正常運營生產，建立高效、有序的救災運行機制。

Sustainable Development Practices: Summary of annual safety check and hidden risk elimination and investigation

可持續發展實踐：年度安全檢查和隱患排查工作總結

According to "Safety Inspection and Management System", the Company conducted a total of 12 comprehensive safety inspections on Jiangsu Zhongnanhui (including project construction) and Jiangsu Hairong in 2019. Each of inspection developed corresponding inspection record, issuing 6 hazard rectification lists and 57 rectification suggestions and rectification items. Subsequently, safety inspection group provided rectification direction on the major findings from inspection to each business unit. As of the reporting period, the Company has completed all rectification and achieved the closed-loop management of hazard rectification.



公司依據《安全檢查管理制度》，在二零一九年對江蘇中南匯(含項目建設)、江蘇海融共組織了12次全面的安全檢查活動。各檢查活動均產出相應的檢查記錄，下發隱患整改單6份，整改建議和整改項57條。隨後，安全檢查小組針對檢查工作的主要發現對各業務單元進行整改指導。截至報告期內，所有整改項均已完成，實現了隱患整改閉環管理。

The Company places great emphasis on safety guarantee during the overall operating process. In respect of the external related parties such as contractors joining the company's production business unit, they are required to accept the safe production education before entering the production area in accordance with the Company's safety management system. Besides, the Company explained the safety precautions they were required to comply with and provide protection equipment such as protection suit against static electricity to them, so as to fully guarantee the safety management of related parties when working at the production area.

本公司重視經營全流程的安全保障，對進入公司生產業務單元的承包商等外部相關方，依據公司安全管理制度要求其在進入生產區前接受安全生產教育，說明其須遵守的安全注意事項，並提供防靜電服等防護用品，全面保障相關方在生產區工作的安全管理。

3.3 Safety and Health Protection

It is the responsibility of the Company to ensure the safety and health of its employees. The Company strictly complies with the Production Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases, the Law of the People's Republic of China on Protection of Workers' Rights and Interests, the Provisions on the Supervision and Administration of Occupational Health at Work Sites, Jiangsu Labour Protection Regulations and other relevant laws and regulations, and has formulated corresponding management systems and procedures according to the characteristics of the Company's production and operation business, including the "Occupational Health Management System (職業衛生管理制度)", the "Protective Labor Equipment Management System (勞動防護用品管理制度)", the "Safety Protection Equipment and Facilities Management System (安全防護設備設施管理制度)" etc., so as to continuously improve the occupational safety and health protection system and fully implement the main responsibility for safe production. During the reporting period, the Company did not experience any work injury or death from work.

For special jobs, in accordance with the "Management System for Special Operation (特殊作業管理制度)", the Company specified application scope, duties and relevant safety requirements for special operation like casual power usage, cranking and lifting and aloft work, with a view to standardize safety supervision and management of on-site special operation of the safety and environment protection division.

3.3 安全健康保障

保障員工的安全與健康是公司的應盡責任，本公司嚴格遵守《中華人民共和國安全生產法》《中華人民共和國職業病防治法》《中華人民共和國勞動者權益保護法》《工作場所職業衛生監督管理規定》《江蘇省勞動保護條例》及其他相關法規，依據公司生產經營業務特徵制定相應管理制度及規程，包括《職業衛生管理制度》《勞動防護用品管理制度》《安全防護設備設施管理制度》等，持續完善職業安全健康保障體系，全面落實安全生產主體責任。於報告期內，本公司未發生任何因工傷亡的事件。

對於特殊工種崗位，公司依據《特殊作業管理制度》，對運營相關的臨時用電、起重吊裝、高處作業等特殊作業明確了適用範圍、職責、及相關安全要求，以規範安環部在現場特殊作業的安全監護及管理工作。

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In accordance with the relevant provisions of the "Occupational Health Management System (職業衛生管理制度)", the person in charge of the Company is the first person responsible for the prevention and control of occupational diseases, and shall systematically organize the identification of occupational hazards and input in occupational health protection. The safety and environment protection division is responsible for supervising and managing the implementation of occupational health management, overseeing and coordinating the "three simultaneousness" on prevention and control of occupational hazards, and according to the "Protective Labor Equipment Management System (勞動防護用品管理制度)", formulates the standards for the distribution of the protective labor equipment to provide appropriate protective labor equipment for employees, and coordinates the regular monitoring of occupational hazards and the evaluation of the status of occupational hazards. The production division and the equipment division work together to improve the operation procedures for each post, and organize regular occupational health training for staff.

There are limited occupational hazards involved in the Company's course of business. The Company provides the employees in related positions with pre-employment, in-service and pre-departure occupational health examination, and the employees in-service will be provided with such health examination at least once a year, the result of which will be informed to the relevant employees in time. Once the occupational contraindications or suspected occupational diseases are found, the Company shall arrange the transfer from original post for relevant employees according to the relevant systems, and immediately arrange diagnosis and treatment. During the reporting period, there were no cases of occupational contraindications or suspected occupational diseases being found.

公司依照《職業衛生管理制度》相關規定，由公司負責人擔任職業病防治第一責任人，系統組織進行職業危害辨識及職業衛生保障投入。安環部負責監督管理職業衛生管理執行工作，監督並協調職業危害防治「三同時」工作，依據《勞動防護用品管理制度》制定勞保用品發放標準，為員工提供合適的勞保用品，並協同開展職業危害因素定期監測及職業危害現狀評價。生產部及設備部協同完善崗位操作規程，並組織開展定期員工職業衛生培訓。

公司經營過程中涉及的職業危害因素有限，對相關崗位的員工提供上崗前、在職期、離崗前的職業健康體檢，在職期間每年至少一次，並及時將體檢結果告知員工，一旦查出職業病禁忌症或疑似職業病患者，公司將按照相應制度安排其調離原崗位，並立即安排診斷與治療。於報告期內，公司未發生員工被查出職業病禁忌症或疑似職業病的案例。

3.4 Safety Training Practice

A sound safety training system can effectively improve the safety awareness and quality of employees, and promote the implementation of safety management. The Company has established the Safety Training and Education Management System and actively enhanced general safety awareness through safety education, in order to ensure effective implementation of safe production as well as preventing and avoiding safety accidents. And accordingly, the annual safety education and training program has been set up to organize and carry out the safety procedure standard training related to production and operation, and advocate updating safety management and revising the constitution. During the reporting period, the Company has formulated the Annual Goals and Requirements for Safety Education Training and the Safety and Health Training Programme with a view to establish knowledge system of employees' safety education and raised requirements in six aspects for safety education of each divisions and subsidiaries: safety requirement, safety awareness, safety knowledge, safety skills, compliance with regulations and capability of emergency response. We have set up the following objectives of safety and health training in the annual training programme:

- The percentage of registered principals in charge, officers in charge, and security managers be 100%.
- The rate at which the new employees participate in the three-level safety training and passing rate of employees training for transfer of posts be 100%.
- The annual rate of safety training for employees be 100%.
- The passing rate of a training $\geq 98\%$.

Meanwhile, the Company also sets goals of safety education for employees at different levels. We require new or re-designated employees to participate in the three-level safety training. The three-level training would be examined and the relevant employees can only start working after passing the examination; acquirement of safety titles or certificates is also required for safety-related management staff.

3.4 安全培訓演練

健全的安全培訓體系能夠有效提升公司員工安全意識及素養，促進安全管理工作的執行與落實。本公司制定《安全培訓教育管理制度》積極通過安全教育提升全員安全意識，保證安全生產工作有效落實，預防和杜絕安全事故。並相應制定年度安全教育培訓規劃，組織開展生產運營相關的安全操作規範培訓，宣導安全管理更新或修訂章程，落實安全管理體系。於報告期內，公司制定了年度《安全教育培訓目標和要求》及《安全健康培訓計劃》，旨在構建職工安全教育的知識體系，並對各部門和所屬各公司的安全教育工作提出了6個維度的要求：安全需求、安全意識、安全知識、安全技能、遵章守紀、應急能力。在年度培訓計劃中，我們設立了安全健康培訓目標：

- 主要負責人、安全管理人員持證上崗率為100%。
- 新員工參加三級安全培訓、轉崗換崗員工培訓合格上崗率為100%。
- 員工每年安全再培訓參訓率為100%。
- 一次培訓合格率 $\geq 98\%$ 。

同時，公司也針對不同層級的員工分別制定了安全教育的目標，要求新進或換崗員工進行三級安全培訓，三級教育將進行考核，通過考核方可上崗工作；要求安全相關管理人員獲取安全職稱或證書。

According to the Company's business and different personnel needs, each unit conducts safety production training every month or every two months. Different types of training and topics are designed to provide targeted training to personnel such as terminal operators, drivers, and team leaders with contents including safety procedures, safety knowledge of dangerous chemicals, typical accident analysis, first aid methods, and traffic safety training. After training, the trainees also need to pass oral or written tests. In order to further motivate employees to pay attention to safety production training, the Company has year-end incentives for units and individuals that do not have accidents throughout the Year, while departments that fail to follow the training plan to commence training will receive negative performance evaluation and warnings.

根據各公司的業務及不同的人員需求，各單位每個月或每兩個月進行一次安全生產培訓，有針對性地對碼頭操作人員、駕駛員、班組長等不同培訓對象設計不同培訓類型和主題，內容包括安全操作規程、危險化學品安全知識、典型事故分析、急救方法、交通安全培訓等。培訓後，受訓員工還需通過口試或筆試等考核。為進一步激勵員工重視安全生產培訓，公司對於全年沒有事故發生之單位和個人設有年終獎勵，而未按照培訓計劃開展培訓的部門則會受到負激勵考核和警示。

Sustainable Development Practices: Annual Working Meeting of the Safety Committee and Training 可持續發展實踐：年度安委會工作會議及培訓

In December 2019, the Company held a meeting of the Safety Committee, which was attended by all members of the Safety Committee (including those in Zhongnanhui and Jiangsu Hairong). The meeting was mainly to watch the video of Xiangshui's "3.21" particularly serious explosion accident, analyze and discuss the accident investigation report, and convey the spirit of production safety related notifications of the government and the group company, as well as report the production safety in the previous stage.

二零一九年十二月，公司召開安委會會議，本次會議由安委會全員成員參加(包含中南匯區和江蘇海融)。會議主要組織觀看了響水[3.21]特別重大爆炸事故視頻、分析討論了事故調查報告和傳達政府、集團公司安全生產相關通知精神，通報前一階段安全生產工作情況。

Through this meeting, employees have had a deeper understanding of the content of safe production operations, and their awareness of hazardous wastes has also increased. And the meeting has alerted all staff and improved their safety awareness.

通過此次會議，使員工對安全生產作業方面的內容有了更加深入的了解，同時也提高了對危險廢棄物的認識及全員的安全意識，起到了警醒的作用。

In 2019, all employees were provided safety and health education and training by the Company, who have taken safety and health training for an average of 6 hours throughout the Year.

二零一九年，公司為全體員工提供安全健康教育培訓，全年人均接受安全健康培訓時長達6小時。



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At the same time, the Company regularly conducted safety drills in accordance with the On-site Emergency Measures to manage and control safety risks, improve the safety awareness of all employees, and create a healthy and safe working environment for employees. The safety drills can make all staff further master the use of safety equipment and facilities and improve their familiarity with emergency plans and emergency handling capabilities, and ensure that front-line employees can effectively organize, respond quickly, and keep unflappable to minimize the harms in the event of a production safety accident.

與此同時，公司依照《現場應急處置措施》，定期舉行安全演練，管控安全風險，提高全員安全意識，為員工打造健康、安全的工作環境。通過安全演練，全體人員得以進一步掌握安全設備設施的使用，提高對應急預案的熟悉程度與應急處置能力，確保一旦發生安全生產事故，一線員工能夠有效組織、快速反應、臨危不亂，最大限度地減少事故的傷害。

Sustainable Development Practices: a Safety Emergency Drill 可持續發展實踐：安全應急演練

In December 2019, the Company held a comprehensive emergency drill for the fourth quarter at Tank Group 4 of Zhongnanhui Warehouse Area. The drill tested the situation of employees' handling of on-site conditions and improved the emergency response capabilities of all employees in response to safety accidents.

二零一九年十二月，公司於中南匯庫區罐組四舉行了第四季度綜合應急演練。此次演練檢驗了員工現場處理的狀況，提升了全體員工應對安全事故的應急處理能力。

Before the drill, the Company organized training for basic knowledge of emergencies, which improved the participants' safety knowledge, emergency response capabilities, and escape skills after an accident. During the drill, participants were able to observe discipline and team cohesion was improved. The safety working group's ability to organize, command, and respond was also strengthened.

在演練前，公司組織了應急基本知識培訓，使演練人員的安全知識、突發事件應急能力、事故發生後逃生技巧都得到了提升。演練過程中，參與人員都能遵守紀律，團隊凝聚力得到提升。安全工作組的組織能力、指揮能力、應變能力也受到了鍛煉。

Through this comprehensive emergency drill, all employees have mastered basic skills such as how to identify hazards in emergency spills and how to take necessary emergency measures in order to achieve rapid, orderly, timely and effective emergency handling capabilities in accidents, which has thus effectively reduced the accident hazards and ensured the safe, healthy and orderly development of warehouse areas.



通過此次綜合應急演練，全體員工掌握了對於緊急洩漏事故中如何識別危險、如何採取必要的應急措施等基本技能，以便在事故中達到快速、有序、及時、有效的應急處理能力。從而有效降低事故傷害，確保庫區安全、健康、有序的發展。

CHAPTER FOUR EMPLOYEE EMPHASIS

第四章 重視人才

4.1 Compliance with Employment Management

4.1 合規僱傭管理

The Company considers employees as the important capital for corporate's sustainable development and strives to grow with employees. The Company has adhered to the principle of "morality plus ability but morality before ability" and "selecting people depends on the task and maintaining a dynamic balance" when recruiting employees, abided by the basic principle of human resources management "openness, impartiality and fairness in order to effectively motivate and constrain each employee" as well as followed the principles of competition, responsibility, incentives, and democratic management to achieve effective development and rational use of human resources.

本公司將員工視為企業可持續發展的重要資本，致力於員工共同成長。公司堅持「德才兼備、以德為先」的用人原則，秉承「因事擇人，因才使用，保持動態平衡」的用人之道，遵守「公開、公正、公平，有效激勵和約束每一個員工」的人力資源管理基本準則，遵循競爭原則、責任制原則、激勵原則及民主管理原則，以實現人力資源的有效開發及合理利用。

Employment Policy and Labour Standards

僱傭政策、勞工準則

The Company strictly abides by the Labour Law of the People's Republic of China, Regulation on Labour Security Supervision, Labour Contract Law of the People's Republic of China, and the labour laws and regulations of the state, province, and city, and has formulated the "Administrative Measures on Labour and Personnel Matters" to systematically regulate, manage and protect employees' legitimate rights and interests such as employees' recruitment, employment, promotion, dismissal, staff training, code of conduct, working hours, performance appraisal, welfare benefits, diversification, and anti-discrimination.

本公司嚴格遵守《中華人民共和國勞動法》、《勞動保障監察條例》、《中華人民共和國勞動合同法》及國家、省、市有關勞動法律法規，並制定了《勞動人事管理辦法》，就僱員招聘、錄用、晉陞、解僱、職員培訓、行為準則、工作時間、績效考核、福利待遇、多元化與反歧視等方面，進行系統化規範與管理，以保護員工的正當權益。

The Company ensures that the recruitment process is fair and impartial, strictly obeys the prohibition of child labour regulations, and prohibits the use of child labour and forced labour. If child labour were found, we will instruct the relevant authorities to send the child labour to their parents or other guardians in their original place of residence. At the same time, we insist on treating employees of different races, religions, ages, genders, marital status, disability status, and political orientations impartially, and provide them with an equal, diversified, non-discriminatory work environment.

本公司保證招聘過程公平公正，嚴格遵從禁止使用童工規定，禁止使用童工與強制勞工。如發現使用童工，我們將指示相關部門將有關童工送交其於原居住地之父母或其他監護人。同時，我們堅持對不同種族、宗教、年齡、性別、婚姻狀況、殘疾狀況、政治取向的員工一視同仁，為員工提供一個平等、多元化、不歧視的工作環境。

Pay and Benefits

The Company is committed to providing reasonable remuneration, welfare, and benefits to its employees and protecting the immediate interests of employees through the implementation of the policies like “Administrative Measures on Labour and Personnel Matters”, “Administrative Measures on Remuneration Payment” and “Management and Implementation Measures on Performance Assessment”. In view of “Administrative Measures on Pay and Benefits”, the Company provides to employees basic salary, and (if applicable) bonus including allowances, commissions, etc. At the same time, we also provide employees with comprehensive welfare policies, including five insurance premiums and housing provident fund, medical insurance, and overtime allowance. In addition, employees may enjoy pay leave such as public holidays, leave, sick leave, marriage leave, compassionate leave, maternity leave, and annual leave in addition to statutory holidays.

To enhance sense of belongings of employees and reinforce corporate cohesion and realize caring spirits, the Company also developed “Administrative Measures on Caring Employees”. The general department (綜合部) takes the lead to organize consolation activities and grant incentives and gifts in event of employees’ birthdays, weddings, sick leaves, work injuries, maternity leaves, funeral leaves and traditional festivals. In addition, we also established rewarding events electing “Star of the Year” to grant incentives to outstanding employees.

4.2 Employee Development and Training

The Company attaches importance to growth and development of employees. We uphold the principle of “openness, impartiality and fairness” to provide fair career opportunities and channels to employees. We develop tailor-made and suitable career paths and promotion opportunities for employees in different positions, departments and levels, and persistently provide related professional training and courses to help employees adapt to the rapidly changing social and economic environment and satisfy their needs of achievement.

薪酬及福利

本公司致力於為員工提供合理的薪酬、待遇及福利，通過實行《勞動人事管理辦法》《薪酬發裡管理辦法》《績效考核管理實施辦法》等政策保障員工切身利益。公司基於《薪酬福利管理辦法》為員工提供包括基本薪金，以及(如適用)其他津貼、佣金等形式的薪酬體系。同時，我們亦為員工提供全面的福利政策，包括五險一金、醫療保險、加班津貼。除法定節假日以外，員工可依據《勞動人事管理辦法》中假期相關規定，享受公假、事假、病假、婚假、喪假、產假、年假等帶薪假期。

為增強員工歸屬感，提升企業凝聚力，體現人文關懷精神，公司還制定了《員工慰問管理辦法》，對員工生日、婚慶、生病、工傷、產假、喪假、傳統節日，由綜合部牽頭組織慰問活動，發放慰問金和禮品。此外，我們設置「年之星」評選獎勵活動，對於表現突出的員工給與激勵。

4.2 員工發展培訓

本公司高度重視員工的成長與發展，秉承「公開、公正、公平」的原則為員工提供平等的職業機會和通道。我們為不同崗位、不同部門、不同層級的員工專門制定合適職業發展路徑和晉陞機會，並持續提供相關專業培訓和課程，以協助員工應對快速變化的社會、經濟環境和滿足自身發展增值需要。

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The Company strives to coordinate the employees' competence with the job requirements through education and training, so as to enhance the quality of the Group's manpower and facilitate the achievement of corporate goals. The general management department of the Company, as the responsible management department for education and training works, is responsible for the overall organization, formulation and implementation of the Company's education and training programs, including the following specific duties:

本公司致力於通過教育培訓使員工素質與工作要求盡最大可能協調匹配，進而提升企業人力資源素質，促成企業目標的實現。由公司綜合管理部作為教育培訓工作的歸口管理部門進行整體統籌，負責公司教育、培訓方案的制訂及實施，包括以下具體工作：



The Company provides different departments of career paths for employees, including management, technology and finance, as well as corresponding training systems. The training is divided into induction training for new employees, job-rotation training, on-the-job professional training etc. At the same time, we provide corresponding training to employees of different departments in accordance with job requirement and career development requirement.

本公司為員工提供不同路徑的職業發展通道，包括管理類、技術類及財務類，並配備相應的培訓體系。培訓分為新員工入職培訓、員工轉崗培訓、在職專業培訓等。同時，各類型員工亦根據崗位需求及職業發展需求，獲得相應的技能培訓。



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In addition, before the new employees taking office, the Company will organize a collective training session. The content of the training for new employees includes: corporate culture, business philosophy, the Company's development history and current status, industry trends, the Company's organizational structure, functions and business scope of each department, rules and regulations, code of conduct for employees, etc., so that new employees can further familiarize with the work procedures and scope of duties. Upon the completion of new employee training, an examination will be conducted and the employees who pass the exam will be given the opportunity of being full-time employees. Besides, a "training evaluation form", which is designed by the general management department, will be distributed to the training participants to fill in at the end of training. After summarizing, the general management department will evaluate the effectiveness of current training session from various perspectives, including training teachers, training content, training forms and techniques as well as training implementation, and rectify the inadequacies in a timely manner.

We also encourage employees to keep learning new skills through external training. Subject to the approval of the manager and the human resources department, the Company will provide support to the employees who apply for the external training in terms of fund and time. In addition, all Directors and senior management of the Company have received training on the Rules Governing the Listing of Securities on GEM of the Stock Exchange and continuing professional development during the Year, so as to cater for the market requirements professionally while performing duties.

The Company has continuously improved the training system and enriched the training resources. During the Year, we have provided 25 hours of training courses for each of all employees, and the employee training coverage has reached 100% for many years. In addition, we carried a training course on safety and health in 2019, and provided 6 hours of special training on safety for each employee.

此外，新員工在入職上崗前，本公司為其統一組織新員工培訓。新員工培訓內容包括：企業文化、經營理念、公司發展歷史及現狀、行業狀況、公司組織機構、各部門的功能和業務範圍、規章制度、員工行為規範等，以便新員工進一步熟悉工作流程及職責範圍。新員工培訓結束後，實行統一考試，通過考試的員工才能獲得轉正的機會。此外，由綜合管理部設計《培訓評估表》，於培訓結束時交由培訓學員填寫。綜合管理部匯總後會對當期培訓效果作出評估，包括對培訓教師、培訓內容、培訓形式及技巧和培訓實施等各方面評估，對不足的地方進行及時改善。

我們亦鼓勵員工通過外部培訓不斷學習新技能，通過經理及人力部門的審核，本公司會對員工外部培訓之申請進行資金及時間支持。另外，本公司全體董事和高級管理層在年內均已接受有關聯交所GEM證券上市規則和持續專業發展之培訓，務求可更專業地應對市場要求，履行其職責。

本公司持續完善培訓體系，不斷豐富培訓資源，報告期內我們為全體員工提供了人均25小時的培訓課程，覆蓋率連續多年達到100%。此外，我們在二零一九年重點開展了安全健康相關的專項培訓，為員工提供了人均6小時的安全專項培訓。

CHAPTER FIVE WIN WIN COOPERATION

第五章 合作共贏

5.1 Supplier Management

5.1 供應商管理

To standardize supplier management of the Company, protect legal interest of the Company, ensure project quality, enhance economic efficiency and prevent corruption, The Company strictly complies with related laws and regulations, such as "Company Law of the People's Republic of China" and "Contract Law of the People's Republic of China" as well as "Notice on Strengthening Recruitment for Supervision and Management Work《關於加強招採監督管理工作的通知》" and "Measures for Resource Management of 江蘇大豐海港控股集團有限公司(Jiangsu Dafeng Harbour Holdings Limited*) 《江蘇大豐海港控股集團有限公司物資管理辦法》", and accordingly established "Supplier Management System《供應商管理制度》", "Management Measures for Procurement (Provisional)《採購管理辦法》(暫行)", "Management Measures for Project Establishment《工程立項管理辦法》", "Management System for Tender of Project《項目招投標管理制度》" and "Management Measure for Procurement of Office Supplies《辦公用品採購管理辦法》" to perform strict screening, evaluation and management on suppliers of goods, construction work and services.

The "Management Measures for Procurement" specifies duties and authorities of divisions of the Company related to supplier management. It standardizes supervision of procurement projects in terms of management structure. The Company has established the procurement and tender management committee (採購與招標管理委員會) responsible for directing all procurement and procurement management. The committee supervises suppliers winning the bid and their performance. It also makes internal decision for price comparison and invitation of tenders for procurement project of the Company. Under the instruction of the procurement and tender management committee, the investment and asset management division (投資及資產管理部) of the Company is responsible for managing daily procurement and regulating procurement procedures.

When signing a procurement contract, we require the suppliers to provide relevant certificates, proving that they have the required qualifications and ensuring that their operations are in compliance with the applicable labor, environment and other laws and regulations. At the same time, the products provided by suppliers have to comply with relevant standards of product quality and environment.

為了規範公司的供應商管理、保護公司合法權益、保證項目質量、提高經濟效益及防止滋生腐敗，本公司嚴格遵守《中華人民共和國公司法》、《中華人民共和國合同法》等相關法律法規，以及《關於加強招採監督管理工作的通知》、《江蘇大豐海港控股集團有限公司物資管理辦法》，並相應制定了《供應商管理制度》、《採購管理辦法》(暫行)、《工程立項管理辦法》、《項目招投標管理制度》及《辦公用品採購管理辦法》，分別對貨物類、建築工程類、服務類供應商進行了嚴格的篩選、評價與管理。

《採購管理辦法》中明確了公司供應商管理工作相關的部門職責和權限，從管理架構的層面規範了採購項目的監督工作。公司成立了採購與招標管理委員會，負責採購項目的監督工作，對所有採購執行和採購管理工作實施指導，監督中標供應商及其履約情況，並對公司涉及比價和邀請招標的採購項目進行集中決策。在採購與招標管理委員會的指導下，公司投資及資產管理部負責日常採購的管理工作，規範採購流程。

在簽訂採購合約時，我們要求供貨商必須提供有關證書，證明其擁有所需資格並確保其營運過程符合相應勞工、環境和其他法律及法規，同時，供貨商所提供產品必須符合相應產品質量和環境標準。

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The Company assesses its suppliers' competence from the following four perspectives:

本公司對供應商能力進行以下四方面的評定：

<p>Product quality assessment 產品質量水平評定</p>	<p>To engage a third-party agency for the assessment of product quality based on the product indicators agreed in the contracts between the parties; and to determine the quality level according to the assessment result 依據雙方合同約定產品指標為準，聘請第三方檢測機構檢測產品質量，根據檢測結果評定質量水平</p>
<p>Delivery competence assessment 交貨能力評定</p>	<p>To learn about the company profile from various channels, such as telephone, Internet and business registration, etc. According to the terms of the contracts, the upstream companies are generally required to pay after delivery while the downstream companies are required to pay before delivery 根據電話、網絡、工商登記等多種渠道了解企業概況 根據合同條款約束，一般要求上游先交貨後付款，下游先付款後交貨</p>
<p>Cooperation assessment 合作狀況評定</p>	<p>To undertake assessment from three angles: whether customers carry out the contracts on schedule; whether customers who apply for postponement due to exceptional cases have carried out their contracts during extension; the fact that customers have not carried out the contracts for more than three months 根據客戶是否按期履約、因特殊情況申請延期並在延期內履約、超三個月未履約三種情況進行評定</p>
<p>Product price assessment 產品價格評定</p>	<p>To undertake assessment according to market prices, product indicators, methods of delivery and payment, etc. 根據市場價格、產品指標、交貨付款方式等進行評定</p>

Supplier Safety and Environmental Management

供應商安全環保管理

In order to protect the environment and safety management level of suppliers and promote the synergy development of the industrial chain, the Company has formulated the "Safety and Environmental Protection Management System for Contractor《承包商安全環保管理制度》". It stipulates that a "Safety and Environmental Protection Agreement《安全環保協定》" should be signed before make cooperation with suppliers and giving priority to choose those with better safety and environmental management abilities with the aim of mitigating safety and environment risks of the supply chain. In regard to suppliers with long-term cooperation, the Company provides regularly EHS training for them, including special contents such as safety and environmental protection regulations, special operation procedures, and management regulations for dangerous chemicals, etc. Each training will be equipped with corresponding detailed records to ensure that suppliers can fully understand their due responsibilities for safety and environment, as well as fully prevent supply chain risks.

為保障供應商在環境及安全方面的管理水平，助力產業鏈共同發展，本公司制定了《承包商安全環保管理制度》，規定在與供應商的合作前需簽署《安全環保協議》，優先選擇具備良好安全環境管理能力的供應商，降低供應鏈安全環保風險。對於長期合作的供應商，本公司為其提供定期的EHS培訓，內容包括安全環保相關法規，特殊作業規程，危險化學品管理規範等專項內容，每次培訓會配備相應的詳細記錄，確保供應商充分了解應盡的安全環境責任，全面防範供應鏈風險。

5.2 Customer Services

Communication with customers

The customer types of the Company are mainly divided into manufacturers and traders. The customers' satisfaction with the Company's products, services and management level is always our pursuit. Adhering to the philosophy of customer first, we actively communicate with customers in the course of business, take the initiative to understand the customers' views on our services and obtain their feedback and suggestions.

The Company has established an effective complaint system. When customers have any questions on or dissatisfaction with our services, they can report to us through various complaint channels. The contracts have provided the methods of communication for both parties, such as telephone, email, fax, address, etc. After receiving the complaint from a customer, we will identify the responsible department, clarify the reasons for the complaint and follow up the complaint in a timely manner. If a customer's loss was caused by our fault, the Company will give the customer reasonable compensation to make up for the loss of the customer.

Customer privacy

While ensuring that customers are satisfied with our products, services and management, the Company places emphasis on the protection of customer privacy, and promises to respect and protect the customer privacy. We require all employees to comply with laws and regulations, industry discipline regulations and provisions on customer privacy protection of their departments. Employees shall not leak customer information and transaction information to anyone; nor inquire colleagues about the personal information or transaction information of customers out of curiosity or for other purposes.

5.2 客戶服務

客戶溝通

本公司的客戶類型主要分為生產商及貿易商。客戶對公司產品、服務和管理水平的滿意是我們一直以來的追求。我們秉承客戶至上的理念，在服務過程中與客戶進行積極溝通，主動了解客戶對我們服務的看法，獲取他們的反饋和建議。

本公司設立了有效的投訴制度，當客戶對我們的服務有任何的疑問或不滿時，可以通過多種投訴渠道對我們進行反映。我們在合同中均有約定雙方聯繫方式，如電話、郵箱、傳真、地址等。在接收客戶的投訴之後，我們將識別責任部門，釐清投訴原因，並實時跟進有關投訴。如果由於我們的過失造成客戶的損失，本公司會給予客戶合理的賠償，彌補客戶的損失。

客戶隱私

本公司在保證客戶對我們產品、服務及管理滿意的同時，注重對客戶隱私的保護，承諾尊重並保護客戶的隱私權。我們要求所有員工遵守法律法規、行業自律規範和所在單位關於客戶隱私保護的規定；不得向任何人透露客戶資料和交易信息；不得出於好奇或其他目的向其他同事打聽客戶的個人信息或交易信息。

5.3 Community Participation

The Company is keenly aware of the importance of community investment to realizing sustainable development. We believe that the best return to the local community is bringing continuous and stable tax revenue to the local government with increasing scale of major businesses, so as to continue to increase employment opportunities for the surrounding communities and to exert positive effects on the development of the community through the Company's organic growth.

At the same time, the Company also gathers its employees to actively participate in a variety of community activities, such as blood donation and half marathon to bring positive energy to the community continuously.

In October 2019, to advocate green life, the Company participated in the 2nd Wind Power Green Energy Half Marathon organized by the community where it operates. This event passed by the wind power industry park to keep the participants informed of the current development and trend of the green energy industry, so as to further enhance the awareness of energy conservation and environmental protection in the community.

5.3 社區共建

本公司深知社區投資對實現可持續發展的重要性。我們相信對當地社區最好的回報是通過不斷的發展主營業務規模，為當地政府帶來持續穩健的稅收收入，為周邊社區持續增加就業機會，以本公司自身的成長為社區的發展帶來更多的正面效應。

同時，本公司亦組織員工在當地積極開展包括無償獻血、半程馬拉松等形式多樣的社區活動，持續為社區帶來正能量。

於二零一九年十月，為倡導綠色生活，本公司參與了在運營地所在社區開展的第二屆「風中足跡」綠色能源半程馬拉松賽事。此次活動設計路徑途徑風電產業園，讓活動參與者同時了解綠色能源產業的發展現狀及趨勢，旨在進一步提升社區的節能環保意識。



The 2nd Wind Power Half Marathon
第二屆「風中足跡」半程馬拉松活動

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環境、社會及管治報告

SUSTAINABLE DEVELOPMENT PERFORMANCE 可持續發展表現

Types of Indicators 指標名稱	Unit 單位	2017 Indicator 二零一七年 數據	2018 Indicator 二零一八年 數據	2019 Indicator (note 1) 二零一九年 數據 (附註1)
Energy consumption* 能源消耗*				
Electricity 電力	Kilowatt hours 千瓦時	265,885	259,446	766,592
Electricity consumption intensity 電力消耗密度	Kilowatt hours/HK\$'000 revenue 千瓦時/千港元收益	0.078	0.061	0.505
Gasoline 汽油	Liters 升	27,719	7,600	8,548
Diesel 柴油	Liters 升	1,915	2,700	3,000
Greenhouse gas emissions* 溫室氣體排放*				
Total greenhouse gas emissions 溫室氣體總排放	Tonnes CO2eq 噸二氧化碳當量	183,290	190,050	561,844 (note 2) (附註2)
Greenhouse gas emissions intensity 溫室氣體排放密度	Tonnes CO2eq/HK\$'000 revenue 噸二氧化碳當量/千港元收益	0.054	0.045	0.370
Water consumption and wastewater emission* 耗水量與廢水排放量*				
Production operations water consumption 生產運營用水	Tonnes 噸	1,679	1,800	10,000 (note 2) (附註2)
Production operations water consumption intensity 生產運營用水密度	Tonnes/HK\$million revenue 噸/百萬港元收益	n/a 不適用	0.42	6.59
Office domestic water consumption 辦公生活用水	Tonnes 噸	n/a 不適用	1,145	5,672
Office domestic water consumption intensity 辦公生活用水密度	Tonnes/HK\$million revenue 噸/百萬港元收益	n/a 不適用	0.27	3.74
Total wastewater emissions 廢水排放總量	Tonnes 噸	n/a 不適用	2,720	2,672
Wastewater emission intensity 廢水排放密度	Tonnes/HK\$million revenue 噸/百萬港元收益	n/a 不適用	0.64	1.91
Waste* 廢棄物*				
Amount of hazardous waste transferred 危險廢物轉移處置量	Tonnes 噸	14.90	0	0.27
Office domestic waste 辦公生活垃圾	Tonnes 噸	2.2	4.2	92.7
Office domestic waste intensity 辦公生活垃圾產生密度	Tonnes/HK\$million revenue 噸/百萬港元收益	n/a 不適用	0.0001	0.0611
Office waste paper 辦公紙張	10,000 sheets 萬張	9.6	17.75	36.8
Office domestic waste paper intensity 辦公紙張產生密度	10,000 sheets/HK\$million revenue 萬張/百萬港元收益	n/a 不適用	0.004	0.017
Employment status 僱傭情況				
Total number of employees 員工總數	person 人數	294	128	195
Employment status by gender 按性別劃分僱傭情況				
Male 男性	person 人數	205	88	142
Female 女性	person 人數	89	40	53

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Types of Indicators 指標名稱	Unit 單位	2017 Indicator 二零一七年 數據	2018 Indicator 二零一八年 數據	2019 Indicator (note 1) 二零一九年 數據 (附註1)
Employment status by age 按年齡劃分僱傭情況				
Employees aged under 30 30歲以下員工數	person 人數	93	40	28
Employees aged 30 to 50 30-50歲員工數	person 人數	153	66	103
Employees aged over 50 50歲以上員工數	person 人數	48	22	64
Employment status by region 按地區劃分僱傭情況				
Mainland China 中國大陸	person 人數	—	—	193
Hong Kong, Macao and Taiwan 港澳台	person 人數	—	—	2
Foreign 外籍	person 人數	—	—	0
Employee turnover rate 員工流失率				
Employee turnover rate 員工流失率	%	—	—	11.8%
Health and safety 健康與安全				
Number of work-related fatalities 因工死亡人數	person 人數	0	0	0
Number of work-related injuries 因工受傷人數	person 人數	0	1	0
Loss of working days due to work-related injuries 因工傷損失工作日數	Day 日數	0	1	0
Development and Training 發展及培訓				
Percentage of production staff trained 生產人員受訓比例	%	100	100	100
Percentage of office staff trained 辦公人員受訓比例	%	100	100	100
Average training hours of employees 僱員平均受訓時數	Hour 小時	20	32	25
The training hours of safety 安全專項培訓時數	Hour 小時	—	—	6
Supply Chain Management 供應鏈管理				
Percentage of suppliers in the East China 華東地區供應商佔比	%	100	100	100
Anti-corruption 反貪污				
Number of concluded legal cases regarding corrupt practices brought against its employees during the reporting period 報告期內對僱員提出並審結的貪污訴訟案件	Case 個	0	0	0

Notes:

* Data coverage include: Zhongnanhui, Jiangsu Hairong, Yancheng Dafeng, Qianhai Mingtian, the Company, 深圳市泛海控股有限公司 (Shenzhen Fanhai Holdings Limited*) ("Shenzhen Fanhai") and Zhuhai Hengfeng Heshun Petrochemical Company Limited* (珠海恆豐和順石化有限公司).

1. As the Company's ESG indicator for 2019 included Jiangsu Hairong, part of indicators were materially different from last year;
2. Water consumption for the full year included water supply of Jiangsu Hairong to the berthed vessel owner and water stored in the fire protection water tank.

附註:

* 數據統計口徑涵蓋：中南匯、江蘇海融、鹽城大豐、前海明天、本公司、深圳市泛海控股有限公司（「深圳泛海」）、以及珠海恆豐和順石化有限公司。

1. 由於二零一九年公司ESG數據納入了江蘇海融，部分數據較往年存在較大差異；
2. 全年的用水量中包含了江蘇海融給停泊船方的供水、儲存在消防水罐裡的水。

**CONTENT INDEX OF ENVIRONMENTAL,
 SOCIAL AND GOVERNANCE REPORTING
 GUIDE OF THE STOCK EXCHANGE**

**聯交所《環境、社會及管治報告指引》
 內容索引**

Indicators 指標	Details 詳情	Report Content Index 報告內容索引
A. Environmental A. 環境		
Aspect A1: Emissions 層面A1：排放物		
General Disclosure 一般披露		Emission reduction 降低排放
A1.1	The types of emissions and respective emissions data 排放物種類及相關排放數據	Emission reduction 降低排放
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Emission reduction Sustainable performance 降低排放 可持續發展表現
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以產量單位、每項設施計算)	Emission reduction Sustainable performance 降低排放 可持續發展表現
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility) 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以產量單位、每項設施計算)	Emission reduction Sustainable performance 降低排放 可持續發展表現
A1.5	Description of measures to mitigate emissions and results achieved 減低排放量的措施及所得成果	Emission reduction 降低排放
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	Emission reduction 降低排放
Aspect A2: Use of Resources 層面A2：資源使用		
General Disclosure 一般披露		Use of resources 資源使用
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Use of resources Sustainable performance 資源使用 可持續發展表現
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Use of resources Sustainable performance 資源使用 可持續發展表現
A2.3	Description of energy use efficiency initiatives and results achieved 能源使用效益計劃及所得成果	Use of resources 資源使用

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Indicators 指標	Details 詳情	Report Content Index 報告內容索引
A2.4	Description water efficiency initiatives and results achieved 提升用水效益計劃及所得成果	Use of resources 資源使用
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Not applicable: the Company's business does not involve the use of packaging material 不適用: 本公司的業務並不涉及包裝材料的使用
Aspect A3: The Environment and Natural Resources 層面A3: 環境及天然資源		
General Disclosure 一般披露		Emission reduction 降低排放
A3.1	The significant impacts of activities on the environment and natural resources and the actions taken to manage them 業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	Emission reduction Safety Risk Control 降低排放 安全風險管控
B. Social B. 社會		
Aspect B1: Employment 層面B1: 僱傭		
General Disclosure 一般披露		Employment management compliance 合規僱傭管理
B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	Employment management compliance Sustainable performance 合規僱傭管理 可持續發展表現
B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Sustainable performance 可持續發展表現
General Disclosure 一般披露		Safe operation management 安全運營管理
B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	Safety and health protection Sustainable performance 安全健康保障 可持續發展表現
B2.2	Lost days due to work injury 因工傷損失工作日數	Safety and health protection Sustainable performance 安全健康保障 可持續發展表現
B2.3	Occupational health and safety measures adopted, and how they are implemented and monitored 所採納的職業健康與安全措施，以及相關執行及監察方法	Safety and health protection 安全健康保障

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Indicators 指標	Details 詳情	Report Content Index 報告內容索引
Aspect B3: Development and Training 層面B3：發展及培訓		
General Disclosure 一般披露		Employee development training 員工發展培訓
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Employee development training Sustainable performance 員工發展培訓 可持續發展表現
B3.2	The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	Employee development training Sustainable performance 員工發展培訓 可持續發展表現
Aspect B4: Labour Standards 層面B4：勞工準則		
General Disclosure 一般披露		Employment management compliance 合規僱傭管理
B4.1	Measures to review employment practices to avoid child and forced labour 檢討招聘慣例的措施以避免童工及強制勞工	Employment management compliance 合規僱傭管理
B4.2	Steps taken to eliminate such practices when discovered 在發現違規情況時消除有關情況所採取的步驟	Employment management compliance 合規僱傭管理
Aspect B5: Supply Chain Management 層面B5：供應鏈管理		
General Disclosure 一般披露		Supplier management 供應商管理
B5.1	Number of suppliers by geographical region 按地區劃分的供貨商數目	Supplier management Sustainable performance 供應商管理 可持續發展表現
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored 描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目、以及有關慣例的執行及監察方法	Supplier management 供應商管理

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Indicators 指標	Details 詳情	Report Content Index 報告內容索引
Aspect B6: Product Responsibility 層面B6：產品責任		
General Disclosure 一般披露		Customer service 客戶服務
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比	Not applicable 不適用
B6.2	Number of products and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法	Customer service 客戶服務
B6.3	Description of practices relating to observing and protecting intellectual property rights 描述與維護及保障知識產權有關的慣例	Not applicable 不適用
B6.4	Description of quality assurance process and recall procedures 描述質量檢定過程及產品回收程序	Not applicable 不適用
B6.5	Consumer data protection and privacy policies, how they are implemented and monitored 消費者數據保障及私隱政策，以及相關執行及監察方法	Customer service 客戶服務
Aspect B7: Anti-corruption 層面B7：反貪污		
General Disclosure 一般披露		Law compliance 守法合規
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	Law compliance 守法合規
B7.2	Preventive measures and whistleblowing procedures, and how they are implemented and monitored 防範措施及舉報程序，以及相關執行及監察方法	Law compliance 守法合規
Aspect B8: Community Investment 層面B8：社區投資		
General Disclosure 一般披露		Community participation 社區共建
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport) 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)	Community participation 社區共建
B8.2	Resources contributed (e.g. money or time) to the focus area 在專注範疇所動用資源(如金錢或時間)	Community participation 社區共建



To the shareholders of
Dafeng Port Heshun Technology Company Limited
(incorporated in the Cayman Islands with limited liability)

致大豐港和順科技股份有限公司
(於開曼群島註冊成立之有限公司)
列位股東

OPINION

We have audited the consolidated financial statements of Dafeng Port Heshun Technology Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 103 to 231, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

吾等已審核載於第103至231頁大豐港和順科技股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一九年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一九年十二月三十一日之財務狀況以及截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見基礎

吾等根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等之責任在吾等之報告內「核數師就審計綜合財務報表承擔之責任」一節進一步闡述。根據香港會計師公會之「專業會計師道德守則」(「守則」)，吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充足及適當地為吾等之審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the "Going concern basis" section in note 2 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. The Group incurred loss from continuing operations of HK\$944,991,000 for the year ended 31 December 2019 and, as at that date, the Group had net current liabilities and net liabilities of approximately HK\$788,508,000 and HK\$950,907,000 respectively. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. We consider appropriate disclosures have been made in this respect. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

有關持續經營的重大不確定因素

吾等提請注意，綜合財務報表附註2有關採納持續經營基準編製綜合財務報表的「持續經營基準」一節。貴集團於截至二零一九年十二月三十一日止年度自持續經營業務產生虧損944,991,000港元，於該日，貴集團的流動負債淨額及負債淨額分別約為788,508,000港元及950,907,000港元。該等情況及綜合財務報表附註2所載的其他事項顯示存在重大不確定性，或會對貴集團之持續經營能力產生重大懷疑，因此其可能無法在正常業務過程中變現其資產並清償其債務。經考慮貴集團採取於綜合財務報表附註2披露的措施後，董事認為貴集團將有能力持續經營。因此，董事已按持續經營基準編製綜合財務報表。綜合財務報表不包括可能會導致有關事項無法實現之任何調整。吾等認為在此方面已作出適當披露。吾等之意見並無就此事項作出修改。

關鍵審計事項

根據吾等之專業判斷，關鍵審核事項為吾等審核於本期間之綜合財務報表中最重要之事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。除「有關持續經營的重大不確定因素」一節所述事項外，吾等已釐定下述事項為將於吾等的報告中溝通的關鍵審計事項。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
於審計中處理關鍵審計事項之方法

Impairment assessment on goodwill
商譽減值評估

Refer to note 16 to the consolidated financial statements
參照綜合財務報表附註16

The carrying amounts of the Group's goodwill amounted to HK\$1,296,000 as at 31 December 2019. Impairment loss on goodwill of HK\$223,782,000 is recognised for the year then ended.

貴集團商譽於二零一九年十二月三十一日之賬面值為1,296,000港元。截至當日止年度確認商譽減值虧損223,782,000港元。

Management performed annual impairment test on goodwill. The goodwill was allocated to related cash generating units ("CGUs"), and the recoverable amount of CGUs was determined by management based on higher of fair value less costs of disposal and value-in-use calculation using discounted cash flow projection. The calculations involved significant judgement and estimations, such as cash flows forecasts, discount rates and growth rates, and the identification of related CGUs. Given the significance of the amount and judgement involved, the impairment assessment is considered as a key audit matter.

管理層每年對商譽進行減值測試。商譽獲分配至相關現金產生單位(「現金產生單位」)，而現金產生單位之可收回金額由管理層運用貼現現金流量預測根據公平值減出售成本及使用價值(以較高者為準)計算釐定。計算涉及重大判斷及估計，如現金流量預測、貼現率與增長率及相關現金產生單位之識別。鑒於涉及重大金額及判斷，減值評估被視為一項關鍵審計事項。

Our key audit procedures in relation to the impairment assessment of goodwill included:

吾等就商譽減值評估進行之關鍵審計程序包括：

- Assessing the identification of CGUs based on the Group's accounting policies and our understanding of the Group's business;
- 根據 貴集團會計政策及吾等對 貴集團業務之了解評估現金產生單位之識別方法；
- Assessing the appropriateness of valuation methodologies in estimating recoverable amounts of CGUs;
- 評估於估計現金生產單位之可收回金額時運用之估值方法是否合適；
- Assessing the competency, objectivity, capabilities and results of the work of the independent professional valuer that was appointed by the management to assist management in determining the recoverable amounts of the relevant CGUs;
- 評估管理層所委任獨立專業估值師之資格、客觀度、能力及工作結果以協助管理層釐定有關現金產生單位之可收回金額；
- Challenging the independent professional valuer the methodologies and judgments used in valuing the recoverable amount of CGUs;
- 向獨立專業估值師就估值現金生產單位之可回收金額所用方法及判斷提出質疑；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

於審計中處理關鍵審計事項之方法

Impairment assessment on goodwill (Continued)

商譽減值評估(續)

Refer to note 16 to the consolidated financial statements

(Continued)

參照綜合財務報表附註16(續)

- Engaging auditor's expert to assist us in assessing the reasonableness of assumptions and judgments used by management and the independent external valuer; and
- 委聘核數師專家協助吾等評估管理層及獨立外部估值師所用假設及判斷是否合理；及
- Assessing the competency, objectivity, capabilities and results of the work of the auditor's expert.
- 評估核數師專家之資格、客觀度、能力及工作結果。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
於審計中處理關鍵審計事項之方法

Impairment of property, plant and equipment
物業、廠房及設備之減值

Refer to note 15 to the consolidated financial statements
參照綜合財務報表附註15

The property, plant and equipment with carrying amounts at 31 December 2019 in aggregate of HK\$319,635,000 as disclosed in note 15 to the consolidated financial statements were tested for impairment because impairment indications were identified. Impairment loss on property, plant and equipment of HK\$621,633,000 is recognised for the year then ended.

綜合財務報表附註15所披露物業、廠房及設備於二零一九年十二月三十一日之賬面值合共為319,635,000港元曾進行減值測試，原因為出現減值跡象。截至當日止年度確認物業、廠房及設備減值虧損621,633,000港元。

The impairment test of property, plant and equipment required significant judgement and estimations and the determination of the level at which impairment should be tested. Given the significance of the amount and judgement involved, the impairment assessment is considered as a key audit matter.

物業、廠房及設備之減值測試需要重大判斷及估計及釐定應進行減值測試之層級。鑒於涉及重大金額及判斷，減值評估被視為一項關鍵審計事項。

Our key audit procedures in relation to the impairment assessment on property, plant and equipment included: 吾等就物業、廠房及設備之減值評估進行之關鍵審計程序包括：

- Assessing the appropriateness of valuation methodology in estimating the recoverable amounts of those assets;
- 評估於估計該等資產之可收回金額時運用之估值方法是否合適；
- Assessing the competency, objectivity, capabilities and results of the work of the independent professional valuer that was appointed by the management to assist management in determining the recoverable amount of relevant CGUs;
- 評估管理層所委任獨立專業估值師之資格、客觀度、能力及工作結果以協助管理層釐定有關現金產生單位之可收回金額；
- Challenging the independent professional valuer the methodologies and judgments used in valuing the recoverable amount of CGUs;
- 向獨立專業估值師就估值現金生產單位之可回收金額所用方法及判斷提出質疑；
- Engaging auditor's expert to assist us in assessing the reasonableness of assumptions and judgments used by management and the independent external valuer; and
- 委聘核數師專家協助吾等評估管理層及獨立外部估值師假設及判斷所用是否合理；及
- Assessing the competency, objectivity, capabilities and results of the work of the auditor's expert.
- 評估核數師專家之資格、客觀度、能力及工作結果。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

於審計中處理關鍵審計事項之方法

Impairment of trade receivables

貿易應收款項之減值

Refer to note 23 to the consolidated financial statements

參照綜合財務報表附註23

The carrying amounts of the Group's trade receivables amounted to HK\$97,673,000 as at 31 December 2019, with loss allowance of HK\$9,542,000 being provided for the year ended.

於二零一九年十二月三十一日，貴集團貿易應收款項之賬面值為97,673,000港元，並已於截至該年度計提虧損撥備9,542,000港元。

Loss allowances for trade receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement. Given the significance of the amount and judgement involved, the impairment assessment is considered a key audit matter.

貿易應收款項之虧損撥備乃以管理層對將產生之全期預期信貸虧損之預估為基準，全期預期信貸虧損乃經考慮信貸虧損經驗、過期貿易應收款項賬齡、客戶還款紀錄及客戶之財務狀況以及對目前及預測整體經濟狀況之評估後作出估計，上述考慮事宜均涉及管理層重大判斷。鑒於涉及重大金額及判斷，減值評估被視為一項關鍵審計事項。

Our key audit procedures in relation to the recoverability assessment of those receivables included:

吾等就該等應收款項之可收回性評估進行之主要審計程序包括：

- Discussing with the management the Group's credit control policy and credit terms granted to the customers;
- 與管理層討論 貴集團之信貸風險政策及向客戶授出之信貸期；
- Evaluating the management's loss allowance assessment of trade receivables, including reviewing the ageing information, past repayment patterns and the information of future economic condition;
- 評核管理層對貿易應收款項虧損撥備之評估，包括審閱賬齡資料、過往還款方式及未來經濟狀況資料；
- Assessing the critical judgements made by the management regarding the factors considered during the loss allowance assessment; and
- 評估管理層於評估虧損撥備時就所考慮因素作出之重大判斷；及
- Inspecting subsequent cash receipts from customers relating to those balances as at 31 December 2019, on a sample basis.
- 抽樣檢查就二零一九年十二月三十一日之該等結餘其後收取之客戶現金款項。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information in the Company's 2019 annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須為其他資料負責。其他資料包括貴公司二零一九年年報所載資料，惟不包括綜合財務報表及吾等之核數師報告。

吾等對綜合財務報表表達之意見並不涵蓋其他資料，吾等亦不會就此表達任何形式之保證結論。

就吾等對綜合財務報表進行之審計工作而言，吾等負責閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或吾等從審計工作所獲得資料之間出現重大不相符情況，又或在其他方面出現重大錯誤陳述。倘吾等基於所進行工作而得出其他資料有重大錯誤陳述之結論，則吾等須匯報有關情況。就此，吾等並無須匯報之事宜。

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求，編製真實而公平之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事宜，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，或別無其他實際替代方案。

治理層負責監督貴集團之財務呈報之程序。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

核數師就審計綜合財務報表承擔之責任

吾等之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之重大錯誤陳述取得合理保證，並出具載有吾等意見之核數師報告。吾等僅向全體股東報告，不作其他用途。吾等並不就本報告之內容對任何其他人士負責或承擔責任。

合理確定屬高層次之核證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘它們個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計之過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及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之風險、設計及執行審計程序以應對該等風險，以及獲取充足及適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，惟並非旨在對 貴集團內部監控之有效性發表意見。

AUDITOR'S RESPONSIBILITIES FOR THE
AUDIT OF THE CONSOLIDATED FINANCIAL
STATEMENTS (Continued)

核數師就審計綜合財務報表承擔之
責任(續)

- 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.
- 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.
- 評估董事所採用會計政策之恰當性及作出會計估計及相關披露之合理性。
- 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。倘吾等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之相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否公平地反映相關交易及事項。
- 就貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計之方向、監督及執行。吾等為審核意見承擔全部責任。

We communicate with those charged with governance 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.

吾等與治理層就(其中包括)審計之計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中所識別之內部監控之任何重大缺失。

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

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事宜，以及相關防範措施(如適用)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with those charged with governance, 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 and 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 7 May 2020

The engagement director on the audit resulting in this independent auditor's report is:

Chan Wai Man
Practising Certificate number: P02487

核數師就審計綜合財務報表承擔之 責任(續)

從與治理層溝通之事項中，吾等釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超出產生之公眾利益，則吾等決定不應在報告中傳達該事項。

中審眾環(香港)會計師事務所有限公司
執業會計師
香港，二零二零年五月七日

出具本獨立核數師報告之審計項目董事為：

陳偉文
執業證書編號：P02487

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	收益	6	1,517,072	4,169,489
Cost of revenue	收益成本		(1,516,229)	(4,205,948)
Gross profit/(loss)	毛利/(毛損)		843	(36,459)
Other income	其他收入	7	26,862	28,389
Administrative expenses	行政開支		(64,796)	(72,708)
Finance costs	融資成本	8	(58,744)	(31,445)
Impairment loss on trade receivables	貿易應收款項減值虧損	36(a)(iii)	(9,542)	-
Impairment loss on goodwill	商譽減值虧損	16	(223,782)	(14,844)
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	15	(621,633)	(23,804)
Reversal of impairment loss on right-of-use assets	使用權資產減值虧損撥回	17	6,312	-
Impairment loss on prepaid lease payment	預付租賃付款之減值虧損	18	-	(6,906)
(Loss)/Gain on disposal of subsidiaries	出售附屬公司之(虧損)/收益	25	(312)	261
Loss before taxation from continuing operations	持續經營業務之除稅前虧損	9	(944,792)	(157,516)
Taxation	稅項	11	(199)	(59)
Loss for the year from continuing operations	持續經營業務之年內虧損		(944,991)	(157,575)
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	已終止經營業務之年內虧損		-	(16,435)
Loss for the year	年內虧損		(944,991)	(174,010)
Other comprehensive loss	其他全面虧損			
<i>Items that are reclassified or may be reclassified to profit or loss in subsequent periods:</i>	<i>現重新分類或可能於往後期間重新分類至損益之項目:</i>			
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額		(15,023)	(15,047)
			(15,023)	(15,047)
Total comprehensive loss for the year	年內全面虧損總額		(960,014)	(189,057)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss attributable to equity holders of the Company:	本公司權益持有人應佔虧損：		
— from continuing operations	— 來自持續經營業務	(946,599)	(147,097)
— from discontinued operations	— 來自已終止經營業務	—	(8,533)
		(946,599)	(155,630)
Profit/(Loss) attributable to non-controlling interests:	非控股權益應佔溢利／(虧損)：		
— from continuing operations	— 來自持續經營業務	1,608	(10,478)
— from discontinued operations	— 來自已終止經營業務	—	(7,902)
		1,608	(18,380)
Total comprehensive (loss)/ income attributable to:	以下人士應佔全面(虧損)／收益總額：		
— Owners of the Company	— 本公司擁有人	(961,159)	(168,081)
— Non-controlling interests	— 非控股權益	1,145	(20,976)
		(960,014)	(189,057)
Loss per share attributable to equity holders of the Company	本公司權益持有人應佔每股虧損		
Basic and diluted	基本及攤薄		
— from continuing operations	— 來自持續經營業務	(73.49) HK cents (73.49)港仙	(11.42) HK cents (11.42)港仙
— from discontinued operations	— 來自已終止經營業務	—	(0.66) HK cents (0.66)港仙
		(73.49) HK cents (73.49)港仙	(12.08) HK cents (12.08)港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註	
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	15	319,635
Goodwill	商譽	16	1,296
Right-of-use assets	使用權資產	17	43,370
Prepaid lease payments	預付租賃付款	18	-
Sea use right payments	海域使用權付款	19	-
Prepayments in relation to property, plant and equipment	就物業、廠房及設備之預付款項	20	4,596
Security deposit for loan from a third party	來自第三方之貸款之保證金	27(b)	-
			960,685
			225,151
			-
			34,135
			2,848
			500
			3,416
			368,897
			1,226,735
Current assets	流動資產		
Prepaid lease payments	預付租賃付款	18	-
Sea use right payments	海域使用權付款	19	-
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	21	3,343
Inventories	存貨	22	6,309
Trade and other receivables	貿易及其他應收款項	23	602,162
Pledged bank deposits	已抵押銀行存款	24(a)	395,612
Bank balances and cash	銀行結餘及現金	24	35,296
			989
			72
			7,971
			16,720
			1,090,644
			307,449
			64,588
			1,042,722
			1,488,433
Disposal group classified as held for sale	分類為持作出售之出售集團		-
			54,566
			1,042,722
			1,542,999
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	26	1,652,922
Current portion of bank and other borrowings	銀行及其他借貸之即期部分	27	178,059
Taxation	稅項		249
			1,946,976
			140,633
			177
			1,831,230
			2,087,786
Liabilities associated with disposal group classified as held for sale	與分類為持作出售之出售集團有關之負債	25	-
			46,429
			1,831,230
			2,134,215
Net current liabilities	淨流動負債		(788,508)
			(591,216)
Total assets less current liabilities	總資產減流動負債		(419,611)
			635,519

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註		
Non-current liabilities	非流動負債			
Amount due to a connected company	應付一間關連公司款項	26(b)(iii)	126,654	–
Non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分	27	397,769	611,492
Deferred tax liabilities	遞延稅項負債	28	6,873	7,100
			531,296	618,592
NET (LIABILITIES)/ASSETS	淨(負債)/資產		(950,907)	16,927
Capital and reserves	資本及儲備			
Share capital	股本	29	12,880	12,880
Reserves	儲備		(980,392)	(19,233)
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額		(967,512)	(6,353)
Non-controlling interests	非控股權益		16,605	23,280
TOTAL (DEFICITS)/EQUITY	(虧絀)/權益總額		(950,907)	16,927

These consolidated financial statements on pages 103 to 231 were approved and authorised for issue by the Board of Directors on 7 May 2020 and signed on its behalf by:

於第103頁至第231頁的綜合財務報表已於二零二零年五月七日經董事會批准及授權刊發，並由以下人士代表簽署：

Tao Ying
陶瑩
Director
董事

Miao Zhibin
繆志斌
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		(Note 29) (附註29)	(Note 31(a)) (附註31(a))	(Note 31(b)) (附註31(b))	(Note 31(c)) (附註31(c))	(Note 31(d)) (附註31(d))	(Note 31(e)) (附註31(e))	Accumulated losses	Total	Non- controlling interests	Total (deficits) equity (虧絀)
		Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Other reserve	Accumulated losses	Total	Non- controlling interests	Total (deficits) equity (虧絀)
		股本	股份溢價	資本儲備	匯兌儲備	法定儲備	其他儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	12,880	201,419	(7,337)	(239)	826	(9,151)	(37,271)	161,127	35,334	196,461
Effect on adopting of Hong Kong Financial Reporting Standard 9	採納香港財務報告準則第9號之影響	-	-	-	-	-	-	601	601	-	601
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	12,880	201,419	(7,337)	(239)	826	(9,151)	(36,670)	161,728	35,334	197,062
Loss for the year	年內虧損	-	-	-	-	-	-	(155,630)	(155,630)	(18,380)	(174,010)
Other comprehensive loss	其他全面虧損										
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(12,451)	-	-	-	(12,451)	(2,596)	(15,047)
Total comprehensive loss	全面虧損總額	-	-	-	(12,451)	-	-	(155,630)	(168,081)	(20,976)	(189,057)
Transactions with owners	與擁有人之交易										
Changes in ownership interests	擁有權益變動										
Contributions from non-controlling interests (note a)	非控股權益注資(附註a)	-	-	-	-	-	-	-	-	8,416	8,416
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	-	-	-	506	506
Contributions and distributions	注資及分派										
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	5	-	(5)	-	-	-
Total transactions with owners	與擁有人之交易總額	-	-	-	-	5	-	(5)	-	8,922	8,922
At 31 December 2018	於二零一八年十二月三十一日	12,880	201,419	(7,337)	(12,690)	831	(9,151)	(192,305)	(6,353)	23,280	16,927

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		(Note 29) (附註29)	(Note 31(a)) (附註31(a))	(Note 31(b)) (附註31(b))	(Note 31(c)) (附註31(c))	(Note 31(d)) (附註31(d))	(Note 31(e)) (附註31(e))				
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Exchange reserve 匯兌儲備	Statutory reserve 法定儲備	Other reserve 其他儲備	Accumulated losses 累計虧損	Total 總計	Non-controlling interests 非控股權益	Total (deficits) equity (虧絀) 權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	12,880	201,419	(7,337)	(12,690)	831	(9,151)	(192,305)	(6,353)	23,280	16,927
Loss for the year	年內虧損	-	-	-	-	-	-	(946,599)	(946,599)	1,608	(944,991)
Other comprehensive loss	其他全面虧損										
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(14,560)	-	-	-	(14,560)	(463)	(15,023)
Total comprehensive loss	全面虧損總額	-	-	-	(14,560)	-	-	(946,599)	(961,159)	1,145	(960,014)
Transactions with owners	與擁有人之交易										
Changes in ownership interests	擁有權權益變動										
Contributions from non-controlling interests (note a)	非控股權益注資 (附註a)	-	-	-	-	-	-	-	-	8,169	8,169
Disposal of subsidiaries (note 25)	出售附屬公司 (附註25)	-	-	-	-	-	-	-	-	(15,989)	(15,989)
Contributions and distributions	注資及分派										
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	2	-	(2)	-	-	-
Total transactions with owners	與擁有人之交易總額	-	-	-	-	2	-	(2)	-	(7,820)	(7,820)
At 31 December 2019	於二零一九年十二月三十一日	12,880	201,419	(7,337)	(27,250)	833	(9,151)	(1,138,906)	(967,512)	16,605	(950,907)

Note a: The amounts represented the capital contribution from non-controlling interests of 前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain (Shenzhen) Company Limited*, "Qianhai Mingtian") and 深圳市泛海控股有限公司 (Shenzhen Fanhai Holdings Company Limited*, "Shenzhen Fanhai") of HK\$8,169,000 and HK\$nil (2018: HK\$2,354,000 and HK\$6,062,000) during the year.

附註a: 有關金額為於本年度前海明天供應鏈(深圳)有限公司(「前海明天」)及深圳市泛海控股有限公司(「深圳泛海」)之非控股權益分別注資8,169,000港元及零港元(二零一八年: 2,354,000港元及6,062,000港元)。

* The official names is in Chinese and English name are translated for identification purpose only.

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
OPERATING ACTIVITIES 經營活動				
Cash generated from operations	經營業務所得現金	32(a)	270,711	260,681
Interest paid	已付利息		(32,008)	(31,356)
Tax paid	已付稅項		(314)	(2,349)
Net cash from operating activities	經營活動所得現金淨額		238,389	226,976
INVESTING ACTIVITIES 投資活動				
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項		4	565
Net cash outflow on acquisitions of subsidiaries	收購附屬公司之現金流出淨額		-	(138,441)
Interest received	已收利息		14,635	1,536
(Increase) Decrease in pledged bank deposits	已抵押銀行存款(增加)減少		(96,484)	22,083
Purchase of property, plant and equipment	購買物業、廠房及設備		(35,092)	(40,008)
Net cash inflow (outflow) on disposal of a subsidiary	出售一間附屬公司之現金流入(流出)淨額	25	11,297	(50)
Proceed on disposal of financial assets at FVPL	出售按公平值計入損益之金融資產所得款項		211,015	9,407
Purchase of financial asset at FVPL	購買按公平值計入損益之金融資產		(206,475)	(7,971)
Dividend received from an associate in disposal group	自出售集團一間聯營公司收取之股息		-	142
Net cash used in investing activities	投資活動所用現金淨額		(101,100)	(152,737)
FINANCING ACTIVITIES 融資活動				
New loan from a connected company	來自關連公司之新貸款		-	197,594
New bank borrowings	新銀行借貸		-	250
Contributions from non-controlling interests	非控股權益注資		8,169	8,416
Net proceeds from placing of unlisted secured bonds	配售非上市有抵押債券之所得款項淨額		-	385,160
Repayment of obligations under finance leases	償還融資租賃承擔		-	(2,793)
Repayment of lease liabilities	償還租賃負債		(1,249)	-
Repayment of bank borrowings	償還銀行借款		(111,240)	(317,540)
Repayment of loan from a third party	償還來自第三方之貸款		(23,294)	(23,019)
Repayment of loan from connected parties	償還來自關連人士之貸款		(37,458)	(317,689)
Net cash used in financing activities	融資活動所用現金淨額	32(b)	(165,072)	(69,621)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(27,783)	4,618
Cash and cash equivalents at beginning of year	年初現金及現金等價物	63,652	61,703
Effect on exchange rate changes	匯率變動之影響	(573)	(2,669)
Cash and cash equivalents at end of year, represented by bank balances and cash, net of bank overdrafts	年末現金及現金等價物(以銀行結餘及現金表示), 扣除銀行透支	24 35,296	63,652
Major non-cash transactions:	主要非現金交易:		
Acquisitions of property, plant and equipment under finance lease arrangement	根據融資租賃安排收購物業、廠房及設備	-	3,275
Consideration payable in respect of acquisition of a subsidiary	就收購一間附屬公司應付之代價	-	323,539
Consideration receivable in respect of disposal of a subsidiary	就出售一間附屬公司應收之代價	25 111	911

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

1. CORPORATION INFORMATION

Dafeng Port Heshun Technology Company Limited (the "Company") was incorporated in the Cayman Islands on 13 September 2011 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business is located at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of its subsidiaries are detailed in note 14 to the consolidated financial statements. The Company and its subsidiaries are herein collectively referred to as the "Group". In the opinion of the directors, the immediate and ultimate holding company of the Company is Dafeng Port Overseas Investment Holdings Limited ("Dafeng Port Overseas"), which is incorporated in Hong Kong.

2. BASIS OF PRESENTATION

Basis of preparation

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

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

1. 公司資料

大豐港和順科技股份有限公司(「本公司」)乃於二零一一年九月十三日根據開曼群島第22章公司法(一九六一年第3號法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限責任公司。本公司股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。主要營業地點位於香港九龍九龍灣宏照道33號國際交易中心1009室。

本公司為投資控股公司，其附屬公司之主要業務於綜合財務報表附註14中詳述。本公司及其附屬公司統稱為「本集團」。董事認為，本公司之直接及最終控股公司為於香港註冊成立之大豐港海外投資控股有限公司(「大豐港海外」)。

2. 呈列基準

編製基準

該等綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)，包括香港會計師公會(「香港會計師公會」)所頒佈所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及註釋、香港公認會計原則及香港公司條例之適用披露規定而編製。該等綜合財務報表亦遵守聯交所GEM證券上市規則(「GEM上市規則」)之適用披露條文。

除另有指明者外，所有金額乃約整至最接近千位數。

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

2. BASIS OF PRESENTATION (Continued)

Basis of preparation (Continued)

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2018 consolidated financial statements except for the adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year as detailed in note 3 to the consolidated financial statements. A summary of the principal accounting policies adopted by the Group is set out in note 4 to the consolidated financial statements.

Going concern basis

As at 31 December 2019, the Group had net current liabilities of approximately HK\$788,508,000 (2018: approximately HK\$591,216,000) and net liabilities of approximately HK\$950,907,000 (2018: net assets of approximately HK\$16,927,000) respectively. In addition, it incurred a loss of approximately HK\$944,991,000 for the year ended 31 December 2019 (2018: HK\$174,010,000). These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the aforesaid conditions, the consolidated financial statements have been prepared on a going concern basis on the assumption that the Group is able to operate as a going concern for the foreseeable future. In the opinion of the directors of the Company, the Group can meet its financial obligations as and when they fall due within the next twelve months, after taking into consideration of the measures and arrangements made by the Group as detailed below:

- (i) the unutilised banking facilities readily available to the Group amounted to approximately HK\$29,576,000 at 31 December 2019;
- (ii) the Group is in negotiation with financial institutions for the renewals of the Group's short-term bank borrowings upon expiry, new borrowings and application of additional credit facilities;
- (iii) the Group is expected to generate adequate cash flows to maintain its operations; and

2. 呈列基準(續)

編製基準(續)

該等綜合財務報表之編製基準與二零一八年綜合財務報表所採納會計政策一致，惟採納綜合財務報表附註3所詳述與本集團相關且自本年度起生效之新訂／經修訂香港財務報告準則除外。本集團所採納主要會計政策概要載於綜合財務報表附註4。

持續經營基準

於二零一九年十二月三十一日，本集團擁有流動負債淨額及負債淨額分別約為788,508,000港元(二零一八年：約591,216,000港元)及約950,907,000港元(二零一八年：淨資產約16,927,000港元)。此外，截至二零一九年十二月三十一日止年度，其產生虧損約944,991,000港元(二零一八年：174,010,000港元)。該等情況表明存在重大不確定性，可能對本集團持續經營的能力產生重大懷疑，因此，本集團可能無法於日常業務過程中變現其資產及清償其負債。

儘管有上述之情況，綜合財務報表已按持續經營基準編製，並假設本集團有能力於可見將來持續經營。經考慮本集團所採取的措施及安排後，本公司董事認為，本集團能夠應付其於未來十二個月到期之財務責任，詳情如下：

- (i) 於二零一九年十二月三十一日，本集團可隨時取得之未動用銀行融資約29,576,000港元；
- (ii) 本集團目前與金融機構就到期後重續本集團短期銀行借款、新借款及申請其他信貸融資進行磋商；
- (iii) 本集團預期能產生足夠的現金流以維持其營運；及

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2. BASIS OF PRESENTATION (Continued)

Going concern basis (Continued)

- (iv) proposed disposal of 60% equity interests in 江蘇海融大豐港油品化工碼頭有限公司 (Jiangsu Hairong Dafeng Port Petrochemical Product Terminal Company Limited*, “Jiangsu Hairong”).

For the proposed disposal of Jiangsu Hairong, 鹽城大豐和順國際貿易有限公司 (Yancheng Dafeng Heshun International Trading Company Limited*, “Heshun Trading”), a subsidiary of the Company and 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*, “Jiangsu Dafeng”) entered into a share transfer agreement to transfer 60% equity interests in Jiangsu Hairong to Jiangsu Dafeng at the consideration of RMB226,980,000 (equivalent to HK\$252,947,000) on 28 April 2020. Since Jiangsu Dafeng is a connected person to the Group, the completion of the disposal will be subject to the approval from the independent shareholders in accordance with GEM Listing Rules.

As at 31 December 2019, the net current liabilities and net liabilities of Jiangsu Hairong were approximately HK\$592,761,000 and HK\$412,803,000 respectively. The directors are of their opinion that after the disposal, Jiangsu Hairong would become an associate of the Company and its financial position would not be consolidated and the financial position of the Group would then be improved.

The directors have prepared a cash flow forecast covering a period up to 30 June 2021 on the basis that the disposal of 60% shareholding of Jiangsu Hairong and negotiation with financial institutions for the renewals of the Group’s borrowings and credit facilities would be successful, and are satisfied that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 31 December 2019. Accordingly, the directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. 呈列基準(續)

持續經營基準(續)

- (iv) 建議出售江蘇海融大豐港油品化工碼頭有限公司(「江蘇海融」)的60%股權。

就建議出售江蘇海融而言，鹽城大豐和順國際貿易有限公司(「和順貿易」，本公司附屬公司)與江蘇大豐海港控股集團有限公司(「江蘇大豐」)於二零二零年四月二十八日訂立股份轉讓協議，以向江蘇大豐轉讓江蘇海融的60%股權，代價為人民幣226,980,000元(相當於252,947,000港元)。由於江蘇大豐為本集團的關連人士，完成出售事項須根據GEM上市規則經獨立股東批准後，方可作實。

於二零一九年十二月三十一日，江蘇海融的流動負債淨額及負債淨額分別約為592,761,000港元及412,803,000港元。董事認為，出售事項後，江蘇海融將成為本公司的聯營公司，其財務狀況將不會合併，而本集團的財務狀況將會得到改善。

董事已基於出售江蘇海融的60%股權及與金融機構就重續本集團借款及信貸融資進行的磋商將告成功而編製涵蓋直至二零二一年六月三十日止期間之現金流量預測，並信納本集團將擁有足夠營運資金履行於自二零一九年十二月三十一日起計十二個月內到期之財務責任。因此，董事認為按持續經營基準編製綜合財務報表屬適宜之舉。

* The official name is in Chinese and the English name is translated for identification purpose only.

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2. BASIS OF PRESENTATION (Continued)

Going concern basis (Continued)

In light of the measures and arrangements implemented to date, the directors of the Company are of the view that the Group has sufficient cash resources to satisfy its working capital and other financial obligations for the next twelve months after having taken into account of the Group's projected cash flows, current financial resources and capital expenditure requirements with respect to the development of its business. Accordingly, the directors of the Company are of the view that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the directors of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows in the near future and obtain the continuous financial support from its substantial shareholders.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the values of assets to their estimated recoverable amounts, to provide further liabilities that might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

2. 呈列基準(續)

持續經營基準(續)

鑒於目前已採取的措施及安排，在計及本集團之預測現金流、現時財政資源以及其業務發展的資本開支需求後，本公司董事認為本集團具備足夠現金資源以應付於未來十二個月之營運資金及其他財務責任。因此，本公司董事認為，以持續經營基準編製此等綜合財務報表屬適宜之舉。

儘管出現上述情況，本公司董事是否能成功實現其上文所述之計劃及措施仍存在重大不確定性。本集團能否持續經營將取決於本集團於近期未來產生足夠融資及經營現金流量並獲得其主要股東持續財務支援的能力。

倘本集團未能以持續經營基準繼續營運，則需要作出調整以按資產之估計可收回金額重列資產之價值，就可能產生之進一步負債計提撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。綜合財務報表並未反映此等潛在調整之影響。

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綜合財務報表附註

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3. ADOPTION OF NEW/REVISED HKFRSs

The Group has applied, for the first time, the following new/revised HKFRSs that are relevant to the Group:

Annual Improvements to HKFRSs	2015–2017 Cycle
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
HKFRS 16	Leases

Annual Improvements Project — 2015–2017 Cycle

HKAS 23: Borrowing costs eligible for capitalisation

The amendments clarify that (a) if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of the funds an entity borrows generally and (b) funds borrowed specifically to obtain an asset other than a qualifying asset are included as part of general borrowings.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

HK(IFRIC)-Int 23: Uncertainty over Income Tax Treatments

The Interpretation supports the requirements in HKAS 12 Income Taxes by specifying how to reflect the effects of uncertainty in accounting for income taxes.

The adoption of the Interpretation does not have any significant impact on the consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則

本集團已首次應用下列與本集團有關之新訂／經修訂香港財務報告準則：

香港財務報告準則	二零一五年至
年度改進	二零一七年週期
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性
香港財務報告準則	提早還款特性及
第9號修訂本	負值補償
香港財務報告準則	租賃
第16號	

年度改進項目 — 二零一五年至二零一七年週期

香港會計準則第23號：合資格撥充資本之借貸成本

修訂本闡明(a)倘某一特定借款於相關合資格資產作擬定用途或出售後仍未償還，其一般將成為實體借款基金的一部分及(b)特別為取得資產(除合資格資產外)而借入的基金計入作為一般借款的一部分。

採納該等修訂本對綜合財務報表並無任何重大影響。

香港(國際財務報告詮釋委員會) – 詮釋第23號：所得稅處理之不確定性

該詮釋通過詳細說明如何反映所得稅會計處理之不確定性的影響支持香港會計準則第12號所得稅的規定。

採納該詮釋對綜合財務報表並無任何重大影響。

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3. ADOPTION OF NEW/REVISED HKFRSs

(Continued)

Amendments to HKFRS 9: Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income instead of at fair value through profit or loss ("FVPL") if specified conditions are met.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

HKFRS 16: Leases

HKFRS 16 replaces HKAS 17 and related Interpretations for annual periods beginning on or after 1 January 2019. It significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

In accordance with the transitional provisions, the Group has applied HKFRS 16 for the first time at 1 January 2019 (i.e. the date of initial application, the "DIA") using the modified retrospective approach in which comparative information has not been restated. Instead, the Group recognised the cumulative effect of initially applying HKFRS 16 as an adjustment to the balance of accumulated losses or other component of equity, where appropriate, at the DIA.

The Group also elected to use the transition practical expedient not to reassess whether a contract was, or contained, a lease at the DIA and the Group applied HKFRS 16 only to contracts that were previously identified as leases applying HKAS 17 and to contracts entered into or changed on or after the DIA that are identified as leases applying HKFRS 16.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號修訂本：提早還款特性及負值補償

修訂本闡明倘滿足特定條件，可通過攤銷成本或按公平值計入其他全面收益而非按公平值計入損益(「按公平值計入損益」)對提早還款特性及負值補償金融資產進行計量。

採納該等修訂本對綜合財務報表並無任何重大影響。

香港財務報告準則第16號：租賃

香港財務報告準則第16號於二零一九年一月一日或之後開始之年度期間取代香港會計準則第17號及相關詮釋。其對(其中包括)承租人的會計方法有重大變動，以單一模型取代香港會計準則第17號的雙重模型。該單一模型規定除非相關資產為低價值資產，否則承租人須就因年期超過12個月的所有租賃而產生的權利及責任確認使用權資產及租賃負債。就出租人會計處理而言，香港財務報告準則第16號大致繼承了香港會計準則第17號有關出租人會計處理的規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且對兩類租賃進行不同之會計處理。香港財務報告準則第16號亦規定承租人及出租人提供更詳盡披露資料。

根據過渡條文，本集團於二零一九年一月一日(即首次應用日期「首次應用日期」)首次採用經修訂追溯調整法應用香港財務報告準則第16號，且並無重列比較資料。而本集團已於首次應用日期將首次應用香港財務報告準則第16號的累計影響確認為累計虧損結餘或其他權益組成部分(如適用)的調整。

本集團亦已選擇採用過渡可行權宜方法，不於首次應用日期重新評估合約是否為或包含一項租賃，且本集團僅將香港財務報告準則第16號應用於先前根據香港會計準則第17號識別為租賃的合約及於首次應用日期或之後訂立或變更並應用香港財務報告準則第16號識別為租賃的合約。

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3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 16: Leases (Continued)

As lessee

Before the adoption of HKFRS 16, lease contracts were classified as operating or finance lease in accordance with the Group's accounting policies applicable prior to the DIA.

Upon adoption of HKFRS 16, the Group accounted for the leases in accordance with the transition provisions of HKFRS 16 and the Group's accounting policies applicable from the DIA.

As lessee — leases previously classified as operating leases

The Group recognised right-of-use assets and lease liabilities for leases previously classified as operating leases at the DIA, except for leases for which the underlying asset is of low value, and the Group applied the following practical expedients on a lease-by-lease basis.

- (a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (b) Did not recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the DIA.
- (c) Excluded initial direct costs from the measurement of the right-of-use assets at the DIA.
- (d) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號：租賃(續)

作為承租人

於採納香港財務報告準則第16號前，根據首次應用日期前適用的本集團會計政策，租賃合約分類為經營租賃或融資租賃。

於採納香港財務報告準則第16號後，本集團根據香港財務報告準則第16號的過渡條文及自首次應用日期起適用的本集團會計政策對租賃進行入賬。

作為承租人 — 先前分類為經營租賃的租賃

於首次應用日期，本集團就先前分類為經營租賃的租賃確認使用權資產及租賃負債，惟相關資產價值較低的租賃除外，且本集團已按逐項租賃基準採用以下可行權宜方法。

- (a) 對具有合理相似特徵的租賃組合採用單一貼現率。
- (b) 不就租期於首次應用日期起12個月內結束的租賃確認使用權資產及租賃負債。
- (c) 於首次應用日期計量使用權資產時撇除初步直接成本。
- (d) 倘合約包含延長或終止租賃之選擇權，則使用事後方式釐定租期。

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3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 16: Leases (Continued)

As lessee — leases previously classified as operating leases (Continued)

At the DIA, right-of-use assets were, on a lease-by-lease basis, measured at either,

- (a) their carrying amount as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the DIA; or
- (b) an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised immediately before the DIA.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the DIA. The weighted average incremental borrowing rate applied to the lease liabilities at the DIA is 10.56% per annum.

Reconciliation of operating lease commitments disclosed applying HKAS 17 at 31 December 2018 and lease liabilities recognised at the DIA is as follows.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號：租賃(續)

作為承租人 — 先前分類為經營租賃的租賃(續)

於首次應用日期，使用權資產乃根據逐項租賃基準按以下計量，

- (a) 其賬面值，猶如香港財務報告準則第16號已自開始日期起應用，惟須使用承租人於首次應用日期的增量借款利率進行貼現；或
- (b) 相等於租賃負債的金額，並經緊接首次應用日期前確認之租賃有關的任何預付或應計租賃付款的金額調整。

租賃負債按餘下租賃付款之現值計量，並使用承租人於首次應用日期的增量借款利率貼現。於首次應用日期對租賃負債採用的加權平均增量借款年利率為10.56%。

於二零一八年十二月三十一日應用香港會計準則第17號披露之經營租賃承擔與於首次應用日期確認之租賃負債的對賬如下。

		HK\$'000 千港元
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日之經營租賃承擔	4,260
Less: Short-term leases and other leases with remaining lease term ending on or before 31 December 2019	減：短期租賃及餘下租期於二零一九年十二月三十一日或之前屆滿的其他租賃	(1,811)
Gross lease liabilities at 1 January 2019	於二零一九年一月一日的租賃負債總額	2,449
Less: Total future interest expenses	減：未來利息開支總額	(113)
Lease liabilities at 1 January 2019	於二零一九年一月一日的租賃負債	2,336

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3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 16: Leases (Continued)

As lessee

At the DIA, all right-of-use assets were presented within the line item "right-of-use assets" on the consolidated statement of financial position.

As a result, the adjustments to the opening balance (affected items only) below were made from the initial application of HKFRS 16 as at 1 January 2019. The prior-period amounts were not adjusted.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號：租賃(續)

作為承租人

於首次應用日期，所有使用權資產呈列於綜合財務狀況表的「使用權資產」項目內。

因此，於二零一九年一月一日自首次應用香港財務報告準則第16號起導致調整下文期初結餘(僅影響項目)。前期金額並未調整。

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	Adjustment 調整 HK\$'000 千港元 Increase (Decrease) 增加(減少)	1 January 2019 二零一九 年一月一日 HK\$'000 千港元
Assets	資產			
Right-of-use assets	使用權資產	-	40,380	40,380
Prepaid lease payments	預付租賃付款	35,124	(35,124)	-
Sea use rights payments	海域使用權付款	2,920	(2,920)	-
Liabilities	負債			
Lease liabilities	租賃負債	-	(2,336)	(2,336)
		38,044	-	38,044

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4. PRINCIPAL ACCOUNTING POLICIES

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical costs, except for financial assets at FVPL, which are measured at fair value as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

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

4. 主要會計政策

計量基準

編製該等綜合財務報表採用之計量基準為按歷史成本計量，惟按公平值計入損益之金融資產除外，該等金融資產按下文所載會計政策所闡釋按公平值計量。

綜合基準

綜合財務報表包括本公司及其全部附屬公司之財務報表。附屬公司按與本公司於相同報告年度採用之一致會計政策編製財務報表。

所有集團內公司間結餘、交易以及集團內公司間交易所產生收入及支出以及溢利及虧損已全數對銷。附屬公司業績自本集團取得控制權當日起綜合入賬，並一直綜合入賬直至控制權不再存在當日為止。

非控股權益於綜合全面收益表及綜合財務狀況表之權益中與本公司擁有人分開呈列。於收購對象之屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔收購對象資產淨值之非控股權益乃初步以公平值或現時之擁有權工具應佔收購對象可識別資產淨值中已確認款額之比例計量。按逐項收購基準選擇計量基準。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

分配全面收益總額

溢利或虧損及其他全面收益各組成部分均歸於本公司擁有人以及非控股權益。全面收益總額歸於本公司擁有人以及非控股權益，即使此舉會導致非控股權益之餘額出現虧絀。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Basis of consolidation *(Continued)*****Changes in ownership interest**

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Subsidiaries

A subsidiary is an entity that is 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. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

4. 主要會計政策(續)**綜合基準(續)****擁有權權益變動**

倘本集團於附屬公司之擁有權權益變動並無導致失去控制權，則列賬為股本交易。控股權益及非控股權益之賬面值已作出調整，以反映其於附屬公司之有關權益變動。非控股權益之經調整金額與已付或已收代價之公平值間之任何差額直接於權益中確認並歸屬於本公司擁有人。

倘本集團失去對附屬公司之控制權，出售時產生之損益按下列兩者之差額計算：(i) 於失去控制權當日已收代價之公平值與任何保留權益之公平值之總和及(ii) 於失去控制權當日附屬公司及任何非控股權益之資產(包括商譽)及負債之賬面值。先前於其他全面收益確認之有關所出售附屬公司之金額按與假設本公司直接出售相關資產或負債之同一基準確認。於前附屬公司保留之任何投資及前附屬公司結欠或應付前附屬公司之任何金額自失去控制權當日起列賬為金融資產、聯營公司、合營公司或其他(視適用情況而定)。

附屬公司

附屬公司為本集團控制之實體。倘本集團因參與實體之營運而對其浮動回報承擔風險或享有權利及有能力運用其權力以影響回報，則本集團對實體擁有控制權。倘有事實及情況顯示控制因素中一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Subsidiaries (Continued)

In the Company's statement of financial position, which is presented in note 38 to the consolidated financial statements, an investment in subsidiaries is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Goodwill

Goodwill arising on an acquisition of a subsidiary is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

4. 主要會計政策(續)

附屬公司(續)

於綜合財務報表附註38呈列之本公司財務狀況表中，於附屬公司之投資乃按成本減去減值虧損列賬。倘投資之賬面值高於可收回金額，則按個別基準將投資之賬面值減至其可收回金額。本公司基於已收及應收股息將附屬公司之業績入賬。

商譽

收購附屬公司產生之商譽乃按所轉撥之代價、於收購對象之任何非控股權益金額及於收購對象先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽乃確認為一項獨立資產，按成本減累計減值虧損列賬，並每年作減值測試，或於有事件發生或情況有變而顯示賬面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於收購對象之任何非控股權益金額及收購方先前於收購對象所持權益之公平值總額之任何差額(如有)，即時於損益內確認為議價購買收入。

4. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***Non-current assets held for sale and discontinued operations**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group that comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group. It represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs when the operation is abandoned.

Prepaid lease payments

Before 1 January 2019, prepaid lease payments are up-front payments to acquire fixed term interests in lessee-occupied land that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis to profit or loss. From 1 January 2019, these payments are accounted for as right-of-use assets.

4. 主要會計政策(續)

持作出售之非流動資產及已終止經營業務

倘其賬面值主要透過出售交易而非持續使用收回，則非流動資產及出售集團分類為持作出售。僅於出售可能性極高且資產(或出售集團)可即時按其現況出售時方被視為符合此條件。管理層須承諾進行出售，預期有關出售於自分類日期起一年內合資格確認為已完成出售。分類為持作出售之非流動資產(及出售集團)按其先前賬面值與公平值減出售成本之較低者計量。

已終止經營業務為本集團業務其中一部分，就經營及財務報告目的而言，其經營和現金流量可以與本集團其他部分明確區分。其代表一個獨立主要業務或業務地區；或屬出售獨立主要業務或業務地區之單一協調計劃之一部份；或為僅為轉售而收購之附屬公司。已終止經營業務於出售時或(如較早)有關營運符合分類為持作出售之條件時進行分類。廢除營運時亦產生已終止經營業務。

預付租賃付款

於二零一九年一月一日前，預付租賃付款指取得承租人所佔用土地並分類為經營租賃之固定期限權益而支付之預支款。溢價按成本減累計攤銷及減值虧損列賬，並按租賃期間以直線法於損益內攤銷。自二零一九年一月一日起，該等付款按使用權資產列賬。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Sea use rights payments

Before 1 January 2019, sea use rights payments are up-front payments to acquire fixed term interests in lessee-occupied sea areas that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis to profit or loss. From 1 January 2019, these payments are accounted for as right-of-use assets.

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated 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 it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of the asset or as a replacement.

4. 主要會計政策(續)

海域使用權付款

於二零一九年一月一日前，海域使用權付款指取得承租人所佔用海域並分類為經營租賃之固定期限權益而支付之預付款。溢價按成本減累計攤銷及減值虧損列賬，並按租賃期間以直線法於損益內攤銷。自二零一九年一月一日起，該等付款按使用權資產列賬。

物業、廠房及設備

物業、廠房及設備(不包括在建工程)按成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括其購買價格及令資產達到其計劃使用之工作狀況及位置之任何直接應佔成本。

物業、廠房及設備投入運作後所產生之開支，如維修及保養，一般於產生期間在損益扣除。倘清楚顯示開支已引致使用物業、廠房及設備項目時預期會帶來未來經濟利益增加，且該項目之成本能可靠計量，則開支將被資本化，作為該資產之額外成本或重置成本。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives from the date on which they are available for use and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Buildings	3 $\frac{1}{3}$ %–10%
Storage facilities	3 $\frac{1}{3}$ %–10%
Leasehold improvements	Over the unexpired term of lease
Furniture, fixtures and equipment	6.8%–20%
Motor vehicles	20%–25%
Computer equipment	20%
Terminal facilities	2.5%–3.5%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the item is included in profit or loss in the year in which the item is derecognised.

Construction in progress

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is stated at cost less accumulated impairment losses. Cost includes all construction expenditure and other direct costs, including interest costs, attributable to such projects. Costs on completed construction works are transferred to the appropriate asset category. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

4. 主要會計政策(續)

物業、廠房及設備(續)

折舊按物業、廠房及設備(不包括在建工程)由其可供使用之日期起計之估計可使用年期以直線法撇銷成本減累計減值虧損並計及其估計剩餘價值後按以下年率計提撥備:

樓宇	3 $\frac{1}{3}$ %–10%
倉儲設施	3 $\frac{1}{3}$ %–10%
租賃物業裝修	剩餘租賃年期
傢俬、裝置及設備	6.8%–20%
汽車	20%–25%
電腦設備	20%
碼頭設施	2.5%–3.5%

物業、廠房及設備項目於出售時或預期持續使用該項資產將不會產生未來經濟利益時取消確認。取消確認資產所產生之任何盈虧(按出售所得款項淨額與項目賬面值之間差額計算)於終止確認該項目之年度內計入損益。

在建工程

在建工程包括用作生產或自用之在建物業、廠房及設備。在建工程按成本減累計減值虧損列賬。成本包括所有工程開支及有關項目直接應佔之其他成本，如利息成本。竣工建築工程之成本會轉撥至合適資產類別。當在建工程竣工及可供投入擬定用途時方計提折舊。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Impairment of other assets, other than goodwill

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indicator that its property, plant and equipment and right-of-use assets may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income in profit or loss immediately.

The accounting policy for recognition and reversal of impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis except for financial assets mandatorily measured as FVPL which are accounted for on the settlement date basis.

4. 主要會計政策(續)

其他資產(不包括商譽)減值

於各報告期末，本集團審核內部及外部資料來源，以評估其物業、廠房及設備以及使用權資產是否有任何減值跡象或先前已確認之減值虧損不再存在或可能減少。倘存在任何跡象，則根據其公平值減出售成本與使用價值之較高者估計資產之可收回金額。倘無法估計個別資產之可收回金額，則本集團估計獨立產生現金流量之最小組別資產(即現金產生單位)之可收回金額。

倘資產或現金產生單位之可收回金額估計將低於其賬面值，則資產或現金產生單位之賬面值降至其可收回金額。減值虧損即時確認為開支。

減值虧損之撥回以過往年度未確認減值虧損時原應釐定之資產或現金產生單位之賬面值為限。減值虧損之撥回即時於損益確認為收入。

有關確認及撥回商譽減值虧損之會計政策載於本附註較先部分有關商譽之會計政策。

金融工具

金融資產

確認及終止確認

金融資產於且僅於本集團成為工具合約條文之一方時按交易日基準確認，惟強制按公平值計入損益釐定之金融資產按結算日基準入賬。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("Mandatory FVOCI"); (iii) equity investment measured at fair value through other comprehensive income ("Designated FVOCI"); or (iv) measured at FVPL.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

確認及終止確認(續)

於且僅於(i)本集團來自金融資產之未來現金流量之合約權利屆滿時或(ii)本集團轉讓金融資產及(a)其轉讓金融資產擁有權之大部分風險及回報時，或(b)其不轉讓亦不保留金融資產擁有權之大部分風險及回報，但亦不保留金融資產控制權時，則終止確認金融資產。

倘本集團仍保留已轉讓金融資產擁有權之絕大部分風險及回報，本集團會繼續確認該金融資產以及確認已收所得款項之有抵押借貸。

倘本集團既不轉移亦不保留已轉讓資產擁有權之絕大部分風險及回報，且繼續控制該已轉讓資產，本集團按其持續參與程度及可能須支付之相關負債金額確認該金融資產。

金融資產(並無重大融資部分之貿易應收款項除外)初步按其公平值加(倘為並非按公平值計入損益之金融資產)收購有關金融資產之直接應佔交易成本確認。該等貿易應收款項初步按其交易價計量。

於初步確認時，金融資產分類為(i)按攤銷成本計量；(ii)按公平值計入其他全面收益計量之債務投資(「強制按公平值計入其他全面收益」)；(iii)按公平值計入其他全面收益計量之股本投資(「指定按公平值計入其他全面收益」)；或(iv)按公平值計入損益計量。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model (the "reclassification date").

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

確認及終止確認(續)

金融資產於初步確認時之分類視乎本集團管理有關金融資產之業務模式及金融資產之合約現金流量特徵。金融資產不會於初步確認後重新分類，除非本集團改變管理有關金融資產之業務模式，於該情況下，所有受影響之金融資產將於更改業務模式後首個年度報告期間之首日（「重新分類日期」）重新分類。

主體為香港財務報告準則第9號範圍內資產之混合合約之嵌入衍生工具不會自主體分開呈列。相反整份混合合約會進行分類評估。

1) 按攤銷成本計量之金融資產

倘金融資產符合下列兩項條件且並無指定為按公平值計入損益時，則該金融資產按攤銷成本計量：

- (i) 於旨在持有金融資產以收回合約現金流量之業務模式內持有；及
- (ii) 合約條款於指定日期產生僅為支付本金及尚未償還本金利息之現金流量。

按攤銷成本計量之金融資產其後以實際利率法計量並須作出減值。減值、終止確認或於攤銷過程中產生之收益及虧損於損益中確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Recognition and derecognition (Continued)

2) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which includes any dividend or interest earned on the financial assets.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

確認及終止確認(續)

2) 按公平值計入損益之金融資產

該等投資包括並非按攤銷成本或按公平值計入其他全面收益計量之金融資產，包括持作買賣之金融資產、於初步確認時指定為按公平值計入損益之金融資產、香港財務報告準則第3號適用之業務合併項下或然代價安排所產生金融資產及須另按公平值計入損益計量之金融資產。有關投資按公平值列賬，任何所得出收益及虧損(包括就金融資產所賺取之任何股息或利息)於損益中確認。

倘符合下列條件，則金融資產分類為持作買賣：

- (i) 收購金融資產之主要目的為於短期內出售；
- (ii) 金融資產為一併管理之已識別金融工具組合之一部分，且於初步確認時有證據顯示近期採用短期獲利之實際方式進行管理；或
- (iii) 金融資產為並非財務擔保合約或指定有效對沖工具之衍生工具。

僅於在初步確認時將金融資產指定為按公平值計入損益可消除或大幅減少按其他基準另行計量資產或負債或確認其收益或虧損所產生之計量或確認不一致情況時，方會如此行事。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables and bank loans and other borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets and other items

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost, Mandatory FVOCI, lease receivables, contract assets, loan commitments and financial guarantee contracts issued to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

4. 主要會計政策(續)

金融工具(續)

金融負債

確認及終止確認

金融資產及金融負債當且僅本集團成為工具合約條文之一方時確認。

當及僅當負債消除時，即當相關合約中列明之義務解除、取消或到期時，方會終止確認該項金融負債。

分類及計量

金融負債初步按其公平值加(倘為並非按公平值計入損益之金融負債)發出有關金融負債之直接應佔交易成本確認。

本集團之金融負債包括貿易及其他應付款項以及銀行貸款及其他借貸。所有金融負債(按公平值計入損益之金融負債除外)初步按其公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現之影響不重大時，金融負債則按成本入賬。

金融資產及其他項目減值

本集團就按攤銷成本計量之金融資產、強制按公平值計入損益、應收租賃款項、合約資產、貸款承擔及根據香港財務報告準則第9號減值規定所適用之財務擔保合約確認預期信貸虧損(「預期信貸虧損」)虧損撥備。除下文所詳述特定處理情況外，於各報告日期，倘金融資產之信貸虧損自初步確認以來大幅增加，則本集團按相等於全期預期信貸虧損之金額計量金融資產之虧損撥備。倘金融資產之信貸虧損自初步確認以來並無大幅增加，本集團按相等於12個月預期信貸虧損之金額計量該金融資產之虧損撥備。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (Continued)

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument, except in the case of Mandatory FVOCI, the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

4. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

計量預期信貸虧損

預期信貸虧損為金融工具預期使用期限內信貸虧損之概率加權估計(即所有現金差額之現值)。

就金融資產而言，信貸虧損為根據合約應付予實體之合約現金流量與實體預期收取之現金流量之差額之現值。

全期預期信貸虧損指在金融工具預期使用期限內發生所有可能違約事件而導致之預期信貸虧損，而12個月預期信貸虧損則指在金融工具預期可能於報告日期後12個月內發生違約事件而導致之部分全期預期信貸虧損。

預期信貸虧損按共同基準計量時，金融工具根據以下一項或多項共同信貸風險特徵分類：

- (i) 逾期資料
- (ii) 工具性質
- (iii) 抵押品性質
- (iv) 債務人之行業
- (v) 債務人之地區
- (vi) 外界信貸風險評級

虧損撥備於各報告日期進行重新計量以反映金融工具自初步確認以來的信貸風險及虧損變動。虧損撥備產生的變動於損益中確認為減值收益或虧損，並相應調整金融工具的賬面值，惟強制按公平值計入其他全面收益的其他情況除外，其中虧損撥備乃於其他全面收益中確認及於公平值儲備(可劃轉)累計。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Impairment of financial assets and other items *(Continued)*

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

4. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

違約定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗顯示，倘金融工具符合以下任何一項條件，本集團可能無法悉數收取未償還合約金額。

- (i) 內部得出或自外界資料來源取得之資料顯示債務人不可能向其償權人(包括本集團)悉數付款(不計及本集團所持任何抵押品)；或
- (ii) 交易對手違反財務契諾。

不論上述分析的結果如何，本集團認為，當金融資產逾期超過90天，則發生違約事件，除非本集團有合理有據資料能說明更寬鬆的違約標準更為合適，則作別論。

評估信貸風險大幅增加

在評估自初始確認起金融工具之信貸風險是否大幅增加時，本集團會比較於報告日期金融工具發生違約的風險與於初始確認日期金融工具發生違約的風險。於作出評估時，本集團考慮合理及可靠的定量及定性資料，包括過往經驗及毋需付出過多成本或努力即可取得的前瞻性資料。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Impairment of financial assets and other items *(Continued)*

Assessment of significant increase in credit risk (Continued)

In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;
- an actual or expected significant deterioration in the financial institution's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

4. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

評估信貸風險大幅增加(續)

尤其是，在評估中會計及下列資料：

- 債務人無法於到期日支付本金或利息；
- 金融機構外部或內部信貸評級(如可得)出現實際或預期顯著惡化；
- 債務人經營業績出現實際或預期顯著惡化；及
- 已經或可能對債務人向本集團履行其責任之能力造成重大不利影響的技術、市場、經濟或法律環境出現實際或預期變動。

儘管有上述評估結果，倘合約付款逾期30天以上，則本集團假定金融工具的信貸風險自首次確認起大幅增加。

儘管如上文所述，倘金融工具於報告日期被釐定為具有低信貸風險，則本集團假定金融工具的信貸風險自首次確認起並無大幅增加。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (Continued)

Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event.

4. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

低信貸風險

倘符合下列條件，則金融工具被視為具低信貸風險：

- (i) 其違約風險相當低；
- (ii) 借款人有穩健能力於短期內達成其合約現金流量承擔；及
- (iii) 經濟及業務狀況之長遠不利變動或會但不一定減低借款人達成其合約現金流量承擔的能力。

預期信貸虧損之簡化法

本集團就貿易應收款項及合約資產應用簡化法計算預期信貸虧損。本集團於各報告日期根據全期預期信貸虧損確認虧損撥備，並已設立撥備矩陣，以其過往信貸虧損經驗為基準，並就應收賬款及經濟環境之特定前瞻性因素作出調整。

信貸減值金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時出現信貸減值。金融資產出現信貸減值之證據包括有關下列事件之可觀察數據：

- (a) 發行人或借款人的重大財困。
- (b) 違反合約(如違約或逾期事件)。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (Continued)

Credit-impaired financial asset (Continued)

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the financial asset is 1 year past due based on historical experience of recoveries of similar assets. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts.

4. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

信貸減值金融資產(續)

- (c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠。
- (d) 借款人將可能陷入破產或其他財務重組。
- (e) 因財務困難導致金融資產失去活躍市場。
- (f) 按反映已產生信貸虧損之大幅折扣購買或發起金融資產。

撤銷

倘本集團並無合理期望全數或部分收回金融資產之合約現金流量，本集團會撤銷金融資產。本集團設有政策，根據收回相若資產之過往經驗，於金融資產已逾期一年時撤銷賬面總值。本集團預期撤銷金額不會有重大收回。然而，在考慮會計法意見(如適用)後，所撤銷金融資產仍可根據本集團收回過期款項之程序實施強制執行。任何其後進行的收回均於損益確認。

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為已知現金金額且價值變動風險較低之短期高流動性投資減銀行透支。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

Nature of goods and services 貨品及服務性質

Integrated logistics handling services business

綜合物流處理服務業務

Trading business

貿易業務

Petrochemical products storage business

石化產品倉儲業務

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

4. 主要會計政策(續)

收益確認

香港財務報告準則第15號項下客戶合約收益

貨品或服務性質

本集團所提供貨品或服務之性質如下：

識別履約責任

於合約開始時，本集團評估與客戶訂立之合約所承諾貨品或服務並就將下列任何一項轉移予客戶之個別承諾確認一項履約責任：

- (a) 一項明確貨品或服務(或一批貨品或服務)；或
- (b) 一系列大致相同且按相同形式轉移予客戶之明確貨品或服務。

倘符合下列條件，則承諾予客戶之貨品及服務屬明確：

- (a) 客戶可自貨品或服務本身或貨品或服務連同客戶可輕易取得之其他資源受惠(即貨品或服務可作區分)；及
- (b) 本集團向客戶轉移貨品或服務之承諾可自合約其他承諾中獨立識別(即轉移貨品或服務之承諾於合約內容中可作區分)。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Revenue from contracts with customers within HKFRS 15
(Continued)

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Sale of goods is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

4. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號項下客戶合約收益
(續)

收益確認時間

本集團於或當透過將承諾貨品或服務(即資產)轉移予客戶時完成履約責任時確認收益。客戶取得資產之控制權時即有關資產為已轉移。

倘符合以下任何一項條件，則本集團隨時間轉移貨品或服務之控制權，故於一段時間完成履約責任及確認收益：

- (a) 客戶於本集團履約時同時收取及利用本集團履約所提供的利益；
- (b) 本集團的履約創造或提升客戶於資產獲創造或提升時控制的資產(例如進行中工作)；或
- (c) 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

倘履約責任並非於一段時間完成，本集團於客戶取得承諾資產之控制權之時間點確認履約責任。釐定控制權轉移之時間時，本集團認為控制權之概念及指標為合法所有權、實際擁有、對付款之權利、資產擁有權之重大風險及回報以及客戶接納。

銷售貨品於客戶取得承諾資產之控制權之時間點確認，一般與向客戶交付貨品及轉移所有權之時間相同。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Timing of revenue recognition (Continued)

Service income of integrated logistics handling services and petrochemical products storage services, is recognised over time when services are rendered.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

The principal input applied in the output method is:

- Storage services for petrochemical products: number of days of the usage of the storage services
- Integrated logistics handling services: duration of the vessels being berthed at the port.

Interest income

Interest income from financial assets is recognised using the effective interest method.

4. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號項下客戶合約收益(續)

收益確認時間(續)

綜合物流處理服務及石化產品倉儲服務之服務收入於提供服務時隨時間確認。

就根據香港財務報告準則第15號隨時間確認的收益而言，只要履約責任之結果能合理計量，則本集團應用輸入數據法(即基於迄今轉讓予客戶貨品或服務之直接計量價值佔合約項下所承諾剩餘貨品或服務之比例)計量完成履約責任之進度，原因為該方法能真實描述本集團之履約，且本集團可取得用於該方法之可靠資料。否則，本集團僅會就已產生成本範圍確認收益，直至其合理計量履約責任之結果為止。

該輸出法所用主要輸出數據為：

- 石化產品倉儲服務：倉儲服務使用日數
- 綜合物流處理服務：根據船舶於港口靠泊時間。

利息收入

金融資產之利息收入以實際利息法確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars, which is the Company's functional currency.

Foreign currency transactions are translated into the functional currency of each of the Group's entities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

4. 主要會計政策(續)

存貨

存貨乃以成本與可變現淨值兩者中之較低者入賬。成本(包括一切購入成本及(如適用)將存貨達致現時地點及狀況所產生之其他成本)乃採用加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減去有關銷售所需之估計成本。

存貨出售時，該等存貨之賬面值會於相關收益確認期間確認為開支。將存貨撇減至可變現淨值之數額以及所有存貨虧損會於撇減或虧損出現期間確認為開支。撥回存貨撇減之數額會於撥回發生期間確認為扣減已確認為開支之存貨數額。

外幣兌換

本集團各個實體之財務報表中所載項目，乃使用實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表按本公司之功能貨幣港元呈列。

外幣交易依交易日之當期匯率轉換成本集團各個實體之功能貨幣入賬。該等交易結算時及按年末匯率轉換以外幣計值之貨幣資產及負債所產生之外匯盈虧在損益確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Foreign currency translation (Continued)

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of reporting period;
- Income and expenses for each statement of comprehensive income are translated at average rates;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss; and
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

4. 主要會計政策(續)

外幣兌換(續)

功能貨幣有別於呈列貨幣之所有集團實體(「海外業務」)之業績及財政狀況按下列基準兌換成呈列貨幣：

- 各呈列財務狀況表之資產及負債按報告期末之收市匯率兌換；
- 各全面收益表之收入及開支按平均匯率兌換；
- 上述兌換產生之一切匯兌差額及構成本集團於海外業務之淨投資部分之貨幣項目導致之匯兌差額確認為權益項下一個獨立部分；
- 於出售海外業務，而有關出售包括出售本集團於海外業務之全部權益、涉及失去對包括海外業務在內之附屬公司之控制權之出售，或為部分出售一間包括海外業務在內之聯營公司權益而當中之保留權益不再入賬列作權益時，有關於其他全面收益確認並於權益累計為獨立部分之海外業務匯兌差額之累計金額，乃於確認出售盈虧時由權益重新分類至損益；
- 部分出售本集團於附屬公司之權益(包括海外業務在內)而並無導致本集團失去對該附屬公司之控制權時，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新計入該海外業務之非控制權益，且不會重新分類至損益；及
- 就所有其他部分出售，包括部分出售聯營公司而並無導致本集團失去重大影響力，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新分類至損益。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are 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. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4. 主要會計政策(續)

政府補貼

倘能合理肯定將收到政府補貼及所有附加條件均將獲履行，政府補貼會按公平值確認。如補貼與開支項目有關，則按相關年度確認為收入，以按系統基準將補貼與擬補償之相關成本抵銷。倘補貼與資產有關，則公平值計入遞延收益賬，並於有關資產之預期可使用年期按年以等額分期撥入損益。

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本，在扣除特定借貸之任何暫時性投資收入後，均撥充為該等資產成本之一部分。當此等資產大致上可作其擬定用途或出售時，該等借貸成本將會停止資本化。所有其他借貸成本均於產生期間列作開支。

撥備

當本集團因過往事件而須承擔現時之法定或推定責任，而履行該責任可能需要流出能實現經濟利益之資源且有關責任之金額能可靠估計時，即會確認撥備。已確認撥備之支出會在產生支出年度與有關撥備互相抵銷。本集團會於各報告期末審閱撥備，並作出調整，以反映當前之最佳估計。倘有關撥備金額之時間值影響重大，則撥備金額應為履行責任預期所需支出之現值。倘本集團預期撥備將會獲得償還，則償還款項會確認為個別資產，惟僅於償還實際上肯定時方予確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Share capital

Ordinary shares are classified as equity.

Leases

Applicable from 1 January 2019

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

As lessee

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

4. 主要會計政策(續)

股本

普通股分類為權益。

租賃

自二零一九年一月一日起適用

本集團於合約初始時評估合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

作為承租人

本集團對短期租賃及低價值資產租賃應用確認豁免。該等租賃相關的租賃付款按直線法於租賃期內確認為開支。

本集團已選擇不從租賃組成部分中分離出非租賃組成部分，並對各個租賃組成部分及任何相關非租賃組成部分入賬作為單獨租賃組成部分。

本集團對於租賃合約內各個租賃組成部分單獨入賬作為一項租賃。本集團根據租賃組成部分的相對單獨價格將合約代價分配至各個租賃組成部分。

本集團未產生單獨組成部分之應付款項被視作分配至合約單獨可識別組成部分之總代價之一部分。

本集團於租賃開始日期確認使用權資產及租賃負債。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

The right-of-use asset is initially measured at cost, which comprises

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

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option — in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Office premises	2 ~ 3 years
Prepaid lease payment	45 years
Sea use right payment	42 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

4. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

使用權資產乃按成本進行初始計量，其中包括

- (a) 租賃負債的初始計量金額；
- (b) 於開始日期或之前所作的任何租賃付款，減已收取的任何租賃優惠；
- (c) 本集團產生的任何初始直接成本；及
- (d) 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態將予產生的估計成本，除非該等成本乃因生產存貨而產生。

隨後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就租賃負債的任何重新計量作出調整。於租賃期及使用權資產之估計可使用年期之較短者按直線法計提折舊(除非租賃於租賃期結束前將相關資產的所有權轉移至本集團或倘使用權資產的成本反映本集團將行使購買選擇權 — 於該情況下，將於相關資產之估計可使用年期內計提折舊)如下：

辦公室物業	2 ~ 3年
預付租賃付款	45年
海域使用權付款	42年

租賃負債乃按於合約開始日期尚未支付之租賃付款現值進行初始計量。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

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

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

4. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

計入租賃負債計量的租賃付款包括下列於租賃期內使用相關資產的權利且於開始日期尚未支付之付款：

- (a) 固定付款(包括實質性固定付款)減任何應收租賃優惠；
- (b) 取決於一項指數或比率之可變租賃付款；
- (c) 根據剩餘價值擔保預期應付之款項；
- (d) 購買選擇權的行使價(倘本集團合理確定行使該權利)；及
- (e) 終止租賃的罰款付款(倘租賃條款反映本集團行使選擇權終止租賃)。

租賃付款使用租賃的隱含利率貼現，或倘該利率無法可靠地釐定，則採用承租人之增量借款利率。

隨後，租賃負債透過增加賬面值以反映租賃負債之利息及調減賬面值以反映已付的租賃付款進行計量。

當租賃期出現變動而導致租賃付款變動或重新評估本集團是否將合理確定行使購買選擇權時，租賃負債使用經修訂貼現率進行重新計量。

當剩餘價值擔保、實際固定租賃付款或未來租賃付款因指數或利率(浮動利率除外)變動而出現變動，則使用原貼現率重新計量租賃負債。當未來租賃付款因浮動利率變動而出現變動時，本集團使用經修訂貼現率重新計量租賃負債。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Applicable before 1 January 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Contributions to the state-managed retirement schemes in jurisdictions other than Hong Kong, which are calculated on certain percentages of the applicable payroll costs, are charged as expenses when employees have rendered services entitling them to the contributions.

4. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

本集團將租賃負債之重新計量金額確認為對使用權資產之調整。倘使用權資產賬面值減少至零且於租賃負債計量進一步調減，本集團將於損益中確認任何重新計量之剩餘金額。

於二零一九年一月一日前適用

當租賃條款將租賃所有權之絕大部分風險及回報轉讓予承租人，該等租賃分類為融資租賃。所有其他租賃分類為經營租賃。

經營租賃項下應付租金按直線法於相關租賃期在損益中支銷。

租賃獎勵於損益中確認，作為就使用租賃資產所議定之代價淨額之完整部分。或然租金於其產生之會計期間確認為開支。

僱員福利

短期僱員福利

薪金、年終花紅、有薪年假及非貨幣福利之成本於僱員提供相關服務之年度內累計。

定額供款計劃

定額供款退休計劃之供款責任於產生時在損益確認為開支。計劃資產與本集團資產分開由獨立管理基金持有。

向香港以外之司法權區內國家經辦之退休計劃供款，按適用工資總額之若干百分比計算，當僱員提供服務使其有權獲得供款時按開支計算。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of review, with a corresponding adjustment to the reserve within equity.

No expense is recognised for awards that do not ultimately vest, except for awards that are conditional on a market condition or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all non-market vesting conditions are satisfied.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

4. 主要會計政策(續)

以股份為基礎之付款交易

股權結算交易

本集團之僱員(包括董事)按以股份為基礎之付款交易形式收取報酬，其中僱員以提供服務交換股份或涉及股份之權利。該等與僱員進行之交易成本乃參照授出日期之股本工具之公平值計量。授予僱員之購股權公平值確認為員工成本，而股權內之儲備亦相應增加。公平值乃於計及任何市場條件及非歸屬條件後利用二項式模式釐定。

股權結算交易之成本連同股權之相應升幅會於達致歸屬條件期間確認，直至相關僱員享有該報酬之權利毋須再受須達致任何非市場歸屬條件所限之日(「歸屬日」)為止。於歸屬期內會審閱預期最終歸屬之購股權數目。於過往期間確認對累計公平值之任何調整會於審閱年度之損益中扣除/計入，並相應調整股權內之儲備。

概不就最終未能歸屬之獎勵確認任何開支，惟受限於市場條件或非歸屬條件之獎勵除外，只要所有非市場歸屬條件已達成，即被視為已歸屬而不論市場條件或非歸屬條件是否已達成。

與非僱員人士進行股權結算以股份為基礎之付款交易按所收取商品或服務之公平值計量，惟在公平值無法可靠估計之情況下按所授股權工具之公平值計量。在所有情況下，均會按本集團取得商品或交易對方提供服務當日之公平值計量。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Share-based payment transactions (Continued)

Cash-settled transactions

A liability is recognised for goods or services acquired, measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss, it is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

4. 主要會計政策(續)

以股份為基礎之付款交易(續)

現金結算交易

本集團就所獲取商品或服務確認負債，並按負債之公平值計量。在負債償清前，負債之公平值於各報告期末及償付日期重新計量，期間公平值之任何變動於損益確認。

稅項

現行所得稅開支乃根據年內業績計算，並就毋須課稅或不獲寬減之項目作出調整。所得稅乃採用於報告期末頒佈或實際頒佈之稅率計算。

遞延稅項採用負債法就資產及負債之稅基與其於綜合財務報表之賬面值於報告期末之一切暫時差額作出撥備。然而，任何於業務合併以外之一項交易中初步確認商譽或其他資產或負債產生之遞延稅項於交易時既不影響會計溢利亦不影響應課稅損益，則不予確認。

遞延稅項負債及資產根據於報告期末已頒佈或實質上已頒佈之稅率及稅務法例，並按預計適用於有關收回資產或償還負債期間之稅率計算。

若未來應課稅溢利將可能與有關可扣減暫時差額、稅項虧損及抵免對銷，則確認遞延稅項資產。

遞延稅項乃對於附屬公司之投資而產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間且於可見將來不可能撥回該暫時差額者除外。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities 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. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

4. 主要會計政策(續)

關連方

關連方為與本集團有關連之個人或實體。

- (a) 倘該名人士符合下列條件，該名人士或其家族之近親與本集團有關連：
- (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 倘下列任何條件適用，則該實體與本集團有關連：
- (i) 實體與本集團為同一集團成員（即母公司、附屬公司及同系附屬公司各自彼此相互關連）。
 - (ii) 某一實體為另一實體之聯營公司或合營公司（或為另一實體所屬集團成員之聯營公司或合營公司）。
 - (iii) 實體均為同一第三方之合營公司。
 - (iv) 實體為第三方實體之合營公司，而另一實體為第三方實體之聯營公司。
 - (v) 實體為就本集團或與本集團有關之實體之僱員福利設立之離職後福利計劃。倘本集團本身設立該離職後福利計劃，則提供資助之僱主亦與本集團有關連。

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

(b) (Continued)

- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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 and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

4. 主要會計政策(續)

關連方(續)

(b) (續)

- (vi) 實體受(a)所界定人士控制或共同控制。
- (vii) (a)(i)所界定人士對實體擁有重大影響力或為該實體或其母公司之主要管理人員。
- (viii) 實體或所屬集團旗下任何成員公司向本集團或本集團母公司提供主要管理人員服務。

某人士之近親是指與該實體交易時預期可影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或家庭伴侶；
- (b) 該名人士之配偶或家庭伴侶之子女；及
- (c) 該名人士或其配偶或家庭伴侶之受養人。

關連方之定義中指明，聯營公司包括聯營公司之附屬公司，而合營公司包括合營公司之附屬公司。

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Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, which are described above, management has made various estimates and judgements which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and judgements are continually evaluated. The key source of estimation uncertainty and accounting judgements that result in significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year or significantly affect the amounts recognised in the consolidated financial statements are discussed below:

Key sources of estimation uncertainty

- (i) *Useful lives and impairment of property, plant and equipment and right-of-use assets*

The management reviews the useful lives and depreciation method of property, plant and equipment and right-of-use assets at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by based on the higher of the value in use and fair value less costs of disposal. Value in use is determined using the discounted cash flow method.

4. 主要會計政策(續)

重要會計估計及判斷

於採用上文所述本集團之會計政策時，管理層曾根據過往經驗及其他因素(包括於多種情況下相信屬合理之未來事件預測)作出多項估計及判斷。估計及判斷會持續被評估。導致對下個財政年度之資產與負債賬面值作出大幅調整之重大風險或可對於綜合財務報表中確認之金額構成重大影響之估計不明朗因素之主要來源及會計判斷載列如下：

估計不明朗因素之主要來源

- (i) *物業、廠房及設備以及使用權資產之使用年限及減值*

管理層於各報告期末審慎考慮有關使用資產之預計用量、損耗及潛在技術過時，以檢討物業、廠房及設備以及使用權資產之使用年限及折舊方法。

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會基於使用價值與公平值減出售成本之較高者釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。

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Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty (Continued)

(ii) *Loss allowance for ECL*

The Group's management estimates the loss allowance for trade receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of estimation and uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables. Details of the key assumptions and inputs used in estimating ECL are set out in note 36(a)(iii) to the consolidated financial statements.

(iii) *Impairment of investments and receivables*

The Company assesses annually if investment in subsidiaries has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKFRS 9 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

(iv) *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of recoverable amounts, which is determined at higher of fair value less costs of disposal and the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are given in notes 15 and 16 to the consolidated financial statements.

4. 主要會計政策(續)

重要會計估計及判斷(續)

估計不明朗因素之主要來源(續)

(ii) *預期信貸虧損之虧損撥備*

本集團管理層使用不同輸入數據及假設，包括違約風險及預期虧損率以估計貿易應收款項之虧損撥備。估計涉及高度估計及不確定性，其基於本集團的過往資料、現行市況及於各報告期末的前瞻性資料。當預期與原先估計不一，有關差異將影響貿易應收款項之賬面值。估計預期信貸虧損使用的主要假設及輸入數據詳情載列於綜合財務報表附註36(a)(iii)。

(iii) *投資及應收款項減值*

本集團每年均根據香港會計準則第36號評估於附屬公司之投資有否任何減值，並依循香港財務報告準則第9號之指引釐定應收該等實體款項有否減值。有關方法之詳情載於各相關會計政策。評估須估計來自有關資產之未來現金流量(包括預期股息)，並選用合適貼現率。該等實體在財務表現及狀況之未來變動會影響減值虧損估計，並導致調整其賬面值。

(iv) *商譽減值*

本集團至少每年釐定商譽是否出現減值。此舉要求對可回收金額(以公平值減出售成本及商譽獲分配的現金產生單位之使用價值(以較高者為準)釐定)作出估計。估計使用價值要求本集團對來自現金產生單位之預期現金流量作出估計，亦要選擇合適貼現率計算該等現金流量之現值。用於計算可回收金額之估計詳情載於綜合財務報表附註15及16。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/ revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKASs 1 and 8	<i>Definition of Material¹</i>
Amendments to HKAS 39, HKFRSs 7 and 9	<i>Interest Rate Benchmark Reform¹</i>
Amendments to HKFRS 3	<i>Definition of Business²</i>
HKFRS 17	<i>Insurance Contracts³</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for acquisition that occurs on or after the beginning for the first annual period beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after 1 January 2021

⁴ The effective date to be determined

The directors do not anticipate that the adoption of the new/revised HKFRSs in the future period will have any material impact on the results of the Group.

5. SEGMENT INFORMATION

The executive directors of the Company are identified collectively as the chief operating decision maker. An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Company's executive directors in order to allocate resources and assess performance of the segment.

4. 主要會計政策(續)

香港財務報告準則之未來變動

於該等綜合財務報表授權日期，香港會計師公會已頒佈下列於本年度尚未生效且本集團並無提早採納之新訂／經修訂香港財務報告準則。

香港會計準則第1號及香港會計準則第8號之修訂	<i>重大之定義¹</i>
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號之修訂	<i>利率基準改革¹</i>
香港財務報告準則第3號之修訂	<i>業務之定義²</i>
香港財務報告準則第17號	<i>保險合約³</i>
香港財務報告準則第10號及香港會計準則第28號之修訂	<i>投資者與其聯營公司或合營企業之間的資產出售或出資⁴</i>

¹ 於二零二零年一月一日或之後開始之年度期間生效

² 就於二零二零年一月一日或之後開始之首個年度期初或之後進行之收購事項生效

³ 於二零二一年一月一日或之後開始之年度期間生效

⁴ 生效日期尚待釐定

董事預期於未來期間採納該等新訂／經修訂香港財務報告準則對本集團之業績並無任何重大影響。

5. 分部資料

主要經營決策者泛指本公司執行董事。經營分部乃本集團之一部分，從事本集團可賺取收益及產生費用之商業活動，並基於本公司執行董事為分配資源及評估分部表現而獲提供及定期審閱之內部管理呈報資料而確定。

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

For management purposes, the Group is currently organised into the following operating segments:

5. 分部資料(續)

就管理而言，本集團目前分為以下經營分部：

Operating segments 經營分部	Principal activities 主要業務
For continuing operation 持續經營業務	
— Integrated logistics handling services — 綜合物流處理服務	— Provision of terminal handling services — 提供碼頭處理服務
— Trading business — 貿易業務	— Trading of textile, wood logs, scrap metal, electronic products, petrochemical products etc. — Provision of supply chain management services — Manufacturing and trading of tin wires — 買賣紡織品、木材、廢金屬、電子產品、石化產品等 — 提供供應鏈管理服務 — 製造及買賣錫線
— Petrochemical products storage business — 石化產品倉儲業務	— Provision of storage services for petrochemical products — 提供石化產品倉儲服務
For discontinued operation 已終止經營業務	
— Integrated logistics handling services — 綜合物流處理服務	— Provision of ocean freight and land transportation and container drayage services — Provision of ocean freight forwarding services — Provision of air freight forwarding services — Provision of feeder container storage facilities and hiring services of barges and vehicles — 提供海洋貨運、陸路運輸及貨櫃運輸服務 — 提供海運代理服務 — 提供空運代理服務 — 提供支線貨櫃倉儲設施以及駁船及汽車租賃服務
— Provision of fuel cards — 提供燃料卡	— Provision of fuel cards — 提供燃料卡
— Tractor repair and maintenance services and insurance agency services — 牽引車維修及保養及保險代理服務	— Tractor repair and maintenance — Provision of insurance agency services — 牽引車維修及保養 — 提供保險代理服務

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segments assets include all assets except for corporate assets which are managed on a group basis. All liabilities are allocated to reportable segment liabilities other than unallocated head office and corporate liabilities which are managed on a group basis and certain other payables and accrued charges.

Revenues and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment results is profit/loss before taxation without allocation of share of results of associates and other unallocated corporate expenses and income.

For the purpose of assessing the performance of the operating segments and allocation of resources between segments, the Group's results are further adjusted for items not specifically attributed to individual segments and other head office or corporate administration costs.

Inter-segment sales transactions are charged at prevailing market prices.

5. 分部資料(續)

就評估分部表現及分部間資源分配而言，本公司執行董事按以下基礎監控各可報告分部應佔業績、資產及負債：

除以集團管理為基礎之公司資產外，分部資產包括所有資產。除以集團管理為基礎之未分配總辦事處及公司負債以及若干其他應付款項及應計費用外，所有負債均被分配至可報告分部負債。

收益及開支經參考該等分部產生之銷售及該等分部產生之開支或該等分部應佔資產折舊產生之開支後分配至經營分部。報告分部業績所採用計量為在不分配應佔聯營公司業績以及其他未分配公司開支及收入之情況下之除稅前溢利／虧損。

就評估經營分部表現及在分部之間分配資源而言，本集團業績就並非指定屬於個別分部之項目及其他總辦事處或公司行政成本進一步作出調整。

分部間銷售交易按現行市價計入。

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Operating segments

Segment information is presented below:

For the year ended 31 December 2019

5. 分部資料(續)

經營分部

分部資料呈列如下：

截至二零一九年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 總計
		Trading business 貿易業務	Petro- chemical products storage business 石化產品 倉儲業務	Integrated logistics handling services 綜合物流 處理服務	Integrated logistics handling services 綜合物流 處理服務	Provision of fuel cards 提供燃料卡	Tractor repair and maintenance services and insurance agency services 牽引車維修及 保養服務以及 保險代理服務	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue (from external customers)	收益(來自外部客戶)	1,502,123	7,872	7,077	-	-	-	1,517,072
— Inter-segment revenue	— 分部間收益	-	310	-	-	-	(310)	-
Total revenue	收益總額	1,502,123	8,182	7,077	-	-	(310)	1,517,072
Results	業績							
Segment results	分部業績	(38,811)	(18,044)	(868,674)	-	-	-	(925,529)
Other unallocated corporate income	其他未分配公司收入							14,686
Other unallocated corporate expenses	其他未分配公司開支							(33,637)
Loss on disposal of subsidiaries (note 25)	出售附屬公司之虧損(附註25)							(312)
Loss before taxation	除稅前虧損							(944,792)
Taxation	稅項							(199)
Loss for the year	年內虧損							(944,991)

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

For the year ended 31 December 2018

5. 分部資料(續)

經營分部(續)

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務				Total
		Trading business	Petro- chemical products storage business	Integrated logistics handling services	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services	Inter- segment elimination	
		貿易業務	石化產品 倉儲業務	綜合物流 處理服務	綜合物流 處理服務	提供燃料卡	牽引車維修及 保養服務以及 保險代理服務	分部間撇銷	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue (from external customers)	收益(來自外部客戶)	4,160,007	8,789	693	160,664	39,595	152	-	4,369,900
— Inter-segment revenue	— 分部間收益	-	555	-	27,104	5,625	1,943	(35,227)	-
Total revenue	收益總額	4,160,007	9,344	693	187,768	45,220	2,095	(35,227)	4,369,900
Results	業績								
Segment results	分部業績	(71,220)	(53,677)	(2,136)	445	(2,890)	(1,834)	-	(131,312)
Share of results of associates by disposal group	出售集團應佔聯營公司業績								(591)
Other unallocated corporate income	其他未分配公司收入								9,778
Other unallocated corporate expenses	其他未分配公司開支								(40,614)
Impairment loss on disposal group classified as held for sale (note 25)	分類為持作出售之出售集團之減值虧損(附註25)								(10,837)
Gain on disposal of a subsidiary	出售一間附屬公司之收益								261
Loss before taxation	除稅前虧損								(173,315)
Taxation	稅項								(695)
Loss for the year	年內虧損								(174,010)

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Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

As at 31 December 2019

於二零一九年十二月三十一日

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 總計
		Trading business 貿易業務 HK\$'000 千港元	Petro-chemical products storage business 石化產品 倉儲業務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Provision of fuel cards 提供燃料卡 HK\$'000 千港元	Tractor repair and maintenance services and insurance agency services 牽引車維修及 保養服務以及 保險代理服務 HK\$'000 千港元	
ASSETS	資產							
Segment assets	分部資產	618,550	205,171	546,958	-	-	-	1,370,679
Unallocated corporate assets	未分配公司資產	-	-	-	-	-	-	40,940
Consolidated total assets	綜合資產總值							1,411,619
LIABILITIES	負債							
Segment liabilities	分部負債	(954,463)	(48,632)	(959,761)	-	-	-	(1,962,856)
Unallocated corporate liabilities	未分配公司負債	-	-	-	-	-	-	(399,670)
Consolidated total liabilities	綜合負債總額							(2,362,526)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

For the year ended 31 December 2019

5. 分部資料(續)

經營分部(續)

截至二零一九年十二月三十一日止年度

		Continuing operations 持續經營業務				Discontinued operations 已終止經營業務		Total
		Trading business	Petro-chemical products storage business	Integrated logistics handling services	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services	
		貿易業務	石化產品 倉儲業務	綜合物流 處理服務	綜合物流 處理服務	提供燃料卡	牽引車維修及 保養服務以及 保險代理服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
OTHER INFORMATION	其他資料							
Capital additions	資本增加	61	24,470	6,379	-	-	-	30,910
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,213	4,914	25,068	-	-	-	31,195
Depreciation of property, plant and equipment (unallocated)	物業、廠房及設備折舊(未分配)	-	-	-	-	-	-	3
Depreciation of right-of-use assets	使用權資產折舊	848	986	88	-	-	-	1,922
Depreciation of right-of-use assets (unallocated)	使用權資產折舊(未分配)	-	-	-	-	-	-	437
Finance costs	融資成本	36,385	-	1,304	-	-	-	37,689
Finance costs (unallocated)	融資成本(未分配)	-	-	-	-	-	-	21,055
Impairment loss on trade receivables	貿易應收款項減值虧損	7,865	-	1,677	-	-	-	9,542
Impairment loss on goodwill	商譽減值虧損	-	-	223,782	-	-	-	223,782
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	20,402	611,205	-	-	-	631,607
Reversal of impairment loss on property, plant and equipment	物業、廠房及設備減值虧損撥回	-	(9,974)	-	-	-	-	(9,974)
(Reversal of) Impairment loss on right-of-use assets	使用權資產(撥回)減值虧損	-	(6,906)	594	-	-	-	(6,312)
Interest income	利息收入	15,759	15	5	-	-	-	15,779
Interest income (unallocated)	利息收入(未分配)	-	-	-	-	-	-	273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

At 31 December 2018

於二零一八年十二月三十一日

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total
		Trading business	Petro-chemical products storage business	Integrated logistics handling services	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services	
		貿易業務	石化產品倉 儲業務	綜合物流 處理服務	綜合物流 處理服務	提供燃料卡	牽引車維修及 保養服務以及 保險代理服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
ASSETS	資產							
Segment assets	分部資產	971,974	162,682	1,546,055	-	-	-	2,680,711
Unallocated corporate assets	未分配公司資產	-	-	-	-	-	-	34,457
Disposal group held for sale	持作出售之出售集團	-	-	-	30,884	16,156	1,766	48,806
Unallocated assets in disposal group classified as held for sale	分類為持作出售之出售集團之未分配資產	-	-	-	-	-	-	5,760
Consolidated total assets	綜合資產總值							2,769,734
LIABILITIES	負債							
Segment liabilities	分部負債	(1,131,275)	(92,213)	(1,085,209)	-	-	-	(2,308,697)
Unallocated corporate liabilities	未分配公司負債	-	-	-	-	-	-	(397,681)
Liabilities associated with disposal group held for sale	與持作出售之出售集團相關之負債	-	-	-	(42,399)	(2,663)	(1,340)	(46,402)
Unallocated liabilities associated with disposal group classified as held for sale	與分類為持作出售之出售集團相關之未分配負債	-	-	-	-	-	-	(27)
Consolidated total liabilities	綜合負債總額							(2,752,807)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

For the year ended 31 December 2018

5. 分部資料(續)

經營分部(續)

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務				Total 總計
		Trading business	Petro-chemical products storage business	Integrated logistics handling services	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services	
		貿易業務	石化產品 倉儲業務	綜合物流 處理服務	綜合物流 處理服務	提供燃料卡	牽引車維修及 保養服務以及 保險代理服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
OTHER INFORMATION	其他資料							
Amortisation	攤銷	-	1,028	7	-	-	-	1,035
Capital additions	資本增加	1,290	47,517	-	2,877	-	10	51,694
Capital additions through acquisition of subsidiaries	透過收購附屬公司而增加資本	-	-	841,136	-	-	-	841,136
Depreciation	折舊	1,548	5,350	2,192	3,545	-	6	12,641
Depreciation (unallocated)	折舊(未分配)	-	-	-	-	-	-	10
Finance costs	融資成本	16,230	127	170	462	-	-	16,989
Finance costs (unallocated)	融資成本(未分配)	-	-	-	-	-	-	14,918
Impairment loss on goodwill	商譽減值虧損	-	14,844	-	-	-	-	14,844
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	23,804	-	-	-	-	23,804
Impairment loss on prepaid lease payment	預付租賃付款減值虧損	-	6,906	-	-	-	-	6,906
Interest income	利息收入	6,695	45	121	-	-	-	6,861
Interest income (unallocated)	利息收入(未分配)	-	-	-	-	-	-	137

* The operations of Gamma Logistics (B.V.I.) Corporation ("Gamma Logistics") and its subsidiaries ("Gamma Logistics Group") have been classified as discontinued operations.

* 伽瑪物流(B.V.I.)集團(「伽瑪物流」)及其附屬公司(「伽瑪物流集團」)之業務分類為已終止經營業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Geographical information

Geographical segment

The Group operates and derives revenue in two principal geographical areas: Hong Kong and the People's Republic of China (the "PRC"). The following table sets out the revenue derived from geographical areas which are based on the geographical location of the customers:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from external customers – continuing operations:	來自外部客戶收益 – 持續經營業務：		
Hong Kong	香港	972,100	2,353,433
The PRC	中國	429,556	1,718,455
Others (Note)	其他(附註)	115,416	97,601
		1,517,072	4,169,489

Note: The locations of others include Europe, the United States of America ("U.S.A."), Asia (other than Hong Kong and the PRC), South Africa and others.

The geographical location of non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, prepayments in relation to property, plant and equipment, right-of-use assets (2018: prepaid lease payments and sea use right payments), and the location of the operation, in the case of goodwill. The analysis of the Group's non-current assets of continuing operations by geographical location is as follows:

5. 分部資料(續)

地區資料

地區分部

本集團於兩個主要地區經營業務並獲取收益：香港及中華人民共和國(「中國」)。下表載列根據客戶地理位置劃分之地區收益：

附註：其他地區包括歐洲、美利堅合眾國(「美國」)、亞洲(香港及中國除外)、南非及其他地區。

非流動資產之地理位置乃該資產(指物業、廠房及設備情況；就物業、廠房及設備之預付款項；使用權資產(二零一八年：預付租賃付款以及海域使用權付款))之實際位置及營運位置(指商譽情況)。本集團按地理位置對持續經營業務之非流動資產所作分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

5. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

Geographical segment (Continued)

5. 分部資料(續)

地區資料(續)

地區分部(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Property, plant and equipment The PRC	物業、廠房及設備 中國	319,635	960,685
Prepayments in relation to property, plant and equipment The PRC	就物業、廠房及設備之 預付款項 中國	4,596	500
Goodwill The PRC	商譽 中國	1,296	225,151
Prepaid lease payments The PRC	預付租賃付款 中國	–	34,135
Sea use right payments The PRC	海域使用權付款 中國	–	2,848
Right-of-use assets Hong Kong	使用權資產 香港	800	–
The PRC	中國	42,570	–
		43,370	–
Total non-current assets	非流動資產總值	368,897	1,223,319

Information about major customers

For the year ended 31 December 2019, revenue from Customer A (trading business segment) of approximately HK\$243,248,000 accounted for over 10% of the total revenue of the Group.

For the year ended 31 December 2018, revenue from Customer B (trading business segment) and Customer C (trading business segment) of approximately HK\$954,171,000 and HK\$786,102,000 respectively accounted for over 10% of the total revenue of the Group.

主要客戶資料

截至二零一九年十二月三十一日止年度，來自客戶A(貿易業務分部)之收益約為243,248,000港元，佔本集團收益總額逾10%。

截至二零一八年十二月三十一日止年度，來自客戶B(貿易業務分部)及客戶C(貿易業務分部)之收益分別約為954,171,000港元及786,102,000港元，佔本集團收益總額逾10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

6. REVENUE

6. 收益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations	持續經營業務		
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號範圍內客戶合約收益		
Provision of integrated logistics handling services	提供綜合物流處理服務	7,077	693
Trading business	貿易業務	1,502,123	4,160,007
Petrochemical storage service	石化倉儲服務	7,872	8,789
		1,517,072	4,169,489
Timing of revenue recognition	確認收益時間		
At a point in time	於一個時間點	1,502,123	4,160,700
Over time	於一段時間	14,949	8,789
		1,517,072	4,169,489

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

香港財務報告準則第15號範圍內客戶合約收益以固定價格為基準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

7. OTHER INCOME

7. 其他收入

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations	持續經營業務		
Bank interest income	銀行利息收入	15,819	6,998
Other interest income	其他利息收入	233	-
Exchange gain, net	匯兌收益淨額	4,893	10,996
Sundry income	雜項收入	42	1,266
Compensation from a customer	來自一名客戶的補償	5,150	-
Subsidy income	補貼收入	329	112
Late payment penalty received from a customer	收取自一名客戶之滯納金	7	2,331
Write-back of accrued directors' salaries	撤回應計董事薪金	389	-
Write-back of long outstanding other payables	撤回長期未償還之其他應付款項	-	6,686
		26,862	28,389

8. FINANCE COSTS

8. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest on borrowings wholly repayable within five years	須於五年內悉數償還之借貸之利息	5,236	6,506
Effective interest on unlisted secured bonds (note 27(d))	非上市有抵押債券之實際利息(附註27(d))	33,506	24,183
Other interest to a third party	支付予第三方之其他利息	-	660
Interest on amounts due to connected companies	應付關連公司款項之利息	14,784	-
Interest on loan from a connected company	來自一間關連公司之貸款利息	8,944	6,368
Interest on lease liabilities	租賃負債利息	207	-
Total borrowing costs	借貸成本總額	62,677	37,717
Less: Borrowing costs capitalised into property, plant and equipment at weighted average capitalisation rate of 5.96% (2018: 5.8%)	減: 按加權平均資本化比率5.96%(二零一八年: 5.8%)計算資本化為物業、廠房及設備之借貸成本	(3,933)	(6,272)
		58,744	31,445

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

9. LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS

This is stated after charging (crediting):

9. 來自持續經營業務之除稅前虧損

經扣除(計入)下列項目後列賬：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Staff costs	員工成本		
Salaries, allowances and other short-term employee benefits including directors' emoluments	薪金、津貼及其他短期僱員福利，包括董事薪酬	21,438	26,232
Contributions to defined contribution plans	定額供款計劃供款	4,358	2,833
		25,796	29,065
Other items	其他項目		
Auditors' remuneration	核數師酬金		
— Audit-related assurance services	— 與核數有關之核證服務	1,500	2,200
— Other services	— 其他服務	—	455
Amortisation of prepaid lease payments	預付租賃付款攤銷	—	1,028
Amortisation of sea use right payments	海域使用權付款攤銷	—	7
Cost of inventories	存貨成本	1,455,570	4,189,606
Depreciation of property, plant and equipment	物業、廠房及設備折舊	31,198	9,100
Depreciation of right-of-use assets	使用權資產折舊	2,359	—
Loss (Gain) on disposal of subsidiaries (note 25)	出售附屬公司之虧損(收益)(附註25)	312	(261)
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額	17	104
Exchange gain, net	匯兌收益淨額	(4,893)	(10,996)
Lease charge — short term lease	租賃開支 — 短期租賃	1,242	—
Operating lease payments on premises	物業之經營租賃付款	—	6,332

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(i) Directors' emoluments

The aggregate amounts of emoluments paid and payable to the directors of the Company by the Group during the year are as follows:

Year ended 31 December 2019

10. 董事及五名最高薪人士之薪酬

(i) 董事薪酬

本集團於本年度已付及應付本公司董事之薪酬總額如下：

截至二零一九年十二月三十一日止年度

		Appointed during the year 年內委任	Resigned during the year 年內辭任	Salaries, allowance and benefits Fee 薪金、津貼及 袍金		Discretionary bonus 酌情花紅	Contributions to defined contribution plans 定額供款 計劃供款	Total 總計
				HK\$'000 千港元	HK\$'000 千港元			
Executive directors	執行董事							
Mr. Ni Xiangrong	倪向榮先生	-	18 March 2019 二零一九年三月十八日	-	-	-	-	-
Mr. Shum Kan Kim (Note a)	沈勤儉先生(附註a)	-	-	-	600	-	30	630
Mr. Pan Jian	潘健先生	-	18 March 2019 二零一九年三月十八日	-	-	-	-	-
Mr. Miao Zhibin	繆志斌先生	-	-	-	576	-	29	605
Mr. Chen Wen Xiang	陳文祥先生	18 March 2019 二零一九年三月十八日	-	-	378	-	-	378
Mr. Tao Ying (Note c)	陶瑩先生(附註c)	18 March 2019 二零一九年三月十八日	-	-	-	-	-	-
Non-executive directors	非執行董事							
Mr. Ji Longtao	吉龍濤先生	-	-	240	-	-	-	240
Mr. Yang Yue Xia	楊越夏先生	-	-	240	-	-	-	240
Mr. Sun Lin (Note d)	孫林先生(附註d)	-	-	120	-	-	-	120
Independent non-executive directors	獨立非執行董事							
Mr. Zhang Fangmao	張方茂先生	-	-	120	-	-	-	120
Dr. Bian Zhaoxiang	卞兆祥博士	-	-	120	-	-	-	120
Mr. Lau Hon Kee	劉漢基先生	-	-	180	-	-	-	180
Mr. Yu Xugang	于緒剛先生	-	-	120	-	-	-	120
				1,140	1,554	-	59	2,753

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(i) Directors' emoluments (Continued)

Year ended 31 December 2018

		Appointed during the year 年內委任	Resigned during the year 年內辭任	Salaries, allowance and benefits	Discretionary bonus	Contributions to defined contribution plans	Total		
				Fee	in kind				
				薪金、津貼及袍金	實物利益	酌情花紅	計劃供款	定額供款	總計
				HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事								
Mr. Ni Xiangrong	倪向榮先生	-	-	-	-	-	-	-	-
Mr. Wang Yijun	王益軍先生	-	15 March 2018	-	-	-	-	-	-
			二零一八年三月十五日						
Mr. Shum Kan Kim	沈勤儉先生	-	-	-	600	478	48	-	1,126
Mr. Pan Jian	潘健先生	-	-	-	-	-	-	-	-
Mr. Miao Zhibin (Note e)	繆志斌先生(附註e)	26 June 2018	-	61	1	-	-	-	62
		二零一八年六月二十六日							
Non-executive directors	非執行董事								
Mr. Ji Longtao	吉龍濤先生	-	-	240	-	-	-	-	240
Mr. Yang Yue Xia	楊越夏先生	-	-	240	-	-	-	-	240
Mr. Sun Lin (Note d)	孫林先生(附註d)	-	-	5	571	528	-	-	1,104
Independent non-executive directors	獨立非執行董事								
Mr. Zhang Fangmao	張方茂先生	-	-	120	-	-	-	-	120
Dr. Bian Zhaoxiang	卞兆祥博士	-	-	120	-	-	-	-	120
Mr. Lau Hon Kee	劉漢基先生	-	-	180	-	-	-	-	180
Mr. Yu Xugang	于維剛先生	-	-	120	-	-	-	-	120
				1,086	1,172	1,006	48	-	3,312

Note a: Mr. Shum Kan Kim resigned as an executive director on 22 February 2020.

附註a: 沈勤儉先生於二零二零年二月二十二日辭任執行董事。

Note b: Ms. Leng Panpan was appointed as an executive director on 27 February 2020.

附註b: 冷盼盼女士於二零二零年二月二十七日獲委任為執行董事。

Note c: Mr. Tao Ying was appointed as an executive director and Chairman on 18 March 2019.

附註c: 陶瑩先生於二零一九年三月十八日獲委任為執行董事及主席。

Note d: Mr. Sun Lin was re-designated from an executive director to a non-executive director on 28 December 2018. He resigned as a non-executive director on 20 February 2020.

附註d: 孫林先生於二零一八年十二月二十八日由執行董事調任為非執行董事。彼於二零二零年二月二十日辭任非執行董事。

Note e: Mr. Miao Zhibin was appointed as a non-executive director on 26 June 2018 and re-designated as an executive director on 28 December 2018.

附註e: 繆志斌先生於二零一八年六月二十六日獲委任為非執行董事，後於二零一八年十二月二十八日調任為執行董事。

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(i) Directors' emoluments (Continued)

For the years ended 31 December 2019 and 2018, no emoluments were paid or payable by the Group to any of the directors as an inducement to join the Group or upon joining the Group or as compensation for loss of office.

The following directors have waived or agreed to waive their emoluments during the years ended 31 December 2019 and 2018:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mr. Tao Ying	陶瑩先生	754	–
Mr. Ni Xiangrong	倪向榮先生	206	1,200
Mr. Wang Yijun	王益軍先生	–	186
Mr. Pan Jian	潘健先生	129	760

(ii) Loans, quasi-loans and other dealings in favour of directors

There were no other loans, quasi-loans or other dealings in favour of the directors that were entered into or subsisted during the years ended 31 December 2019 and 2018.

(iii) Directors' material interest in transactions, arrangements or contracts

After consideration, other than disclosed in note 33 to the consolidated financial statements, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a director of the Company, or an entity connected with the directors, had a material interest, whether directly or indirectly, subsisted at the year or at anytime during the years ended 31 December 2019 and 2018.

10. 董事及五名最高薪人士之薪酬 (續)

(i) 董事薪酬 (續)

截至二零一九年及二零一八年十二月三十一日止年度，本集團並無向任何董事支付或應付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

以下董事已放棄或同意放棄彼等截至二零一九年及二零一八年十二月三十一日止年度之薪酬：

(ii) 以董事為受益人之貸款、類貸款及其他交易

截至二零一九年及二零一八年十二月三十一日止年度，概無以董事為受益人訂立或存續之其他貸款、類貸款或其他交易。

(iii) 董事於交易、安排或合約當中的重大權益

經審議後，除綜合財務報表附註33所披露者外，董事認為，於年內或截至二零一九年及二零一八年十二月三十一日止年度內任何時間，概無存在本公司作為一方有關本公司業務之重大交易、安排及合約且本公司董事或董事之關連實體於其中擁有直接或間接之重大權益。

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(iv) Five highest paid individuals

The five highest paid individuals included three directors (2018: two directors) for the year ended 31 December 2019. The aggregate amounts of the emoluments in respect of the two (2018: three) non-director individuals are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	864	4,061
Contributions to defined contribution plans	定額供款計劃供款	43	46
		907	4,107

The numbers of the non-director individuals whose emoluments for the year were within the following bands:

		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	2	-
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
		2	3

No remuneration was paid or payable by the Group to any of the five highest paid individuals as an inducement to join the Group or upon joining the Group or as compensation for loss of office during the years ended 31 December 2019 and 2018.

10. 董事及五名最高薪人士之薪酬 (續)

(iv) 五名最高薪人士

截至二零一九年十二月三十一日止年度，五名最高薪人士包括三名董事(二零一八年：兩名董事)。兩名(二零一八年：三名)非董事人士之薪酬總額如下：

年內薪酬介乎以下範圍之非董事人士人數：

截至二零一九年及二零一八年十二月三十一日止年度，本集團並無向五名最高薪人士支付或應付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

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11. TAXATION

11. 稅項

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註		
Continuing operations	持續經營業務			
Current tax:	即期稅項：			
Current year	本年度		253	185
Under-provision in prior year	過往年度撥備不足		137	74
			390	259
Deferred tax	遞延稅項	28	(191)	(200)
Total income tax expenses for continuing operations	持續經營業務之所得稅開支總額		199	59
Discontinued operations	已終止經營業務			
Current tax	即期稅項	28	-	636
Total income tax expenses recognised in profit or loss	於損益確認之所得稅開支總額		199	695

(i) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2 million of estimated assessable profits of the qualifying group entity is lowered to 8.25% while the estimated assessable profits above HK\$2 million continue to be subject to the rate of 16.5% for corporations. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

(ii) Income taxes outside Hong Kong

The Company's subsidiaries in the PRC are subject to Enterprise Income Tax ("EIT"). PRC EIT is calculated at the prevailing tax rate at 25% on taxable income determined in accordance with the relevant laws and regulations in the PRC.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI") and the Cayman Islands, the Group is not subject to any taxation under those jurisdictions.

(i) 香港利得稅

香港利得稅按利得稅兩級制計算。根據利得稅兩級制，合資格集團實體首2,000,000港元之估計應課稅溢利之利得稅稅率降至8.25%，2,000,000港元以上的估計應課稅溢利繼續按16.5%的企業稅率徵稅。不符合利得稅兩級制的其他香港集團實體的溢利繼續按劃一稅率16.5%徵稅。

(ii) 香港境外之所得稅

本公司之中國附屬公司須繳納企業所得稅（「企業所得稅」）。中國企業所得稅乃根據中國相關法例及規例所釐定之應課稅收入按25%之現行稅率計算。

根據英屬處女群島（「英屬處女群島」）、開曼群島之規則及規例，本集團毋須繳納該等司法權區之任何稅項。

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11. TAXATION (Continued)

Reconciliation of tax expenses for continuing operations

The tax charge for the year can be reconciled to the loss before taxation from continuing operations per the consolidated statement of comprehensive income as follows:

11. 稅項(續)

持續經營業務之稅項開支對賬

年內稅項支出與綜合全面收益表之持續經營業務之除稅前虧損對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations	持續經營業務		
Loss before taxation	除稅前虧損	(944,792)	(157,516)
Income tax at applicable tax rate of 16.5% (2018: 16.5%)	按適用稅率16.5% (二零一八年：16.5%) 計算之所得稅	(155,891)	(25,990)
Effects of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司之不同稅率影響	(6,397)	(4,587)
Effect of preferential tax rate of a subsidiary	一間附屬公司享有優惠稅 率之影響	-	(31)
Non-deductible expenses	不可扣稅開支	43,154	16,317
Tax exempt revenue	免稅收益	(4,422)	(705)
Unrecognised temporary differences	未確認暫時差額	101,337	(200)
Under provision in prior year	過往年度撥備不足	137	74
Tax effect of tax loss not recognised	未確認稅項虧損之 稅務影響	22,990	16,147
Effect of two-tiered tax rates	兩級制稅率之影響	-	938
Others	其他	(709)	(1,904)
Tax expense for the year	年內稅項開支	199	59

12. DIVIDENDS

The board does not recommend the payment of a dividend for the year ended 31 December 2019 (2018: Nil).

12. 股息

董事會不建議就截至二零一九年十二月三十一日止年度派付股息(二零一八年：無)。

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13. LOSS PER SHARE

Basic loss per share for the years ended 31 December 2019 and 2018 are calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue.

		2019 二零一九年	2018 二零一八年
Loss operations attributable to owners of the Company	本公司擁有人應佔虧損業務		
— Continuing operations (HK\$'000)	— 持續經營業務(千港元)	(946,599)	(147,097)
— Discontinued operations (HK\$'000)	— 已終止經營業務(千港元)	—	(8,533)
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	1,288,000,000	1,288,000,000
Basic loss per share	每股基本虧損		
— Continuing operations (HK cents)	— 持續經營業務(港仙)	(73.49)	(11.42)
— Discontinued operations (HK cents)	— 已終止經營業務(港仙)	—	(0.66)

Basic and diluted loss per share are the same as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2019 and 2018.

13. 每股虧損

截至二零一九年及二零一八年十二月三十一日止年度之每股基本虧損按本公司擁有人應佔虧損除以已發行普通股加權平均數計算。

每股基本及攤薄虧損相同，原因為本公司於截至二零一九年及二零一八年十二月三十一日止年度並無任何具潛在攤薄影響之普通股。

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14. INVESTMENT IN SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 December 2019 are as follows:

14. 於附屬公司之投資

本公司附屬公司於二零一九年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest		Effective ownership interests held by the Group 本集團所持 實際所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
Dafeng Port Heshun International Investments Limited 大豐港和順國際投資有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	100%	Investment holding 投資控股
Dafeng Port Heshun Technology (China) Company Limited Dafeng Port Heshun Technology (China) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Investment holding 投資控股
Dafeng Port Heshun Technology (Indonesia) Company Limited Dafeng Port Heshun Technology (Indonesia) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Inactive 無業務
Luck Sign Investment Development Limited 祥佳投資發展有限公司	The BVI 英屬處女群島	US\$1,000 1,000美元	100%	-	100%	Investment holding 投資控股
Worldly Development Limited 匯利豐發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	100%	Trading of electronics 電子產品貿易
大豐港和順科技(深圳)有限公司 大豐港和順科技(深圳)有限公司	The PRC 中國	Registered capital and paid-up capital US\$1,000,000 註冊資本及繳足股本 1,000,000美元	-	100%	100%	Inactive 無業務
鹽城大豐和順國際貿易有限公司 ("Heshun Trading") 鹽城大豐和順國際貿易有限公司 (「和順貿易」)	The PRC 中國	Registered capital and paid-up capital US\$64,500,000 註冊資本及繳足股本 64,500,000美元	-	100%	100%	Trading of mental, sugar, coal and petrochemical and freight services 金屬、砂糖、煤及石化產品 貿易及海運服務
前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain (Shenzhen) Company Limited, "Qianhai Mingtian") 前海明天供應鏈(深圳)有限公司 (「前海明天」)	The PRC 中國	Registered capital US\$8,000,000 Paid-up capital US\$6,401,360 註冊資本8,000,000美元繳 足股本6,401,360美元	-	51%	51%	Trading 貿易
江蘇中南漕石化倉儲有限公司 (Jiangsu Zhongnanhui Petrochemical Storage Company Limited*, "Zhongnanhui") 江蘇中南漕石化倉儲有限公司(「中南漕」)	The PRC 中國	Registered and paid-up capital RMB32,000,000 註冊及繳足股本人民幣 32,000,000元	-	100%	100%	Provision of petrochemical products storage services 提供石化產品倉儲服務

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest		Effective ownership interests held by the Group 本集團所持 實際所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	51%	Principal activities	
珠海恒豐和順石化有限公司	The PRC	Registered capital RMB10,000,000 Paid- up capital RMB500,000	-	100%	51%	Trading of petrochemical products	
珠海恒豐和順石化有限公司	中國	註冊資本人民幣 10,000,000元繳足股本 人民幣500,000元				石化產品貿易	
深圳市泛海控股有限公司 (Shenzhen Fanhai Holdings Company Limited*. "Shenzhen Fanhai")	The PRC	Registered capital and paid-up capital RMB10,000,000	-	51%	51%	Trading of petrochemical products	
深圳市泛海控股有限公司 (「深圳泛海」)	中國	註冊資本及繳足股本人民幣 10,000,000元				石化產品貿易	
Evertime Management Limited 恒泰管理有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	100%	Inactive 無業務	
Million Sky Business Limited Million Sky Business Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Investment holding 投資控股	
億斯特實業(深圳)有限公司	The PRC	Registered capital RMB5,000,000 Paid-up capital RMB1,200,000	-	100%	51%	Trading of tin wires	
億斯特實業(深圳)有限公司	中國	註冊資本人民幣5,000,000 元繳足股本人民幣 1,200,000元				錫線貿易	
廣西恒健通投資有限公司	The PRC	Registered capital RMB1,000,000	-	51%	51%	Inactive	
廣西恒健通投資有限公司	中國	註冊資本人民幣1,000,000元				無業務	
江蘇海融大豐港油品化工碼頭有限公司 ("Jiangsu Hairong")	The PRC	Registered capital and paid-up capital RMB250,000,000	-	100%	100%	Provision of terminal handling and berthing services	
江蘇海融大豐港油品化工碼頭有限公司 (「江蘇海融」)	中國	註冊資本及繳足股本 人民幣250,000,000元				提供碼頭處理及靠泊服務	

All of the above subsidiaries are limited liability companies.

上述所有附屬公司均為有限責任公司。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with non-controlling interests ("NCI")

The following table shows the information relating to all non-wholly owned subsidiaries, Shenzhen Fanhai and Qianhai Mingtian and its subsidiaries (together the "Qianhai Mingtian Group") (2018: Gamma Logistics Group, Shenzhen Fanhai, Qianhai Mingtian Group and 天津聯企成石油製品銷售有限公司 (Tianjin Lian Qi Cheng Petroleum Products Trading Company Limited*, "Tianjin Lian Qi Cheng")) that have material NCI during the year. The summarised financial information of each of the NCI for the period from the later of the beginning of the reporting period and the date of acquisition to the earlier of the date of disposal and the end of the reporting period represents amounts before inter-company eliminations and excluding the related goodwill.

* The official name is in Chinese and the English name is translated for identification purpose only.

14. 於附屬公司之投資(續)

擁有非控股權益(「非控股權益」)之附屬公司之財務資料

下表列示年內擁有重大非控股權益之所有非全資附屬公司深圳泛海及前海明天及其附屬公司(統稱「前海明天集團」)(二零一八年：伽瑪物流集團、深圳泛海、前海明天集團及天津聯企成石油製品銷售有限公司(「天津聯企成」))之有關資料。自報告期開始與收購日期(以較後者為準)至出售日期與報告期完結(以較早者為準)期間各非控股權益之財務資料概要列示公司間撇銷前之金額，且不包括有關商譽。

		Shenzhen Fanhai 深圳泛海	Qianhai Mingtian Group 前海明天集團 (Note b) (附註b)
At 31 December 2019	於二零一九年 十二月三十一日		
Proportion of NCI's ownership interests	非控股權益擁有權 權益比例	49%	49%
		HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產	21	1,101
Current assets	流動資產	1,766	536,090
Current liabilities	流動負債	(56)	(485,505)
Net assets	資產淨值	1,731	51,686
Carrying amount of NCI	非控股權益賬面值	848	15,757

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with non-controlling interests ("NCI") (Continued)

14. 於附屬公司之投資(續)

擁有非控股權益(「非控股權益」)之附屬公司之財務資料(續)

	Shenzhen Fanhai 深圳泛海	Gamma Logistics Group (note a) 伽瑪物流集團 (附註a)	Qianhai Mingtian Group (note b) 前海明天集團 (附註b)	Tianjin Lian Qi Cheng (note c) 天津聯企成 (附註c)
At 31 December 2018	於二零一八年十二月三十一日			
Proportion of NCI's ownership interests	非控股權益擁有權益比例	49%	49%	49%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產	35	15,686	1,753
Current assets	流動資產	8,127	49,717	744,025
Current liabilities	流動負債	(5,126)	(44,958)	(700,287)
Non-current liabilities	非流動負債	-	(1,471)	-
Net assets	資產淨值	3,036	18,974	45,491
Less: Impairment loss for the disposal group classified as held for sale	減：分類為持作出售之出售集團之減值虧損	-	(10,837)	-
		3,036	8,137	45,491
Carrying amount of NCI	非控股權益賬面值	1,488	4,113	8,544

Note a: On 28 December 2018, the Company entered into a share transfer agreement to dispose its interest in Gamma Logistics. The assets and liabilities was classified as disposal group as at 31 December 2018. Gamma Logistics Group was disposed of on 10 January 2019.

附註a: 於二零一八年十二月二十八日，本公司訂立股份轉讓協議，以出售其於伽瑪物流之權益。於二零一八年十二月三十一日，有關資產及負債被分類為出售集團。伽瑪物流集團於二零一九年一月十日出售。

Note b: Qinghai Mingtian Group's total equity disclosed above included the accumulated profits up to disposal of 49% equity in Qianhai Mingtian of HK\$6,470,000 (the "Pre-acquisition Profits") in 2017. However, the non-controlling interests are not entitled to the Pre-acquisition Profits in accordance with the agreement entered into between the shareholders.

附註b: 上文所披露前海明天集團之權益總額包括於二零一七年出售前海明天49%股權之累計溢利6,470,000港元(「收購前溢利」)。然而，根據股東之間訂立之協議，非控股權益無權享有收購前溢利。

In 2018, the Group and the non-controlling interests had injected HK\$24,006,000 and HK\$2,354,000 respectively. In 2019, the NCI had injected HK\$8,169,000. The non-controlling interests are not entitled to the excess contribution made by the Group of approximately HK\$13,033,000 in accordance with agreements entered into between the shareholders.

於二零一八年，本集團及非控股權益已分別注資24,006,000港元及2,354,000港元。於二零一九年，非控股權益已注資8,169,000港元。根據股東之間訂立之協議，非控股權益無權享有本集團所作出之額外注資約13,033,000港元。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Financial information of subsidiaries with non-controlling interests ("NCI") (Continued)

擁有非控股權益(「非控股權益」)之附屬公司之財務資料(續)

Note c: During the year, the Group has entered into a share transfer agreement with a third party to dispose of 51% equity interest in Tianjin Lian Qi Cheng. The disposal transaction was completed on 8 April 2019.

附註c: 年內，本集團已與第三方訂立股份轉讓協議，以出售天津聯企成51%股權。該出售交易於二零一九年四月八日完成。

		Shenzhen Fanhai 深圳泛海 HK\$'000 千港元	Qianhai Mingtian Group 前海明天集團 HK\$'000 千港元
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度		
Revenue	收益	4,514	1,037,726
Cost of sales	銷售成本	(4,502)	(1,025,071)
Other income	其他收入	5	15,659
Expenses	開支	(1,280)	(28,956)
Loss for the year	年內虧損	(1,263)	(642)
Other comprehensive loss	其他全面虧損	(42)	(1,332)
Total comprehensive loss for the year	年內全面虧損總額	(1,305)	(1,974)
Loss attributable to NCI	非控股權益應佔虧損	(619)	(315)
Total comprehensive loss attributable to NCI	非控股權益應佔全面虧損總額	(639)	(967)
Net cash flows from (used in):	來自(用於)以下各項之現金流量淨額:		
Operating activities	經營活動	(5,981)	77,305
Investing activities	投資活動	5	(77,054)
Financing activities	融資活動	-	5,451
Dividends paid to NCI	已付非控股權益之股息	-	-

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Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Financial information of subsidiaries with non-controlling interests ("NCI") (Continued)

擁有非控股權益(「非控股權益」)之附屬公司之財務資料(續)

		Shenzhen Fanhai 深圳泛海 HK\$'000 千港元	Gamma Logistics Group 伽瑪物流集團 HK\$'000 千港元	Qianhai Mingtian Group 前海明天集團 HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度				
Revenue	收益	759,639	200,411	2,503,960	112,256
Cost of sales	銷售成本	(764,323)	(164,906)	(2,495,291)	(110,048)
Other income	其他收入	2,551	1,904	13,770	10
Expense	開支	(6,305)	(42,416)	(29,192)	(7,253)
Impairment loss on disposal group	出售集團減值虧損	-	(10,837)	-	-
Share of result of associate	應佔聯營公司業績	-	(591)	-	-
Loss for the year	年內虧損	(8,438)	(16,435)*	(6,753)	(5,035)
Other comprehensive income (loss)	其他全面收益(虧損)	(1,327)	170	(2,793)	(1,091)
Total comprehensive loss for the year	年內全面虧損總額	(9,765)	(16,265)	(9,546)	(6,126)
Profit attributable to NCI of subsidiaries within the respective groups	有關集團內附屬公司非控股權益應佔溢利	-	151	-	-
(Loss) Profit attributable to NCI	非控股權益應佔(虧損)溢利	(4,135)	(7,902)	183	(2,467)
Total comprehensive loss attributable to NCI	非控股權益應佔全面虧損總額	(4,785)	(2,660)	(4,789)	(3,001)
Net cash flows from (used in):	來自(用於)以下各項之現金流量淨額:				
Operating activities	經營活動	(2,412)	1,627	289,889	421
Investing activities	投資活動	(39)	5,104	(5,195)	76,318
Financing activities	融資活動	10,489	(2,803)	(281,872)	(71,931)
Dividends paid to NCI	已付非控股權益之股息	-	-	-	-
Impairment loss for the disposal group classified as held for sale attributable to NCI	非控股權益應佔分類為持作出售之出售集團之減值虧損	-	5,310	-	-

* The amounts included the income tax expenses of HK\$636,000. The loss before tax from discontinued operations amounted to HK\$15,799,000.

* 有關金額包括所得稅開支636,000港元。已終止經營業務之除稅前虧損為15,799,000港元。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Storage facilities	Leasehold improvements	Furniture, fixtures and equipment	Motor Vehicles	Computer equipment	Feeder vessels and barges	Containers	Terminal facilities	Construction in progress	Total
		樓宇	倉儲設施	租賃物業裝修	傢俬、裝置及設備	汽車	電腦設備	駁船	貨櫃	碼頭設施	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At cost	按成本											
At 1 January 2018	於二零一八年一月一日	1,162	91,449	5,107	8,862	44,843	8,476	4,355	8,227	-	14,675	187,156
Additions	添置	11	-	335	433	3,275	504	-	8	-	47,128	51,694
Additions — acquisition of subsidiary	添置 — 收購附屬公司	5,522	12,656	-	32,913	85	143	-	-	789,817	-	841,136
Reclassified as disposal group held for sale (note 25)	重新分類為持作出售之出售集團(附註25)	-	-	(3,429)	(3,876)	(45,572)	(4,654)	(4,355)	(7,114)	-	-	(69,000)
Disposals/Written off	出售/撇銷	-	-	-	(149)	(833)	-	-	(1,121)	-	-	(2,103)
Disposals of a subsidiary	出售一間附屬公司	-	-	(434)	(1,427)	-	-	-	-	-	-	(1,861)
Exchange realignment	匯兌調整	(61)	(4,730)	(99)	(276)	(882)	(227)	-	-	-	(2,531)	(8,806)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	6,634	99,375	1,480	36,480	916	4,242	-	-	789,817	59,272	998,216
Additions	添置	61	1,204	-	91	11	-	-	-	-	29,543	30,910
Disposals/Written off	出售/撇銷	-	-	-	(31)	-	(4)	-	-	-	-	(35)
Disposals of subsidiaries (note 25)	出售附屬公司(附註25)	-	-	-	(269)	(530)	(62)	-	-	-	-	(861)
Transfer from CIP	在建工程轉入	-	-	-	238	-	-	-	-	-	(238)	-
Exchange realignment	匯兌調整	(121)	(2,233)	(45)	(805)	-	(87)	-	-	(16,288)	262	(19,317)
At 31 December 2019	於二零一九年十二月三十一日	6,574	98,346	1,435	35,704	397	4,089	-	-	773,529	88,839	1,008,913
Accumulated depreciation and impairment	累計折舊及減值											
At 1 January 2018	於二零一八年一月一日	71	4,490	3,451	4,173	35,161	4,903	4,355	6,875	-	-	63,479
Charge for the year	年內扣除	65	4,545	787	1,094	3,200	809	-	347	1,804	-	12,651
Impairment	減值	-	13,151	-	230	7	442	-	-	-	9,974	23,804
Reclassified as disposal group held for sale (note 25)	重新分類為持作出售之出售集團(附註25)	-	-	(3,429)	(3,818)	(36,514)	(4,345)	(4,355)	(6,125)	-	-	(58,586)
Disposals/Written off	出售/撇銷	-	-	-	(25)	(798)	-	-	(1,096)	-	-	(1,919)
Disposals of a subsidiary	出售一間附屬公司	-	-	(235)	(169)	-	-	-	-	-	-	(404)
Exchange realignment	匯兌調整	(6)	(404)	(31)	(65)	(850)	(70)	-	(1)	(67)	-	(1,494)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	130	21,782	543	1,420	206	1,739	-	-	1,737	9,974	37,531
Charge for the year	年內扣除	171	4,851	688	3,816	154	740	-	-	20,778	-	31,198
Impairment	減值	3,231	34,516	-	26,345	43	1,095	-	-	566,377	(9,974)	621,633
Disposals/Written off	出售/撇銷	-	-	-	(13)	-	(1)	-	-	-	-	(14)
Disposals of subsidiaries (note 25)	出售附屬公司(附註25)	-	-	-	(41)	(128)	(34)	-	-	-	-	(203)
Exchange realignment	匯兌調整	(6)	(272)	(38)	(98)	36	(74)	-	-	(415)	-	(867)
At 31 December 2019	於二零一九年十二月三十一日	3,526	60,877	1,193	31,429	311	3,465	-	-	588,477	-	689,278
Net book value	賬面淨值											
At 31 December 2019	於二零一九年十二月三十一日	3,048	37,469	242	4,275	86	624	-	-	185,052	88,839	319,635
At 31 December 2018	於二零一八年十二月三十一日	6,504	77,593	937	35,060	710	2,503	-	-	788,080	49,298	960,685

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The directors of the Company have reviewed the carrying value of property, plant and equipment (storage facilities and construction in progress), goodwill (note 16 to the consolidated financial statements) and right-of-use assets (2018: prepaid lease payments) (note 17 to the consolidated financial statements) of Petrochemical Products Storage Business (as defined in note 16 to the consolidated financial statements) and the carrying value of property, plant and equipment (terminal facilities and construction in progress), goodwill (note 16 to the consolidated financial statement) and right-of-use assets (note 17 to the consolidated financial statement) of Terminal Handling and Berthing Business (as defined in note 16 to the consolidated financial statements) as their economic performance is worse than expected and determined that the recoverable amount from the use or sale of certain of these assets has declined below their carrying amount.

On 21 March 2019, a major explosion occurred at a chemical plant in Chenjiagang Chemical Industry Park, Chenjiagang, Xiangshui County, Yancheng City, Jiangsu Province, the PRC. The event spurred a significant emergency response at the national and local levels. The local government moved almost immediately to close the entire industrial park and the State Council of the PRC ordered immediate safety inspections of chemical parks across the country, instructing regulators to shut down plants if necessary. The Jiangsu Provincial Government has decided to slash the number of chemical production enterprises as part of an ambitious plan to overhaul the local chemical manufacturing industry.

The operations of the Group's Terminal Handling and Berthing Business and Petrochemical Products Storage Business located at Yancheng City, Jiangsu Province and most of the major customers are mainly the chemical companies in Jiangsu Province. The expected decrease in number of chemical production enterprises in Jiangsu Province would have significant adverse impact on the Group's Terminal Handling and Berthing Business and Petrochemical Products Storage Business located in Jiangsu Province on future operations, and hence, the future cashflows. As a result, the value-in-use calculations as at 31 December 2019 substantially decreased when compared with that estimated as at 31 December 2018.

15. 物業、廠房及設備(續)

由於石化產品倉儲業務之表現較預期差，本公司董事已審閱石化產品倉儲業務(定義見綜合財務報表附註16)之物業、廠房及設備(倉儲設施及在建工程)之賬面值、商譽(綜合財務報表附註16)及使用權資產(二零一八年：預付租賃付款)(綜合財務報表附註17)以及碼頭處理及靠泊業務(定義見綜合財務報表附註16)之物業、廠房及設備(碼頭設施及在建工程)之賬面值、商譽(綜合財務報表附註16)及使用權資產(綜合財務報表附註17)，認為使用或出售若干該等資產之可收回金額跌至低於其賬面值。

於二零一九年三月二十一日，中國江蘇省鹽城市響水縣陳家港鎮陳家港化工園區的一家化工廠發生重大爆炸。該事件觸發國家及當地部門的重大緊急響應。當地政府迅速關閉整個化工園，中國國務院亦命令全國各地化工園立即開展安全檢查，指示有關監管機構於必要時關停廠房。江蘇省政府已決定落實一項整頓當地化工製造業的重大計劃，其中一步是大幅削減化工生產企業。

本集團於江蘇省鹽城市經營碼頭處理及靠泊服務以及石化產品倉儲業務，且主要客戶大多數為江蘇省的化工企業。江蘇省的化工生產企業數量的預期減少將對本集團位於江蘇省的碼頭處理及靠泊服務以及石化產品倉儲業務的日後營運造成重大不利影響，從而對未來現金流量產生重大不利影響。因此，於二零一九年十二月三十一日採用使用價值計算法的金額較二零一八年十二月三十一日的所估計的採用使用價值計算法的金額大幅減少。

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15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

As at 31 December 2019, the recoverable amounts of cash-generating unit ("CGU"), including property, plant and equipment, goodwill, right-of-use assets (2018: prepaid lease payments) of Petrochemical Products Storage Business and property, plant and equipment, goodwill and right-of-use assets of Terminal Handling and Berthing Business (2018: Nil) (collectively known as the "Assets"), which was lower than the aggregate carrying amounts, are determined by the management, with assistance from an independent professional valuer, based on fair value less costs of disposal for the Assets, which are significantly higher than that using value-in-use calculations (refer to note 16 to the consolidated financial statements).

The key assumptions used in estimating the fair value of the Assets under depreciation replacement cost approach include estimation of construction as if building the similar structures, adjusting for physical deterioration, obsolescence and optimisation or referring to current market price of the similar assets. The valuation was categorised as Level 3 fair value measurement.

As at 31 December 2019, the recoverable amount of the CGU of Terminal Handling and Berthing Business is determined to be lower than their respective carrying amount. The recoverable amount of this CGU, comprising goodwill, property, plant and equipment and right-of-use assets, measured at fair value less costs of disposal, is HK\$173,175,000 (2018: HK\$1,063,024,000 measured at value-in-use valuations). Accordingly, impairment losses of HK\$223,782,000 (2018: HK\$nil), HK\$611,205,000 (2018: HK\$nil) and HK\$594,000 (2018: HK\$nil) were provided for goodwill, property, plant and equipment and right-of-use assets in relation to this CGU respectively during the year.

15. 物業、廠房及設備(續)

於二零一九年十二月三十一日，現金產生單位(「現金產生單位」)(包括石化產品倉儲業務之物業、廠房及設備、商譽及使用權資產(二零一八年：預付租賃付款)以及碼頭處理及靠泊業務之物業、廠房及設備、商譽及使用權資產(二零一八年：零)，統稱「資產」)之可收回金額(低於其總賬面值)由管理層在獨立專業估值師協助下按公平值減資產的出售成本釐定，而有關可收回金額顯著高於採用使用價值計算法的金額(請參閱綜合財務報表附註16)。

根據折舊重量成本法估計資產之公平值所用關鍵假設包括估計建築(猶如建造類似結構)、就實質損耗、報廢及優化作出調整或參照類似資產的當期市價。估值被分類為第三級公平值計量。

於二零一九年十二月三十一日，碼頭處理及靠泊業務的現金產生單位之可收回金額被認定為低於其各自的賬面值。該現金產生單位(包括商譽、物業、廠房及設備以及使用權資產)之可收回金額按公平值減出售成本計量，為173,175,000港元(二零一八年：1,063,024,000港元，按使用價值計算法計量)。因此，於本年度，就有關此現金產生單位之商譽、物業、廠房及設備以及使用權資產分別計提減值虧損撥備223,782,000港元(二零一八年：零港元)、611,205,000港元(二零一八年：零港元)及594,000港元(二零一八年：零港元)。

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15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

As at 31 December 2019, the recoverable amount of the CGU of Petrochemical Products Storage Business is determined to be lower than their respective carrying amount. The recoverable amount of this CGU, comprising goodwill, property, plant and equipment and right-of-use assets, measured at fair value less costs of disposal, is HK\$180,786,000 (2018: HK\$151,794,000 measured at value-in-use valuations). Accordingly, net impairment losses of HK\$nil (2018: HK\$14,844,000), HK\$10,428,000 (2018: HK\$23,804,000) and reversal of impairment loss of HK\$6,906,000 (2018: impairment of HK\$6,906,000) were provided for goodwill, property, plant and equipment and right-of-use assets in relation to this CGU respectively during the year.

As at 31 December 2019, the Group was in the process of obtaining the ownership certificates in respect of the building and terminal facilities in Jiangsu Hairong with carrying amounts of HK\$1,072,000 (2018: HK\$4,515,000) and HK\$158,507,000 (2018: HK\$761,533,000) respectively.

16. GOODWILL

15. 物業、廠房及設備(續)

於二零一九年十二月三十一日，石化產品倉儲業務的現金產生單位之可收回金額被認定為低於其各自的賬面值。該現金產生單位(包括商譽、物業、廠房及設備以及使用權資產)之可收回金額按公平值減出售成本計量，為180,786,000港元(二零一八年：151,794,000港元，按使用價值計算法計量)。因此，於本年度，就有關此現金產生單位之商譽、物業、廠房及設備以及使用權資產分別計提減值虧損淨額撥備零港元(二零一八年：14,844,000港元)、10,428,000港元(二零一八年：23,804,000港元)及減值虧損撥回6,906,000港元(二零一八年：減值6,906,000港元)。

於二零一九年十二月三十一日，本集團正獲取有關賬面值分別為1,072,000港元(二零一八年：4,515,000港元)及158,507,000港元(二零一八年：761,533,000港元)之江蘇海融樓宇及碼頭設施的所有權證。

16. 商譽

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Reconciliation of carrying amount</i>	<i>賬面值對賬</i>		
At beginning of reporting period	於報告期初	225,151	16,213
Acquisition of a subsidiary	收購一間附屬公司	-	223,782
Disposal of subsidiaries (note 25)	出售附屬公司 (附註25)	(73)	-
Impairment loss	減值虧損	(223,782)	(14,844)
At end of reporting period	於報告期末	1,296	225,151
At 31 December	於十二月三十一日		
Cost	成本	239,922	239,995
Accumulated impairment loss	累計減值虧損	(238,626)	(14,844)
		1,296	225,151

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16. GOODWILL (Continued)

Goodwill arose because the consideration paid for the acquisitions effectively included amount in relation to the benefits originated from future market development and the assembled workforce of the acquired business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The carrying amount of goodwill was allocated to the Group's CGUs as follows:

16. 商譽(續)

產生商譽是由於就收購支付之代價實際包含未來市場發展及收購業務所集結勞動力所帶來利益之金額。由於該等利益不符合可識別無形資產之確認標準，故並無與商譽分開確認。預期概無已確認商譽可用於扣除所得稅。

商譽之賬面值分配至本集團現金產生單位如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Terminal Handling and Berthing Business	碼頭處理及靠泊業務	-	223,782
Petrochemical Products Storage Business	石化產品倉儲業務	-	-
Petrochemical Products Trading Business	石化產品貿易業務	1,296	1,369
		1,296	225,151

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16. GOODWILL (Continued)

The recoverable amounts of the Terminal Handling and Berthing Business, Petrochemical Products Storage Business and Petrochemical Products Trading Business as at 31 December 2018 and recoverable amount of Petrochemical Products Trading Business as at 31 December 2019 have been determined on the basis of value in use. These recoverable amounts are based on certain key assumptions. The value-in-use calculation uses cash flow projection based on financial budgets approved by management covering a 5-year period by applying certain key assumptions below:

		Terminal Handling and Berthing Business 碼頭處理及 靠泊業務 2018 二零一八年	Petrochemical Products Trading Business 石化產品貿易業務 2019 二零一九年		Petrochemical Products Storage Business 石化產品 倉儲業務 2018 二零一八年
Pre-tax discount rate	稅前貼現率	10%	11%	11%	8%
Average growth rate	平均增長率	27%	3%	3%	2%
Perpetual growth rate	永久增長率	1%	1%	1%	1%

The recoverable amount of the CGU of Terminal Handling and Berthing Business and Petrochemical Products Storage Business as at 31 December 2019 are determined with reference to fair value less costs of disposal are lower than their respective carrying amounts as mentioned in note 15 to the consolidated financial statements.

An impairment loss on goodwill of HK\$223,782,000 in relation the Terminal Handling and Berthing Business was made during the year.

The goodwill in relation to the CGU of Petrochemical Products Storage Business has been fully impaired in a previous year.

16. 商譽(續)

碼頭處理及靠泊業務、石化產品倉儲業務及石化產品貿易業務於二零一八年十二月三十一日之可收回金額以及石化產品貿易業務於二零一九年十二月三十一日之可收回金額均已根據使用價值釐定，並建基於若干主要假設。使用價值乃按管理層所批准五年期財務預算之現金流量預測採用以下若干主要假設計算：

於二零一九年十二月三十一日，參照公平價值減出售成本釐定之石化產品倉儲業務及碼頭處理及靠泊業務現金產生單位之可收回金額低於綜合財務報表附註15所述各自之賬面值。

於本年度錄得有關碼頭處理及靠泊業務的商譽減值虧損為223,782,000港元。

有關石化產品倉儲業務的現金產生單位之商譽已於上一年度悉數償還。

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17. LEASES

17. 租賃

Right-of-use assets

使用權資產

		Prepaid lease payments (note a) 預付租賃 付款 (附註a) HK\$'000 千港元	Sea use rights payments (note b) 海域使用 權付款 (附註b) HK\$'000 千港元	Office premises (note c) 辦公室 物業 (附註c) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reconciliation of carrying amount — year ended 31 December 2019	賬面值對賬 — 截至 二零一九年十二月 三十一日止年度				
At beginning of the year — upon adoption of HKFRS 16	於年初 — 於採納香港 財務報告準則第16 號後	35,124	2,920	2,336	40,380
Depreciation	折舊	(986)	(88)	(1,285)	(2,359)
Reversal of impairment loss (impairment loss)	減值虧損撥回 (減值虧損)	6,906	(594)	—	6,312
Exchange differences	匯兌差額	(879)	(75)	(9)	(963)
At the end of the reporting period	於報告期末	40,165	2,163	1,042	43,370
At 31 December 2019	於二零一九年十二月 三十一日				
Cost	成本	43,121	2,845	2,327	48,293
Accumulated depreciation and impairment losses	累計折舊及減值虧損	(2,956)	(682)	(1,285)	(4,923)
Net carrying amount	賬面淨值	40,165	2,163	1,042	43,370

Note a: Prepaid lease payments

Zhongnanhui has agreed with 江蘇大豐港經濟開發區委員會 (Management Committee of Jiangsu Dafeng Harbour Economic Development Zone*, "Management Committee of Dafeng") and 江蘇大豐海港控股集團有限公司 ("Jiangsu Dafeng"), a company wholly owned by the Government of Yancheng Dafeng Port, Jiangsu Province, the PRC (the "Government of Yancheng Dafeng") to pay RMB19 million to Management Committee of Dafeng and Jiangsu Dafeng which would apply for the certificate of land use right of a piece of land located in Yancheng Dafeng on behalf of Zhongnanhui from the Bureau of Land and Resources of Yancheng Dafeng.

附註a: 預付租賃付款

中南匯與江蘇大豐港經濟開發區委員會(「大豐港委員會」)及江蘇大豐海港控股集團有限公司(「江蘇大豐」, 由中國江蘇省鹽城大豐港政府(「鹽城大豐政府」)全資擁有之公司)協定, 向大豐港委員會及江蘇大豐支付人民幣19,000,000元以代表中南匯就一幅位於鹽城大豐之土地向鹽城大豐國土資源局申請土地使用權證。

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17. LEASES (Continued)

Right-of-use assets (Continued)

Note a: Prepaid lease payments (Continued)

In the opinion of the directors of Zhongnanhui, as an incentive for investments in the location, it was the intention of Management Committee of Dafeng and Jiangsu Dafeng to bear the additional purchase cost if it exceeded RMB19 million.

In March 2011, Zhongnanhui entered into an agreement with the Bureau of Land and Resources of Yancheng Dafeng pursuant to which Zhongnanhui was granted the land use right of that piece of land at a consideration of RMB36.5 million. Management Committee of Dafeng and Jiangsu Dafeng paid the whole amount on behalf of Zhongnanhui including the excess portion of consideration of RMB17.5 million.

In accordance with confirmation from Management Committee of Dafeng and Jiangsu Dafeng, Zhongnanhui had no further obligation in respect of the grant of the land use right apart from RMB19 million payable to Management Committee of Dafeng and Jiangsu Dafeng, which was fully settled.

Upon acquisition of Zhongnanhui by the Group in 2016, the prepaid lease payments were valued at RMB38.7 million. The prepaid lease payments are amortised over the remaining leasehold period of 45 years since acquisition. As at 31 December 2019, the prepaid lease payments were pledged to secure bank borrowings as stated in note 27(a) to the consolidated financial statements.

* The official name is in Chinese and the English name is translated for identification purpose only.

Note b: Sea use rights payments

The amount represented cost paid for sea use rights, with remaining lease term of 40 years as at 31 December 2019 (2018: 41 years) in Dafeng Port, Jiangsu Province, the PRC. The cost is amortised over the lease period.

As at 31 December 2019, the sea use right payments were pledged to secure bank borrowings as stated in note 27(a) to the consolidated financial statements.

Note c: Office premises

The Group leases various office premises for its daily operations. Lease terms range from 24 to 36 months. Lease payments were usually increased annually to reflect current market rentals.

17. 租賃(續)

使用權資產(續)

附註a：預付租賃付款(續)

中南匯董事認為，作為投資於該地區之獎勵，大豐港委員會及江蘇大豐擬承擔超出人民幣19,000,000元之額外購買成本。

於二零一一年三月，中南匯與鹽城大豐國土資源局訂立協議，據此，中南匯以代價人民幣36,500,000元取得該土地之土地使用權。大豐港委員會及江蘇大豐代表中南匯支付全數款項，包括代價超額部分人民幣17,500,000元。

據大豐港委員會及江蘇大豐確認，除應付大豐港委員會及江蘇大豐之款項人民幣19,000,000元(已悉數支付)外，中南匯毋須就取得土地使用權承擔其他責任。

本集團於二零一六年收購中南匯時，預付租賃付款之價值為人民幣38,700,000元。預付租賃付款於收購起計剩餘租期(即45年)內攤銷。於二零一九年十二月三十一日，預付租賃付款已抵押以取得銀行借貸(見綜合財務報表附註27(a))。

附註b：海域使用權付款

有關金額指就中國江蘇省大豐港之海域使用權(截至二零一九年十二月三十一日剩餘租期為40年(二零一八年：41年))已付之成本。有關成本於租期內攤銷。

誠如綜合財務報表附註27(a)所述，於二零一九年十二月三十一日，海域使用權付款已抵押作為銀行借貸之擔保。

附註c：辦公室物業

本集團為其日常營運租賃多處辦公室物業，租期介乎24至36個月。租賃付款通常每年增加以反映當期市場租金。

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17. LEASES (Continued)

Restrictions or covenants

Most of the leases of office premises impose a restriction that, unless the approval is obtained from the lessor, the right-of-use asset can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets.

For leases of properties, the Group is required to keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

The Group has recognised the following amounts for the year:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease payments:	租賃付款：		
Short-term leases	短期租賃	1,242	-
Operating lease payments	經營租賃付款	-	6,332
Expenses recognised in profit or loss	於損益確認之開支	1,242	6,332
Total cash outflow for leases	租賃現金流出總額	2,491	6,332

Commitments under leases

At 31 December 2019, the Group was committed to HK\$207,000 for short-term leases.

At 31 December 2018

The Group had total future minimum lease payments under non-cancellable operating leases, which are payable as follows:

		HK\$'000 千港元
Within one year	一年內	3,594
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	666
		4,260

17. 租賃(續)

限制或契諾

多數辦公物業租約強制規定，除非獲得出租人的批准，否則使用權資產僅能由本集團使用，且本集團不得出售或抵押相關資產。

就物業租賃而言，本集團須維持物業良好的維修狀態，並於租賃結束時按物業的原狀交還。

本集團於年內確認下列金額：

租賃承擔

於二零一九年十二月三十一日，本集團就短期租賃作出承擔207,000港元。

於二零一八年十二月三十一日

本集團於不可撤銷經營租賃下有應付未來最低租賃付款總額如下：

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18. PREPAID LEASE PAYMENTS

18. 預付租賃付款

		2018 二零一八年 HK\$'000 千港元
At cost	按成本	
At the beginning of year	於年初	46,495
Exchange realignment	匯兌調整	(2,405)
<hr/>		
At the end of year	於年末	44,090
Accumulated amortisation and impairment loss	累計攤銷及減值虧損	
At the beginning of year	於年初	1,130
Amortisation during the year	年內攤銷	1,028
Exchange realignment	匯兌調整	(98)
Impairment	減值	6,906
<hr/>		
At the end of year	於年末	8,966
<hr/>		
Carrying amount	賬面值	35,124
Less: Amounts to be amortised within 12 months	減：須於12個月內攤銷之金額	(989)
<hr/>		
Amounts to be amortised after 12 months	須於12個月後攤銷之金額	34,135

Upon the adoption of HKFRS 16, the prepaid lease payments are presented under right-of-use assets.

於採納香港財務報告準則第16號後，預付租賃付款乃於使用權資產項下呈列。

19. SEA USE RIGHT PAYMENTS

19. 海域使用權付款

		2018 二零一八年 HK\$'000 千港元
At cost	按成本	
At the beginning of the year	於年初	-
Additions — acquisitions of a subsidiary	添置 — 收購一間附屬公司	2,927
<hr/>		
At the end of year	於年末	2,927
Accumulated amortisation	累計攤銷	
At the beginning of the year	於年初	-
Amortisation during the year	年內攤銷	7
<hr/>		
At the end of year	於年末	7

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19. SEA USE RIGHT PAYMENTS (Continued)

19. 海域使用權付款(續)

		2018 二零一八年 HK\$'000 千港元
Carrying amount	賬面值	2,920
Less: Amounts to be amortised within 12 months	減：將於12個月內攤銷的金額	(72)
Amounts to be amortised after 12 months	將於12個月後攤銷的金額	2,848

Upon the adoption of HKFRS 16, the sea-use right payments are presented under right-of-use assets.

於採納香港財務報告準則第16號後，海域使用權付款乃於使用權資產項下呈列。

20. PREPAYMENTS IN RELATION TO PROPERTY, PLANT AND EQUIPMENT

20. 就物業、廠房及設備之預付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Advances to suppliers for purchase of property, plant and equipment	就購買物業、廠房及設備向供應商墊款	4,596	500

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

21. 按公平值計入損益之金融資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted investment fund outside Hong Kong	香港境外之非上市投資基金	3,343	7,971

The unlisted investment fund represents the non-principal-guaranteed fund with the rate of return ranged from 3.6% to 4.0%, varies according to the number of days of establishment. The fair value of unlisted investment fund is estimated with reference to the price quoted by the bank which is the fund administrator. The investment has been subsequently disposed of at a consideration of approximately HK\$3,343,000 in 2020.

非上市投資基金指回報率介乎3.6%至4.0% (按設立日數變動)之不保本基金。非上市投資基金之公平值乃參考銀行(為基金管理人)之報價釐定。該投資其後於二零二零年按代價約3,343,000港元出售。

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22. INVENTORIES

22. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finished goods — electronic products	完成品 — 電子產品	—	4,946
Petrochemical products	石化產品	6,309	11,774
		6,309	16,720

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項			
Third parties	第三方	36(a)(iii)	107,184	418,688
Less: Loss allowance	減：虧損撥備	36(a)(iii)	(9,511)	—
			97,673	418,688
Other receivables	其他應收款項			
Deposits, prepayments and other debtors	按金、預付款項及其他應收賬款		55,233	38,988
Advanced payments to suppliers	向供應商墊款		45,718	49,722
Value added tax refundable	可退回增值稅		67,769	142,435
Interest receivable	應收利息		6,878	5,461
Security deposit for loan from a third party	來自一名第三方之貸款之保證金	27(b)	3,343	—
Due from connected companies	應收關連公司款項	23(a)	325,437	435,350
Consideration receivable for disposal of subsidiaries	應收出售附屬公司之代價	25	111	—
			504,489	671,956
			602,162	1,090,644

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23. TRADE AND OTHER RECEIVABLES

(Continued)

23(a) Due from connected companies

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Jiangsu Dafeng	江蘇大豐	(i)	325,415	435,321
大豐鑫港置業有限公司	大豐鑫港置業有限公司		-	29
大豐海港港口有限責任公司	大豐海港港口有限責任公司			
Dafeng Port Harbour Limited Liability Company*	(「大豐海港」)	(ii)	11	-
鹽城市大豐港城物業管理有限公司	鹽城市大豐港城物業管理有限公司	(ii)	11	-
			325,437	435,350

(i) The amount represents advances of RMB292,009,000 (approximately HK\$325,415,000) (2018: RMB382,296,000 (approximately HK\$435,321,000)) from Jiangsu Hairong (before acquisition) to Jiangsu Dafeng, which has a 40% equity interest in Dafeng Port Overseas. The amounts are unsecured and have no fixed terms of repayment. Included in the amounts are balances of RMB52,500,000 (approximately HK\$58,506,000) (2018: RMB142,500,000 (approximately HK\$162,265,000)) which bear annual interest at rate ranged from 5-year RMB benchmark loan interest rate of the People's Bank of China to 110% of 5-year RMB benchmark loan interest rate of the People's Bank of China. The remaining balances of RMB239,509,000 (approximately HK\$266,909,000) (2018: RMB239,796,000 (approximately HK\$273,256,000)) are interest-free.

(ii) These companies are controlled by a substantial shareholder and the amounts are unsecured, interest-free and have no fixed terms of repayment.

23. 貿易及其他應收款項(續)

23(a) 應收關連公司款項

(i) 有關金額指江蘇海融(收購前)墊付予江蘇大豐(擁有大豐港海外之40%股權)之墊款人民幣292,009,000元(約325,415,000港元)(二零一八年:人民幣382,296,000元(約435,321,000港元))。有關金額為無抵押及並無固定還款期。有關金額包括人民幣52,500,000元(約58,506,000港元)(二零一八年:人民幣142,500,000元(約162,265,000港元))之結餘,按介乎中國人民銀行五年期人民幣基準貸款利率至中國人民銀行五年期人民幣基準貸款利率之110%之年息率計息。餘額人民幣239,509,000元(約266,909,000港元)(二零一八年:人民幣239,796,000元(約273,256,000港元))乃屬免息。

(ii) 該等公司由主要股東控制及有關金額為無抵押、免息及並無固定還款期。

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24. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

24. 現金及現金等價物以及已抵押銀行存款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金		
Cash at bank and in hand	銀行及手頭現金	35,296	64,588
Bank overdrafts (note 27)	銀行透支(附註27)	—	(5,672)
		35,296	58,916
Bank balances and cash attributable to disposal group classified as held for sale	分類為持作出售之出售集團應佔銀行結餘及現金	—	4,736
As stated in the consolidated statement of cash flows	於綜合現金流量表列賬	35,296	63,652

Cash at bank earns interest at floating rates based on daily bank deposit rates.

銀行現金根據每日銀行存款利率按浮動利率賺取利息。

24(a) Pledged bank deposits

24(a) 已抵押銀行存款

The pledged bank deposits of the Group are pledged for the bill payables issued by a bank. The interest rates of the pledged bank deposits ranged from 3.6% to 4.4% per annum (2018: 4.39% to 4.63% per annum) and will be matured from August 2020 to November 2020 (2018: August 2019).

本集團已抵押銀行存款已作抵押，以取得銀行發出之應付票據。已抵押銀行存款之年利率介乎3.6%至4.4% (二零一八年：年利率4.39%至4.63%)，將於二零二零年八月至二零二零年十一月(二零一八年：二零一九年八月)到期。

25. DISPOSAL OF SUBSIDIARIES

25. 出售附屬公司

(i) Disposal of Gamma Logistics

(i) 出售伽瑪物流

On 28 December 2018, the Company entered into a share transfer agreement with a third party, to dispose of all its remaining 51% equity interests in Gamma Logistics at a consideration of HK\$4,150,000. The major classes of assets and liabilities of Gamma Logistics Group (i.e. the disposal group) have been classified as held for sale which were measured at the lower of carrying amount and fair value less costs to sell as at 31 December 2018. An impairment loss on disposal group classified as held for sale of HK\$10,837,000 was charged to profit or loss for the year ended 31 December 2018. The disposal transaction was completed on 10 January 2019.

於二零一八年十二月二十八日，本公司與一名第三方訂立股份轉讓協議，以出售本公司於伽瑪物流餘下51%股權，代價為4,150,000港元。於二零一八年十二月三十一日，伽瑪物流集團(即出售集團)的資產及負債的主要類別已被分類為持作出售(按賬面值與公平值減出售成本之較低者計量)。截至二零一八年十二月三十一日止年度，分類為持作出售的出售集團的減值虧損10,837,000港元於損益中扣除。出售交易已於二零一九年一月十日完成。

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25. DISPOSAL OF SUBSIDIARIES (Continued)

(ii) Disposal of Tianjin Lian Qi Cheng

During the year, Heshun Trading and an independent third party purchaser (the "Purchaser") entered into a disposal agreement pursuant to which Heshun Trading agreed to sell and the Purchaser agreed to acquire 51% equity interest of Tianjin Lian Qi Cheng at a consideration of RMB10,300,000 (equivalent to HK\$11,994,000). The disposal was completed on 8 April 2019.

The following table summaries the consideration received/receivable and the carrying amount of the assets and liabilities at the date of disposals:

25. 出售附屬公司(續)

(ii) 出售天津聯企成

於年內，和順貿易與一名獨立第三方買方(「買方」)訂立出售協議，據此和順貿易同意出售及買方同意收購天津聯企成的51%股權，代價為人民幣10,300,000元(相當於11,994,000港元)。出售事項已於二零一九年四月八日完成。

下表為於出售日期已收／應收代價以及資產及負債的賬面值的概要：

		Gamma Logistics 伽瑪物流 HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Net assets disposed of:	所出售淨資產：			
Property, plant and equipment	物業、廠房及設備	3,219	658	3,877
Interest in associates	於聯營公司之權益	1,630	-	1,630
Trade and other receivables	貿易及其他應收款項	43,826	23,826	67,652
Amount due from associate	應收聯營公司款項	1,155	-	1,155
Cash and bank balance	現金及銀行結餘	4,736	-	4,736
Trade and other payables	貿易及其他應付款項	(29,154)	(249)	(29,403)
Amount due to associates	應付聯營公司款項	(3,946)	-	(3,946)
Tax payables	應付稅項	(1,046)	-	(1,046)
Deferred tax liabilities	遞延稅項負債	(1,471)	-	(1,471)
Interest bearing borrowings	計息借貸	(10,812)	-	(10,812)
		8,137	24,235	32,372
Consideration:	代價：			
Consideration received	已收代價	4,150	11,883	16,033
Consideration receivables	應收代價	-	111	111
		4,150	11,994	16,144

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25. DISPOSAL OF SUBSIDIARIES (Continued)

(ii) Disposal of Tianjin Lian Qi Cheng (Continued)

Analysis of net inflow/(outflow) of cash and cash equivalents in respect of disposal of subsidiaries:

		Gamma Logistics 伽瑪物流 HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cash consideration received	已收現金代價	4,150	11,883	16,033
Cash and cash equivalents disposal of	已出售現金及現金等價物	(4,736)	-	(4,736)
Net inflow (outflow) of cash and cash equivalents	現金及現金等價物流入(流出)淨額	(586)	11,883	11,297
Loss on disposal of subsidiaries	出售附屬公司之虧損			
Consideration received or receivable	已收或應收代價	4,150	11,994	16,144
Net assets disposed of	所出售淨資產	(8,137)	(24,235)	(32,372)
Goodwill disposed of	所出售商譽	-	(73)	(73)
Non-controlling interests	非控股權益	4,113	11,876	15,989
		126	(438)	(312)

The net loss on disposal is included in the consolidated statement of comprehensive income.

25. 出售附屬公司(續)

(ii) 出售天津聯企成(續)

出售附屬公司之現金及現金等價物流入/(流出)淨額分析：

出售虧損淨額計入綜合全面收益表。

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26. TRADE AND OTHER PAYABLES

26. 貿易及其他應付款項

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Trade and bills payables			
Trade payables		66,427	324,794
Bills payables		412,306	321,244
	26(a)	478,733	646,038
Other payables			
Accrued charges and other creditors		53,242	37,449
Contract liabilities	26(c)	17,496	17,800
Construction costs payable		468	11,260
Salaries and bonus payable		1,464	2,727
Amounts due to connected companies	26(b)	1,101,519	1,231,702
		1,174,189	1,300,938
		1,652,922	1,946,976

26(a) Trade and bills payables

The ageing analysis of trade and bills payables, based on invoice date, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
90 days or below	90天或以下	62,480	645,740
91-180 days	91至180天	412,306	298
181-365 days	181至365天	3,947	-
		478,733	646,038

The Group was allowed a credit period up to 90 days by its trade creditors. The trade payables are interest-free and are normally settled on terms of one to six months.

26(a) 貿易應付款項及應付票據

貿易應付款項及應付票據按發票日期之賬齡分析如下：

本集團獲其貿易債權人授出的最高90天的信貸期。貿易應付款項為免息且通常於一至六個月期間結算。

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26. TRADE AND OTHER PAYABLES (Continued)

26(a) Trade and bills payables (Continued)

The bills payables of RMB297,460,000 (equivalent to HK\$331,489,000), RMB10,360,000 (equivalent to HK\$11,545,000) and RMB62,160,000 (equivalent to HK\$69,272,000) are interest-bearing at 2.9% to 4.0% per annum and repayable in July, October and November 2020 respectively (2018: the outstanding bills payable balance RMB282,115,000 (equivalent to HK\$321,224,000) was interest-bearing at 3.8% to 4.0% per annum and payable in August 2019).

26(b) Amounts due to connected companies

26. 貿易及其他應付款項(續)

26(a) 貿易應付款項及應付票據(續)

應付票據人民幣297,460,000元(相當於331,489,000港元)、人民幣10,360,000元(相當於11,545,000港元)、人民幣62,160,000元(相當於69,272,000港元)按每年2.9%至4.0%計息且須分別於二零二零年七月、十月及十一月償還(二零一八年:未償還應付票據結餘人民幣282,115,000元(相當於321,224,000港元)為按每年3.8%至4.0%計息且於二零一九年八月償付)。

26(b) 應付關連公司款項

		Note	2019	2018
		附註	二零一九年	二零一八年
			HK\$'000	HK\$'000
			千港元	千港元
Current portion	流動部分			
Dafeng Harbour	大豐海港	26(b)(i)	888,685	908,063
Jiangsu Dafeng	江蘇大豐	26(b)(ii)	207,038	194,223
江蘇華海投資有限公司*	江蘇華海投資有限公司			
(Jiangsu Huahai Investments Limited, "Jiangsu Huahai")	(「江蘇華海」)	26(b)(iii)	5,796	129,416
			1,101,519	1,231,702
Non-current portion	非流動部分			
Jiangsu Huahai	江蘇華海	26(b)(iii)	126,654	—
			1,228,173	1,231,702

* The official name is in Chinese and the English name is translated for identification purpose only

- (i) The amount due is unsecured, interest-free and has no fixed terms of repayment. Dafeng Harbour is the wholly-owned subsidiary of Jiangsu Dafeng.
- (ii) Jiangsu Dafeng has equity interests in Dafeng Port Overseas as to 40%. The amounts due represent the consideration payable in relation to acquisition of Jiangsu Hairong, a subsidiary of the Company. The amounts are unsecured, repayable on demand and bear interest at a rate of 4.35% per annum.

- (i) 有關應付款項為無抵押、免息及無固定還款期。大豐海港為江蘇大豐之全資附屬公司。
- (ii) 江蘇大豐擁有大豐港海外之40%股權。有關應付款項指就收購本公司一間附屬公司江蘇海融應付代價。有關款項為無抵押及須按要求償還，按年利率4.35%計息。

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26. TRADE AND OTHER PAYABLES (Continued)

26. 貿易及其他應付款項(續)

26(b) Amounts due to connected companies (Continued)

26(b) 應付關連公司款項(續)

(iii) Jiangsu Huahai has 10% shareholdings in Dafeng Port Overseas. The accounts due represent the consideration payable in relation to acquisition of Jiangsu Hairong, a subsidiary of the Company. The amounts are unsecured and bear interest at a rate of 4.35% per annum. During the year, the Company and Jiangsu Huahai entered into a loan extension agreement and it was agreed by both parties that the principal balance of RMB113,652,000 (equivalent to: HK\$126,654,000) would be repayable on 20 December 2021.

(iii) 江蘇華海於大豐港海外擁有10%的股權。有關應付款項指就收購本公司一間附屬公司江蘇海融應付代價。有關款項為無抵押及按年利率4.35%計息。年內，本公司與江蘇華海訂立貸款延長協議，雙方同意本金結餘人民幣113,652,000元(相當於126,654,000港元)將於二零二一年十二月二十日償還。

26(c) Contract liabilities

26(c) 合約負債

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

年內，屬香港財務報告準則第15號範圍內客戶合約之合約負債變動(不包括於同一年度增減所產生者)如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At the beginning of the reporting period 於報告期初	17,800	184,589
Recognised as revenue 確認為收益	(17,800)	(184,589)
Receipt of advances of undelivered goods 收取未交付貨品之墊款	17,496	17,800
At end of the reporting period 於報告期末	17,496	17,800

At 31 December 2019, the advance payments from customers are expected to be recognised as revenue within one year.

於二零一九年十二月三十一日，客戶之預付款項預期將於一年內確認為收益。

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27. BANK AND OTHER BORROWINGS

27. 銀行及其他借貸

	Note	2019	2018
	附註	二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Interest-bearing	計息		
Bank loans	銀行貸款	95,838	209,521
Loan from a third party	來自一名第三方之貸款	11,901	35,529
Loan from a connected company	來自一間關連公司之貸款	69,650	108,746
Bank overdrafts (note 24)	銀行透支(附註24)	–	5,672
Lease liabilities	租賃負債	1,078	–
Unlisted secured bonds	非上市有抵押債券	397,361	392,657
Total bank and other borrowings	銀行及其他借貸總額	575,828	752,125
Current portion	即期部分		
— Bank loans	— 銀行貸款	95,838	111,593
— Loan from a third party	— 來自一名第三方之貸款	11,901	23,368
— Loan from a connected company	— 來自一間關連公司之貸款	69,650	–
— Lease liabilities	— 租賃負債	670	–
— Bank overdrafts	— 銀行透支	–	5,672
		178,059	140,633
Non-current portion	非即期部分		
— Bank loans	— 銀行貸款	–	97,928
— Loan from a third party	— 來自一名第三方之貸款	–	12,161
— Loan from a connected company	— 來自一間關連公司之貸款	–	108,746
— Lease liabilities	— 租賃負債	408	–
— Unlisted secured bonds	— 非上市有抵押債券	397,361	392,657
		397,769	611,492
Total bank and other borrowings	銀行及其他借貸總額	575,828	752,125

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27. BANK AND OTHER BORROWINGS

(Continued)

27. 銀行及其他借貸(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Analysed as follows:	分析如下:		
Secured	有抵押	11,901	41,201
Secured and guaranteed	有抵押及擔保	493,199	602,178
Unsecured	無抵押	70,728	108,746
		575,828	752,125

At the end of reporting date, the analysis of bank and other borrowings due based on the scheduled repayment dates set out in the loan agreements is as follows:

於報告日期末，應付銀行及其他借貸按貸款協議所載計劃還款日期之分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
The above borrowings are repayable as follows:	以上借貸須按以下日期償還：		
— repayable on demand or within 1 year	— 按要求或於1年內償還	178,059	140,633
— repayable after 1 year but within 2 years	— 於1年後但2年內償還	397,769	218,835
— repayable after 2 years but within 5 years	— 於2年後但5年內償還	—	392,657
Total bank and other borrowings	銀行及其他借貸總額	575,828	752,125

27(a) Bank loans

27(a) 銀行貸款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank Loan A	銀行貸款A	28,974	38,716
Bank Loan B	銀行貸款B	—	34,161
Bank Loan C	銀行貸款C	66,864	136,644
Total bank loans	銀行貸款總額	95,838	209,521

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27. BANK AND OTHER BORROWINGS

(Continued)

27(a) Bank loans (Continued)

Bank Loan A

Pursuant to the loan agreement dated 28 July 2015 entered into between Zhongnanhui and Jiangsu Dafeng Rural Commercial Bank Co Ltd, a 5-year term loan facility of up to RMB50,000,000 (equivalent to HK\$60,000,000) was made available to Zhongnanhui.

As at 31 December 2019, the loan balances of RMB26,000,000 (equivalent to HK\$28,974,000) (2018: RMB34,000,000, equivalent to HK\$38,716,000) carry interest rates ranged between 5.8% and 6.5% per annum and are secured by prepaid lease payments as disclosed in note 17 to the consolidated financial statements. In addition, these loans are guaranteed by Jiangsu Dafeng up to the extent of RMB30,000,000 (equivalent to HK\$33,432,000).

Bank Loan B

Pursuant to the loan agreement dated 23 December 2010 entered into between Jiangsu Hairong and China Minsheng Banking Corporation Limited, a term loan of RMB130,000,000 (equivalent to HK\$148,031,000) was made to Jiangsu Hairong which is fully repayable on 3 January 2019.

Bank Loan C

Pursuant to the loan agreement entered into between Jiangsu Hairong and Bank of China Limited, a bank loan of RMB390,000,000 (equivalent to HK\$444,093,000) with interest bearing at the People's Bank of China base interest rate per annum and repayable in 2020 are guaranteed by Jiangsu Dafeng and secured by right-of-use assets (2018: sea use right payments) as disclosed in note 17 to the consolidated financial statements. As at 31 December 2019, the loan balance amounted to RMB60,000,000 (equivalent to HK\$66,864,000) (2018: RMB120,000,000 (equivalent to HK\$136,644,000)).

27. 銀行及其他借貸(續)

27(a) 銀行貸款(續)

銀行貸款A

根據中南匯與江蘇大豐農村商業銀行股份有限公司所訂立日期為二零一五年七月二十八日之貸款協議，中南匯獲提供一筆最多為人民幣50,000,000元(相當於60,000,000港元)之五年定期貸款融資。

於二零一九年十二月三十一日，貸款結餘人民幣26,000,000元(相當於28,974,000港元)(二零一八年：人民幣34,000,000元(相當於38,716,000港元))按介乎5.8厘至6.5厘之年利率計息，並以綜合財務報表附註17所披露預付租賃付款作抵押。此外，該筆貸款由江蘇大豐擔保，擔保上限為人民幣30,000,000元(相當於33,432,000港元)。

銀行貸款B

根據江蘇海融與中國民生銀行股份有限公司所訂立日期為二零一零年十二月二十三日之貸款協議，江蘇海融獲提供為數人民幣130,000,000元(相當於148,031,000港元)之定期貸款，須於二零一九年一月三日悉數償還。

銀行貸款C

根據江蘇海融與中國銀行股份有限公司所訂立貸款協議，為數人民幣390,000,000元(相當於444,093,000港元)之銀行貸款，乃按中國人民銀行基準年利率計息及須於二零二零年償還。該貸款由江蘇大豐擔保及以綜合財務報表附註17所披露的使用權資產(二零一八年：海域使用權付款)作抵押。於二零一九年十二月三十一日，貸款結餘為人民幣60,000,000元(相當於66,864,000港元)(二零一八年：人民幣120,000,000元(相當於136,644,000港元))。

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27. BANK AND OTHER BORROWINGS

(Continued)

27(b) Loan from a third party

Pursuant to the loan agreement dated 28 March 2018 entered into between Zhongnanhui and a third party, loan facility of up to RMB60,000,000 (equivalent to HK\$68,332,000) was made available to the Group and is secured by computer equipment, storage facilities and construction in progress with aggregate carrying amount of RMB55,403,000 (equivalent to HK\$61,741,000) (2018: RMB58,366,000 (equivalent to HK\$66,461,000)). The loan bears the interest rate of 5.38% per annum.

A security deposit of RMB3,000,000 (equivalent to HK\$3,343,000) as at 31 December 2019 (2018: RMB3,000,000 (equivalent to HK\$3,416,000)) has been placed for this loan. The loan is repayable by installments and the last installment is due on 20 April 2020.

27(c) Loan from a connected company

Pursuant to the loan agreement signed between Heshun Trading and Jiangsu Dafeng which was a substantial shareholder of the Group, a loan of RMB100,000,000 (equivalent to HK\$111,440,000) with interest bearing at 9% per annum and repayable in November 2020 is unsecured. As at 31 December 2019, the loan balance amounted to RMB62,500,000 (equivalent to HK\$69,650,000) (2018: RMB90,000,000 (equivalent to HK\$108,746,000)).

27(d) Unlisted secured bonds

On 29 March 2018, the Company issued 3-year unlisted secured bonds of US\$50,000,000 (equivalent to HK\$390,395,000) with a coupon rate of 7.5% per annum (the "Bonds") and the interest is payable on every 29th of September and March. The proceeds from issuance of the Bonds to independent third parties after the issuance costs were HK\$383,277,000. The effective interest rate is 8.3% per annum.

27. 銀行及其他借貸(續)

27(b) 來自一名第三方之貸款

根據中南匯與一名第三方所訂立日期為二零一八年三月二十八日之貸款協議，本集團獲提供最多為人民幣60,000,000元(相當於68,332,000港元)之貸款融資，並以賬面總值人民幣55,403,000元(相當於61,741,000港元)(二零一八年：人民幣58,366,000元(相當於66,461,000港元))之電腦設備、倉儲設施及在建工程作抵押。貸款按年利率5.38厘計息。

於二零一九年十二月三十一日，該貸款已就此存入保證金人民幣3,000,000元(相當於3,343,000港元)(二零一八年：人民幣3,000,000元(相當於3,416,000港元))。貸款須分期償還，最後一期於二零二零年四月二十日到期。

27(c) 來自一間關連公司之貸款

根據和順貿易與本集團之一名主要股東江蘇大豐簽署之貸款協議，一筆為數人民幣100,000,000元(相當於111,440,000港元)之無抵押貸款，乃按年利率9厘計息及於二零二零年十一月償還。於二零一九年十二月三十一日，貸款結餘為人民幣62,500,000元(相當於69,650,000港元)(二零一八年：人民幣90,000,000元(相當於108,746,000港元))。

27(d) 非上市有抵押債券

於二零一八年三月二十九日，本公司發行50,000,000美元(相當於390,395,000港元)按息票率每年7.5厘計息之三年期非上市有抵押債券(「債券」)，須於逢九月及三月之二十九日支付利息。扣除發行成本後向獨立第三方發行證券所得款項為383,277,000港元。實際年利率為8.3厘。

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27. BANK AND OTHER BORROWINGS

(Continued)

27(d) Unlisted secured bonds (Continued)

Dafeng Port Overseas, a controlling shareholder of the Company, entered into a deed of account charge (the "Account Charge") with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign to the security trustee, as trustee for the bondholders, all of Dafeng Port Overseas' right, title and interest from time to time in and to each secured account, which represented approximately 57.46% of the Company's total issued shares as at 29 March 2018, as security for the payment and discharge of the secured obligations.

Based on the deed of guarantee dated 29 March 2018, the Bonds are guaranteed by Jiangsu Dafeng.

28. DEFERRED TAXATION

The movements for the year in the Group's net deferred tax liabilities are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of the reporting period	於報告期初	(7,100)	(3,619)
Addition — Acquisition of a subsidiary	添置一收購一間附屬公司	—	(5,254)
Credited to profit or loss (note 11)	計入損益(附註11)	191	200
Reclassified as liabilities associated with disposal group held for sale	重新分類為與持作出售之出售集團有關之負債	—	1,471
Exchange difference	匯兌差額	36	102
At end of the reporting period	於報告期末	(6,873)	(7,100)

27. 銀行及其他借貸(續)

27(d) 非上市有抵押債券(續)

本公司之一名控股股東大豐港海外於二零一八年三月二十九日與抵押受託人訂立賬戶抵押契據(「賬戶抵押」)，據此，大豐港海外將大豐港海外不時於各抵押賬戶之所有權利、所有權及權益(相當於於二零一八年三月二十九日本公司已發行股份總數約57.46%)轉讓並同意轉讓予抵押受託人(作為債券持有人之受託人)，作為支付及履行抵押責任之擔保。

根據日期為二零一八年三月二十九日之擔保契據，債券由江蘇大豐擔保。

28. 遞延稅項

本集團遞延稅項負債淨額於本年度之變動如下：

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28. DEFERRED TAXATION (Continued)

Recognised net deferred tax liabilities at the end of the reporting period represent the following:

28. 遞延稅項(續)

於報告期末之已確認遞延稅項負債淨額指以下各項：

		Assets 資產		Liabilities 負債	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fair value adjustments	公平值調整	-	-	(11,849)	(6,822)
Tax loss	稅項虧損	4,976	4,976	-	-
Fair value adjustment upon acquisition of a subsidiary	收購一間附屬公司時之公平值調整	-	-	-	(5,254)
Deferred tax assets (liabilities)	遞延稅項資產(負債)	4,976	4,976	(11,849)	(12,076)
Offsetting	抵銷	(4,976)	(4,976)	4,976	4,976
Net deferred tax liabilities	遞延稅項負債淨額	-	-	(6,873)	(7,100)

Unrecognised deferred tax assets (liabilities) of continuing operations arising from

以下各項所產生持續經營業務未確認遞延稅項資產(負債)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Before multiplied by the applicable tax rate:	以下各項乘以適用稅率前：		
Temporary differences	暫時差額	(3,647)	(2,882)
Tax losses	稅項虧損	153,443	76,336
		149,796	73,454

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28. DEFERRED TAXATION (Continued)

No deferred tax asset has been recognised in respect of these items due to the unpredictability of future profit streams. The expiry dates of unrecognised tax losses of continuing operations are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Tax losses without expiry date	無到期日稅項虧損	13,525	5,688
Tax losses expiring on 31 December 2024	於二零二四年十二月 三十一日到期稅項虧損	79,429	-
Tax losses expiring on 31 December 2023	於二零二三年十二月 三十一日到期稅項虧損	51,261	60,705
Tax losses expiring on 31 December 2022	於二零二二年十二月 三十一日到期稅項虧損	8,871	9,559
Tax losses expiring on 31 December 2021	於二零二一年十二月 三十一日到期稅項虧損	357	384
		153,443	76,336

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors. As at 31 December 2019 and 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Groups' subsidiaries established in the PRC of HK\$1,594,000 (2018: HK\$2,201,000). In the opinion of the directors, these accumulated profits, at the present time, are required for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

28. 遞延稅項(續)

由於無法預知未來溢利來源，故並無就該等項目確認遞延稅項資產。持續經營業務之未確認稅項虧損之到期日如下：

根據中國企業所得稅法，於中國成立之外商投資企業向外商投資者分派之股息，須按10%稅率徵收預扣稅。該規定自二零零八年一月一日起生效並適用於二零零七年十二月三十一日後之累計盈利。倘中國與外商投資者所在司法權區已簽訂稅務協議，則可採用較低之預扣稅率。於二零一九年及二零一八年十二月三十一日，概無就本集團在中國成立之附屬公司之未匯款盈利之應付預扣稅1,594,000港元(二零一八年：2,201,000港元)確認遞延稅項。董事認為，該等累計溢利現時須用作撥付實體持續經營所需資金，故於可見將來不會作出分派。

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29. SHARE CAPITAL

29. 股本

		2019 二零一九年		2018 二零一八年	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港 元之普通股	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid (HK\$0.01 each):	已發行及繳足股款 (每股面值0.01港 元)：				
At beginning of year and at end of the year	於年初及年末	1,288,000,000	12,880	1,288,000,000	12,880

30. SHARE OPTION SCHEME

30. 購股權計劃

The Company adopted a share option scheme (the "Scheme") on 3 August 2013. The purpose of the Scheme is to recognise and acknowledge the contributions that participants have made or may make to the Group, to provide participants with an opportunity to have a personal stake in the Company with the view to achieve motivating the participants to optimise their performance and efficiency for the benefit of the Group, to attract and retain or otherwise maintain ongoing business relationship with participants, whose contributions are or will be beneficial to the long term growth of the Group.

Participants include (i) any director and employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

本公司於二零一三年八月三日採納購股權計劃(「計劃」)。計劃目的旨在嘉許及酬謝曾經或可能會對本集團作出貢獻之參與者，向參與者提供機會於本公司擁有個人股權，以達致鼓勵參與者爭取最佳表現及效率使本集團受益，並吸引及保留或以其他方式維持與參與者之持續業務關係，而彼等之貢獻為有利於或將有利於本集團之長期發展。

參與者包括：(i)本集團或本集團持有權益之公司或該公司之附屬公司(「附屬公司」)任何董事及僱員、諮詢人、客戶、供應商、代理、合夥人或顧問或承包商；或(ii)以本集團或附屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商為受益人之任何信託或全權信託對象包括上述人士之任何全權信託之受託人；或(iii)本集團或附屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人、顧問或承包商實益擁有之公司。

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30. SHARE OPTION SCHEME (Continued)

The directors may, at their discretion, invite any participant to take up options. Options may be granted to participants under the Scheme during the period of 10 years commencing on the effective date of the Scheme. An option is deemed to have been granted and accepted by the grantee upon the duplicate letter comprising acceptance of the option duly signed by the grantee and paying HK\$1 by way of consideration for the grant thereof.

The subscription price of the share options will be determined by the board and shall not be less than the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the relevant option, which must be a business day (b) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the relevant option and (c) the nominal value of a share on the date of grant.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 80,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the date of approval of the Scheme unless shareholders' approval has been obtained. An option may be exercised during a period to be determined by the directors in their absolute discretion and in any event such period shall not be later than 10 years after the date of grant of the option.

The maximum entitlement for any participant is that the total number of shares issued and to be issued upon exercise of the options granted to each participant under the Scheme in any 12-month period shall not exceed 1 percent of the total number of shares in issue of the Company. Any further grant of options in excess of the 1 percent limit shall be subject to certain requirements provided under the GEM Listing Rules.

No option has been granted under the Scheme since its adoption.

30. 購股權計劃(續)

董事可酌情邀請任何參與者接納購股權。購股權可根據計劃於計劃生效日期起計10年期間內向參與者授出。承授人正式簽署接納購股權函件副本及就此支付代價1港元後，購股權即被視為已授出及獲承授人接納。

購股權之認購價將由董事會釐定及不得少於以下較高者：(a)授出有關購股權日期(必須為營業日)聯交所每日報價表所列股份收市價(b)緊接授出有關購股權日期前五個營業日聯交所每日報價表所列股份平均收市價及(c)授出日期之股份面值。

因根據計劃及本公司任何其他購股權計劃授出之所有尚未行使及有待行使之購股權獲行使而發行之股份最高數目，合共不得超過不時已發行股份總數之30%。除非獲得股東批准，否則根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可能發行之本公司股份總數，合共不得超過80,000,000股本公司股份，即於計劃批准日期本公司已發行股份總數之10%。購股權可於董事全權酌情釐定之期間內獲行使，而於任何情況下該期間不應遲於購股權授出日期後十年。

任何參與者之最大配額指，於任何十二個月期間內根據計劃授予各參與者之購股權獲行使時發行及將予發行之股份總數不得超過本公司已發行股份總數之1%。超出1%限額之任何進一步授出購股權將受限於GEM上市規則項下若干規定。

自採納計劃以來概無根據計劃授出任何購股權。

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31. RESERVES

31(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its nominal value. Under the law of the Cayman Islands and the Company's Articles of Association, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business after the distribution.

31(b) Capital reserve

The capital reserve arises from the business combination under common control in relation to the reorganisation (the "Reorganisation") for rationalising the corporate structure in preparation for the initial listing of the Company's shares on GEM of the Stock Exchange. The Reorganisation was completed on 3 August 2013. The amount represents the difference between aggregate net asset value of the subsidiaries and the investment costs in the subsidiaries.

The negative capital reserve represents the excess of "total investment costs in the subsidiaries" over "the aggregate net assets value of the subsidiaries".

Under merger accounting the net assets of the combining entities are combined using the existing book values from the controlling party's perspective. No amount is recognised as consideration for goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the controlling party's interest. Accordingly, the above mentioned difference has been recorded in the capital reserve under merger accounting.

31(c) Exchange reserve

Exchange reserve of the Group comprises all foreign exchange differences arising from translation of the financial statements of the Group's subsidiaries in the PRC. The reserve is dealt with in accordance with the accounting policy set out in note 4 above.

31. 儲備

31(a) 股份溢價

股份溢價指發行本公司股份所得款項淨額超出股份面值之部分。根據開曼群島法例及本公司組織章程細則，倘本公司於分派後在一般業務過程中有能力償付到期債務，則股份溢價可分派予本公司股東。

31(b) 資本儲備

資本儲備自有關因籌備本公司股份於聯交所GEM首次上市而理順公司架構所進行重組(「重組」)之共同控制下業務合併產生。重組已於二零一三年八月三日完成。該金額指附屬公司之資產淨值總額與投資附屬公司之成本間之差額。

負資本儲備指「投資附屬公司之總成本」超出「附屬公司之資產淨值總額」之部分。

就控股方而言，合併賬目項下合併實體之資產淨值乃以現有賬面值合併入賬。倘控制方仍然持有權益，於共同控制合併時，不會就商譽或議價購買收益確認任何金額。因此，上述差額已於合併賬目項下資本儲備入賬。

31(c) 匯兌儲備

本集團之匯兌儲備包括因換算本集團中國附屬公司之財務報表而引致之所有外匯差額。該儲備乃根據上文附註4所載會計政策處理。

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31. RESERVES (Continued)

31(d) Statutory reserve

The statutory reserves are reserves required by the Accounting Regulations for Business Enterprises applicable to the Company's PRC subsidiaries. The reserves can be used to reduce previous years' losses and to increase the capital of the subsidiaries.

31(e) Other reserve

The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in other reserves.

31(f) Contributed surplus

The contributed surplus of the Company arose from the Reorganisation. The balance represents the difference between the nominal amount of the Company's shares issued and the consolidated shareholders' fund of the subsidiaries acquired during the Reorganisation.

31(g) Share-based payment reserve

The share-based payment reserve comprises the fair value of share-based payment transactions dealt with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 4 to the consolidated financial statements.

31. 儲備(續)

31(d) 法定儲備

法定儲備乃適用於本公司中國附屬公司之企業會計制度所規定儲備。該儲備可用於削減過往年度虧損及增加附屬公司資本。

31(e) 其他儲備

其他儲備乃為處理不會導致失去控制權之附屬公司擁有權益變動而設。非控股權益所調整金額與已付或已收代價公平值間之差額於其他儲備內確認。

31(f) 實繳盈餘

本公司之實繳盈餘自重組產生。該結餘指本公司已發行股份面值與重組期內所收購附屬公司綜合入賬之股東資金間之差額。

31(g) 以股份為基礎之付款儲備

以股份為基礎之付款儲備包括與本集團僱員所進行以股份為基礎之付款交易之公平值，並按綜合財務報表附註4所載會計政策處理。

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32. OTHER CASH FLOW INFORMATION

32. 其他現金流量資料

32(a) Cash generated from operations

32(a) 經營所得現金

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(944,792)	(173,315)
Amortisation	攤銷	-	1,035
Depreciation of property, plant and equipment	物業、廠房及設備折舊	31,198	12,651
Depreciation of right-of-use assets	使用權資產折舊	2,359	-
Foreign exchange differences	外匯差額	(19,650)	(16,584)
Impairment loss on trade receivables	貿易應收款項減值虧損	9,542	-
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	621,633	23,804
Impairment on disposal group classified as held for sale	分類為持作出售之出售集團減值	-	10,837
Impairment loss on goodwill	商譽減值虧損	223,782	14,844
(Reversal of) Impairment loss on right-of-use assets/prepaid lease payment	使用權資產／預付租賃付款之(撥回)減值虧損	(6,312)	6,906
Interest income	利息收入	(16,052)	(6,998)
Interest expenses	利息開支	58,744	31,907
Share of results of associates	應佔聯營公司業績	-	591
Loss (Gain) on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損(收益)淨額	17	(381)
Loss (Gain) on disposal of subsidiaries	出售附屬公司之虧損(收益)	312	(261)
Write-back of long outstanding other payables	撤回長期未償還其他應付款項	-	(6,686)
Write-back of accrued directors' salaries	撤回應計董事薪金	(389)	-
Cash flows before changes in working capital:	營運資金變動前現金流量：	(39,608)	(101,650)
Inventories	存貨	9,917	(10,058)
Trade and other receivables	貿易及其他應收款項	447,999	43,743
Trade and other payables	貿易及其他應付款項	(147,597)	328,646
Cash generated from operations	經營所得現金	270,711	260,681

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32. OTHER CASH FLOW INFORMATION

(Continued)

32(b) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

2019

		Bank and other borrowings 銀行及其他借貸 HK\$'000 千港元	Cash flow from/(used in) financing activities 融資活動所得／(所用)現金流量 HK\$'000 千港元
At beginning of the year	於年初	752,125	–
Upon adoption of HKFRS 16	於採納香港財務報告準則第16號後	2,336	–
Repayments — principal	還款 — 本金	(173,241)	(173,241)
Foreign exchange translation	外幣換算	(9,373)	–
Interest incurred in unlisted secured bonds	非上市有抵押債券產生之利息	33,506	–
Payment of interest associated with unlisted secured bonds	支付與非上市有抵押債券有關之利息	(29,525)	–
At end of the year	於年末	575,828	(173,241)

32. 其他現金流量資料(續)

32(b) 融資活動所產生負債之變動

下表詳列本集團來自融資活動之負債之變動，包括現金及非現金變動。來自融資活動之負債之現金流量已經或未來現金流量將於本集團綜合現金流量表分類為融資活動所得現金流量。

二零一九年

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32. OTHER CASH FLOW INFORMATION

(Continued)

32(b) Changes in liabilities arising from financing activities (Continued)

2018

32. 其他現金流量資料(續)

32(b) 融資活動所產生負債之變動(續)

二零一八年

		Bank and other borrowings 銀行及其他借貸 HK\$'000 千港元	Cash flow from/(used in) financing activities 融資活動得/ (所用)現金流量 HK\$'000 千港元
At beginning of the year	於年初	670,904	-
Receipts of new interest-bearing borrowings	已收新計息借貸	583,004	583,004
New finance leases	新融資租賃	4,170	-
Transferred to liabilities associated with assets held for sale	轉撥至與持作出售資產有關之負債	(10,812)	-
Repayments — principal	還款 — 本金	(661,936)	(661,936)
Acquisition of a subsidiary	收購一間附屬公司	170,805	-
Foreign exchange translation	外幣換算	(4,010)	-
At end of the year	於年末	752,125	(78,932)

Bank and other borrowings include bank loans, loan from a third party and loan from a connected party as disclosed in note 27 to the consolidated financial statements.

銀行及其他借貸包括綜合財務報表附註27所披露銀行貸款、來自一名第三方之貸款及來自一名關連人士之貸款。

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33. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the consolidated financial statements, the Group has the following related party transactions during the year:

33. 關連方交易

除綜合財務報表其他章節所披露交易／資料外，於本年度，本集團已進行以下關連方交易：

	Note	Related party relationship	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註	關連方關係		
Interest expenses paid to:				
利息開支支付予：				
大豐港融資租賃(北京) 有限責任公司		Controlled by a substantial shareholder	–	792
大豐港融資租賃(北京) 有限責任公司		由一名主要股東控制		
Jiangsu Dafeng		Controlled by a substantial shareholder	17,823	1,363
江蘇大豐		由一名主要股東控制		
海晶商業保理有限公司		Controlled by a substantial shareholder	–	3,632
海晶商業保理有限公司		由一名主要股東控制		
Jiangsu Huahai		Controlled by a director of the Company	5,904	–
江蘇華海		由一名本公司董事控制		
Remuneration paid:	(a)			
已付薪酬：				
Salaries and other benefits		Key management personnel other than directors	480	5,165
薪金及其他福利		主要管理人員(董事除外)		
Contributions to defined contribution plans			24	46
定額供款計劃供款				
Write-back of accrued directors' salaries		Directors of the Company	(389)	–
撤回應計董事薪金		本公司董事		

Notes:

(a) The remuneration of directors is set out in note 10 to the consolidated financial statements.

附註：

(a) 董事薪酬載於綜合財務報表附註10。

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34. PLEDGE OF ASSETS/BANKING FACILITIES 34. 資產抵押／銀行融資

Details of pledged assets and the banking facilities granted to the Group are summarised as follows:

資產抵押及授予本集團之銀行融資詳情概述如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total banking facilities granted (note 1) 已授出銀行融資總額 (附註1)	470,856	415,626
Total utilised banking facilities (note 2) 已動用銀行融資總額 (附註2)	441,280	365,632

Note 1

At the end of the reporting period, the Group had obtained several banking facilities amounted to HK\$470,856,000 (2018: HK\$441,280,000) of which:

- (i) RMB50,000,000 (approximately HK\$55,720,000) (2018: RMB50,000,000, approximately HK\$56,935,000) are guaranteed by Jiangsu Dafeng and secured by right-of-use assets (2018: prepaid lease payments) as shown in note 17 to consolidated financial statements.
- (ii) RMB372,520,000 (approximately HK\$415,136,000) (2018: RMB300,000,000, approximately HK\$341,610,000) is secured by pledged bank deposits as shown in note 24(a) to the consolidated financial statements.
- (iii) As at 31 December 2018, the bank overdrafts as shown in note 27 to the consolidated financial statements was secured by properties owned by spouse of a director of Qianhai Mingtian.

Note 2

As at 31 December 2018, the utilised banking facilities amounted to HK\$365,632,000 which comprised bills payables of RMB282,115,000 (equivalent to HK\$321,244,000) included in trade and bills payables issued by a bank disclosed in Note 26, bank overdraft of RMB4,981,000 (equivalent to HK\$5,672,000) disclosed in note 24 and bank loans of RMB34,000,000 (equivalent to HK\$38,716,000) disclosed in note 27 (a) to the consolidated financial statements.

As at 31 December 2019, the utilised banking facilities amounted to HK\$441,280,000 which comprised bills payables of RMB369,980,000 (equivalent to HK\$412,306,000) included in trade and bills payables issued by a bank disclosed in Note 26 and bank loans of RMB26,000,000 (equivalent to HK\$28,974,000) disclosed in note 27 (a) to the consolidated financial statements.

附註1

於報告期末，本集團取得為數470,856,000港元(二零一八年：441,280,000港元)之若干銀行融資，其中：

- (i) 人民幣50,000,000元(約55,720,000港元)(二零一八年：人民幣50,000,000元，約56,935,000港元)由江蘇大豐擔保，並以綜合財務報表附註17所示使用權資產(二零一八年：預付租賃付款)作抵押。
- (ii) 人民幣372,520,000元(約415,136,000港元)(二零一八年：人民幣300,000,000元，約341,610,000港元)以綜合財務報表附註24(a)所示已抵押銀行存款作抵押。
- (iii) 於二零一八年十二月三十一日，以綜合財務報表附註27所示銀行透支以前海明天一名董事之配偶所擁有物業作抵押。

附註2

於二零一八年十二月三十一日，已動用銀行融資為365,632,000港元計入貿易應付款項及應付票據，包括綜合財務報表附註26所披露銀行所發出應付票據人民幣282,115,000元(相當於321,244,000港元)、附註24所披露銀行透支人民幣4,981,000元(相當於5,672,000港元)及附註27(a)所披露銀行貸款人民幣34,000,000元(相當於38,716,000港元)。

於二零一九年十二月三十一日已動用銀行融資為441,280,000港元計入貿易應付款項及應付票據，包括綜合財務報表附註26所披露銀行所發出應付票據人民幣369,980,000元(相當於412,306,000港元)及附註27(a)所披露銀行貸款人民幣26,000,000元(相當於28,974,000港元)。

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35. COMMITMENTS

Capital expenditure commitments

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted but not provided net of deposit paid for construction of property, plant and equipment	229,400	129,670

At the end of the reporting period, the Group had commitment of HK\$229,400,000 (2018: HK\$129,670,000) principally relating to construction work of petrochemical storage facilities.

35. 承擔

資本開支承擔

於報告期末，本集團為數229,400,000港元（二零一八年：129,670,000港元）之承擔主要涉及石化倉儲設施建設工程。

36. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's principal financial instruments comprise bank and other borrowings, amounts due from/to connected companies, financial assets at FVPL, bank balances and cash. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are (i) foreign currency risk, (ii) interest rate risk, (iii) credit risk and (iv) liquidity risk. The Group does not have any written risk management policies and guidelines. However, the board of directors co-operates closely with key management to identify and evaluate risks and generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum level as follows.

36. 金融工具

(a) 金融風險管理目標及政策

本集團之主要金融工具包括銀行及其他借貸、應收／應付關連公司款項、按公平值計入損益之金融資產以及銀行結餘及現金。該等金融工具之主要目的為籌集及維持本集團經營所需融資。本集團有貿易及其他應收款項以及貿易及其他應付款項等多種其他金融工具，該等款項直接自其業務活動產生。

本集團金融工具產生之主要風險為(i)外匯風險、(ii)利率風險、(iii)信貸風險及(iv)流動資金風險。本集團並無任何書面風險管理政策及指引。然而，董事會與主要管理人員緊密合作，以辨別及評估風險，對其整體風險管理採取保守策略並將本集團所面對該等風險限制在最低水平，具體如下。

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36. FINANCIAL INSTRUMENTS (Continued)

36. 金融工具(續)

(a) Financial risk management objectives and policies (Continued)

(a) 金融風險管理目標及政策(續)

i) Foreign currency risk

i) 外匯風險

Most of the Group's business transactions were conducted in Hong Kong dollars, Renminbi ("RMB") and United States dollars ("US\$"). Exposures to foreign currency risk arise from certain of the Group's trade and other receivables, trade and other payables and cash and bank balances denominated in HK\$, RMB and US\$. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and considers there is no significant exposure on its foreign currency risk.

本集團業務主要以港元、人民幣(「人民幣」)及美元(「美元」)進行交易。所面對外匯風險乃源自本集團以港元、人民幣及美元計值之貿易及其他應收款項、貿易及其他應付款項以及現金及銀行結餘。本集團並無使用衍生金融工具對沖其外匯風險。本集團定期檢討外匯風險且認為並無重大外匯風險。

ii) Interest rate risk

ii) 利率風險

The Group's exposure to market risk for changes in interest rates relates primarily to its interest-bearing financial instruments including bank and other borrowings with variable interest rates, bank balances and cash and bank overdrafts.

主要與計息金融工具(包括按浮動利率計息之銀行及其他借貸、銀行結餘及現金以及銀行透支)有關之利率變動使本集團面對市場風險。

The table below is a summary of quantitative data about exposure to interest rates at the end of the reporting period:

下表概列報告期末利率風險之量化數據：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	35,296	64,588
Bank and other borrowings with variable interest rate	按浮動利率計息之銀行及其他借貸	(95,838)	(176,477)
Net exposure	風險淨值	(60,542)	(111,889)

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

ii) Interest rate risk (Continued)

At the end of the reporting period, if interest rates had been 100 basis points (2018: 100 basis points) higher/lower and all other variables were held constant, the Group's net loss would increase/decrease by HK\$605,000 (2018: the Group's net loss would increase/decrease by HK\$1,119,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period.

iii) Credit risk

The carrying amount of financial assets on the consolidated statement of financial position, which is net of impairment losses, represents the Group's maximum exposure to credit risk on these financial assets.

Trade receivables

The Group trades only with recognised and creditworthy third parties. The Group limits its exposure to credit risk from trade receivables by selecting the counterparties with reference to their past credit history and/or market reputation.

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

ii) 利率風險(續)

於報告期末，倘利率上調／下調100個基點(二零一八年：100個基點)，而所有其他變數維持不變，則本集團之虧損淨額將增加／減少605,000港元(二零一八年：本集團之虧損淨額將增加／減少1,119,000港元)。

以上敏感度分析乃假設利率變動已於報告期末發生而釐定，並已應用於當日已存在之金融工具承受之利率風險。上升或下降100個基點代表管理層對直至下一年度報告期末止期間利率之合理可能變動所進行之評估。

iii) 信貸風險

綜合財務狀況表之金融資產賬面值(扣除減值虧損)指本集團就該等金融資產承擔之信貸風險上限。

貿易應收款項

本集團僅與獲認可及信譽良好之第三方交易。本集團透過參考交易對手過往信貸記錄及／或市場聲譽甄選交易對手以限制其自貿易應收款項的信貸風險。

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

Trade receivables (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limit assessment which is mainly based on the Group's own trading records.

At the end of the reporting period, the Group had a concentration of credit risk as 26.3% (2018: 10.1%) and 73.9% (2018: 27.5%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively.

The Group's customer base consists of a wide range of clients and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past years and adjusted for current and forward looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

貿易應收款項(續)

本集團所承擔信貸風險主要受各客戶之個別特徵影響。客戶經營所在行業及國家之違約風險亦影響信貸風險，惟影響幅度較小。本集團基於廣泛信貸評級及個別信貸限額評估(主要基於本集團本身之交易紀錄)對客戶之信貸質素進行評估。

於報告期末，本集團應收其最大客戶及五大客戶貿易應收款項之集中信貸風險分別為26.3% (二零一八年：10.1%)及73.9% (二零一八年：27.5%)。

本集團之客戶基礎包括多名客戶，貿易應收款項按代表客戶支付根據合約條款結欠之所有款項之能力之共同風險特徵分類。本集團就計量貿易應收款項之預期信貸虧損應用簡化法，並於各報告日期按全期預期信貸虧損確認虧損撥備。本集團已設有撥備矩陣，以其過往信貸虧損經驗為基準並就應收賬款及經濟環境之特定前瞻因素作出調整。撥備矩陣所用預期虧損率根據過往年度之實際信貸虧損經驗按類別計算，並就現時及前瞻因素作出調整，從而反映收集過往數據期間之經濟條件差異、目前情況及本集團對應收款項預計年內未來經濟狀況之估計。年內並無對估計方法或重大假設作出重大更改。

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

Trade receivables (Continued)

An ageing analysis of the trade receivables as at the reporting period, based on the invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 90 days	90日內	95,727	393,207
91-180 days	91至180日	151	2,412
181-365 days	181至365日	1,503	23,069
More than 365 days	365日以上	292	-
		97,673	418,688

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

貿易應收款項(續)

於報告期，貿易應收款項按發票日期之賬齡分析如下：

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

Trade receivables (Continued)

The Group allows a credit period up to 90 days to its trade debtors. The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised below.

As at 31 December 2019

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

貿易應收款項(續)

本集團給予其貿易債務人最多90日之信貸期。有關貿易應收款項之信貸風險及預期信貸虧損使用撥備矩陣的資料概述如下。

於二零一九年十二月三十一日

	Expected loss rate 預期虧損率 %	Gross carrying Amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Credit- impaired 信貸減值
Non-credit impaired				
無信貸減值				
Not past due 未逾期	0%	95,727	-	No 無
1-90 days past due 逾期1至90日	0%	151	-	No 無
91-180 days past due 逾期91至180日	0%	1,503	-	No 無
181-365 days past due 逾期181至365日	0%	-	-	No 無
Over 365 days past due 逾期365日以上	0%	292	-	No 無
		97,673	-	
Credit impaired				
信貸減值				
181-365 days past due 逾期181至365日	100%	9,050	(9,050)	Yes 有
Over 365 days past due 逾期365日以上	100%	461	(461)	Yes 有
		9,511	(9,511)	
		107,184	(9,511)	

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

Trade receivables (Continued)

As at 31 December 2018

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

貿易應收款項(續)

於二零一八年十二月三十一日

	Expected loss rate 預期虧損率 %	Gross carrying Amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Credit- impaired 信貸減值
Non-credit impaired				
無信貸減值				
Not past due 未逾期	0%	372,097	-	No 無
1-90 days past due 逾期1至90日	0%	21,673	-	No 無
91-180 days past due 逾期91至180日	0%	2,143	-	No 無
181-365 days past due 逾期181至365日	0%	22,775	-	No 無
Over 365 days past due 逾期365日以上	0%	-	-	No 無
		418,688	-	

Included in the Group's trade receivables balance as at 31 December 2019 are debtors with a carrying amount of HK\$1,946,000 (2018:HK\$46,591,000), which are past due as at 31 December 2019 but which the Group has not impaired as there has not been any significant changes in credit quality and the directors believe that the amounts are fully receivable.

Receivables that are neither past due nor impaired as at 31 December 2019 and 2018 relate to a wide range of customers for whom there was no history of default.

於二零一九年十二月三十一日，本集團之貿易應收款項結餘包括賬面值為1,946,000港元(二零一八年：46,591,000港元)之應收賬款，有關賬款於二零一九年十二月三十一日已逾期，惟本集團並無計提減值，原因為信貸質素並無任何重大變動及董事相信可全數收回該等款項。

於二零一九年及二零一八年十二月三十一日，既無逾期亦無減值之應收款項與多名並無拖欠記錄之客戶有關。

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Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

Trade receivables (Continued)

The Group does not hold any collateral over trade receivables as at 31 December 2019 (2018: Nil).

As at 31 December 2019, the Group recognised loss allowance of HK\$9,511,000 (2018: HK\$nil) on the trade receivables. The movements in the loss allowance for trade receivables during the year are summarised below.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	-	-
Increase in allowance	撥備增加	9,542	-
Exchange realignment	匯兌調整	(31)	-
At end of the reporting period	於報告期末	9,511	-

The increase in the loss allowance during the year was due to identification of credit-impaired customers whose businesses were suspended and could not repay the outstanding balances within the credit period.

Amounts due from connected companies

The Group considers that the amounts due from connected companies have low credit risk based on the borrowers' strong capacity to meet its contractual cash flow obligations in the near term and low risk of default. Impairment on amounts due from connected companies is measured on 12-month ECL and reflects the short maturities of the exposures.

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

貿易應收款項(續)

於二零一九年十二月三十一日，本集團並無就貿易應收款項持有任何抵押品(二零一八年：無)。

於二零一九年十二月三十一日，本集團就貿易應收款項確認虧損撥備9,511,000港元(二零一八年：零港元)。於本年度之貿易應收款項虧損撥備變動概述如下。

年內虧損撥備增加乃由於識別信貸減值之客戶，其業務已中斷且無力於信貸期內償還未償還結餘。

應收關連公司款項

由於借款人有穩健能力於近期償還其合約現金流量承擔且違約風險較低，故本集團認為應收關連公司款項具有低信貸風險。應收關連公司款項之減值按12個月預期信貸虧損計量並反映有關風險於短期內屆滿。

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iii) Credit risk (Continued)

*Amounts due from connected companies
(Continued)*

In estimating the ECL, the Group has taken into account the historical actual credit loss experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. The management of the Group considers the ECL of these financial assets to be insignificant after considering the financial position and credit quality of the counterparties.

There was no change in the estimation techniques or significant assumptions made during the year.

iv) Liquidity risk

Management of the Group aims at maintaining sufficient level of cash and cash equivalents to finance the Group's operations and expected expansion. The Group's primary cash requirements include payments for operating expenses, additions or upgrades of property, plant and equipment and repayment of borrowings. The Group finances its working capital requirements mainly by the funds generated from operations, advances from related parties and use of bank and other borrowings.

The Group manages liquidity risk by forecasting the amount of cash required and monitoring the working capital of the Group to ensure that all liabilities due and known funding requirements could be met. Based on the assessment of the management, the overall liquidity risk encountered by the Group is manageable.

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iii) 信貸風險(續)

應收關連公司款項(續)

估計預期信貸風險時，本集團考慮交易對手之過往實際信貸虧損經驗及財務狀況，並按應收賬款及交易對手經營所在行業之整體經濟狀況之特定因素作出調整，以評估該等金融資產之違約可能性及各個案違約時之損失。經考慮交易對手之財務狀況及信貸質素後，本集團管理層認為該等金融資產之預期信貸虧損並不重大。

年內並無對估計方法或重大假設作出更改。

iv) 流動資金風險

本集團管理層擬維持足夠現金及現金等價物，為本集團業務及預計擴張提供資金。本集團主要現金需求包括為經營開支、添置或改善物業、廠房及設備以及償還借貸所支付之款項。本集團主要以業務經營所產生之資金、來自關連方之墊款及銀行及其他借貸撥付營運資金需求。

本集團通過預測所需現金金額及監察本集團營運資金管理流動資金風險，以確保能應付所有到期負債及已知資金需求。據管理層評估，本集團能夠控制整體流動資金風險。

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iv) Liquidity risk (Continued)

As at 31 December 2019, the Group had net current liabilities of approximately HK\$788,508,000. The consolidated financial statements have been prepared by the directors of the Company on a going concern basis taking into account of the measures mentioned in note 2 to the consolidated financial statements.

The remaining undiscounted contracted maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on the earliest date in which the Group is required to settle, is summarised below:

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iv) 流動資金風險(續)

於二零一九年十二月三十一日，本集團之流動負債淨額約為788,508,000港元。經考慮綜合財務報表附註2所述措施，本公司董事已按持續經營基準編製綜合財務報表。

於報告期末，按本集團須支付之最早日期劃分本集團非衍生金融負債之剩餘未貼現合約到期情況概要如下：

		Over 3 months but not more than 5 years	Over 1 year but not more than 2 years	Over 2 years but no more than 5 years	Total		
	On demand	Less than 3 months	more than 12 months but not more than 5 years	more than 2 years but not more than 5 years			
	按 要求	少於 三個月	但 不超過 十二個月	但 不超過 兩年	總 計		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
	千 港 元	千 港 元	千 港 元	千 港 元	千 港 元		
At 31 December 2019	於二零一九年 十二月三十一日						
Trade and other payables	貿易及其他應付 款項	59,122	62,480	412,306	-	-	533,908
Amounts due to connected companies	應付關連公司之 款項	1,079,670	2,135	74,631	132,163	-	1,288,599
Bank loans	銀行貸款	-	1,289	98,222	-	-	99,511
Unlisted secured bonds	非上市有抵押債券	-	14,682	14,682	406,202	-	435,566
Lease liabilities	租賃負債	-	244	536	428	-	1,208
Loan from a connected company	來自關連公司之 貸款	-	1,567	73,829	-	-	75,396
Loan from a third party	來自第三方之貸款	-	6,071	6,071	-	-	12,142
		1,138,792	88,468	680,277	538,793	-	2,446,330

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36. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

iv) Liquidity risk (Continued)

	On demand	Less than 3 months	Over 3 months	Over 1 year but not more than 2 years	Over 2 years but no more than 5 years	Total
			but not more than 12 months	than 2 years	than 5 years	
	按要求	少於三個月	超過三個月但不超過十二個月	超過一年但不超過兩年	超過兩年但不超過五年	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2018						
Trade and other payables						
Amounts due to connected companies						
Bank loans						
Unlisted secured bonds						
Bank overdrafts						
Loans from a connected company						
Loan from a third party						
	1,255,303	97,478	788,684	260,578	406,719	2,808,762

(b) Capital management

The objectives of the Group's capital management are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The capital structure of the Group mainly consists of bank and other borrowings and equity attributable to equity owners of the Company.

36. 金融工具(續)

(a) 金融風險管理目標及政策(續)

iv) 流動資金風險(續)

(b) 資本管理

本集團管理資本之目標為保障其持續經營能力，從而為股東提供回報及為其他持份者帶來得益，並維持良好資本結構以減少資本成本及支持本集團穩定發展。

本集團之資本結構主要包括銀行及其他借貸以及本公司權益持有人應佔權益。

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36. FINANCIAL INSTRUMENTS (Continued)

(b) Capital management (Continued)

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders. No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 2018.

(c) Categories and fair value of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities are set out as follows:

36. 金融工具(續)

(b) 資本管理(續)

本集團積極定期檢討及管理資本結構，力求達到最理想資本結構及股東回報，同時考慮本集團日後資本需求。為維持或調整資本結構，本集團可調整支付予股東之股息金額、發行新股份或退還資本予股東。截至二零一九年及二零一八年十二月三十一日止年度，目標、政策或程序並無變動。

(c) 金融工具分類及公平值

以下各類金融資產及金融負債之賬面值載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at FVPL	按公平值計入損益之金融資產	3,343	7,971
Financial assets at amortised costs under HKFRS 9:	根據香港財務報告準則第9號按攤銷成本列賬之金融資產：		
Trade and other receivables	貿易及其他應收款項	488,195	456,149
Pledged bank deposits	已抵押銀行存款	395,612	307,449
Bank balances and cash	銀行結餘及現金	35,296	64,588
		919,103	828,186
		922,446	836,157

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36. FINANCIAL INSTRUMENTS (Continued)

(c) Categories and fair value of financial instruments (Continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial liabilities at amortised costs:	按攤銷成本列賬之金融負債：		
Trade and other payables	貿易及其他應付款項	1,635,426	1,929,176
Current portion of bank and other borrowings	銀行及其他借貸之即期部分	178,059	140,633
Non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分	397,769	611,492
Non-current portion of amount due to a connected party	應付關連方款項之非即期部分	126,654	—
		2,337,908	2,681,301

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2019 and 2018.

所有金融工具賬面值與其於二零一九年及二零一八年十二月三十一日之公平值並無重大差異。

37. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

36. 金融工具(續)

(c) 金融工具分類及公平值(續)

37. 公平值計量

以下呈列按香港財務報告準則第13號「公平值計量」所界定公平值層級之三個級別劃分按公平值計量或須按經常性基準於該等財務報表披露其公平值之資產及負債，公平值計量分類整體基於對整個計量而言屬重大之最低級別輸入數據。輸入數據之級別界定如下：

- 第一級(最高級)：於計量日期本集團可取得相同資產或負債於活躍市場之報價(未經調整)；
- 第二級：除第一級包括之報價外，可直接或間接觀察之資產或負債輸入數據；
- 第三級(最低級)：資產或負債之不可觀察輸入數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

37. FAIR VALUE MEASUREMENTS (Continued)

37. 公平值計量(續)

a) Assets and liabilities measured at fair value

a) 按公平值計量之資產及負債

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2019	二零一九年				
Assets measured at fair value	按公平值計量之資產				
Unlisted investment fund (note 21)	非上市投資基金 (附註21)	-	-	3,343	3,343
2018	二零一八年				
Assets measured at fair value	按公平值計量之資產				
Unlisted investment fund (note 21)	非上市投資基金 (附註21)	-	-	7,971	7,971

During the year ended 31 December 2019 and 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

截至二零一九年及二零一八年十二月三十一日止年度，第一級及第二級公平值計量之間並無轉撥，第三級公平值計量亦無任何轉入及轉出。

Movements in Level 3 fair value measurements

第三級公平值計量之變動

2019

二零一九年

Description 描述	Financial assets at FVPL 按公平值計入損益之金融資產	
	Unlisted investment fund 非上市 投資基金 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At beginning of the year	於年初	7,971
Exchange realignment	匯兌調整	(88)
Purchase	購買	206,475
Sales	出售	(211,015)
At the end of the reporting period	於報告期末	3,343

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets and liabilities measured at fair value (Continued)

Movements in Level 3 fair value measurements (Continued)

2018

37. 公平值計量(續)

a) 按公平值計量之資產及負債(續)

第三級公平值計量之變動(續)

二零一八年

Description	Financial assets at FVPL			Total
	按公平值計入損益之金融資產			
描述	Unlisted shares	Unlisted investment fund		
	非上市股份	非上市投資基金		總計
	HK\$'000	HK\$'000		HK\$'000
	千港元	千港元		千港元
At beginning of the year	於年初	9,407	–	9,407
Purchase	購買	–	7,971	7,971
Sales	出售	(9,407)	–	(9,407)
At the end of the reporting period	於報告期末	–	7,971	7,971

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綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 38. 本公司財務狀況表

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Non-current assets			
Investment in subsidiaries	14	8	8
Current assets			
Prepayments		342	202
Amounts due from subsidiaries		80,771	409,711
Cash at bank		7,973	542
		89,086	410,455
Assets held for sale		–	4,150
Total current assets		89,086	414,605
Current liabilities			
Other payables and accrual		1,500	5,029
Net current assets		87,586	409,576
Total assets less current liabilities		87,594	409,584
Non-current liabilities			
Unlisted secured bonds		397,361	392,657
NET (LIABILITIES) ASSETS		(309,767)	16,927
Capital and reserves			
Share capital	29	12,880	12,880
Reserves	38(a)	(322,647)	4,047
TOTAL (DEFICITS) EQUITY		(309,767)	16,927

This statement of financial position was approved and authorised for issue by the Board of Directors on 7 May 2020 and signed on its behalf by:

此財務狀況表於二零二零年五月七日經董事會批准及授權刊發，並由以下人士代表簽署：

Tao Ying
陶瑩
Director
董事

Miao Zhibin
繆志斌
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) 38. 本公司財務狀況表(續)

(a) Movements of the reserves

(a) 儲備變動

		Share premium	Contributed surplus	Share-based payment reserve	Accumulated losses	Total
		股份溢價	實繳盈餘	以股份為基礎之付款儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
		(Note 31(a))	(Note 31(f))	(Note 31(g))		
		(附註31(a))	(附註31(f))	(附註31(g))		
At 1 January 2018	於二零一八年一月一日	201,419	34,556	3,063	(91,663)	147,375
Effect on adoption of HKFRS 9	採納香港財務報告準則第9號之影響	-	-	-	601	601
At 1 January 2018 as restated	於二零一八年一月一日 (經重列)	201,419	34,556	3,063	(91,062)	147,976
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(143,929)	(143,929)
At 31 December 2018	於二零一八年 十二月三十一日	201,419	34,556	3,063	(234,991)	4,047
At 1 January 2019	於二零一九年一月一日	201,419	34,556	3,063	(234,991)	4,047
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(326,694)	(326,694)
At 31 December 2019	於二零一九年 十二月三十一日	201,419	34,556	3,063	(561,685)	(322,647)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

39. EVENTS AFTER REPORTING PERIOD

- (a) The outbreak of coronavirus disease 2019 (COVID-19) has caused disruptions to many industries worldwide. Despite the challenges, governments and international organizations have implemented a series of measures to contain the epidemic. The Group will closely monitor the development of the epidemic and assess its impact on its operations.

The Company will closely monitor the situation, and assess its impacts on the Group's financial position and operating results. At the date of authorisation of these consolidated financial statements, such assessment is still ongoing.

- (b) On 28 April 2020, Heshun Trading and Jiangsu Dafeng entered a share transfer agreement to transfer 60% equity interests in Jiangsu Hairong to Jiangsu Dafeng at the consideration of RMB226,980,000 (equivalent to HK\$252,947,000). Since Jiangsu Dafeng was a connected person to the Group, the completion of the disposal will be subject to the approval from the independent shareholders in accordance with the GEM Listing Rules. The details of the proposed disposal are summarised in the Company's announcement dated 28 April 2020.

39. 報告期後事項

- (a) 二零一九年冠狀病毒病(COVID-19)的爆發給全球眾多行業造成了干擾。儘管挑戰重重，各國政府及國際組織已實施一系列措施來控制疫情。本集團將密切監察疫情發展並評估其對營運的影響。

本公司將密切關注時勢並評估其對本集團財務狀況及經營業績的影響。於該等綜合財務報表授權刊發日期，相關評估仍在進行中。

- (b) 於二零二零年四月二十八日，和順貿易與江蘇大豐訂立了一份股份轉讓協議，以向江蘇大豐轉讓江蘇海融60%的股權，代價為人民幣226,980,000元(相當於252,947,000港元)。由於江蘇大豐為本集團的關連人士，完成出售事項須根據GEM上市規則經獨立股東批准後，方可作實。建議出售事項之詳情於本公司日期為二零二零年四月二十八日之公告中概述。

FINANCIAL SUMMARY

財務概要

RESULTS

業績

		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		HK\$'000	HK\$'000*	HK\$'000*	HK\$'000	HK\$'000
		千港元	千港元*	千港元*	千港元	千港元
Revenue	收益	1,517,072	4,369,900	3,424,606	563,708	260,395
(Loss) Profit before taxation	除稅前(虧損)溢利	(944,792)	(173,315)	5,629	(32,522)	(30,371)
Income tax expense	所得稅開支	(199)	(695)	(4,236)	(4,572)	(902)
(Loss) Profit for the year	年內(虧損)溢利	(944,991)	(174,010)	1,393	(37,094)	(31,273)

ASSETS AND LIABILITIES

資產及負債

		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	1,411,619	2,769,734	1,268,618	598,548	160,317
Total liabilities	負債總額	(2,362,526)	(2,752,807)	(1,072,157)	(434,934)	(55,575)
Total (deficits) equity	(虧絀)權益總額	(950,907)	16,927	196,461	163,614	104,742

* The above figures included both continuing operations and discontinued operations.

* 上述數字包括持續經營業務及已終止經營業務。



Dafeng Port Heshun Technology
Company Limited
大豐港和順科技股份有限公司