

INSPIRATION 2019 EVERYWHERE ANNUAL REPORT 年報



雅仕維傳媒集團有限公司

Asiaray Media Group Limited

股份代號 Stock Code: 1993

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企業簡介 CORPORATE OV

雅仕維傳媒集團有限公司(「本公司」)(香港聯交所股份代號：1993)是一家優秀的戶外媒體公司，策略重心定於機場，地鐵及高鐵廣告媒體經營。我們同時為香港現有的兩家經營地鐵綫路廣告的戶外媒體公司之一。擁有覆蓋大中華地區**40**多個城市的龐大媒體資源網絡，我們通過採用發展成熟的空間管理模式，向廣告客戶提供綜合及具創意的戶外媒體方案，務求與廣大受眾建立更緊密的聯繫。



Asiaray Media Group Limited (the “Company”) (HKSE Stock Code: 1993) is an outstanding out-of-home media company with a strategic focus on airport, metro line and high speed rail advertising. We are also one of two out-of-home resources companies operating in the metro lines segment in Hong Kong. With an extensive nationwide network of media resources covering more than 40 cities in Greater China, we leverage on the well-developed space management model to deliver integrated, creative out-of-home media solutions to advertiser customers, striving to build a closer connection with the general public.

ERVIEW

公司概覽

ASIARAY AT A GLANCE

開始經營廣告
業務的年份
The year we
started our
advertising
business



1993



1,100⁺

員工
Employees

雅仕維獨家
機場的
2019年總客流
Air passenger traffic of
Asiaray's exclusive airport
resources in 2019



309 百萬
MILLION



覆蓋城市的數量
Cities where we
have operations

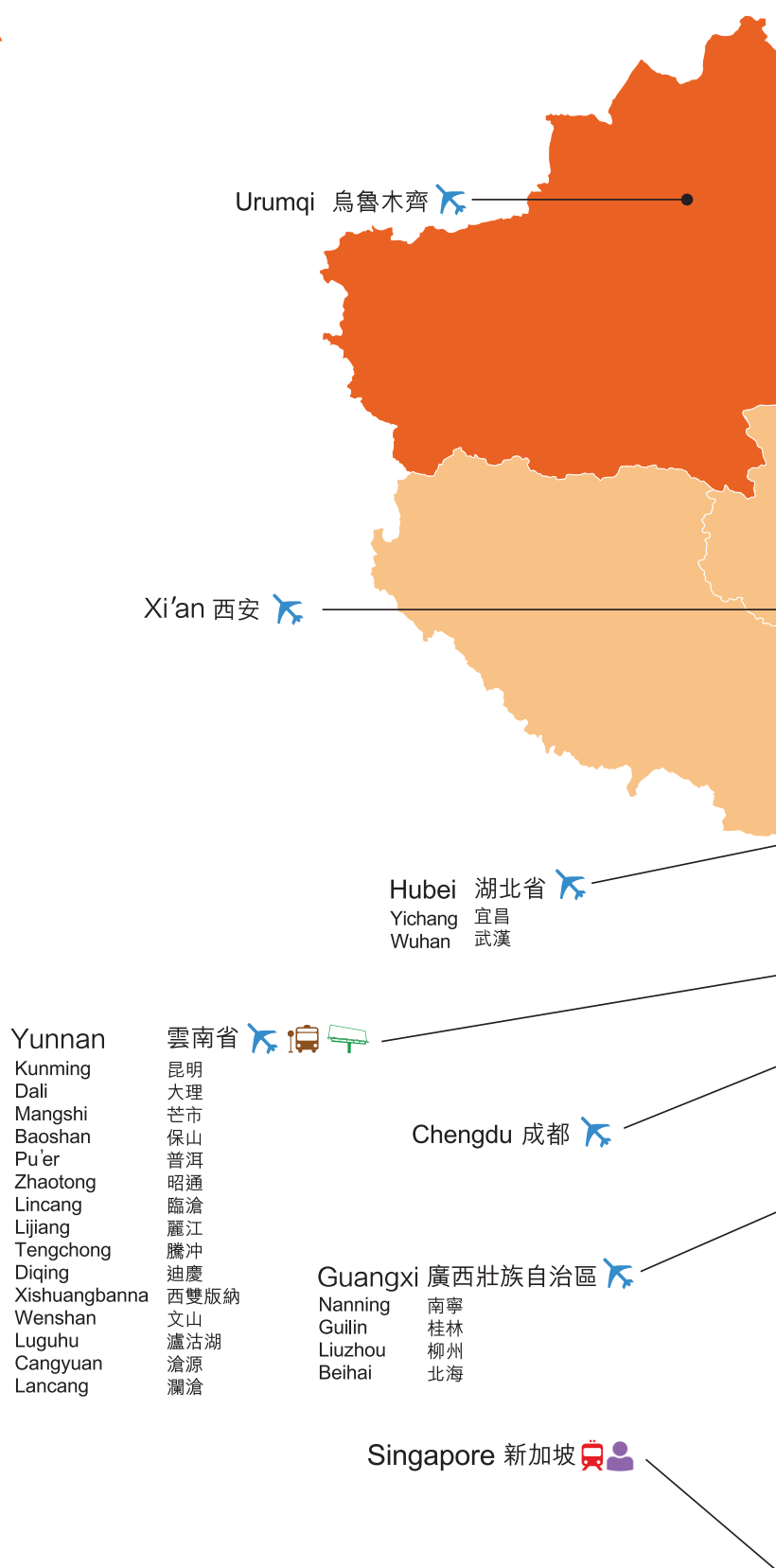
獨家特許經營權的
地鐵綫路
Metro lines with exclusive
concession rights



獨家特許經營的機場
(包括海南三亞鳳凰
國際機場2號航站樓)
Airports with exclusive
concession rights
(including Sanya Phoenix
International Airport Terminal 2)

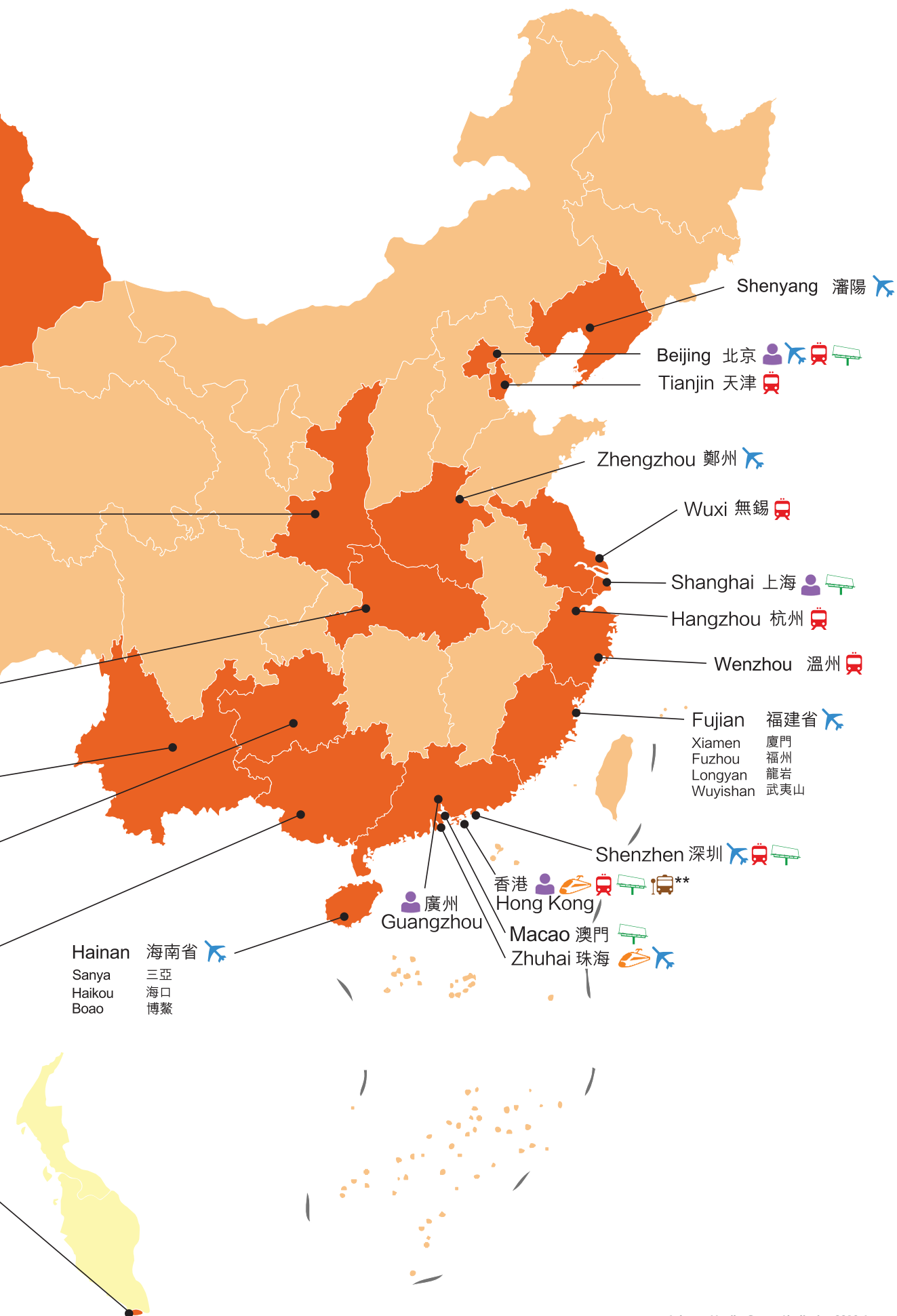
截至2020年3月27日
As at 27 March 2020

媒體網絡 MEDIA NETWORK



*As at 27 March 2020
 *截至2020年3月27日

**The KMB/LWB operation will be started in July 2020
 **九巴/龍運巴士業務將於2020年7月開始



經營理念

OUR PHILOSOPHY

空間管理

我們視己為空間的經營者，與傳統的「批發買入 – 零售賣出」的處理廣告位方法截然不同。我們透過對空間管理模式的貫徹與執行，得以為廣告客戶、媒體資源擁有人及廣大乘客創造價值。

廣告客戶 — 強化廣告的整體效果，提升廣告效益

媒體資源擁有人 — 美化整體環境與氣氛，提升商業價值

乘客 — 從視覺延伸至嗅覺、觸覺、聽覺及味覺，全面觸動感官，豐富旅程

SPACE MANAGEMENT

We view ourselves as the managers of the space, which distinguishes us from the traditional “Buy Wholesale, Sell Retail” approach in media resource distribution. Our well-developed space management approach enables us to create value for our advertising customers, media resources owners and passengers.

Advertising customer – enhance the overall impact of the advertisement

Media resource owner – enhance the overall ambience and optimize the commercial value

Passenger – extend beyond the visual to stimulate senses of smell, touch, hearing and taste, making up an exuberant journey



雅詩蘭黛 Estée Lauder

機場媒體資源
Airport Media Resources

蘭蔻 Lancôme

機場媒體資源
Airport Media Resources





耐克 NIKE

大廈創意廣告
Building Solution

安普里奧·阿瑪尼 Emporio Armani

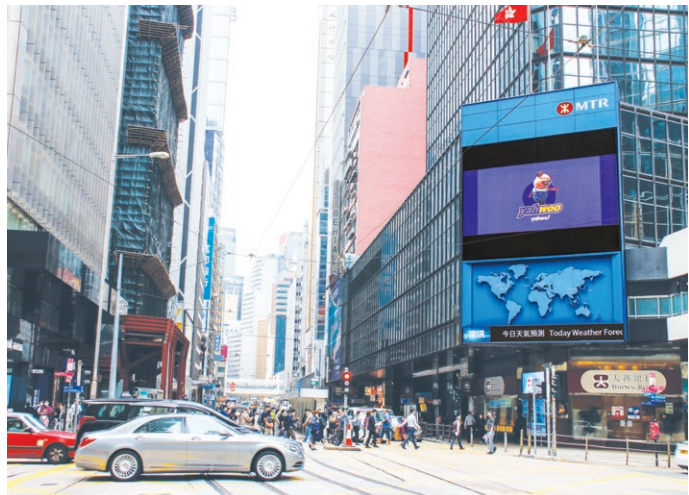
高速鐵路(香港段)
High Speed Railway (Hong Kong Section)





雅虎 YAHOO

LED屏幕
LED Screen



音響 JBL

港珠澳大橋(珠海口岸)
Hong Kong-Zhuhai-Macao Bridge
(Zhuhai-Macau Boundary-Crossing
Artificial Island)



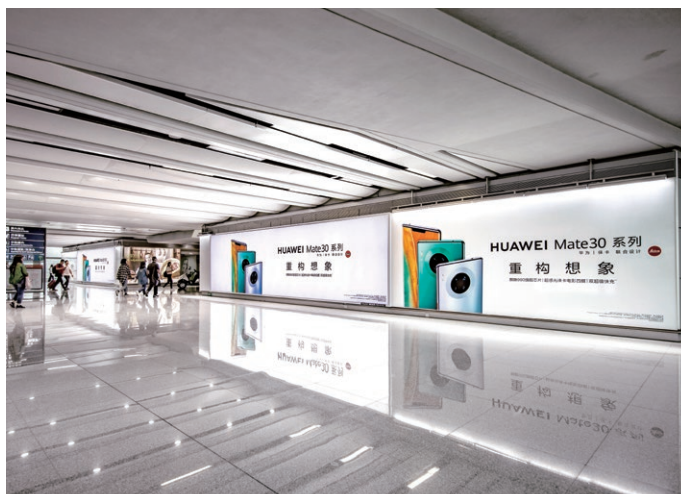


碧桂園 Country Garden

地鐵媒體資源
Metro Media Resources

華為 Huawei

機場媒體資源
Airport Media Resources



丹寧 Diesel

巴士站媒體資源
Bus Shelter
Media Resources

大事紀要 EVENTS OF THE YEAR



- 獲授北京地鐵14號線的媒體資源獨家經營權。
Obtained exclusive operation rights on media resources of Beijing Metro Line 14.
- 海口美蘭機場正式營運。
Haikou Meilan Airport has been duly operated.



- 獲授溫州軌道交通S1線的媒體資源獨家經營權。
Obtained exclusive operation rights on media resources of Wenzhou Metro Line S1.
- 瓊海博鳌機場正式營運。
Qionghai Boao Airport has been duly operated.



- 在第19屆IAI國際廣告獎典禮中榮獲9項大獎包括「全場大獎」。
Honoured nine awards including the "Annual Grand Prix Awards" at the 19th IAI International Advertising Awards.
- 杭州地鐵5號線正式開通。
Hangzhou Metro Line 5 has been duly launched.

2019
2月
FEBRUARY

3月
MARCH

4月
APRIL

5月
MAY

6月
JUNE

7月
JULY

8月
AUGUST



- 成功舉辦「港珠澳大橋珠海公路口岸媒體推介會」。
Successfully held the media promotion conference of the Zhuhai Highway Port of Hong Kong-Zhuhai-Macao Bridge.



- 再次獲授昆明機場1號客運大樓的媒體資源獨家經營權。
Obtained exclusive operation rights on media resources of Terminal 1 of Kunming Airport again.

- 在The Spark Awards中榮獲兩個類別中的金獎及銅獎。
Honoured the Gold and Bronze Awards in two categories of The Spark Awards.





- 獲授新加坡地鐵湯申 – 東海岸線的媒體資源經營權。

Obtained operation rights on media resources of Singapore MRT Thomson – East Coast Line.



- 獲授成都雙流國際機場國際廳到達區的媒體資源經營權。

Obtained operation rights on media resources in the arrival area of Chengdu Shuangliu International Airport.

- 北京大興機場正式營運。

Beijing Daxing Airport has been duly operated.



- 獲授九巴及龍運巴士的巴士媒體資源獨家經營權。
- Obtained exclusive operation rights on media resources of KMB and LWB buses.



- 成功與Rubicon Project 合作完成程序化轉型項目，讓雅仕維能就其於香港及新加坡的數碼戶外廣告發布及錄像庫存進行程序化地買賣。

Completed a programmatic transformation project with Rubicon Project, enabling Asiarray to programmatically trade its Digital Out-of-Home (DOOH) display and video inventory across Hong Kong and Singapore.

9月
SEPTEMBER

10月
OCTOBER

11月
NOVEMBER

12月
DECEMBER

2020
1月
JANUARY

2月
FEBRUARY



- 成功奪得「進出口企業大獎2019 – 卓越創新獎」。

Won the "Outstanding Import & Export Enterprise Awards 2019 – Corporate Achievement Award".



- 與螞蟻金服完成認購協議並成為策略股東。
- Secured Ant Financial as a strategic shareholder through the completion of the subscription agreement.



- 獲授屯馬線一期的媒體資源獨家經營權。
- Obtained exclusive operation rights on media resources of MTR Tuen Ma Line Phase 1.



- 成為「中國城市影響力實驗室」創始機構及秘書處。

Became the founding organization and secretariat of "China Urban Influence Lab".



- 獲授昆明空港快線的巴士媒體資源經營權。
- Obtained operation rights on media resources of the buses of Kunming Airport Express.

獎項及榮譽

AWARDS AND RECOGNITION

榮獲兩大重磅級獎項

WINNING TWO PROMINENT AWARDS

IAI 國際廣告獎

IAI International Advertising Awards

- 斬獲全場大獎、金獎、銀獎、銅獎、優秀獎共計9項獎項
Won 9 Awards Including Annual Grand Prix, Gold Award, Silver Award, Bronze Award, Excellence Award
- 雅仕維參與含金量高、業界認可度強的各類15項國際及全國性廣告案例評選，其中包括國際知名的艾奇獎、極具影響力的金投賞、中國廣告長城獎等，勇奪金、銀、銅及優秀(入圍)獎項共計90餘項。
Participated in 15 international and national advertising showcase awards with strong recognition in the industry, including the internationally renowned ECI Awards, the influential ROI Festival and China Advertising Great-wall Award, etc., and won more than 90 gold, silver, bronze and outstanding (shortlisted) awards.

中國廣告恢復四十周年卓越獎

China Advertising 40th Anniversary Awards

- 榮獲「十大最具傳播影響力營銷案例」，
被列為中國廣告博物館館藏作品
Won "Top 10 Most Influential Marketing Cases",
Listed in the Collection of "Advertising Museum of China"



集團主席榮譽

GROUP CHAIRMAN'S RECOGNITIONS

- 國際廣告協會成員
Member of International Advertising Association
- 香港基本法推廣督導委員會成員
Member of the Basic Law Promotion Steering Committee
- 香港澳門緬甸工商會主席
Chairman of HKMMCCI
- 上海市廣告協會個人貢獻獎 – 上海市廣告協會
Individual Contribution Award of Shanghai Advertising Association – Shanghai Advertising Association
- 文旅專家百人會成員
Member of the Cultural Tourism Experts Association
- IAI國際廣告獎專家評委
Expert Judge of International Advertising Awards
- 上海國際廣告獎專家評委
Expert Judge of Shanghai International Advertising Awards
- 接受央視採訪，分別于2019年3月16日、10月6日
現身《新聞聯播》
Interviewed by CCTV on "Xinwen Lianbo" on 16 March and 6 October, 2019

集團獎項

GROUP AWARDS

- 進出口企業大獎2019(卓越創新獎) – 香港中華進出口商會
Outstanding Import & Export Enterprise Awards 2019 (Corporate Achievement Award) – The Hong Kong Chinese Importers & Exporters Association
- 香港環境卓越大獎優異獎(媒體及通訊業) – 環境運動委員會
Hong Kong Awards for Environmental Excellence – Excellence Award (Media and Communication Category) – Environmental Campaign Committee
- 上海市廣告協會表彰單位(上海雅仕維) – 上海市廣告協會
Shanghai Advertising Association commendation unit (Shanghai Asiarray) – Shanghai Advertising Association
- 中國戶外傳播大會地鐵場景頭部媒體
China OOH communication conference Metro Scenario head media
- 中國戶外傳播大會機場場景頭部媒體
China OOH communication conference Airport Scenario head media
- 中國戶外傳播大會十大新技術新媒體 – Radius Displays運動LED屏柱
Top 10 New Technology and New Media of China OOH communication conference – Radius Displays LED Screen Column

集團資質 GROUP QUALIFICATIONS

- CNAA | (中國一級廣告企業) 媒體服務類(上海雅仕維)
CNAA | (Advertising Agency – Level 1) Media Service (Shanghai Asiaray)
- CNAA | (中國一級廣告企業) 媒體服務類(雲南雅仕維)
CNAA | (Advertising Agency – Level 1) Media Service (Yunnan Asiaray)
- GB/T9001-2015/ISO9001:2015 認證證書(上海雅仕維)
GB/T9001-2015/ISO9001:2015 International Certificate of Registration (Shanghai Asiaray)
- 香港綠色機構
Hong Kong Green Organisation Certification
- 上海市著名商標(上海雅仕維)
Famous Trademark in Shanghai (Shanghai Asiaray)
- 上海名牌(上海雅仕維)
Renowned Brand in Shanghai (Shanghai Asiaray)
- 中國廣告協會理事單位(上海雅仕維)
China Advertising Association Council Members (Shanghai Asiaray)
- 中國廣告協會戶外委員會常委單位(上海雅仕維)
China Advertising Association Standing Committee Unit of Outdoor Committee (Shanghai Asiaray)
- 上海市廣告協會常務理事單位(上海雅仕維)
Standing Member of the Outdoor Advertising Committee of Shanghai Advertising Association (Shanghai Asiaray)
- 中國城市影響力實驗室秘書長單位
Secretary General Unit of China Urban Influence Lab
- 中國企業影響力實驗室副主任單位
Deputy Director Unit of China Enterprise Influence Lab
- 兒童福利與保護服務分會副會長單位
– 中國社會福利與養老服務協會
Vice President Unit of the Child Welfare and Protection Council
– China Association of Social Welfare and Senior Service

案例獎項 CAMPAIGN AWARDS

- 卓越傳媒大獎 – 最佳戶外創新獎金獎、最佳媒體企劃戶外類銅獎
The Spark Awards – Best Outdoor Innovation Gold Award, Best Media Campaign Out-Of-Home Bronze Award
- 艾奇獎 – 銅獎、優秀獎
ECI Awards – Bronze Award, Merit Award
- 金投賞 – 提名獎
ROI Festival – Finalist
- TopDigital創新獎 – 創新專項獎、銀獎、銅獎
TopDigital Innovation Awards – Innovation Award, Silver Award, Bronze Award
- 長城鳳凰杯 – 最佳LED場景創新技術實現獎、銅獎、優秀獎
GREAT-WALL “PHOENIX” – Best LED Scene Innovation Technology Award, Bronze Award, Merit Award
- 金場景營銷案例獎 – 金獎、銀獎、銅獎
OOH Contextual Marketing Award – Gold Award, Silver Award, Bronze Award
- 中國公益廣告黃河獎 – 優秀獎
Public Advertising Huanghe Awards – Merit Award
- 梅花網營銷創新獎 – 銀獎、銅獎、提名獎
MAWARDS – Silver Award, Bronze Award, Finalist
- 現代廣告獎 – 銀獎、銅獎、優秀獎
MAD Awards – Silver Award, Bronze Award, Merit Award
- 上海國際廣告獎 – 銅獎、入圍獎
Shanghai International Advertising Awards – Bronze Award, Finalist
- 北京國際創意獎 – 金獎、銀獎、銅獎、優秀獎
Beijing International Creative Awards – Gold Award, Silver Award, Bronze Award, Merit Award

集團獎項 GROUP AWARDS

- 中國益公司 – 入圍獎
China Benefit Corporation – Finalist
- 2019中國戶外廣告之最(機場單側面積最大的超薄廣告燈箱)
– 深圳機場雅仕維傳媒有限公司
2019 The Best Outdoor Advertising in China (Ultra Thin Single-sided Advertising Light Box with the Largest Area of Airport) – Shenzhen Airport Asiaray Media Company Limited
- 2019中國戶外廣告之最(最早離島免稅機場戶外廣告燈箱)
– 海南雅仕維廣告有限公司
2019 The Best Outdoor Advertising in China (The Earliest Outdoor Advertising Light Box of Duty Free Airport) – Hainan Asiaray Company Limited

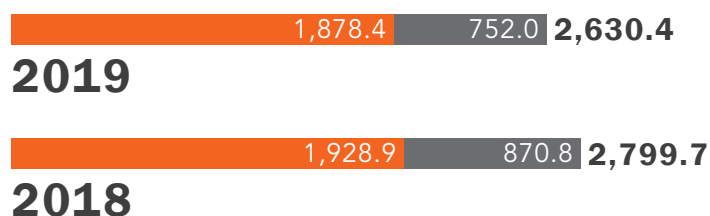
財務摘要

FINANCIAL HIGHLIGHTS

總體收入

COMBINED REVENUE

百萬港元
HKD million

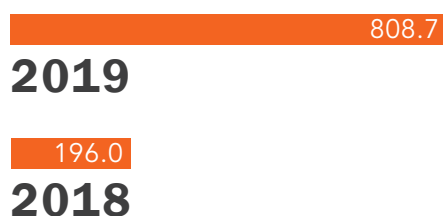


■ 集團合併收入 Group's consolidated revenue ■ 聯營公司收入 Associate companies' revenue

未計利息、稅項、折舊及攤銷前的盈利

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION

百萬港元
HKD million



按營運分部所劃分的收入

REVENUE BREAKDOWN BY OPERATING SEGMENT

百萬港元
HKD million



■ 機場 Airports ■ 地鐵綫路及廣告牌 Metro Lines & Billboards ■ 其他 Others

主席報告

CHAIRMAN'S STATEMENT

業務回顧

本人謹此提呈本公司及其附屬公司（統稱「雅仕維」或「本集團」）截至2019年12月31日止年度的全年業績。

過去一年，全球經濟狀況因中美貿易戰而持續波動，眾多不確定因素更使情況加劇。香港的狀況因下半年社會動盪而受到更大影響，致使港鐵收益下跌。然而，我們擁有堅定意志、豐富的戶外媒體網絡及於業界立足逾25年而累積的深厚經驗，成功取得平穩的收益增長（不計及人民幣貶值）。再者，我們於多方面取得突破，包括領導性的業界的線上及線下新媒體營運發展及引入策略投資者螞蟻金服以拓展媒體組合。獲得海口美蘭機場及瓊海博鳌機場的媒體資源後，我們現已進駐海南島所有機場。根據海南離岸免稅政策，本地及國外遊客（包括海南省居民）可享受免稅購物。海口美蘭機場是海南島內設有免稅店的主要地點之一及隸屬於持有免稅貨品銷售許可的省級國有企業。我們亦重視海口美蘭機場於豐富全面的網絡及促進未來增長（特別是免稅產品範疇）的作用。有關免稅產品的宣傳獲該等地點產生的強大銷售支持。儘管海口美蘭機場為回顧年度內進行擴展的新項目之一，其對我們表現的影響將屬短暫。本集團仍處於穩健財務狀況及連續六年錄得淨現金狀況，於回顧年度的現金及銀行結餘總額達445.0百萬港元。我們堅信，結合強大的財務狀況及多年來的成就，將讓我們可把握未來發展機遇，包括市場整合。

BUSINESS REVIEW

I wish to hereby present the annual results of the Company and its subsidiaries (collectively, "Asiaray" or the "Group") for the year ended 31 December 2019.

Over the past year, global economic conditions have remained erratic owing to the US-China trade war, compounded by various uncertainties. In Hong Kong, conditions were further impacted by social unrest in the second half year that led to a drop in MTR revenue. Nonetheless, leveraging our indomitable spirit, extensive out-of-home media network, and depth of experience that comes from operating in the industry for over 25 years, we managed to generate modest revenue growth, when excluding depreciation of the renminbi. Moreover, we have achieved breakthroughs on several fronts, spanning the advancement of our pioneering Online and Offline ("O&O") New Media operations and the introduction of the strategic investor Ant Financial to the expansion of our media portfolio. In securing the media resources at Haikou Meilan Airport and Qionghai BoAo Airport, we now have coverage of all the airports in Hainan Island. Under the Hainan Offshore Duty-free Policy, domestic and foreign visitors including residents of Hainan province are able to enjoy duty-free shopping. Haikou Meilan Airport is one of the major locations on the Island that includes duty-free shops and is under a provincial state-owned enterprise, with permit for the sale of duty free goods. We see the Haikou Meilan Airport as also significant in enriching our comprehensive network, and facilitating future growth especially in the area of duty free products. The advertising of such duty free products is supported by strong sales generated from the venues. Even though Haikou Airport was among the new projects that underwent ramp-up during the review year, such impact on our performance will be temporary. The Group remains in a healthy financial position, and has achieved a net cash position for the sixth consecutive year, with total cash and bank balances amounting to HKD445.0 million as at the review year. We trust that the combination of our strong financial position and accomplishments made over the years will enable us to seize upcoming developments opportunities, including market consolidation.

全面的行業龍頭

於回顧年度，我們於大中華區逾40個城市持有獨家特許經營權以營運媒體資源（計有37個機場，包括30個機場及海南三亞鳳凰國際機場二號航站樓的獨家特許經營權），以及於19條地鐵線、高速鐵路（香港段）及港珠澳大橋（珠海口岸）維持媒體資源的獨家特許經營權。此媒體資源網絡涵蓋各級城市。利用獨特的有機增長策略，專業管理團隊能善用此重要的資源網絡以改良整體表現及不斷提高盈利能力。再結合獨有的「空間管理」模式、豐富的公共交通廣告經驗及創意，此組合將達致可持續的業務及收益增長。財務增長以外，此組合已使我們屢獲殊榮，包括享負盛名的國際讚譽以至中國主要獎項。該模式的成功亦可證諸我們為可口可樂及NIKE開發的項目中，其於The Spark Awards 2019分別獲頒最創新戶外營銷策略金獎及最佳戶外媒體項目銅獎。

提升闊度及深度

我們一直領導行業發展，並於去年取得另一項突破，踏出了中國內地及香港的基地，並於新加坡建立據點。憑藉於地鐵廣告的豐富經驗，我們向新加坡陸路交通管理局（「陸路交通管理局」）取得湯申—東海岸線（將於2020年1月分階段開始運作）的廣告特許經營權。有別於傳統廣告，我們將對該地鐵線採取較為創新的模式，包括使用與線上及線下策略互相配合的數碼媒體平台。此重大里程有望成為大中華區以外發展的跳板，包括一帶一路沿途的主要樞紐。此前，我們會善用於新加坡的特許協議以於細分市場建立版圖，然後於東南亞戶外媒體市場抓緊機遇。此舉需要促進獨有的「空間管理」模式、豐富的媒體資源網絡及完美結合線上及線下解決方案的實力，以創造卓越的戶外廣告項目。

A leader through and through

As at the review year, we held exclusive concession rights to operate media resources covering more than 40 cities in Greater China, with 37 airports (including exclusive concession rights at 30 airports and the Sanya Phoenix International Airport Terminal 2 in Hainan), and exclusive concession rights to mainstream media resources at 19 metro lines, the High Speed Rail (Hong Kong Section) and the Hong Kong-Zhuhai-Macao Bridge (Zhuhai Port). This network of media resources covers the full range of city tiers. By capitalizing on our unique organic growth strategy, our professional management team has been able to utilize this valuable network of resources to enhance overall performance and raise profitability continuously. And combined with our distinct "Space Management" approach, ample experience in public transport advertising and capacity to innovate, this amalgamation will result in sustainable growth in business and revenue. Apart from financial growth, this amalgamation has already allowed us to earn numerous honors, ranging from internationally renowned accolades to major Chinese awards. Testaments to the success of our approaches can further be found in campaigns we developed for Coca-Cola and NIKE, which garnered Gold and Bronze awards from The Spark Awards 2019, for best outdoor innovation and best OOH media campaign respectively.

Increasing breadth and depth

Always at the vanguard of industry developments, we have achieved another breakthrough in the past year, stepping outside of our strongholds in Mainland China and Hong Kong and establishing a beachhead in Singapore. Capitalizing on our extensive background in metro advertising, we secured advertising concession rights with Singapore Land Transport Authority ("LTA") for the Thomson-East Coast Line, which will open in stages starting in January 2020. Unlike traditional advertising, we will adopt a more innovative approach along the metro line, including the use of a digital media platform that aligns with our online and offline ("O&O") strategy. This important milestone is set to serve as the launching pad for our development outside Greater China, including major hubs along the Belt and Road. Before such time, we will be leveraging the concession agreement in Singapore to buildout our presence in the niche market, followed by the grasping of opportunities in the OOH media market in Southeast Asia. This will call for the promotion of our unique "Space Management" approach, extensive media resources network and capacity to seamlessly integrate O&O solutions that culminate in exceptional OOH advertising campaigns.

除了擴大業務版圖外，我們一直探索不同機遇以豐富廣告媒體組合。於2018年，我們踏足新前沿，獲得高速鐵路（香港段）及港珠澳大橋（珠海口岸）的獨家媒體資源。而於2019年，我們進軍另一前沿，獲授九龍巴士（一九三三）有限公司（「九巴」）及龍運巴士有限公司（「龍運巴士」）的媒體資源。自我們於2008年首次踏足地鐵媒體市場以來，我們一直於區內建設大型地鐵媒體網絡，再者，我們自1993年開始構築機場媒體網絡。我們期望於未來數年繼續為高速鐵路、主要交通樞紐及巴士線建設更豐富的媒體網絡。

夥伴及支持者

另一項顯赫成就涉及股東基礎的擴展，此舉自本集團早於2015年在香港聯交所主板上市以來一直是我們的焦點。對於螞蟻金服選擇成為雅仕維的策略股東，我們感到格外欣喜。螞蟻金服強大的技術和數據能力有望與雅仕維廣泛的線下廣告資源相結合。

就成果豐碩的聯繫而言，本人亦欣然提述本集團於回顧年度後完成計劃轉化項目。透過參與Rubicon Project（全球最大型廣告交易所之一），雅仕維將據此能與香港及新加坡的廣告商程序化地買賣其數碼戶外廣告顯示及視像庫存。此舉乃本集團及業界的另一重大突破，革新了戶外廣告購買模式。我們會善用此合作聯繫以提供更多定制項目，促進為廣告商、消費者及雅仕維達致共贏的內容創建。

Aside from growing our business footprint, we have been exploring different opportunities to expand our arsenal of advertising mediums. In 2018, we entered a new frontier by winning the exclusive media resources for the High Speed Rail (Hong Kong Section) and the Hong Kong-Zhuhai-Macao Bridge (Zhuhai Port). And in 2019, we entered another new frontier through the awarding of media resources by The Kowloon Motor Bus Co. ("KMB") and Long Win Bus Company Limited ("LWB"). Since 2008, when we first entered the metro media market, we have been building a major metro media network in the region, on top of the airport media network that we have been constructing since 1993. We look forward to building still more extensive media networks for the high speed rail, major transport hubs and bus lines in the coming years.

Allies and allegiances

Yet another accomplishment worthy of note involves the diversification of our shareholder base, which has always been our interest since the Group was listed on the Main Board of the Hong Kong stock exchange back in 2015. We are particularly pleased that Ant Financial has elected to be a strategic shareholder of Asiaray. Ant Financial has a strong foundation established in the online realm, underpinned by their hallmark product Alipay, a well-known payment gateway in Mainland China, hence a perfect complement to Asiaray's extensive offline resources. We and Ant Financial are exploring opportunities for cooperation in innovative out of home advertising.

Also in relation to fruitful ties, I am pleased to note that the Group completed a programmatic transformation project subsequent to the review year. Involving Rubicon Project, one of the world's largest advertising exchanges, Asiaray will therefore be able to programmatically trade its DOOH display and video inventory with advertisers in Hong Kong and Singapore. This marks another significant breakthrough for the Group and the industry, revolutionizing the OOH buying model. We will duly leverage this cooperative tie to offer more tailored campaigns, facilitating the creation of content that achieves all-round success for advertisers, consumers and Asiaray.

引領線上及線下新媒體

雅仕維堅信，媒體的未來繫於線上及線下結合，而線下媒體乃指戶外媒體。因此，我們多年來一直開闢新徑，探索此線上及線下策略的不同組合，並獲得卓越成就及屢獲殊榮，同時為廣告商帶來理想成果。現時，新股東螞蟻金服加盟後，我們將能保持領導地位，創造線上及線下新媒體：廣告的最新前沿。憑藉雙方的專長，我們有望提供可切合大眾想像的創新廣告解決方案及為廣告商創造全新選擇。

審時度勢，前景樂觀

來年，全球經濟增長的不明確因素定會增加。儘管中美貿易摩擦的憂慮隨著簽署第一階段貿易協議有所緩和，但COVID-19新型冠狀病毒疫情卻帶來新一輪更具殺傷力的衝擊，波及範圍超越經濟領域。疫情的影響可能於上半年呈現，對全世界構成挑戰，包括大中華戶外廣告市場。儘管如此，我們認為挑戰中仍然機遇處處，包括加快市場整合的前景。憑藉雄厚的業務基礎以及穩健的淨現金狀況，我們具備優勢從市場調整中得益，並將採取必要步驟取得長遠增長。集團經營25年，經歷多個經濟週期，我們具有多元化的客戶組合、豐富的媒體資源及創新的廣告解決方案，此等要素足以讓我們克服可能出現的種種挑戰。

Pioneering Online & Offline (O&O) new media

Asiaray is a firm believer that the future of media lies in a combination of O&O, with offline being OOH media. Hence over the years we have been a pioneer in exploring different combinations of this O&O strategy, leading to tremendous success in terms of winning various awards and delivering excellent results to advertisers. Now with the arrival of our new shareholder, Ant Financial, we will be able to remain at the vanguard of efforts in creating O&O new media: the next frontier in advertising. Armed with the expertise of the two parties, we are well on the way to delivering innovative advertising solutions that capture the public's imagination and create new possibilities for advertisers.

Cause for concern and optimism

In the coming year, uncertainties about global economic growth will likely rise. Despite concerns over China-US trade tensions having moderated with the signing of a phase 1 trade deal, the COVID-19 coronavirus outbreak has introduced a new and potentially more significant negative force, extending beyond the economic realm. Its impact will likely be felt during the first half year, posing challenges around the world, including the OOH market in Greater China. Despite of this, we maintain the view that there are opportunities amid the challenges, including prospects arising from an acceleration in market consolidation. Leveraging our strong business foundation, as well as healthy net cash position, we are in a favorable position to benefit from market adjustments, and will take the necessary steps to achieve long-term growth. Having experienced various economic cycles over 25 years of operation, we have the essential components of diverse client mix, extensive media resources and innovative advertising solutions that will enable us to rise above whatever challenges which may come.

來年我們將主力聚焦於在機場、地鐵線及高速鐵路站建立媒體資源。此舉極為關鍵，可確保我們做好充分準備以在COVID-19疫情受控後把握機遇。隨著大眾出行之心重燃，基建發展必定好轉。中國政府已推出新一輪刺激措施，批出人民幣1.0萬億元作2020年地方政府特別債，以防經濟大幅倒退，並將用於金融基建項目。交通基建發展由此復甦，機場及地鐵線數目將會上升，從而推動戶外媒體覆蓋的需求，並為雅仕維帶來更大機遇。機遇絕不限於中國內地，我們於香港日益強大的版圖亦對開拓增長前景發揮作用。鑑於獲授港珠澳大橋(珠海口岸)及高速鐵路(香港段)的媒體資源經營權以及最近在回顧年度後取得港鐵屯馬綫一期的經營權，我們的市場佔有率進一步增加。此外，我們與九巴及龍運巴士的合作為我們的媒體資源增添了新元素。雅仕維擁有龐大的媒體資產，遼闊的網絡覆蓋中國各級城市、香港乃至新加坡，加上出色的數碼戶外廣告解決方案，我們已準備就緒捕捉來年機遇。

踏入2020年，我們將全力捍衛以三大核心價值—誠信、卓越及仁愛，為本的企業文化。同時，我們將以獨有的有機增長策略建立和諧及可持續的團隊。此舉將使我們擴大業務版圖及爭取合作機會，從而締造協同效益以鞏固雅仕維的領先市場地位。

本人謹藉此機會感謝本集團一眾持份者對加強與合作夥伴的戰略合作的支持。本人亦對全體員工的支持和不懈努力致以衷心致謝。本集團將繼續加強各方面營運、開拓不同業務，並借助強大管理層實力取得持續增長及為股東創造價值。

Our principal focus in the coming year will be on building media resources at airports, metro lines and high speed train stations. This will be paramount in ensuring that we are fully prepared to capitalize on opportunities that arise once the COVID-19 epidemic is under control. As public desire to travel returns, there will invariably be an upturn in infrastructure development. The Chinese Government has already launched a new initiative that will bring forward RMB 1.0 trillion in local government special bonds for 2020 to avert a sharper economic slowdown, and is to be used to finance infrastructure projects. With the resultant transportation infrastructure development boom, there will be a rise in number of airports and metro lines, which will in turn drive demand for OOH media coverage and create greater opportunities for Asiaray. Opportunities are by no means limited to Mainland China, as our increasingly strong presence in Hong Kong will also be conducive to tapping growth prospects. With the awarding of rights to operate media resources at the Hong Kong-Zhuhai-Macao Bridge (Zhuhai Port) and High Speed Rail (Hong Kong Section), as well as the recently secured rights to the MRT Tuen Ma Line Phase 1 subsequent to the review year, our market exposure has further grown. What is more, our cooperation with KMB and LWB has added a new dimension to our media resources. Armed with a wealth of media assets and expansive network covering all city tiers in China, Hong Kong, and now Singapore, together with outstanding DOOH solutions, Asiaray is well-equipped to capture opportunities in the coming year.

As we enter 2020, we will be fully committed to upholding our corporate culture, which is based on our three core values of Integrity, Excellence and Benevolence. At the same time, we will build a cohesive and sustainable team, leveraging the unique organic growth approach. This will enable us to grow our business footprint and seize opportunities for cooperation; resulting in synergies for reinforcing Asiaray's leading market position.

I would like to take this opportunity to thank the many stakeholders of the Group for their support in enhancing strategic cooperation with our partners. I would also like to extend my appreciation to all staff members for their support and diligence. The Group will continue to hone all facets of operation, explore different business avenues, and capitalize on sound management to sustain growth and create value for its shareholders.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧

截至2019年12月31日止年度，宏觀經濟環境一直充滿挑戰，乃由於中美貿易戰以及香港及中國內地經濟增長放緩。儘管如此，憑藉本集團穩健業務基礎及發展成熟的網絡，即使面對充滿挑戰的狀況，本集團仍然能夠取得金額為1,878.4百萬港元（2018年：1,928.9百萬港元）的穩定收益流入。撇除人民幣貶值，本集團收益仍然能夠錄得輕微增長。由於2019年下半年營商環境波動，本集團錄得毛利397.8百萬港元，毛利率為21.2%。此外，EBITDA（除利息、稅項、折舊及攤銷前盈利）為808.7百萬港元，增幅312.6%。總體收入為26.3億港元（2018年：27.99億港元），有關收入包括合併收入及所有聯營公司收入，能更準確反映總體業務規模。然而，由於回顧年度多個新取得的项目仍然處於起步階段，包括海口美蘭機場、北京地鐵14號綫、杭州地鐵5號綫及溫州軌道交通，以及香港財務報告準則第16號租賃於2019年1月1日生效，該等因素的合併影響對本集團的表現造成初步重大影響，其由2019年本公司錄得虧損108.7百萬港元可見。

2019年：另一個里程

儘管行業增長放緩，本集團仍能夠憑藉多項創新舉措超越同行，包括本集團於海外的擴張，尤其是透過與參與新建的新加坡地鐵湯申－東海岸綫（「TEL」）的新加坡陸路交通管理局（「陸路交通局」）合作，拓展至新加坡，以及若干現有项目錄得收入增長，包括昆明機場、珠海機場、烏魯木齊機場、無錫地鐵、杭州地鐵、香港廣告牌及高速鐵路（香港站）。雅仕維進軍新加坡市場為重大里程碑，尤其是其將讓本集團搶佔先機，將尋求借助該國於一帶一路沿綫的戰略地位等優勢。

BUSINESS REVIEW

For the year ended 31 December 2019, the macroeconomic environment has remained challenging, owing to the Sino-US trade war and economic slowdown in Hong Kong and Mainland China. Nonetheless, with the Group's solid business foundation and well developed network, it was able to achieve stable revenue inflows, which amounted to HKD1,878.4 million (2018: HKD1,928.9 million) even in the face of challenging conditions. Excluding RMB depreciation, the Group's revenue managed to record modest growth. Due to the fluctuating business environment in the second half of 2019, the Group recorded a gross profit of HKD397.8 million, with gross profit margin at 21.2%. Furthermore, EBITDA (Earnings before interest, taxes, depreciation and amortization) amounted to HKD808.7 million, representing an increase of 312.6%. The combined revenue, which provides a more concise representation of total business scale by including consolidated revenue and revenue of all associated companies, amounted to HKD2.630 billion (2018: HKD2.799 billion). However, as several newly secured project were still at a ramp-up phase during the review year, including Haikou Meilan Airport, Beijing Metro Line 14, Hangzhou Metro Line 5 and Wenzhou Metro Line, and the Hong Kong Financial Reporting Standard 16 Leases became effective as of 1 January 2019, the combination of factors led to an initial heavy impact on the Group's performance as reflected by a loss of the Company of HKD108.7 million in 2019.

2019: Another milestone year

Despite the industry slowdown, the Group was still able to outperform the peers through various breakthroughs, including the Group's expansion overseas, specifically to Singapore through ties with Land Transport Authority ("LTA") involving the new Thomson East Coast Line ("TEL"), as well as the recording of increased revenue from certain existing projects, including Kunming Airport, Zhuhai Airport, Urumqi Airport, Wuxi metro, Hangzhou metro, Hong Kong billboards and High Speed Rail (Hong Kong Station). Asiaray's entry into the Singapore market, in particular, is a significant milestone, and will enable the Group to benefit from a first mover advantage that it will seek to capitalize on, including the country's strategic position along the One Belt One Road route.

2019年另一突破包括取得本集團與九龍巴士（一九三三）有限公司（「九巴」）及龍運巴士有限公司（「龍運巴士」）的協議，其將讓本集團於香港拓展版圖，同時進軍新媒體－巴士廣告。

除了加強媒體覆蓋的深度及闊度，本集團與全球領先支付及生活平台支付寶的擁有人及營運人浙江螞蟻小微金融服務集團股份有限公司（「螞蟻金服」）之全資附屬公司訂立認購協議。根據此協議，螞蟻金服已成為雅仕維的策略股東。螞蟻金服的線上業務根基穩固，而雅仕維則擁有廣泛線下資源。該策略舉措預期為雙方增值，因為雅仕維未來將著重於實施及維持有效的線上線下策略。此舉亦使本集團於可為本集團現有業務形成協同效應的領域發掘合作機會。

本集團擁有為其廣告解決方案採納線上線下策略的多年經驗，已形成類型廣泛的項目組合。透過該合作，本集團正式推出其先導「線上線下新媒體」策略，旨在進一步豐富其線下戶外媒體基礎及提供全面的廣告解決方案。多個項目現已展開。有見及未來市場整合機遇，該等新項目預期於其增長期後受惠。同時，雅仕維將動用螞蟻金服股份認購的所得款項為中國內地及新加坡的項目撥資，以及用作一般營運資金。

Another breakthrough in 2019 involves the securing of agreements between the Group and The Kowloon Motor Bus Co. ("KMB") and Long Win Bus Company Limited ("LWB"), which will enable it to expand its footprint in Hong Kong while tapping a new medium – bus advertising.

Aside from bolstering its depth and breadth of media coverage, the Group entered into a subscription agreement with a wholly owned subsidiary of 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*), ("Ant Financial") – owner and operator of the world's leading payments and lifestyle platform Alipay. Under this agreement, Ant Financial became a strategic shareholder of Asiaray. Ant Financial has a solid online presence while Asiaray has extensive offline resources. This strategic move is expected to add value to both parties as the future of Asiaray will depend on implementing and maintaining an effective online and offline ("O&O") strategy. This will also enable the Group to explore cooperative opportunities in fields that can generate synergies with the Group's existing businesses.

With the Group's years of experience in adopting O&O strategy to its advertising solution, it has built a wide-ranging project portfolio. Riding on the cooperation, the Group officially launched its pioneer "O&O new media" strategy, which aims to further enrich its offline Out Of Home (OOH) media base and provide comprehensive advertising solutions. Already, several projects are currently underway. With market consolidation opportunities ahead, these new projects are expected to benefit subsequent to their ramp-up period. At the same time, Asiaray will utilize proceeds from the share subscription of Ant Financial to fund projects in Mainland China and Singapore, as well as for general working capital.

* For identification purpose only

業務分部最新資料

地鐵綫及廣告牌

過去一年，本集團繼續專注於提升現有地鐵綫的銷售貢獻。然而，受到經營環境疲弱的影響，以及其業務夥伴香港鐵路有限公司（其於2019年下半年受到香港社會動盪的重大影響）錄得收入減少，加上深圳地鐵綫因中美貿易戰帶來不利影響而錄得赤字，該分部的收入減至919.3百萬港元（2018年：974.9百萬港元），並錄得分部毛利136.7百萬港元（2018年：184.3百萬港元）及毛利率14.9%。儘管如此，於2019年上半年，本集團取得多個新媒體資源（包括北京地鐵14號綫），擴展其於中國內地主要交通樞紐的業務據點，特別是京津冀地區。其後再加入溫州軌道交通S1綫及杭州地鐵5號綫，讓本集團擴大於長江三角洲的業務版圖。雅仕維於下半年向新加坡陸路交通管理局取得湯申—東海岸綫（將於2020年1月底開始運作）的廣告特許經營權。其成為本集團於大中華區以外的首個業務據點。據此，雅仕維再一次加強了本已穩健的大灣區業務網絡，包括深圳地鐵綫（第3號及第4號綫）、港珠澳大橋（珠海口岸）、高速鐵路（香港段）以及香港多條地鐵綫的廣告資源。

廣告牌營運方面，雅仕維於香港有多項媒體資源，包括中環天星碼頭多層停車場、禮頓道1號、銅鑼灣東角及蓮福商業大廈以及旺角星際城市。於回顧年度，本集團加入多個新廣告牌，包括為本集團新媒體的部分LED資源及樓宇外牆，為廣告商帶來更多增值媒體解決方案。部分主要項目包括堅拿道5號、北角健威坊及羅素街8號。值得一提的是本集團亦取得澳門兩個廣告牌的媒體資源，包括英皇南灣中心及盛世酒店，標誌著於澳門的首項業務。

Update of business segments

Metro lines and billboards

Over the past year, the Group has continued to direct focus on increasing sales contributions from its existing metro lines. However, affected by the weakened operation environment, and a decline in revenue experienced by its business partner, MTR Corporation Limited, which was greatly affected by social unrest in Hong Kong in the second half of 2019, as well as a shortfall faced by the Shenzhen Metro Lines due to the negative impacted brought by Sino-US trade war, revenue of this segment decreased to HKD919.3 million (2018: HKD974.9 million), with segment gross profit recorded at HKD136.7 million (2018: HKD184.3 million) and gross profit margin at 14.9%. Nevertheless, the Group secured a number of new media resources during the first half of 2019, including Beijing Metro Line 14, thus expanding its business presence in the key transportation hubs of Mainland China, particularly the Beijing-Tianjin-Hebei region. This was followed by the addition of the Wenzhou Metro Line S1 and Hangzhou Metro Line 5, which will allow the Group to broaden the business presence in the Yangtze River Delta. In the second half year, Asiaray secured an advertising concession right with LTA of Singapore for the Thomson-East Coast Line, which will commence operation in January 2020. It has become the Group's first business foothold outside of Greater China. Asiaray has thus again strengthened an already robust business network in the Greater Bay Area, with media resource found at Shenzhen Metro lines (No.3 and No.4), Hong Kong-Zhuhai-Macau Bridge (Zhuhai port), High Speed Rail (Hong Kong Section) and several metro lines in Hong Kong.

With regard to the billboard operation, Asiaray has numbers of media resources in Hong Kong, including at the Star Ferry Carpark in Central, 1 Leighton Road, Laforet and Lin Fook House in Causeway Bay, and Sim City in Mongkok. During the review year, the Group has added several new billboards, including some LED resources and building wraps that are new mediums for the Group, and represent more value-added media solutions for advertisers. Some of the significant projects include 5 Canal Road, Firfort North Point and 8 Russell Road. It is worth noting that the Group also secured media resource of two billboards in Macau, including the Emperor Nam Van Centre and Hotel Inn, marking the first operation in Macau.

機場

本年度來自機場媒體廣告業務的收入增加1.6%至739.3百萬港元。撇除人民幣貶值的影響，錄得分部增長5.7%，乃由於現有項目表現改善，包括雲南機場、珠海機場及烏魯木齊機場，加上海口機場及北京大興機場等新項目，均有助抵銷杭州機場的項目終止。回顧年度錄得毛利率29.4%，毛利為217.3百萬港元。隨著策略規劃及其後於中國首個SKYTRAX五星級機場（即海口美蘭機場）獲授媒體資源，以及在瓊海博鳌機場及海南三亞鳳凰國際機場2號航站樓獲得媒體資源，我們現時坐擁覆蓋整個海南島的媒體資源。受惠於海南島離島免稅政策，海口美蘭機場是海南島上少數由省級國有企業獲准從事免稅品經營的地方。鑑於此策略位置及其能夠豐富本集團的網絡，加上可帶來高檔品牌投放廣告的機遇，本集團著力發展海口地區的廣告業務。此外，本集團自昆明機場於2006年啟用起再次獲得其媒體資源的獨家特許經營權，該機場以客流量計為全球50大機場之一。雖然獲授新機場處於起步階段，而重續昆明機場亦帶來短期影響，但該等最新的特許經營權將進一步增強本集團在中國西南部地區的業務版圖，鞏固其於大中華區的行業領先地位。

創新廣告解決方案

於本年度，雅仕維貫徹落實線上及線下策略，務求令數碼戶外廣告業務發揮最大作用，從而提供創造無縫觀眾體驗的綜合策略。鑑於線上線下策略及程序化數碼戶外廣告平台具備高度靈活性並可以得出可量度結果，兩者併行實為大勢所趨。程序化應用日益受追捧，皆因廣告商可全面查看所有數碼媒體資源，並即時預訂可供投放的媒體資源以推出廣告活動。程序化應用既為觀眾帶來更加互動的廣告體驗，亦為廣告商提供有用數據以作分析。

Airport

Revenue from the airport media advertising business has increased 1.6% to HKD739.3 million during the year. Excluding the impact of RMB depreciation, segment growth of 5.7% was recorded, which was attributed to the improved performance of existing projects, including Yunnan airports, Zhuhai Airport and Urumqi Airport together with new projects such as Haikou Airport and Beijing DaXing Airport, which helped offset the discontinuation of the Hangzhou airport. Gross profit margin of 29.4% was recorded, with gross profit amounting to HKD217.3 million for the review year. Following the strategic planning and subsequent awarding of media resource at the first SKYTRAX five-star airport in China, i.e. Haikou Meilan Airport, and the securing of media resources at the Qionghai BoAo airport and Sanya Phoenix International Airport Terminal 2, it now possesses media resources covering the entire Hainan Island. With the benefit of the offshore duty-free policy in Hainan Island, Haikou Meilan Airport is one of the very few locations in the Island operated under a provincial state-owned enterprise with permit for duty free goods operation. In view of this strategic location and its ability to enrich the comprehensive network of the Group, as well as enable premium brands tap advertising opportunities, the Group has placed considerable effort on the advertising operation in the Haikou area. Furthermore, the Group once again secured the exclusive concession rights to continue operating media resources in the Kunming Airport since its first operation in 2006, which is one of the 50 busiest airports in the world in terms of passenger traffic. Although the new airport wins are in their ramp-up period while the renewal of Kunming Airport led to a short-term impact, these latest concession rights will further strengthen the Group's business presence in South and Western China, and reinforce its leading industry position in Greater China.

Innovative advertising solutions

During the past year, Asiaray has continued to deploy both the online and offline strategies to maximize the impact of its DOOH business, hence to provide integrating strategies for a seamless audience experience. The O&O strategy along with the programmatic DOOH platform are apparent given its high level of flexibility and the capacity to deliver measurable results. The programmatic aspect is also appealing in that advertisers have complete access to all the digital media resources and can readily book placements to launch their advertising campaigns. It can provide a more interactive advertising experience for the audience while generating useful data to advertisers for analysis.

2019年，綜合線上線下策略及現有程序化數碼戶外廣告平台的種種優點成功吸引螞蟻金服選用本集團服務。螞蟻金服在線上領域擁有穩固基礎，加上雅仕維獨有的「空間管理」方法，正好打造出有效連接實體世界到虛擬領域的廣告解決方案。本集團多年來一直開拓不同的線上線下策略，屢獲佳績，獲獎無數。本集團繼往開來，透過手機應用程式(包括抖音)與關鍵意見領袖(「網紅」)合作，配合線下活動。憑藉本集團豐富的線上線下策略經驗等實力，再結合螞蟻金服的優勢，預期本集團在雙方合作的協同效益下將能加強現有業務，同時開拓新發展路向。

新媒體

2018年，雅仕維獲授高速鐵路(香港段)及港珠澳大橋(珠海口岸)的獨立媒體資源，標誌著其全面媒體資源組合可進駐全新業務前沿。繼兩個全國級項目後，本集團於2019年11月透過與九巴及龍運巴士的獨家特許經營權取得另一項新廣告媒體。巴士廣告的曝光率及影響屬非常重要及有效，因為其可輕易接觸到眾多人口，不論老幼及任何收入水平。憑藉獨特的「空間管理」方針及豐富的公共運輸廣告經驗，相信與九巴及龍運巴士的合作聯繫將盡量發揮各方優勢及可把握公共運輸廣告行業的機遇。此外，該等新前沿將為鞏固本集團的市場領導地位帶來奠定根基。

In 2019, the advantages of our integrated O&O strategy and existing programmatic DOOH platform were among the factors that attracted Ant Financial to the Group. Ant Financial has a solid foundation built in the online realm, which, along with Asiaray's unique "Space Management" approach, can create an effective bridge linking advertising solution from the physical world to the virtual domain. Over the years the Group has been exploring different O&O strategy with great success and won numerous awards. The Group along with this tradition commenced collaborations with key opinion leaders ("KOLs"), complemented by mobile applications including TikTok that echo the offline campaigns. Leveraging the strengths of the Group, including its rich experience in O&O strategy, combined with the attributes of the Ant Financial, it is expected to bolster its existing businesses while exploring new avenues, supported by the synergies between the two parties.

New mediums

In 2018, Asiaray was awarded the exclusive media resources of High Speed Rail (Hong Kong Section) and the Hong Kong-Zhuhai-Macao Bridge (Zhuhai Port), which marked new business frontiers for its comprehensive media resources portfolio to tap. Subsequent to the two national projects, the Group has secured another new advertising medium via exclusive concession rights with KMB and LWB in November 2019. The exposure and impact of bus advertising can be highly significant and effectual given its easy reach to a huge swathe of the population, comprising young and old and of all income levels. By leveraging its unique 'Space Management' approach, and ample experience in public transport advertising, it is believed that the cooperative ties with KMB and LWB will maximize all parties' strengths and enable opportunities to be seized in the public transport advertising industry. Moreover, these new frontiers will provide a solid foundation for reinforcing the Group's market leading position.

獎項

本集團屢次展示其能夠創作廣告活動及震撼、創新的解決方案，以立下行業標準。2019年，雅仕維合共獲得91個獎項。本集團的卓越廣告活動於不同群組屢獲殊榮，包括第19屆國際廣告獎的Annual Grand Prix Awards，此乃本集團年內最豐碩的成果，合共獲得九個獎項。另一項優異成就為獲得商界環保協會頒授2018年香港環境卓越大獎的優異獎，證明其致力於綠色管理，包括雅仕維對環境創新的優秀表現。本集團將繼續有效利用其獨特的「空間管理」方針以創造全方位投入體驗，同時實施策略以推動環境持續發展及促進環保舉措。

前景

展望未來，基於中美貿易戰及COVID-19新型冠狀病毒爆發，全球經濟預期會遇到嚴重逆境，然而，即使全球經濟預測暗淡，而疫情漸趨穩定及受壓抑的消費需求持續累積，本集團對長期前景維持樂觀。COVID-19疫情後很可能展開新一輪整合，預期會出現經濟復甦並產生龐大機遇。雅仕維將善用其涵蓋各級城市的堅實網絡，以及穩健的現金狀況及精確管理，以促成及把握湧現的機遇。此外，在新策略投資者的致力合作下，本集團得以擴大其業務版圖，特別是中國內地，本集團將繼續採取長期方針，竭盡所能繼續充實其廣泛業務足印，並提供全面的網絡以爭取最大廣告價值，從而把握有利機遇。

於香港，儘管政治及經濟不確定因素持續，本集團對其他戶外媒體行業保持樂觀。其媒體解決方案組合多元，包括地鐵線、廣告牌、高鐵站，至今更加入巴士廣告，將讓本集團準備萬全應對任何未來困難。此外，本集團擁有卓越的線上線下經驗，能提供更多增值廣告解決方案予客戶。再者，其將繼續鞏固該等業務層面，其可見於回顧年度後取

Awards

The Group has proven time and again of its ability to create advertising campaigns and powerful, innovative solutions that set industry standards. In 2019, Asiaray has garnered total 91 awards. The Group state-of-the-art advertising campaigns earned strong recognition from various circles, including the Annual Grand Prix Awards at The 19th IAI International Advertising Awards, marking the Group's strongest showing of the year – capturing nine awards in total. Another distinction of note was the garnering of a Certificate of Merit at the 2018 Hong Kong Awards for Environmental Excellence from Business Environment Council, which is a testament to its commitment to green management, including Asiaray's outstanding performance in environmental innovation. The Group will continue to effectively utilize its unique "Space Management" approach to create an all-encompassing immersive experience, at the same time, implement strategies that advance environmental sustainability and promote green initiatives.

OUTLOOK

Looking ahead, the global economy is expected to experience significant headwinds led by the Sino-US trade war and the outbreak of the COVID-19 novel coronavirus, yet, despite such glum projections for the global economy, with infections gradually stabilizing and pent consumption demand continuously building, the Group remains optimistic on the long-term outlook. With a new era of consolidation likely to commence in the wake of COVID-19, it is expected to see an economic rebound which lead to enormous opportunities. Asiaray will leverage its robust network that covers all range of city tiers, as well as its strong cash position and sophisticated management to facilitate and capture opportunities that arise. Further, armed with the strong collaboration among the new strategic investor, it enables the Group to expand its business outreach. Especially in Mainland China, the Group will continue to take a long-term approach, spare no effort to further enhance its extensive business footprint, and provide a comprehensive network to maximize advertising value, thus to capture the favorable opportunities.

In Hong Kong, the Group remains optimistic about the OOH media industry, despite ongoing political and economic uncertainties. Its dynamic mix of media solutions, comprising metro lines, billboards, High Speed Train stations and now, bus advertising, will stand the Group in good stead in coping with whatever challenges that may come. Moreover, with the Group's outstanding O&O experience, it is able to provide more value-added advertising solution to the customers.

得港鐵屯馬綫第一期的獨家特許經營權。該等權利讓本集團於全新港鐵屯馬綫第一期(連接烏溪沙及啟德)經營媒體資源。雅仕維將尋求進一步強化根基以提高公共交通廣告市場的滲透率，並把握新機遇以鞏固其於香港其他戶外媒體行業的領導地位。

於回顧年度在新加坡建立橋頭堡後，下一個目標將為以此地理位置為跳板，擴大本集團於東南亞的版圖。遵照此目標，本集團將撥出更多資源以加強於新加坡的據點，其亦致力與其他公共交通營運商強化聯繫。

根據市場研究，電子商務預料於2020年佔全部數碼廣告開支的42.4%¹。該趨勢切合其認為互聯網蘊含龐大機遇的自有長遠觀點。該觀點可見於2020年1月與Rubicon Project(全球最大型廣告交易所之一)完成計劃轉化項目。據此，雅仕維可於香港及新加坡有計劃地買賣其數碼戶外廣告顯示及視像庫存，並加強其線上線下實力及策略。就廣告客戶而言，彼等將能投放動態及反應靈敏的廣告，以迎合新加坡地鐵湯申—東海岸線一期(將於2020年1月底開始運作)乘客快速轉變的偏好。該計劃轉化項目創建對雅仕維及廣告客戶的協同效益龐大的雙贏局面；達致優越的覆蓋範圍及促進富數據採購選項，此乃實現數碼戶外廣告活動目標的關鍵。展望未來，雅仕維將尋求更多合作機會及致力發展更有效的線上線下解決方案，切合廣告商的需要。

儘管營商環境預期非常艱困，惟憑藉雅仕維的穩固根基、強大客戶組合、優越業務網絡及非凡領導，本集團對其前景保持樂觀及將竭盡所能轉危為機。

What is more, it will continue to bolster these business facets, as demonstrated by the securing of exclusive concession rights at MTR Tuen Ma Line Phase 1 subsequent to the review year. The rights will enable the Group to operate media resources at the new MTR Tuen Ma Line Phase 1, which connects Wu Kai Sha and Kai Tak. Asiaray will look to further strengthen the foundation to better penetrate the public transport advertising market, as well as seize new opportunities that reinforces its leadership in the OOH advertising industry in Hong Kong.

Having established a beachhead in Singapore during the review year, the next objective will be to leverage this geographical position as springboard for expanding the Group's footprint in Southeast Asia. Consistent with this objective, the Group will direct more resources to reinforce its presence in the Lion City, as it also strives to enhance ties with other mass transit operators.

According to market research, e-commerce is forecasted to account for 42.4% of all digital advertising spending by 2020.¹ This trend aligns with its own long held view that the online world possesses enormous opportunities. Such a view is reflected in the completion of a programmatic transformation project with Rubicon Project in January 2020, which is one of the largest advertising exchanges in the world. Consequently, Asiaray will be able to programmatically trade its DOOH display and video inventory across Hong Kong and Singapore, and enhance its O&O capabilities and strategy. In respect of advertisers, they will be able to place dynamic and responsive advertisements that can adapt quickly to the fast-changing preferences of commuters on the Thomson-East Coast Line, Phase I, which is set to commence operation by the end of January 2020. The programmatic transformation project creates a win-win situation with great synergies for both Asiaray and advertisers; achieving exceptional reach and facilitating data-enriched buying options that are essential for realizing DOOH campaign goals. Going forward, Asiaray will seek more opportunities for cooperation and strive to develop even more effective O&O solutions that cater for advertisers' needs.

Although the business environment is expected to be highly challenging, with Asiaray's solid foundation, strong client portfolio, outstanding business network and unparalleled leadership, the Group remains optimistic about the Group's prospects and will spare no effort in turning challenges into successes.

¹ <https://www.dentsuaegisnetwork.com/cn/zh/china-ad-spend-growth-3.9>

¹ <https://www.dentsuaegisnetwork.com/cn/zh/china-ad-spend-growth-3.9>

財務回顧

收入

本集團於截至2019年12月31日止年度的收入由約1,928.9百萬港元跌至約1,878.4百萬港元，按年跌幅為2.6%。減少主要由於人民幣貶值，除匯兌影響，地鐵及廣告牌的收入減少因機場分部的收入增加所抵銷。本集團的收入(此為營運數據)達約2,630.4百萬港元，其中包括本集團的合併收入及本集團旗下從事媒體業務的聯營公司的總收入，按年跌幅6.0%。

機場分部由截至2018年12月31日止年度約727.7百萬港元增加1.6%至2019年約739.3百萬港元，主要由於雲南集團機場及海口貢獻的收入顯著。此外，新項目如北京T2機場在2019年所貢獻的收入令人滿意。

地鐵及廣告牌分部由截至2018年12月31日止年度約974.9百萬港元減少5.7%至2019年約919.3百萬港元。此乃主要由於深圳地鐵線收入急挫，惟因香港的廣告牌收入增加所抵銷。杭州地鐵2號及4號線在起步階段後錄得穩步增長。此外，溫州地鐵線S1、高鐵(香港段)及香港廣告牌在2019年貢獻的收入顯著。

其他收入由截至2018年12月31日止年度約226.3百萬港元減少約6.5百萬港元或2.9%至2019年約219.8百萬港元，乃主要由若干聯營公司及其他公司所經營媒體資源的廣告空間的代理業務的收入減少所致。

收入成本

本集團的收入成本由截至2018年12月31日止年度約1,444.7百萬港元增加約35.9百萬港元或2.5%至2019年約1,480.6百萬港元。該增加乃主要由於(a)海口機場及溫州地鐵線的初始成本；及(b)於2019年重續昆明集團機場、新疆機場特許經營權合約應付特許經營費增加所致。

FINANCIAL REVIEW

Revenue

The revenue of the Group for the year ended 31 December 2019 decreased from approximately HKD1,928.9 million to approximately HKD1,878.4 million, representing a year-on-year decrease of 2.6%. The decrease was mainly attributable to the depreciation of Renminbi. Other than the exchange impact, the decrease in revenue in the metro and billboards segments partially offset by the increase in revenue in airport segment. The combined revenue of the Group, which includes the consolidated revenue of the Group and the total revenue of the Group's associated companies engaged in the media business as an operating information, reached approximately HKD2,630.4 million, representing a year-on-year decrease of 6.0%.

The airports segment increased by 1.6% from approximately HKD727.7 million for the year ended 31 December 2018 to approximately HKD739.3 million in 2019 mainly due to Yunnan group airport and Haikou airport contributed a significant result. In addition, new projects such as Beijing T2 airport contributed a satisfied revenue during 2019.

The metro and billboards segment decreased by 5.7% from approximately HKD974.9 million for the year ended 31 December 2018 to approximately HKD919.3 million in 2019. This was primarily attributable to the sharp decrease from Shenzhen metro lines but partially offset by the increase of billboards in Hong Kong. Hangzhou metro lines 2 and 4 recorded a steady growth after the ramp-up period. Besides, Wenzhou metro lines S1, High Speed Rail (Hong Kong section) and billboards of Hong Kong are contributed significant revenue during 2019.

The others revenue decreased by approximately HKD6.5 million or 2.9%, from approximately HKD226.3 million for the year ended 31 December 2018 to approximately HKD219.8 million in 2019, which was primarily attributable to the decrease in our agency business in respect of sales of advertising spaces in media resources operated by certain associated companies and other companies.

Cost of Revenue

The cost of revenue increased by approximately HKD35.9 million, or 2.5%, from approximately HKD1,444.7 million for the year ended 31 December 2018 to approximately HKD1,480.6 million in 2019. The increase was primarily due to (a) the initial cost at Haikou airport and Wenzhou metro lines; and (b) the increase of concession fee payable under the concession rights contract of Kunming group airports, Xinjiang airport which were renewed during 2019.

毛利及毛利率

本集團於截至2019年12月31日止年度的毛利由約484.1百萬港元跌至約397.8百萬港元，而本集團的毛利率則由2018年的25.1%跌至2019年的21.2%。毛利率下跌的原因為：(1)如海口機場新項目的初始成本；(2)深圳和北京的地鐵線收入下降。

銷售及市場推廣開支

本集團的銷售及市場推廣開支由截至2018年12月31日止年度約164.0百萬港元增加約19.8百萬港元或12.1%至2019年約183.8百萬港元。有關開支增加乃主要由於營運業務增長及業務擴充，致使僱員福利開支及開辦開支增加所致。

行政開支

本集團的行政開支由截至2018年12月31日止年度約180.4百萬港元增加約7.4百萬港元或4.1%至2019年約187.8百萬港元。增加主要由於營運業務擴充令僱員福利開支、辦公室租金開支及法律及專業費用增加所致。

融資成本，淨額

截至2019年12月31日止年度的融資成本淨額約為183.6百萬港元，而2018年則約為4.0百萬港元。此乃主要由於應用香港財務報告準則第16號及額外銀行借款所致。

分佔於聯營公司的投資業績

本集團截至2019年12月31日止年度分佔於聯營公司的投資業績由截至2018年12月31日止年度約12.5百萬港元微升3.2%至2019年的約12.9百萬港元，此乃由港珠澳大橋（珠海口岸）廣告空間的獨家特許經營權下的媒體收入增加所致。

所得稅抵免／開支

於2019年的所得稅抵免約為16.1百萬港元，而截至2018年12月31日止年度的所得稅開支約為26.6百萬港元。這變動指於2019年錄得的稅務虧損。2019年的實際稅率增高乃主要由於出現虧損的附屬公司的稅務虧損所致。

Gross Profit and Gross Profit Margin

The gross profit of the Group for the year ended 31 December 2019 decreased from approximately HKD484.1 million to approximately HKD397.8 million and the Group's gross profit margin decreased from 25.1% in 2018 to 21.2% in 2019. The decrease in gross profit margin was due to: (1) the initial cost of new projects such as Haikou airport; (2) the revenue decrease in metro lines of Shenzhen and Beijing.

Selling and Marketing Expenses

The selling and marketing expenses increased by approximately HKD19.8 million, or 12.1% from approximately HKD164.0 million for the year ended 31 December 2018 to approximately HKD183.8 million in 2019. This increase was primarily attributable to the increase in employee benefit expenses and set up expenses as a result of the growth and expansion of our business operations.

Administrative Expenses

The administrative expenses increased by approximately HKD7.4 million, or 4.1%, from approximately HKD180.4 million for the year ended 31 December 2018 to approximately HKD187.8 million in 2019. The increase was primarily attributable to the increase in employee benefit expenses, office rental expenses and legal and professional fee due to expansion of our business operation.

Finance Costs, net

Net finance cost was approximately HKD183.6 million for the year ended 31 December 2019, compared with approximately HKD4.0 million in 2018. This was primarily attributable to Hong Kong Financial Reporting Standard 16 and the additional bank borrowings.

Share of Results of Investments in Associates

The share of results of investments in associates for the year ended 31 December 2019 slightly increased 3.2% from approximately HKD12.5 million for the year ended 31 December 2018 to approximately HKD12.9 million in 2019 due to increased revenue from media under the exclusive concession rights to the advertising spaces located at Hong Kong-Zhuhai-Macao Bridge (Zhuhai Port).

Income Tax Credit/Expenses

Income tax credit was approximately HKD16.1 million in 2019 while there is income tax expenses was approximately HKD26.6 million for the year ended 31 December 2018. The changes was represented the recognition of tax losses which was recorded during 2019. Higher effective tax rate in 2019 was primarily due to tax losses from loss-making subsidiaries.

除利息、稅項、折舊及攤銷前盈利(EBITDA)

本集團的EBITDA由截至2018年12月31日止年度的約196.0百萬港元上升約612.7百萬港元或312.6%至2019年的約808.7百萬港元，主要由於香港財務報告準則第16號所致。

本公司擁有人應佔虧損／利潤

截至2019年12月31日止年度本公司擁有人應佔虧損約為126.4百萬港元，而2018年本公司擁有人應利潤則約為63.0百萬港元。出現利潤虧損，主要由於本集團的毛利增加及上文全面闡述的理由之淨影響所致。

香港財務報告準則第16號的財務影響 簡明合併資產負債表

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

The EBITDA of the Group increased by approximately HKD612.7 million, or 312.6%, from approximately HKD196.0 million for the year ended 31 December 2018 to approximately HKD808.7 million in 2019. This was primarily attributable to Hong Kong Financial Reporting Standard 16.

Loss/Profit Attributable to Owners of the Company

Loss attributable to owners of the Company was approximately HKD126.4 million for the year ended 31 December 2019, compared to profit attributable to owners of the Company approximately HKD63.0 million in 2018. The loss in profit was the net effect of the increase in gross profit of the Group and as fully explained in the above.

Financial Impact of HKFRS 16 Condensed Consolidated Balance Sheet

| | | 於2019年 12月31日 使用香港 財務報告 準則第16號 With HKFRS 16 As at 31 December 2019 千港元 HKD'000 | 於2019年 12月31日 並無香港 財務報告 準則第16號 Without HKFRS16 As at 31 December 2019 千港元 HKD'000 | 於2018年 12月31日 並無香港 財務報告 準則第16號 Without HKFRS16 As at 31 December 2018 千港元 HKD'000 |
|-------------|--|--|--|--|
| 非流動資產 | Non-current assets | 3,102,598 | 328,246 | 320,605 |
| 流動資產 | Current assets | 1,310,629 | 1,310,629 | 1,278,851 |
| 總資產 | Total assets | 4,413,227 | 1,638,875 | 1,599,456 |
| 非流動負債 | Non-current liabilities | 2,555,244 | 122,979 | 80,580 |
| 流動負債 | Current liabilities | 1,344,703 | 887,451 | 943,699 |
| 總負債 | Total liabilities | 3,899,947 | 1,010,430 | 1,024,279 |
| 流動(負債)／資產淨額 | Net current (liabilities)/assets | (34,074) | 423,178 | 335,152 |
| 本公司擁有人應佔總權益 | Total equity attributable to owners of the Company | 403,908 | 480,582 | 462,619 |
| 總權益 | Total equity | 513,280 | 628,445 | 575,177 |

財務管理及庫務政策

本集團在現金管理及基金投資方面採取審慎的態度。

由於本集團在中國大陸及香港經營業務，我們大部份的收支項目主要以人民幣及港元計值。由於將人民幣兌換作外幣須受中國政府頒佈之外匯管制規則及規例所限，本公司董事認為不會面臨重大外匯風險。本集團將密切監察外匯風險，如有需要，會考慮對沖重大的風險。

股息政策

本公司致力以可持續的股息政策，在股東期望與審慎資本管理之間取得平衡。本公司採納的股息政策乃基於本公司擁有人應佔利潤為基礎，分派金額可高達本公司擁有人應佔利潤的100%。

流動資金及財政資源

於2019年12月31日，本集團的現金及現金等價物、短期銀行存款及受限制現金約為445.0百萬港元，較2018年12月31日增加約9.5百萬港元。於2019年12月31日，本集團的財務比率如下：

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on funds.

As the Group carries out business in the Mainland China and Hong Kong, most of our receipts and payments were denominated in Renminbi and Hong Kong dollars. As the conversion of Renminbi into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government, the directors of the Company consider that there is no significant exposure on the foreign exchange risk. The Group will closely monitor foreign exchange exposure and consider hedging significant exposure should the need arises.

Dividend Policy

The Company endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy. The Company adopts a dividend policy, which is based on the profit attributable to owners of the Company, and the distribution amount is up to 100% of the profit attributable to owners of the Company.

Liquidity and Financial Resources

The Group's cash and cash equivalents, short-term bank deposits and restricted cash was approximately HKD445.0 million as at 31 December 2019, representing an increase of approximately HKD9.5 million compared with that as at 31 December 2018. As at 31 December 2019, the financial ratios of the Group were as follows:

| | | 於12月31日 As at 31 December | |
|-----------------------|------------------------------|------------------------------|-----------------|
| | | 2019年 2019 | 2018年 2018 |
| 流動比率 ⁽¹⁾ | Current ratio ⁽¹⁾ | 0.97 | 1.36 |
| 資產負債比率 ⁽²⁾ | Gearing ratio ⁽²⁾ | Net cash 淨現金 | Net cash 淨現金 |

附註：

(1) 流動比率的計算方式為將流動資產除以流動負債。

(2) 資本負債比率的計算方式為將淨負債除以總權益。

Notes:

(1) Current ratio is calculated by dividing current assets by current liabilities.

(2) Gearing ratio is calculated by dividing net debt by total equity.

借款

於2019年12月31日，本集團的銀行借款總額約為272.6百萬港元。在借款總額中，約152.2百萬港元須於一年內償還，而約120.4百萬港元須於一年後償還。銀行借款的賬面值以港元及人民幣計值。

本集團並無使用任何金融工具作對沖用途，亦無任何外幣投資淨額以現行的借款及／或其他對沖工具作對沖。於2019年12月31日，非流動借款的加權平均利率（每年）為4.2%，流動借款則為4.5%。

利率風險

本集團的利率風險產生自計息短期銀行存款及銀行借款。按浮動利率計息的短期銀行存款及銀行借款令本集團面臨現金流量利率風險。按固定利率計息的銀行借款令本集團承受公平值利率風險。

本集團的利率風險主要源於浮動利率銀行借款。管理層密切跟蹤宏觀經濟形勢變化及定期監控現時及預計的利率變化，結合本地及國際市場的情況對利率風險進行管理，將風險控制在合理的水平。

資產抵押

於2019年12月31日，本集團已抵押名下賬面值約為22.6百萬港元（2018年12月31日：約24.1百萬港元）的樓宇及土地使用權，作為本集團借款的抵押。於2019年12月31日，有抵押借款總額約為3.1百萬港元（2018年12月31日：約4.3百萬港元）。

Borrowings

The Group had bank borrowings as at 31 December 2019 in the sum of approximately HKD272.6 million. Out of the total borrowings, approximately HKD152.2 million was repayable within one year, while approximately HKD120.4 million was repayable after one year. The carrying amounts of bank borrowings are denominated in Hong Kong dollars and Renminbi.

No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments. The weighted average interest rate (per annum) was 4.2% for non-current borrowings and 4.5% for current borrowings as at 31 December 2019.

Exposure to Interest Rate Risk

The Group's interest rate risk arises from interest-bearing short-term bank deposits and bank borrowings. Short-term bank deposits and bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. Bank borrowings at fixed rates expose the Group to fair value interest rate risk.

The Group's interest rate risks arise primarily from variable rates bank borrowings. The management manages interest rate risks and controls such risks within a reasonable level by closely tracking changes in the macroeconomic environment and monitoring changes in current and projected interest rates on a regular basis, taking into account conditions in the domestic and international markets.

Pledge of Assets

As at 31 December 2019, the Group pledged its buildings and land use rights with carrying amount of approximately HKD22.6 million (31 December 2018: approximately HKD24.1 million), respectively to secure borrowings of the Group. The total secured borrowings as at 31 December 2019 amounted to approximately HKD3.1 million (31 December 2018: approximately HKD4.3 million).

集資活動及所得款項用途

根據一般授權認購永久次級可換股證券

於2017年9月7日，本公司訂立認購協議，據此本公司有條件同意根據一般授權發行本金額為50,000,000港元的永久次級可換股證券（「永久次級可換股證券」），可按初步換股價每股換股股份3.54港元轉換為換股股份。所得款項擬定用途已於本公司刊發的日期為2017年11月30日及2019年6月10日之通函披露。本公司已於2017年12月28日及2019年6月28日完成發行本金額為30,000,000港元及20,000,000港元的永久次級可換股證券。已收取所得款項淨額約49,400,000港元。於2019年12月31日，本金額50,000,000港元的永久次級可換股證券尚未轉換為換股股份。更多詳情請分別參閱本公司日期為2019年5月7日及2019年6月10日的公告及通函。

根據一般授權認購新股份

於2019年11月20日，本公司與浙江螞蟻小微金融服務集團股份有限公司（「螞蟻金服」）的間接全資附屬公司Antfin (Hong Kong) Holding Limited（「Antfin」）訂立認購協議，據此，Antfin有條件同意認購，而本公司有條件同意配發及發行35,675,676股認購股份，認購價為每股認購股份4.10港元。所得款項估計約為142.8百萬港元，本公司擬作一般營運資金及旗下中國及新加坡項目之資金。詳情請參閱本公司刊發日期為2019年11月20日的公告。

Fund Raising Activities/Use of Proceeds

Subscription of perpetual subordinated convertible securities under general mandate

On 7 September 2017, the Company entered into the subscription agreement which the Company has conditionally agreed to issue the perpetual subordinated convertible securities (the "PSCS") in the principal amount of HKD50,000,000 convertible into conversion shares at the initial conversion price of HKD3.54 per conversion share under general mandate. The intended use of proceeds were disclosed in the circular issued by the Company dated 30 November 2017 and 10 June 2019. The issuance of the PSCS in the principal amount of HKD30,000,000 and HKD20,000,000 was completed on 28 December 2017 and 28 June 2019 respectively. The net proceeds of approximately HKD49,400,000 was received. As at 31 December 2019, the PSCS in the principal amount of HKD50,000,000 has not been converted into conversion shares. For details please refer to the announcement and the circular issued by the Company dated 7 May 2019 and 10 June 2019 respectively.

Subscription of new shares under general mandate

On 20 November 2019, the Company entered into a subscription agreement with Antfin (Hong Kong) Holding Limited ("Antfin"), an indirect wholly-owned subsidiary of 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*) (the "Ant Financial"), pursuant to which Antfin has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 35,675,676 subscription shares at the subscription price of HKD4.10 per subscriptions share. The net proceeds are estimated to be approximately HKD142.8 million and which is intended to be used by the Company as general working capital and for funding its projects in the PRC and Singapore. For details please refer to the announcement issued by the Company dated 20 November 2019.

* For identification purpose only

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

所得款項用途如下：

於2019年12月31日

The use of proceeds was as follows:

As at 31 December 2019

| 所籌集的 所得款項淨額 | 所得款項淨額 的擬定用途 | 實際使用金額 | 未使用金額 | 應用未使用 所得款項的 預期時間表 | 所得款項是否 根據先前披露 的意向使用 Whether the proceeds are to be used according to the intention previously disclosed |
|---|--|--|---|---|--|
| Net proceeds raised (概約) 千港元 (approximately) HKD'000 | Intended use of the net proceeds (概約) 千港元 (approximately) HKD'000 | Actual used amount (概約) 千港元 (approximately) HKD'000 | Unutilized amount (概約) 千港元 (approximately) HKD'000 | Expected timeframe for application of the unutilized proceeds | |
| 29,700 一般營運資金 (Issue of first tranche of PSCS) (發行第一批 永久次級可換股 證券) | General working capital (Improvement of advertising fixtures and office renovation) | 15,000 (used as intended) (按擬定用途使用) | Nil 零 | N/A 不適用 | Yes 是 |
| 一般營運資金 (新招聘及薪金成本) | General working capital (New recruitment and salary costs) | 10,000 (used as intended) (按擬定用途使用) | Nil 零 | N/A 不適用 | Yes 是 |
| 一般營運資金 (銀行費用及利息開支) | General working capital (Bank charges and interest expenses) | 4,700 (used as intended) (按擬定用途使用) | Nil 零 | N/A 不適用 | Yes 是 |
| 19,700 一般營運資金 (Issue of second tranche of PSCS) (發行第二批 永久次級可換股 證券) | General working capital (Payment of concession fee) | 19,700 (used as intended) (按擬定用途使用) | Nil 零 | N/A 不適用 | Yes 是 |
| 142,800 一般營運資金 (Issue of subscription shares) (發行認購股份) | General working capital (Working capital and funding projects in the PRC and Singapore) | 142,800 Nil 零 | 142,800 | Next 12 months 未來12個月 | Yes 是 |

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

於2018年12月31日

As at 31 December 2018

| 所籌集的 所得款項淨額 | | 所得款項淨額 的擬定用途 | 實際使用金額 | 未使用金額 | 應用未使用 所得款項的 預期時間表 | 所得款項是否 根據先前披露 的意向使用 Whether the proceeds are to be used according to the intention previously disclosed |
|---|----------------------|---|--|---|---|--|
| Net proceeds raised (概約) 千港元 (approximately) HKD'000 | | Intended use of the net proceeds (概約) 千港元 (approximately) HKD'000 | Actual used amount (概約) 千港元 (approximately) HKD'000 | Unutilized amount (概約) 千港元 (approximately) HKD'000 | Expected timeframe for application of the unutilized proceeds | |
| 29,700 | 一般營運資金 | General working capital | 15,000 | 15,000 | Nil | Yes |
| (Issue of first tranche of PSCS) (發行第一批 永久次級可換股 證券) | (改善廣告設備及 進行辦公室裝修) | (Improvement of advertising fixtures and office renovation) | (used as intended) (按擬定用途使用) | 零 | N/A 不適用 | 是 |
| | 一般營運資金 | General working capital | 10,000 | 10,000 | Nil | Yes |
| | (新招聘及薪金成本) | (New recruitment and salary costs) | (used as intended) (按擬定用途使用) | 零 | N/A 不適用 | 是 |
| | 一般營運資金 | General working capital | 4,700 | 4,700 | Nil | Yes |
| | (銀行費用及利息開支) | (Bank charges and interest expenses) | (used as intended) (按擬定用途使用) | 零 | N/A 不適用 | 是 |

資本開支

本集團的資本開支主要包括用於物業、廠房及設備(如廣告設施以及傢俬及辦公設備)的現金開支。截至2019年及2018年12月31日止年度，我們的資本開支分別約為27.7百萬港元及60.6百萬港元。

Capital Expenditures

The capital expenditures primarily comprise cash expenditures for property, plant and equipment, such as advertising facilities and furniture and office equipment. Our capital expenditures for the year ended 31 December 2019 and 2018 were approximately HKD27.7 million and HKD60.6 million, respectively.

或然負債

於2019年12月31日及2018年12月31日，本集團並無重大或然負債。

Contingent Liabilities

The Group had no material contingent liabilities outstanding as at 31 December 2019 and 31 December 2018.

結算日後事項

2019新型冠狀病毒病(COVID-19)於2020年初爆發以來，中國各地已經並繼續實行一系列預防和監控措施。本集團會密切注視COVID-19疫情的進展，並會評估疫情對本集團的財務狀況及營運業績影響。本財務報表獲授權刊發日期，本集團並不知悉因COVID-19爆發而對本集團財務報表造成任何重大影響。

Subsequent Events

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the China. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group. As at the date on which this set of financial statements were authorised for issue, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak.

董事資料

DIRECTORS' PROFILE

執行董事

林德興，60歲

執行董事、主席及首席執行官

林德興先生（「林先生」）於2014年5月20日獲委任為本公司董事，並於2014年6月12日獲任命為本公司執行董事及主席，同時兼任本公司首席執行官。彼亦為本公司提名委員會主席及薪酬委員會的成員。林先生為本集團創辦人，負責本集團的整體策略規劃及發展。彼亦為本集團若干成員公司之董事。

林先生於1984年3月畢業於悉尼大學，獲頒授榮譽理學士學位，其後於1987年4月獲澳洲新南威爾斯大學（「新南威爾斯大學」）頒授商科碩士學位。林先生現亦為新南威爾斯大學香港基金董事會（UNSW Hong Kong Foundation Board）之成員兼董事。彼為澳洲會計師公會資深會員。

林先生為基督教勵行會的董事。彼亦獲行政上訴委員會重新委任為小組成員，自2018年7月15日起生效，為期三年。此外，彼亦獲委任為香港澳門緬甸工商會主席，自2019年12月9日起生效；以及基本法推廣督導委員會的非官方成員，自2020年1月1日起生效，維期兩年。

EXECUTIVE DIRECTORS

Lam Tak Hing, Vincent, aged 60

Executive Director, Chairman and Chief Executive Officer

Mr. Lam Tak Hing, Vincent ("Mr. Lam") was appointed as the Director on 20 May 2014 and designated as the Executive Director and Chairman on 12 June 2014 and serves as the Chief Executive Officer of the Company. He is also the Chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Lam is the founder of the Group and is responsible for the overall strategic planning and development of the Group. He is also a director of certain subsidiaries of the Group.

Mr. Lam graduated from the University of Sydney with a Bachelor of Science Honours degree in March 1984 and subsequently obtained a Master's degree in Commerce from the University of New South Wales ("UNSW") in Australia in April 1987. Mr. Lam is also a member and a director of the UNSW Hong Kong Foundation Board. He is a fellow of the CPA Australia.

Mr. Lam is a director of the Christian Action. He was also re-appointed as a panel member of the Administrative Appeals Board for a term of three years with effect from 15 July 2018. In addition, he was appointed as the Chairman of Hong Kong Macau and Myanmar Chamber of Commerce and Industry with effect from 9 December 2019 and a Non-official Member of Basic Law Promotion Steering Committee for a term of two years with effect from 1 January 2020.

林家寶，46歲

執行董事及首席營運官

林家寶先生於2014年5月20日獲委任為本公司董事，並於2014年6月12日獲任命為本公司執行董事。林家寶先生亦為本公司首席營運官。彼於2007年12月加入本公司，負責本集團香港區的整體營運及本集團的市場管理。彼亦為本集團若干成員公司之董事。

林家寶先生曾於1996年至1998年為一間香港廣告商會（「HK4As」）評級廣告代理公司Euro RSCG Partnership Ltd擔任高級媒體策劃師，其後於1999年至2002年為Motivator（一間HK4As會員的廣告代理公司）擔任媒體主管及媒體經理。彼於2003年至2004年為Zenith（一間為HK4As會員的廣告代理公司）的媒體經理。於加入本集團前，林家寶先生於2004年至2007年為OMD（一間為HK4As會員的廣告代理公司）的業務副總監。

林家寶先生於1996年4月畢業於香港中文大學，獲頒授綜合工商管理課程工商管理學士學位（主修市場推廣）。

Lam Ka Po, aged 46

Executive Director and Chief Operation Officer

Mr. Lam Ka Po ("Mr. K. P. Lam") was appointed as the Director on 20 May 2014 and designated as the Executive Director of the Company on 12 June 2014. Mr. K. P. Lam is also the Chief Operation Officer of the Company. He joined the Company in December 2007 and is responsible for the overall operations in Hong Kong and marketing management of the Group. He is also a director of certain subsidiaries of the Group.

Mr. K. P. Lam worked for Euro RSCG Partnership Ltd, an advertising agency under the Association of Accredited Advertising Agencies of Hong Kong ("HK4As"), as the senior media planner from 1996 to 1998. He then worked as the media supervisor and media manager of Motivator, a HK4As advertising agency, from 1999 to 2002. He was the media manager of Zenith, a HK4As advertising agency, from 2003 to 2004. Prior to joining the Company, Mr. K. P. Lam acted as the associate business director of OMD, a HK4As advertising agency, from 2004 to 2007.

Mr. K. P. Lam graduated from the Chinese University of Hong Kong with a Bachelor of Business Administration degree in Integrated BBA (Marketing concentration) in April 1996.

非執行董事

黃志堅，46歲

非執行董事

黃志堅先生(「黃先生」)於2017年3月24日獲委任為本公司非執行董事。黃先生曾任職多家商業銀行及投資銀行(包括ING Bank、瑞銀及摩根士丹利)以及香港及英國多間上市公司，在會計、銀行及財務方面累積逾20年經驗。

黃先生於1996年12月取得香港城市大學頒授的理學士(財務)榮譽學位、於2001年3月取得香港大學專業進修學院頒授的接續傳譯：普通話／英文證書、於2001年11月取得澳洲Monash University頒授的會計實務碩士學位及於2010年12月取得香港中文大學頒授的行政人員工商管理碩士學位(院長嘉許名單：2009年／2010年)。黃先生為香港會計師公會資深會員、澳洲會計師公會資深會員及香港董事學會會員。

黃先生於2014年10月至2018年10月擔任東勝旅遊集團有限公司(前稱「東勝中國控股有限公司」)(股份代號：265)的財務總監。於加入東勝中國控股有限公司前，黃先生曾於中國秦發集團有限公司(股份代號：866)出任多個職位，包括(i)副財務總監(2011年4月至2011年9月)；(ii)財務總監(2011年9月至2014年10月)以及公司秘書及授權代表(2011年7月至2014年8月)。此外，黃先生於2012年11月5日獲委任為翠華控股有限公司(「翠華」，股份代號：1314)的獨立非執行董事，並於2016年11月1日調任為翠華的非執行董事。

NON-EXECUTIVE DIRECTORS

Wong Chi Kin, aged 46

Non-executive Director

Mr. Wong Chi Kin ("Mr. Wong") was appointed as the Non-executive Director of the Company on 24 March 2017. Mr. Wong has over 20 years of accounting, banking and finance experience with commercial banks and investment banks (including ING Bank, UBS and Morgan Stanley) as well as various listed companies in Hong Kong and the UK.

Mr. Wong obtained a Bachelor of Science (Honours) degree in Finance from The City University of Hong Kong in December 1996, a Certificate in Consecutive Interpretation: Putonghua/English from The School of Professional and Continuing Education of The University of Hong Kong in March 2001, a Master's degree in Practising Accounting from The Monash University, Australia in November 2001, and a Master of Business Administration degree (Executive MBA Programme) from The Chinese University of Hong Kong in December 2010 (Dean's list: 2009/2010). Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of CPA Australia and an associate member of Hong Kong Institute of Directors.

Mr. Wong was the chief financial officer of Orient Victory Travel Group Company Limited (formerly known as Orient Victory China Holdings Limited) ("Orient Victory") (Stock Code: 265) during the period from October 2014 to October 2018. Prior to joining Orient Victory, Mr. Wong held various positions at China Qinfu Group Limited (Stock Code: 866) including (i) deputy chief financial officer (from April 2011 to September 2011); (ii) chief financial officer (from September 2011 to October 2014); and company secretary and authorised representative (from July 2011 to August 2014). Moreover, Mr. Wong was appointed as an independent non-executive director of Tsui Wah Holdings Limited ("Tsui Wah") (Stock Code: 1314) on 5 November 2012 and was re-designated as non-executive director of Tsui Wah on 1 November 2016.

於2018年7月9日，黃先生獲委任為神舟航天樂園集團有限公司(前稱「中國家居控股有限公司」，股份代號：692)(「神舟航天」)的獨立非執行董事及獨立董事委員會主席，主要負責就復牌建議向神舟航天提供獨立意見。應證券及期貨事務監察委員會要求，神舟航天所有股份買賣已於2017年7月17日起暫停。此外，於2018年12月13日，呈請人針對神舟航天的清盤呈請已提交香港高等法院。詳情請參閱神舟航天日期為2018年12月21日及2019年2月13日的公告。於2019年7月31日，黃先生辭任神舟航天的獨立非執行董事。

楊鵬，43歲

非執行董事

楊鵬先生(「楊先生」)於2019年12月4日獲委任為本公司非執行董事。

楊先生，持有美國明尼蘇達大學卡爾森管理學院工商管理碩士學位及中山大學嶺南(大學)學院國際貿易金融系經濟學學士學位。

楊先生曾於1999年至2018年期間出任戴爾科技集團副總裁，現時為浙江螞蟻小微金融服務集團股份有限公司副總裁。彼亦為南威軟件股份有限公司(其股份於上海證券交易所上市，股票代碼：603636)的董事。

On 9 July 2018, Mr. Wong was appointed as an independent non-executive director and the chairman of the independent board committee of Shenzhou Space Park Group Limited (formerly known as China Household Holdings Limited) (Stock Code: 692) ("Shenzhou Space"), mainly responsible for providing independent advice to Shenzhou Space on resumption proposal. At the request of the Securities and Futures Commission, all dealings in the shares of Shenzhou Space have been suspended since 17 July 2017. Moreover, on 13 December 2018, a creditor's winding-up petition was presented at the High Court of Hong Kong against Shenzhou Space. For details of the winding-up petition, please refer to the announcements of Shenzhou Space dated 21 December 2018 and 13 February 2019. Mr. Wong had resigned as an independent non-executive director of Shenzhou Space with effect from 31 July 2019.

Yang Peng, aged 43

Non-executive Director

Mr. Yang Peng ("Mr. Yang") was appointed as the Non-executive Director of the Company on 4 December 2019.

Mr. Yang, holds a degree of Master of Business Administration from Curtis L. Carlson School of Management of the University of Minnesota, United States of America and a Bachelor's degree in Economics in International Trade and Finance (國際貿易金融系經濟學) from Lingnan (University) College of Sun Yat-sen University (中山大學嶺南(大學)學院).

Mr. Yang was a vice president of Dell Technologies Group during the period from 1999 to 2018 and is currently a vice president of 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*). He is also a director of Linewell Software Company Limited (whose shares are listed on the Shanghai Stock Exchange with stock code 603636).

* For identification purpose only

獨立非執行董事

馬照祥，78歲

獨立非執行董事

馬照祥先生(「馬先生」)於2014年5月20日獲委任為本公司董事，並於2014年6月12日獲任命為本公司獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會成員。

馬先生為香港安馬會計師事務所有限公司(前為馬照祥會計師樓有限公司)創辦人及前董事。現為美義商理有限公司的董事。彼於會計、核數及財務方面累積了逾40年經驗。

馬先生現為卜蜂國際有限公司(股份代號：43)、華潤電力控股有限公司(股份代號：836)、創興銀行有限公司(股份代號：1111)、希瑪眼科醫療控股有限公司(股份代號：3309)及海天地悅旅集團有限公司(股份代號：1832)之獨立非執行董事。彼於2004年9月至2019年5月於亞洲金融集團(控股)有限公司(股份代號：662)擔任獨立非執行董事。

馬先生於1966年獲倫敦大學倫敦經濟及政治學院頒授經濟學學士學位。彼為英格蘭和威爾士特許會計師公會，香港會計師公會，香港董事學會及香港稅務學會資深會員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ma Andrew Chiu Cheung, aged 78

Independent Non-executive Director

Mr. Ma Andrew Chiu Cheung ("Mr. A. Ma") was appointed as the Director on 20 May 2014 and designated as the Independent Non-executive Director of the Company on 12 June 2014. He is also the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

Mr. A. Ma is a founder and former director of AMA CPA Limited (formerly known as Andrew Ma DFK (CPA) Limited) in Hong Kong. He is presently a director of Mayee Management Limited. He has more than 40 years of experience in the fields of accounting, auditing and finance.

Mr. A Ma is currently also an independent non-executive director of C. P. Pokphand Co. Ltd. (stock code: 43), China Resources Power Holdings Company Limited (stock code: 836), Chong Hing Bank Ltd. (stock code: 1111), C-MER Eye Care Holdings Limited (stock code: 3309) and S.A.I. Leisure Group Company Limited (stock code: 1832). He was an independent non-executive director of Asia Financial Holdings Limited (stock code: 662) from September 2004 to May 2019.

Mr. A Ma received his Bachelor's degree in Economics from the London School of Economics and Political Science (University of London) in England in 1966. He is a fellow member of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Taxation Institute of Hong Kong.

馬豪輝GBS JP，68歲

獨立非執行董事

馬豪輝先生GBS JP(「馬先生」)於2014年5月20日獲委任為本公司董事，並於2014年6月12日獲任命為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席及審核委員會和提名委員會各自的成員。

馬先生為香港本地律師行胡關李羅律師行的高級合夥人，於1984年取得香港律師資格、1987年取得英格蘭及威爾斯律師資格、1988年取得澳洲首都地域律師資格及1990年取得新加坡共和國律師資格。彼於2000年獲中國司法部委任為中國委託公證人，2006年取得婚姻監禮人資格。自2014年彼亦獲香港特別行政區政府委任為自置居所津貼上訴委員團主席、自2018年被委任為破產欠薪保障基金委員會主席及自2020年被委任為旅遊業監管局主席。此外，彼為第十一、十二及十三屆全國人民代表大會代表。為表揚其傑出的公共及社會服務，馬先生於2005年獲香港特別行政區政府委任為香港非官守太平紳士及於2017年6月獲頒金紫荊星章。馬先生亦於2015年獲委任為保險業監管局之非執行董事。彼現為金榜集團控股有限公司(股份代號：172)的獨立非執行董事。

Ma Ho Fai GBS JP, aged 68

Independent Non-executive Director

Mr. Ma Ho Fai GBS JP ("Mr. Ma") was appointed as the Director on 20 May 2014 and designated as the Independent Non-executive Director of the Company on 12 June 2014. He is also the Chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee of the Company.

Mr. Ma is a senior partner of Woo Kwan Lee & Lo, a local law firm in Hong Kong, and was admitted as a solicitor in Hong Kong in 1984, England and Wales in 1987, Australian Capital Territory in 1988 and the Republic of Singapore in 1990. Mr. Ma has been appointed by the Ministry of Justice as a China-Appointed Attesting Officer since 2000 and a Civil Celebrant since 2006. He has also been appointed by the Government of the Hong Kong Special Administrative Region as the chairman of Home Purchase Allowance Appeals Committee Panel since 2014, the chairman of the Protection of Wages on Insolvency Fund Board since 2018 and the chairperson of the Travel Industry Authority since 2020. In addition, he is a Deputy of the 11th, 12th and 13th National People's Congress of the PRC. In recognition of his distinguished public and community service, Mr. Ma was appointed as a Non-Official Justice of the Peace in 2005 by the Government of the Hong Kong Special Administrative Region and was awarded the Gold Bauhinia Star in June 2017. Mr. Ma was also appointed as a non-executive director of the Insurance Authority in 2015. He is currently an independent non-executive director of Goldbond Group Holdings Limited (stock code: 172).

麥嘉齡，50歲

獨立非執行董事

麥嘉齡女士（「麥女士」）於2017年5月5日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會成員。彼亦為本公司審核委員會和提名委員會各自的成員。

麥女士於人力資源及機構效率諮詢方面擁有逾20年經驗。麥女士過去13年任職於Korn Ferry Hay Group（「Hay Group」），Hay Group為紐約證券交易所上市公司Korn Ferry International (NYSE: KFY)的全球人才及組織顧問分部。麥女士分別於2014年12月至2016年5月出任副董事及於2016年5月至2017年4月出任副客戶合作夥伴。在Hay Group任職期間，彼就人力資源相關事宜向董事會作出建議；並協助機構釐清策略重點、培育人才及就機構轉型提供解決方案，亦協助機構就改革方面的人力資源執行計劃出具意見。

麥女士於1993年9月在新加坡證券交易所上市公司Jardine Matheson Holdings Limited (SGX: J36)的附屬公司Jardine, Matheson & Co., Limited（「怡和」）擔任見習執行管理人員。麥女士於截至2002年2月為止在怡和期間曾擔任多個管理職位，包括怡和附屬公司之業務部主管及怡和總部人力資源管理主管。

麥女士於1992年7月在曼徹斯特大學取得電腦科學及會計（聯合榮譽）理學士學位，於1993年11月在倫敦大學帝國學院商學院取得工商管理碩士學位。彼為香港董事學會附屬會員。

Mak Ka Ling, aged 50

Independent Non-executive Director

Ms. Mak Ka Ling ("Ms. Mak") was appointed as an Independent Non-executive Director of the Company on 5 May 2017. She is also a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.

Ms. Mak has over 20 years of experience in human resources and organization effectiveness consulting. She had worked at Korn Ferry Hay Group ("Hay Group"), which is the global people and organizational advisory division of Korn Ferry International, a company listed on the New York Stock Exchange (NYSE: KFY), for the last 13 years. Ms. Mak was an associate director and an associate client partner of Hay Group from December 2014 to May 2016 and May 2016 to April 2017, respectively. During her tenure at Hay Group, she advised boards on market best practices on human capital related issues; and worked with organizations to help clarify strategy priorities, develop people and organization transformation solutions and consulted on human resources implementation plans to support organization changes.

Ms. Mak started her career as an executive management trainee of Jardine, Matheson & Co., Limited (the "Jardine Matheson"), a subsidiary of Jardine Matheson Holdings Limited listed on the Singapore Stock Exchange (SGX: J36), in September 1993. During her employment with Jardine Matheson until February 2002, Ms. Mak held various managerial positions, including working as a business unit head at the subsidiaries of Jardine Matheson as well as a human resources management leader in the head office of Jardine Matheson.

Ms. Mak obtained a Bachelor of Science (Joint Honours) degree in Computer Science and Accounting from the University of Manchester in July 1992, a Master of Business Administration degree from the business school of Imperial College, University of London in November 1993. She is an associate member of The Hong Kong Institute of Directors.

企業管治報告

CORPORATE GOVERNANCE REPORT

本公司董事會（「董事會」）按照所有適用規則及法規，致力維持適合其業務守則及發展之高水平企業管治常規。董事會相信，良好的企業管治對平衡股東、客戶及僱員之利益，以及業務成功均十分重要。

企業管治常規

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企管守則」）規定之原則及守則條文。年內，除偏離企管守則之守則條文第A.2.1條及第A.6.7條外，本公司已遵守企管守則。有關偏離企管守則之守則條文第A.2.1條之事項於本年報「主席及首席執行官」一段說明。

根據企管守則之守則條文第A.6.7條，獨立非執行董事應出席本公司股東大會，建立對各界股東意見之均衡見解。由於需要處理其他事務，一名獨立非執行董事無法出席本公司之股東大會。

董事會 職責

董事會主要負責制定本集團之長遠策略及發展計劃、作出重大財務及資本項目決策以及檢討內部監控及風險。

董事會授權管理層處理日常業務之若干管理及行政工作。董事會已就管理層之權力作出清晰指引，特別是於不同情況下之權力。董事會容許管理層在經營及拓展本公司業務方面享有高度自主權，並在制定及監控匯報機制和內部監控方面擔當重要角色。

The board of directors of the Company ("Board") is committed to uphold a high standard of corporate governance practices appropriate to the conduct and growth in its business in accordance with all applicable rules and regulations. The Board believes that good corporate governance is important in balancing the interests of shareholders, customers and employees and the success of business.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and code provisions set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). Throughout the year, the Company has complied with the CG Code except for deviations from code provisions A.2.1 and A.6.7. The deviation from code provision A.2.1 of the CG Code is explained in the paragraph headed "Chairman and Chief Executive" of this annual report.

Under code provision A.6.7 of the CG Code, Independent Non-executive Directors should attend general meetings of the Company and develop a balanced understanding of shareholders' view. Due to other business engagement, an Independent Non-executive Director was unable to attend the general meetings of the Company.

THE BOARD Responsibilities

The Board is mainly responsible for formulating the Group's long term strategy and development plan, deciding major financial and capital project and reviewing internal control and risks.

The Board delegates certain aspects of its management and administration functions to the management for implementing day-to-day operation. It has given clear directions to the management as to its powers, in particular, with respect to different circumstances. While allowing management to enjoy substantial autonomy to run and develop the Company's business, the Board also plays a key role in structuring and monitoring the reporting systems and internal controls.

組成

董事會目前有七名董事(「董事」)，其組成載列如下：

執行董事：

林德興(主席)
林家寶

非執行董事：

黃志堅
楊鵬
(於2019年12月4日獲委任)

獨立非執行董事：

馬照祥
馬豪輝 GBS JP
麥嘉齡

各董事之履歷詳情載於本年報第37至43頁。各董事間概無關係(包括財務、業務、家族或其他重大／相關關係)。

於年內及截至本報告日期，本公司已委任三名獨立非執行董事(佔董事會成員總數超過三分之一)，當中一名獨立非執行董事擁有合適專業資格，或會計或相關財務管理專業知識。本公司已接獲各獨立非執行董事就其獨立性發出之年度書面確認，並認為根據上市規則第3.13條，各獨立非執行董事皆為獨立。

委任及重選董事

根據本公司之組織章程細則，董事會可不時委任董事填補董事會臨時空缺或加入董事會。任何該等新董事將於委任後任職至本公司下屆股東大會為止，屆時將符合資格於該股東大會重選連任。

所有非執行董事(包括獨立非執行董事)獲委任為一年特定年期，及所有董事(包括獨立非執行董事)須至少每三年輪席告退一次及須根據本公司組織章程細則膺選連任。

主席及首席執行官

根據企管守則之守則條文第A.2.1條，主席與首席執行官之角色應有區分，且不應由一人同時兼任。主席與首席執行官之間職責的分工應清楚界定。

Composition

The Board currently comprises seven directors ("Directors"), the composition is set out as follow:

Executive Directors:

Lam Tak Hing, Vincent (Chairman)
Lam Ka Po

Non-executive Directors:

Wong Chi Kin
Yang Peng
(appointed on 4 December 2019)

Independent Non-executive Directors:

Ma Andrew Chiu Cheung
Ma Ho Fai GBS JP
Mak Ka Ling

The biographical details of Directors are set out on pages 37 to 43 of this annual report. There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Directors.

Throughout the year and up to the date of this report, the Company has had three Independent Non-executive Directors, representing more than one-third of the Board, with one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The Company has received annual confirmation in writing of independence from each of the Independent Non-executive Director and consider them to be independence according to Rule 3.13 of the Listing Rules.

Appointment and Re-election of Directors

Under the Company's articles of association, the Board may from time to time appoint a Director either to fill a casual vacancy or as an addition to the Board. Any such new Director shall hold office until the next following general meeting of the Company after his/her appointment and shall then be eligible for re-election at the same meeting.

All Non-executive Directors (including Independent Non-executive Directors) are appointed for a specific term of one year and all Directors (including Independent Non-executive Directors) are subject to retirement by rotation at least once every three years and are subject to re-election in accordance with the Company's articles of association.

Chairman and Chief Executive

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established.

林德興先生現時兼任本公司主席及首席執行官(「首席執行官」)。董事會認為該架構可提升本公司制定及推行策略之效率。董事會將於有需要時檢討是否需要委任適當人選擔當首席執行官之角色。

董事會成員多元化

本公司採納董事會成員多元化政策，當中已載列其實現董事會多元化的方法，以達成本公司可持續均衡發展的目標。

本公司在實現董事會成員多元化時考慮多項因素，包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。本公司亦將根據本身的業務模式及不時之特定需要去考慮各種因素。最終將按人選的長處及可為董事會提供的貢獻而作決定。本公司在計劃董事會組成時已考慮董事會成員多元化政策。

企業管治職能

董事會負責履行下列企業管治職責，亦可將責任指派予一個或多個董事委員會：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討本集團的內部監控系統及風險管理系統；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於本公司僱員及董事的行為守則及合規手冊(如有)；
- 檢討本公司遵守上市規則所載《企業管治守則》的情況及在《企業管治報告》內的披露；及
- 檢討本公司的披露制度。

年內，董事會已檢討本集團風險管理及內部監控系統的成效。

Mr. Lam Tak Hing, Vincent currently assumes the roles of both Chairman and Chief Executive Officer (the “CEO”) of the Company. The Board considers that this structure could enhance efficiency in formulation and implementation of the Company’s strategies. The Board will review the need of appointing suitable candidate to assume the role of CEO when necessary.

Board Diversity

The Company adopted a board diversity policy which set out its approach to achieve diversity on the Board with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Company has considered board diversity policy in designing composition of the Board.

Corporate Governance Functions

The Board shall be responsible for performing the corporate governance duties set out below or it may delegate the responsibilities to a Board committee or Board committees:

- To develop and review the Company’s policies and practices on corporate governance and make recommendations to the Board;
- To review the internal control system and risk management system of the Group;
- To review and monitor the training and continuous professional development of directors and senior management;
- To review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual, if any, applicable to employees and directors of the Company;
- To review the Company’s compliance with the Corporate Governance Code as set out in the Listing Rules and disclosure in the Corporate Governance report; and
- To review the disclosure system of the Company.

During the year, the Board has reviewed the effectiveness of the risk management and internal control system of the Group.

董事會會議

董事會於回顧年度內舉行了七次會議，以檢討本集團的整體策略及政策、批准中期及年度業績、討論本集團之重大事項及營運。各董事於截至2019年12月31日止年度出席董事會會議、審計委員會、提名委員會、薪酬委員會會議及股東大會(不論親身出席或透過其他電子溝通方式)的記錄載列如下：

Board Meetings

During the year under review, the Board held seven meetings to review the Group's overall strategies and policies, to approve interim and final results, to discuss significant issues and operation of the Group. The attendance (either in person or through other electronic means of communication) record of each director at the meetings of the Board, the Audit Committee, the Nomination Committee, the Remuneration Committee and General Meetings during the year ended 31 December 2019 is set out below:

| 出席／合資格出席會議次數 | | | | | | | |
|--|-------------------------------|-------|-----------|------------|--------------|-----------------|-----------------|
| Number of meetings attended/Eligible to attended | | | | | | | |
| | | 董事會 | 審計委員會 | 提名委員會 | 薪酬委員會 | 股東週年大會 | 股東特別大會 |
| | | | Audit | Nomination | Remuneration | Annual | Extraordinary |
| 董事姓名 | Name of Directors | Board | Committee | Committee | Committee | General Meeting | General Meeting |
| 執行董事 | | | | | | | |
| 林德興 | Lam Tak Hing, Vincent | 5/7 | 不適用 | 1/1 | 1/1 | 1/1 | 1/1 |
| | | | N/A | | | | |
| 林家寶 | Lam Ka Po | 7/7 | 不適用 | 不適用 | 不適用 | 1/1 | 1/1 |
| | | | N/A | N/A | N/A | | |
| 非執行董事 | | | | | | | |
| 黃志堅 | Wong Chi Kin | 6/7 | 不適用 | 不適用 | 不適用 | 1/1 | 1/1 |
| | | | N/A | N/A | N/A | | |
| 楊鵬 ^(附註1) | Yang Peng ^(note 1) | 0/1 | 不適用 | 不適用 | 不適用 | 0/0 | 0/0 |
| | | | N/A | N/A | N/A | | |
| 獨立非執行董事 | | | | | | | |
| Independent Non-executive Directors | | | | | | | |
| 馬照祥 | Ma Andrew Chiu Cheung | 6/7 | 3/3 | 不適用 | 1/1 | 1/1 | 1/1 |
| | | | | N/A | | | |
| 馬豪輝 GBS JP | Ma Ho Fai GBS JP | 7/7 | 3/3 | 1/1 | 1/1 | 1/1 | 1/1 |
| 麥嘉齡 | Mak Ka Ling | 5/7 | 3/3 | 1/1 | 1/1 | 0/1 | 0/1 |

Note 1: Mr. Yang Pang was appointed as a Non-executive Director with effect from 4 December 2019

附註1：楊鵬先生自2019年12月4日起獲委任為非執行董事

董事之持續專業發展

每名獲委任的新董事(如有)均會獲提供全面、正式及切合其需要的入職培訓。董事將獲提供有關本公司業務以及董事職務及責任的資料。此外，為了讓董事了解監管及合規事宜的最新發展，彼等亦會獲提供市場消息及監管資料。有關於截至2019年12月31日止年度，彼等持續發展培訓的記錄概要載列如下：

Directors' Continuous Professional Development

A comprehensive, formal and tailored induction training will be given to every newly appointed Director, if any. Directors will be provided with materials relevant to the Company's business and director's duties and responsibilities. In addition, in order to allow the Directors to understand the latest development of regulatory and compliance issues, they are also provided with market news and regulatory updates. A summary of their records of continuous development training during the year ended 31 December 2019 is as follows:

| 董事姓名 | Name of Directors | 出席培訓／簡佈會／講座／會議／閱讀與企業管治有關之法規更新 |
|----------------|--|-------------------------------|
| | | |
| 執行董事 | Executive Directors | |
| 林德興 | Lam Tak Hing, Vincent | √ |
| 林家寶 | Lam Ka Po | √ |
| 非執行董事 | Non-executive Directors | |
| 黃志堅 | Wong Chi Kin | √ |
| 楊鵬(附註1) | Yang Peng (note 1) | √ |
| 獨立非執行董事 | Independent Non-executive Directors | |
| 馬照祥 | Ma Andrew Chiu Cheung | √ |
| 馬豪輝 GBS JP | Ma Ho Fai GBS JP | √ |
| 麥嘉齡 | Mak Ka Ling | √ |

Note 1: Mr. Yang Peng was appointed as a Non-executive Director with effect from 4 December 2019 and a tailored induction material was provided to him.

附註1：楊鵬先生自2019年12月4日起獲委任為非執行董事，並獲給予度身而設的就職材料。

董事委員會

董事會已成立了三個委員會，即審計委員會、提名委員會及薪酬委員會。下表提供各董事在此等委員會擔任成員的資料。

BOARD COMMITTEES

The Board has established three Committees, namely, the Audit Committee, the Nomination Committee and the Remuneration Committee. The table below provides membership information of these Committees on which each Director serves.

| 董事姓名 | Name of Directors | 董事委員會 | | |
|------------|-----------------------|--------------------------|-------------------------------|---------------------------------|
| | | 審計委員會 Audit Committee | 提名委員會 Nomination Committee | 薪酬委員會 Remuneration Committee |
| 林德興 | Lam Tak Hing, Vincent | 不適用 N/A | C | M |
| 馬照祥 | Ma Andrew Chiu Cheung | C | 不適用 N/A | M |
| 馬豪輝 GBS JP | Ma Ho Fai GBS JP | M | M | C |
| 麥嘉齡 | Mak Ka Ling | M | M | M |

附註：

Notes:

C 相關董事委員會主席
M 相關董事委員會成員

C Chairman of the relevant Board Committees
M Member of the relevant Board Committees

審計委員會

審計委員會於2014年12月6日成立，由馬照祥先生擔任主席。其他成員為馬豪輝先生*GBS JP*及麥嘉齡女士。委員會全體成員均為獨立非執行董事。

審計委員會之主要職責包括(1)審閱本公司之財務報表及報告、會計政策及慣例變動，以及遵守適用會計準則、上市規則及法例規定的情況；(2)監察本集團之財務報告系統、風險管理及內部監控系統；及(3)審閱本公司外聘核數師之服務及任命、審計性質及範圍，以及有關審計費用。審計委員會之職權範圍載於本公司網站。

於回顧年度，審計委員會曾舉行三次會議。於有關會議上，審計委員會(i)審閱中期及年度財務報表及報告；(ii)討論及檢討風險管理及內部監控系統；(iii)審閱企業管治事項；(iv)審閱持續關連交易；及(v)就重新委聘外聘核數師向董事會提出建議。

提名委員會

提名委員會於2014年12月6日成立。由執行董事林德興先生擔任主席。其他成員為兩名獨立非執行董事馬豪輝先生*GBS JP*及麥嘉齡女士。

提名委員會之主要職責包括(1)至少每年檢討董事會的結構、人數、組成及多元化方面，並就任何為配合本公司的公司策略而對董事會作出的變動提出建議；(2)向董事會匯報董事會成員的組成並監察董事會成員多元化政策的執行；(3)物色具備合資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；(4)評核獨立非執行董事的獨立性；及(5)就董事委任或重新委任以及董事（尤其是主席及本公司首席執行官）繼任計劃向董事會提出建議。提名委員會之職權範圍載於本公司網站。

Audit Committee

The Audit Committee was established on 6 December 2014 and is chaired by Mr. Ma Andrew Chiu Cheung. Other members are Mr. Ma Ho Fai *GBS JP* and Ms. Mak Ka Ling. All members of the Committee are Independent Non-executive Directors.

The principal duties of the Audit Committee include (1) to review the Company's financial statements and reports, the changes in accounting policies and practices, and the compliance with applicable accounting standards, the Listing Rules and legal requirements; (2) to oversee the Group's financial reporting system, risk management and internal control systems; and (3) to review the services and appointment of the Company's external auditor, the nature and scope of auditing, and the related audit fees. The terms of reference of Audit Committee are available on the Company's website.

The Audit Committee held three meetings during the year under review. During the meetings, the Audit Committee (i) reviewed the interim and annual financial statements and reports; (ii) discussed and reviewed the risk management and internal control systems; (iii) reviewed the corporate governance issues; (iv) reviewed the continuing connected transactions; and (v) made recommendation to the Board on the re-appointment of the external auditor.

Nomination Committee

The Nomination Committee was established on 6 December 2014 and is chaired by Mr. Lam Tak Hing, Vincent, an Executive Director. Other members are two Independent Non-executive Directors, namely, Mr. Ma Ho Fai *GBS JP* and Ms. Mak Ka Ling.

The principal duties of the Nomination Committee include (1) to review the structure, size, composition and diversity of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (2) to report to the Board the composition of the Board members and monitor the implementation of the policy on board diversity; (3) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (4) to assess the independence of Independent Non-executive Directors; and (5) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive of the Company. The terms of reference of Nomination Committee are available on the Company's website.

於回顧年度，提名委員會曾舉行一次會議。於有關會議上，提名委員會(i)檢討董事會架構、規模、組成及多元化；(ii)審閱獨立非執行董事的獨立性；(iii)就擬於即將舉行之股東週年大會重選退任董事向董事會提出建議。

董事會於2014年12月6日採納董事會多元化政策(「該政策」)，其中載列實現董事會多元化的方法。

根據該政策，本公司明白並深信董事會成員多元化對提升公司的表現質素裨益良多。

本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供的貢獻而作決定。

The Nomination Committee held one meeting during the year under review. During the meeting, the Nomination Committee (i) reviewed the structure, size, composition and diversity of the Board; (ii) reviewed the independence of Independent Non-executive Directors; (iii) made recommendations to the Board on the proposed re-election of the retiring Directors at the forthcoming annual general meeting.

The Board adopted a Board Diversity Policy (the “Policy”) on 6 December 2014 which sets out the approach to achieve diversity of the Board.

Under the Policy, the Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

In designing the Board’s composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

薪酬委員會

薪酬委員會於2014年12月6日成立。由獨立非執行董事馬豪輝先生*GBS JP*擔任主席。其他成員為兩名獨立非執行董事馬照祥先生和麥嘉齡女士，以及一名執行董事林德興先生。

薪酬委員會之主要職責包括以下事項：(1)就本公司有關全體董事及高級管理人員的薪酬政策及架構，及就設立正規而具透明度的程序以制訂薪酬政策，向董事會提出建議；(2)因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；(3)向董事會建議個別執行董事及高級管理人員的薪酬待遇；及(4)就非執行董事的薪酬向董事會提出建議。薪酬委員會之職權範圍載於本公司網站。

於回顧年度，薪酬委員會曾舉行一次會議。於有關會議上，薪酬委員會檢討及向董事會建議董事及高級管理人員之薪酬待遇。

問責性及審核

財務報告

董事知悉彼等有責任根據香港財務報告準則編製本公司的合併財務報表。董事確認於編製合併財務報表時已貫徹採用及應用合適之會計政策，並作出合理審慎之判斷及估計。董事會並不知悉任何可能影響本公司業務或令人懷疑其持續經營能力之事件或情況之重大不明朗因素。

本公司之外聘核數師羅兵咸永道會計師事務所於第81至92頁之獨立核數師報告確認彼等之報告責任。

Remuneration Committee

The Remuneration Committee was established on 6 December 2014 and is chaired by Mr. Ma Ho Fai *GBS JP*, an Independent Non-executive Director. Other members are two Independent Non-executive Directors, namely, Mr. Ma Andrew Chiu Cheung and Ms. Mak Ka Ling and one Executive Director, namely, Mr. Lam Tak Hing, Vincent.

The principal duties of the Remuneration Committee include (1) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (2) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; (3) to make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management; and (4) to make recommendations to the Board on the remuneration of Non-executive Directors. The terms of reference of Remuneration Committee are available on the Company's website.

The Remuneration Committee held one meeting during the year under review. During the meeting, the Remuneration Committee reviewed and made recommendations to the Board on the remuneration packages of the Directors and senior management.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Company in accordance with the Hong Kong Financial Reporting Standards. The Directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made in the preparation of the consolidated financial statements. The Board is not aware of any material uncertainties relating to events or conditions that may affect the business of the Company or cast doubts on its ability to continue as a going concern.

The external auditor of the Company, PricewaterhouseCoopers, acknowledge their reporting responsibilities in the Independent Auditor's Report on pages 81 to 92.

風險管理及內部監控

董事會的責任

董事會確認其責任是建立、維持及檢討本集團風險管理及內部監控系統的有效性，而管理層則負責設計及執行風險管理及內部監控系統，以管理風險。

健全的風險管理及內部監控系統是為了實現本集團的策略目標及保障股東投資及本集團資產。該等系統旨在管理而非消除未能達成策略目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

風險管理及內部監控框架

董事會負責本集團的整體風險管理及內部監控系統。董事會在審計委員會的協助下，持續監察本集團的風險、監督管理行為及監察風險管理及內部監控系統的整體有效性。管理層負責從頂層設定基調、進行風險評估及自行設計、實施及維持內部監控。本集團業務實體公司的運作是基於政策及程序構成的基礎，以闡明所需要的控制標準。該等政策及程序涵蓋各個方面，包括營運、財務及會計、人力資源、監管及法規、授權的安排等。

Risk Management and Internal Control

Responsibility of the Board

The Board acknowledges its responsibility to establish, maintain, and review the effectiveness of the Group's risk management and internal control systems, where management is responsible for the design and implementation of the risk management and internal control systems to manage risk.

A sound and effective system of risk management and internal control is designed to achieve the Group's strategic objectives and safeguard shareholder investments and the Group's assets. Such systems are designed to manage rather than eliminate the risk of failure to achieve strategic objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management and Internal Control Framework

The Board has the overall responsibilities of the risk management and internal control systems of the Group. With the support of the Audit Committee, the Board monitors the Group's risk exposures, oversees the actions of management and monitors the overall effectiveness of the risk management and internal control systems on an ongoing basis. Management is responsible for setting the appropriate tone from the top, performing risk assessments, and owning the design, implementation and maintenance of internal control. Policies and procedures form the basis and set forth the control standards required for functioning of the Group's business entities. These policies and procedures covered various aspects, including operations, finance & accounting, human resources, regulatory & compliance, delegation of authority, etc.

風險管理及企業風險評估

Risk Management and Enterprise-wide Risk Assessment



本集團已進行年度企業風險評估，以評估本集團為實現其策略目標而願意承擔的風險性質及程度。在風險評估過程中，已識別出可能影響本集團應對業務及外部環境變化的策略目標的重大風險。這些風險是根據其發生的可能性及對本集團業務影響的重要程度優先排序。此外，本集團亦制定整改措施將風險控制在可接受的水平。

內部審計

內部審計部門由內部審計經理領導，彼直接向審計委員會報告。內部審計部門主要負責對營運實體公司的運作、財務及合規控制進行內部審核和檢討，確保遵守本集團的風險管理及內部監控政策及程序。

內部審計部門獨立於營運管理及獲授予全權接觸需作內部審計檢查的資料。內部審核工作按審計委員會批准的三年內部審核計劃進行，以檢討其主要營運、財務、合規和風險管理監控。2019年，內部審計部門對集團內部主要的營運實體公司（包括中國及香港）均進行了內部審計工作。

於內部審核過程中，內部審計部門識別內部監控的不足及缺點，提出改進建議，並與內部審計團隊及管理層溝通審核發現及監控弱點。管理層負責確保在合理的期限內改善內控不足。內部審計部門會進行後續跟進審核工作，以確保整改方案得到實施。

檢討風險管理及內部監控系統

董事會負責維持足夠的風險管理及內部監控系統，以保障股東投資及本集團資產，並在審計委員會的協助下每年檢討該系統的有效性。

An annual enterprise-wide risk assessment has been performed to evaluate the nature and extent of the risks to which the Group is willing to take in achieving its strategic objectives. During the risk assessment process, the Group has identified a number of key risks that may impact the Group's strategic objectives in responding to the changes in the business and external environment. These risks are prioritized according to the likelihood of their occurrence and the significance of their impact on the business of the Group. Moreover, remedial measures and mitigating controls are developed to manage these risks to an acceptable level.

Internal Audit

The Internal Audit Department is led by the Internal Audit Manager, who reports directly to the Audit Committee. The Internal Audit Department is primarily responsible for conducting internal audit reviews on operational, financial and compliance controls of the operating entities to ensure their compliance with the Group's risk management and internal control policies and procedures.

Internal Audit Department is independent from operation management and has full access to data required in performing internal audit reviews. Audits are conducted according to the three-year internal audit plan approved by the Audit Committee to review our major operational, financial, compliance and risk management controls. In 2019, Internal Audit Department performed audits on the key operating entities located in China and Hong Kong.

During the process of the internal audits, the Internal Audit Department identified internal control deficiencies and weaknesses and proposed recommendations for improvements. Internal audit findings and control deficiencies are communicated to internal audit team and the management, who is responsible for ensuring the deficiencies are rectified within a reasonable period. A follow-up review is also performed to ensure the remedial actions are implemented.

Review of Risk Management and Internal Control Systems

The Board is responsible for maintaining an adequate risk management and internal control systems to safeguard shareholder investments and the Group's assets and with the support of the Audit Committee, reviewing the effectiveness of such systems on an annual basis.

關鍵或主要業務單位須每年進行監控自評，以在其關鍵業務過程中評估其內部監控系統的有效性。監控自評以問卷調查表格的方式進行，表格載有各關鍵業務過程的主要風險及應對控制措施。內部審計部門審閱已填妥的問卷調查，並提出有關意見和建議，供業務單位考慮。

於年內，董事會已檢討本集團風險管理及內部監控系統的有效性，並認為有關風險管理及內部監控系統屬有效及足夠。此外，董事會已檢討並滿意本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算。

處理及發佈內幕消息的程序及監控

本公司知悉於證券及期貨條例及上市規則有關章節項下的責任。同時已建立內幕消息披露政策，以制定內幕消息定義及範圍的操作指引；披露及管理框架；豁免披露；接收、匯報及披露內幕消息；有關消息的保密及記錄。根據內幕消息披露政策，得知內幕消息的員工必須遵守內幕消息披露政策以嚴格保密未公佈內幕消息，直至根據上市規則的規定正式向公眾發佈有關內幕消息為止。董事會亦會檢閱及審批將予披露的內幕消息，而公司秘書有責任監督並於內幕消息討論及公告製備過程中與外聘律師及核數師等專業人士溝通。

Key or major business units are required to perform an annual control self-assessment to assess the effectiveness of their internal control system within its key business processes. The control self-assessment performed is in the form of a questionnaire that sets out the key risks and corresponding controls for each of key business process. The Internal Audit Department reviews the completed control self-assessment questionnaires and provide comments and recommendations for management of the business units' consideration.

During the year, the Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group and considered the risk management and internal control systems effective and adequate. In addition, the Board has reviewed and is satisfied with the adequacy of resources, qualifications and experience of staff of the Group's accounting, internal audit and financial reporting functions, and their training programmes and budget.

Procedures and Controls Over Handling and Dissemination of Inside Information

The Company is aware of its obligation under relevant sections of the Securities and Futures Ordinance and Listing Rules. An Inside Information Disclosure Policy has been established to lay down practical guidelines on definition and the scope of inside information; disclosure and management framework; exemptions for disclosure; receiving, reporting and disclosing of inside information; confidentiality and records of such information. Pursuant to the Inside Information Disclosure Policy, staff who have access to inside information are required to follow the Inside Information Disclosure Policy to keep the unpublished inside information strictly confidential until such inside information has been officially announced to the public in accordance with the requirements of the Listing Rules. The Board will review and approve the inside information to be disclosed and the Company Secretary has the responsibility to monitor and communicate with professional parties such as our external lawyer and auditor during the process of inside information discussion and announcement preparation.

外聘核數師的酬金

截至2019年12月31日止年度，本公司就核數服務及非核數服務支付予外聘核數師羅兵咸永道會計師事務所之費用載列如下：

EXTERNAL AUDITOR'S REMUNERATION

For the year ended 31 December 2019, the fee payable to the external auditor of the Company, PricewaterhouseCoopers, in respect of audit and non-audit services is set out below:

| | | 2019年 2019 千港元 HKD'000 |
|-------|--------------------|---------------------------------|
| 核數服務： | Audit services: | 3,623 |
| 非核數服務 | Non-audit services | 1,937 |

董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易的行為守則。本公司已向所有董事作出明確查詢，並獲所有董事確認彼等已遵守標準守則所規定之準則。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry of all Directors and that all the Directors confirmed their compliance with the required standard set out in the Model Code.

公司秘書

葉沛森先生（「葉先生」），公司秘書，為本公司之外聘服務供應商及香港執業會計師。葉先生於本公司之主要聯絡人為本公司執行董事林家寶先生。年內，葉先生已接受不少於15小時之相關專業培訓以提升其技能及知識。公司秘書就企業管治事宜向董事會匯報，並負責確保董事會政策及程序與所有適用法例、規則及法規得以遵從。全體董事會成員均可獲得公司秘書的意見及服務。

COMPANY SECRETARY

Mr. Ip Pui Sum ("Mr. Ip"), the Company Secretary, is an external service provider to the Company and a Certified Public Accountant practicing in Hong Kong. Mr. Ip's primary contact person at the Company is Mr. Lam Ka Po, the Executive Director of the Company. During the year, Mr. Ip has taken no less than 15 hours of relevant professional training to update his skills and knowledge. The Company Secretary reports to the Board on corporate governance matters and is responsible for ensuring that Board procedures and all applicable law, rules and regulations are followed. All Board members have access to the advice and services of Company Secretary.

與股東及投資者溝通

本公司適時透過本公司及香港聯合交易所有限公司網站刊發通告、公告、通函、中期及年度報告，積極推動與股東及投資者進行有效之溝通。

董事會鼓勵股東出席股東大會，就任何彼等關注的事宜與董事會或管理層直接溝通。本公司亦設有股東溝通政策，詳情於本公司網站企業管治一節。

股息政策

本公司致力以可持續的股息政策，在股東期望與審慎資本管理之間取得平衡。本公司採納的股息政策乃基於本公司擁有人應佔的利潤為基礎，分派金額可高達本公司擁有人應佔利潤的100%。

股東的權利

由股東召開股東特別大會

根據本公司之組織章程細則第12.3條，本公司可按本公司任何兩位或以上股東提出的書面要求召開股東大會，但有關要求必須送達本公司於香港的主要營業地點（或倘本公司不再設置上述主要營業地點，則送達註冊辦事處），當中列明大會主要商議的事項，並經請求者簽署，惟於送達要求之日，該等請求者必須持有附有本公司股東大會投票權不少於十分之一的本公司繳足股本。

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company actively promotes effective communications with shareholders and investors through the publication of notices, announcements, circulars, interim and annual reports on a timely manner via the websites of the Company and The Stock Exchange of Hong Kong Limited.

The Board encourages shareholders to attend general meetings to communicate any concerns they might have with the Board or management directly. The Company has also maintained a shareholders' communication policy, details of which are available on the Company's website under Corporate Governance section.

DIVIDEND POLICY

The Company endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy. The Company adopts a dividend policy, which is based on the profit attributable to owners of the Company, and the distribution amount is up to 100% of the profit attributable to owners of the Company.

SHAREHOLDERS' RIGHT

Convene an Extraordinary General Meeting by Shareholders

Pursuant to Article 12.3 of the Company's articles of association, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal place of business of the Company in Hong Kong or, in the event that the Company ceases to have such a principal place of business, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

如董事會未能在送達要求之日起計21日內正式開始召開大會，請求者自身或其中代表超過一半彼等所持全部表決權的人士即可按照盡可能與由董事會召開之大會相同的方式自行召開股東特別大會，但以此方式召開的任何大會不得在送達有關要求之日的三個月以後舉行，而請求者因董事會未能召開大會而產生的所有合理費用均應由本公司向彼等作出補償。

於股東大會提呈建議

本公司之組織章程細則或開曼群島公司法內概無有關股東於股東大會提呈新決議案之條文。有意提呈決議案之股東可要求本公司根據上一段所載程序召開股東大會。

有關推舉人選作為本公司董事的建議，請參閱本公司網站所載程序。

向董事會提出查詢

股東可隨時向本公司董事會提出任何查詢，詳情如下：

地址：香港鰂魚涌康山道一號
康怡廣場辦公大樓16樓全層

電郵：ir@asiaray.com

章程文件

年內，本公司並無對其組織章程細則作出任何變動。

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionists themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board shall be reimbursed to them by the Company.

Put Forward Proposals at General Meetings

There are no provisions in the Company's articles of association or the Cayman Islands Companies Law for shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

As regards proposing a person for election as a director of the Company, please refer to the procedures posted on the Company's website.

Putting Forward Enquiries to the Board

Shareholders may at any time put forward any enquiries to the Board of the Company, details are as follow:

Address: 16/F, Kornhill Plaza – Office Tower, 1 Kornhill Road, Quarry Bay, Hong Kong

Email: ir@asiaray.com

CONSTITUTIONAL DOCUMENTS

During the year, the Company has not made any changes to its articles of association.

董事會報告

REPORT OF THE DIRECTORS

本公司董事會(「董事會」)欣然提呈其年度報告及本集團截至2019年12月31日止年度之經審核合併財務報表。

主要業務

本公司作為投資控股公司。本公司主要附屬公司之主要業務載於財務報表第173至184頁。

業績及撥用

本集團截至2019年12月31日止年度之業績載於第95頁之合併綜合收益表。

董事會不建議派付截至2019年12月31日止年度之末期股息(2018年：0.025港元)。

業務回顧

本集團於截至2019年12月31日止年度的業務回顧分別載於本年報「主席報告」(第17至21頁)以及「管理層討論及分析」(第22至36頁)中。

本集團已遵守本年報第44至57頁「企業管治報告」所規限之對本集團具重大影響的相關法律及法規。

股份發行

年內，本公司按每股認購股份4.10港元的認購價，配發及發行合共35,675,676股認購股份。有關年內發行股份的詳情載於「管理層討論及分析」。

The board of directors of the Company ("Board") have pleasure in presenting their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of the Company's principal subsidiaries are set out in the financial statements on pages 173 to 184.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of comprehensive income on page 95.

The Board does not recommend the payment of final dividend for the year ended 31 December 2019 (2018: HKD0.025).

BUSINESS REVIEW

A review of the business of the Group for the year ended 31 December 2019 is set out in the "Chairman's Statement", and "Management Discussion and Analysis" on pages 17 to 21 and pages 22 to 36 respectively of this annual report.

The Group has complied with the relevant laws and regulations that have significant impact on the Group, which are provided in the "Corporate Governance Report" on pages 44 to 57 of this annual report.

SHARES ISSUED

During the year, the Company allotted and issued a total of 35,675,676 subscription shares at the subscription price of HKD4.10 per subscription share. Details of the shares issued during the year are set out in the "Management Discussion and Analysis".

環境政策及表現

截至2019年12月31日止年度，本公司並無超逾環保標準，亦無有關環境及社會方面之不合規事宜。基於業務性質，本集團認同其日常業務運作對環境造成影響。本集團已竭力承諾就有效使用天然資源、在其營運過程及辦公室推廣保護能源以及盡量整體減少對環境的排放作出不斷努力。與利益相關者之聯繫導致本公司對主要重大事件加倍關注，當中包括僱員、職業健康與安全、發展與培訓、客戶資料保護及客戶服務。本集團將繼續就所關注方面識別須予改善問題，加緊與利益相關者溝通，藉此提升環境、社會及管治管理。

本公司將於適當時候遵照上市規則附錄二十七獨立刊發截至2019年12月31日止年度之環境、社會及管治報告。

股本

本公司於截至2019年12月31日止年度之股本變動詳情載於合併財務報表附註17。

五年財務摘要

本集團最近五個財政年度之業績、資產與負債概要載於本年報第230頁。

可分派儲備

於2019年12月31日，本公司的可供分派儲備約為606.8百萬港元（2018年：482.9百萬港元）。

ENVIRONMENTAL POLICIES AND PERFORMANCE

For the year ended 31 December 2019, no environmental exceedances were recorded and there was no non-compliance in relation to environmental and social aspects. Given the business nature, the Group recognizes its daily operation has an impact to the environment. The Group is highly committed to make continuous efforts on efficient use of natural resources, promotion of energy conservation in its operations and offices, as well as minimization of its overall emissions on the environment. Engagement with stakeholders has resulted in raised concerns on key material issues, which include: Employment, Occupational Health and Safety, Development and Training, Consumer Data Protection and Customer Service. The Group will continue to identify areas of improvement for the concerned aspects and keep close communication with its stakeholders for advancing environmental, social and governance management.

The Company will separately publish the Environmental, Social and Governance Report for the year ended 31 December 2019 in compliance with Appendix 27 of the Listing Rules in due course.

SHARE CAPITAL

Details of movements of the share capital of the Company during the year ended 31 December 2019 are set out in Note 17 to the consolidated financial statements.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 230 of this annual report.

DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company's reserves available for distribution amounted to approximately HKD606.8 million (2018: HKD482.9 million).

主要客戶及供應商

於截至2019年12月31日止年度，本集團五大客戶佔我們收入的7.8%（2018年：7.0%），其中單一最大客戶佔我們收入的2.0%（2018年：2.0%）。本集團五大供應商（均為媒體資源擁有人）佔我們收入成本的45.1%（2018年：48.7%），其中單一最大供應商佔我們收入成本的14.0%（2018年：14.4%）。

除所披露者外，概無董事、彼等之緊密聯繫人或任何股東（就董事所知，擁有本公司5%以上股本）在本集團五大客戶及供應商中擁有任何權益。

董事

年內及截至本年報日期，本公司董事為：

執行董事：

林德興先生（主席兼首席執行官）
林家寶先生（首席營運官）

非執行董事：

黃志堅先生
楊鵬先生
（於2019年12月4日獲委任）

獨立非執行董事：

馬照祥先生
馬豪輝先生 GBS JP
麥嘉齡女士

根據本公司組織章程細則第16.2條，楊鵬先生應退任，並符合資格及願意於本公司應屆股東週年大會（「股東週年大會」）上重選連任。

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2019, the Group's top five largest customers accounted for 7.8% (2018: 7.0%) of our revenues and the single largest customer accounted for 2.0% (2018: 2.0%) of our revenues. The Group's top five suppliers, who were the media resources owners, accounted for 45.1% (2018: 48.7%) of our cost of revenue and the single largest supplier accounted for 14.0% (2018: 14.4%) of our cost of revenue.

Save as disclosed above, none of the Directors, their close associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has any interest in the Group's five largest customers and suppliers.

DIRECTORS

The Directors of the Company during the year and up to the date of this annual report are:

Executive Directors:

Mr. Lam Tak Hing, Vincent (Chairman & Chief Executive Officer)
Mr. Lam Ka Po (Chief Operations Officer)

Non-executive Directors:

Mr. Wong Chi Kin
Mr. Yang Peng
(appointed on 4 December 2019)

Independent Non-executive Directors:

Mr. Ma Andrew Chiu Cheung
Mr. Ma Ho Fai GBS JP
Ms. Mak Ka Ling

Pursuant to Article 16.2 of the Company's articles of association, Mr. Yang Peng shall retire from office and being eligible offer himself for re-election at the forthcoming annual general meeting ("AGM") of the Company.

根據本公司組織章程細則第16.18條，三分之一董事須至少每三年輪席告退一次及於本公司股東週年大會上膺選連任。

因此，林家寶先生、馬照祥先生及馬豪輝先生 *GBS JP* (「退任董事」) 須於應屆股東週年大會上輪席告退，而退任董事將合資格並願意於股東週年大會上膺選連任。

董事服務合約

於2019年12月31日，概無擬於應屆股東週年大會上膺選連任之董事與本公司訂立本公司不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

薪酬政策

本集團的薪酬政策乃根據僱員的表現、資歷及能力而制訂。董事及高級管理人員的薪酬由薪酬委員會參照本集團經營業績及個人表現進行檢討。本公司已為合資格人士採納一項購股權計劃以激勵或嘉獎彼等對本集團作出貢獻，有關詳情載於本年報中「購股權計劃」一段。

獲准許的彌償條文

根據本公司組織章程細則，每位董事均有權就其任期內，或因執行其職務而產生或引致與此相關之一切損失或責任從本公司資產中獲得彌償。本公司已為本集團董事及高級職員安排合適的董事及高級職員責任保險。

Pursuant to Article 16.18 of the Company's articles of association, one-third of the Directors are subject to retirement by rotation and re-election at least once every three years at the AGM of the Company.

As such, Mr. Lam Ka Po, Mr. Ma Andrew Chiu Cheung and Mr. Ma Ho Fai *GBS JP* (the "retiring Directors") shall retire by rotation at the forthcoming AGM and, the retiring Directors, who are being eligible, offer themselves for re-election at AGM.

DIRECTORS' SERVICE CONTRACTS

As at 31 December 2019, none of the Directors proposed for re-election at the forthcoming annual general meeting 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.

EMOLUMENT POLICY

The emolument policy of the Group is set on the basis of the employees' merit, qualifications and competence. The emoluments of the Directors and senior management are reviewed by the Remuneration Committee, with consideration to the Group's operation results and individual performance. The Company has adopted a share option scheme to the eligible persons as an incentives or rewards for their contribution to the Group, details of which are set out in the paragraph headed "Share Option Scheme" of this annual report.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's articles of association, every Director shall be entitled to be indemnified out of assets of the Company against all losses or liabilities incurred or sustained by him about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate Directors' and Officers' liability insurance coverage for the Directors and officers of the Group.

股票掛鈎協議**購股權計劃**

已發行購股權的公平值於授出日根據相關股份的公平值計量。已發行購股權的公平值估值主要涉及管理層就波幅、股息率、無風險年利率等重大輸入數據作出判斷及估計。該等估計及假設的變動可對購股權公平值的釐定構成重大影響，因而影響購股權費用的釐定。有關購股權計劃的詳情載於本年報第215至217頁。

永久次級可換股證券

於2017年9月7日，本公司與Space Management Limited（「Space Management」，為根據英屬處女群島法例註冊成立之公司，為當時持有本公司15.04%現有已發行股本之本公司控股股東）訂立認購協議，內容有關認購本金額為50,000,000港元之永久次級可換股證券，可按初步換股價每股換股股份3.54港元（可予調整）分兩批轉換為面值分別為30,000,000港元及20,000,000港元之換股股份（「認購協議」）。

於2017年11月10日，本公司與Space Management訂立補充協議，據此，本公司與Space Management同意修訂認購協議之若干條款，其中包括相關修訂，使其實質意思是：要求Space Management認購第二批永久次級可換股證券一事須待獨立股東批准後作實（「補充協議」）。第二批永久次級可換股證券於2019年6月25日舉行的股東特別大會批准。認購第一批及第二批永久次級可換股證券分別於2017年12月28日及2019年6月28日完成。於2019年12月31日，第一批及第二批永久次級可換股證券附帶之認購權並未獲行使，未行使之永久次級可換股證券本金額分別為30,000,000港元及20,000,000港元。

EQUITY-LINKED AGREEMENTS**Share Option Scheme**

The fair values of share options issued are measured on the grant date based on the fair value of the underlying shares. The valuation of the fair values of share options issued mainly involves management judgements and estimates about significant inputs subject to volatility, dividend yield, annual risk-free interest rate etc. Changes in these estimates and assumptions could have a material effect on the determination of the fair value of the share options, which may in turn impact the determination of the share options expenses. Details of the share option scheme have been set out on pages 215 to 217 of this annual report.

Perpetual Subordinated Convertible Securities ("PSCS")

On 7 September 2017, the Company and Space Management Limited ("Space Management"), a company incorporated under the laws of the British Virgin Islands, being the controlling shareholder of the Company, holding 15.04% of the existing issued share capital of the Company at that time entered into the Subscription Agreement in relation to the subscription of PSCS in the principal amount of HKD50,000,000 convertible into conversion shares at the initial conversion price of HKD3.54 per conversion share (subject to adjustments) in two tranches at the face value of HKD30,000,000 and HKD20,000,000 respectively (the "Subscription Agreement").

On 10 November 2017, the Company and Space Management entered into the Supplemental Agreement, pursuant to which the Company and Space Management agreed to amend certain terms of the Subscription Agreement which include, among others, amendments, to the material effects that the call for Space Management to subscribe for the second tranche of the PSCS shall be subject to the independent shareholders' approval (the "Supplemental Agreement"). The second tranche of PSCS was approved at the extraordinary general meeting held on 25 June 2019. The subscription of the first and second tranches of PSCS were completed on 28 December 2017 and 28 June 2019 respectively. As at 31 December 2019, no subscription right attached to the first and second tranches of PSCS was exercised and the PSCS in the principal amount of HKD30,000,000 and HKD20,000,000, respectively was outstanding.

假設並無其他變動，永久次級可換股證券之權利獲悉數行使後，本公司之股權架構將如下：

Assuming there are no other changes, the shareholding structure of the Company upon the PSCS rights being exercised in full are as follows:

| 股東 | Shareholders | 於2019年12月31日 | | 緊隨第一批永久次級可換股證券附帶之認購權獲悉數行使後 | | 緊隨第一批及第二批永久次級可換股證券附帶之認購權獲悉數行使後 | |
|---------------------------|----------------------------|------------------------|----------------------------|--|----------------------------|---|----------------------------|
| | | As at 31 December 2019 | | Immediately upon exercise in full of the subscription rights attached to the 1 st tranche of PSCS | | Immediately upon exercise in full of the subscription rights attached to the 1 st and 2 nd tranches of PSCS | |
| | | 股份數目 | 概約百分比 | 股份數目 | 概約百分比 | 股份數目 | 概約百分比 |
| | | Number of Shares | Approximate percentage (%) | Number of Shares | Approximate percentage (%) | Number of Shares | Approximate percentage (%) |
| 林德興 | Lam Tak Hing, Vincent | | | | | | |
| (「林先生」) ⁽¹⁾ | (「Mr. Lam」) ⁽¹⁾ | 293,121,500 | 61.62 | 301,596,076 | 62.29 | 307,245,793 | 62.73 |
| Media Cornerstone Limited | Media Cornerstone Limited | 254,921,500 | 53.59 | 254,921,500 | 52.65 | 254,921,500 | 52.05 |
| Space Management | Space Management | 38,200,000 | 8.03 | 46,674,576 | 9.64 | 52,324,293 | 10.68 |
| 公眾股東 | Public Shareholders | 182,554,176 | 38.38 | 182,554,176 | 37.71 | 182,554,176 | 37.27 |
| 總計 | Total | 475,675,676 | 100 | 484,150,252 | 100 | 489,799,969 | 100 |

附註：

- 林先生為Space Management Limited (「Space Management」)的唯一股東。Space Management於52,324,293股股份中持有權益，其中38,200,000股為實際股份權益，以及根據由補充協議所補充的認購協議完成認購第一批及第二批永久次級可換股證券的換股權涉及之14,124,293股股份。第二批永久次級可換股證券已於股東於2019年6月25日舉行的本公司股東特別大會上批准。此外，林先生為Shalom Trust(為一項由林先生以財產授予人身份成立的全權信託，受託人為UBS Trustee (BVI) Limited，受益人則為林先生本人、其若干家族成員及可能不時加入的其他人士)的創辦人，Shalom Trust間接持有Media Cornerstone Limited (「Media Cornerstone」)全部已發行股本，而Media Cornerstone持有254,921,500股股份。根據證券及期貨條例，彼被視為於Space Management及Media Cornerstone擁有權益的股份中擁有權益。

有關上述發行永久次級可換股證券之詳情載於合併財務報表附註19。

Note:

- Mr. Lam is the sole shareholder of Space Management Limited ("Space Management"). Space Management holds interest in 52,324,293 Shares with 38,200,000 shares in actual Shares and conversion rights of 14,124,293 Shares pursuant to the completion of the first and second tranches of subscription of PSCS under the Subscription Agreement supplemented by the Supplemental Agreement. The second tranche of PSCS was approved by the shareholders at the extraordinary general meeting of the Company held on 25 June 2019. In addition, Mr. Lam is the founder of the Shalom Trust (a discretionary trust established by Mr. Lam as settlor, of which UBS Trustee (BVI) Limited acts as the trustee and beneficiaries, of which Mr. Lam, certain of his family members and other persons who may be added from time to time) which indirectly holds the entire issued share capital of Media Cornerstone Limited ("Media Cornerstone") which holds 254,921,500 Shares. By virtue of the SFO, he is deemed to be interested in the Shares in which Space Management and Media Cornerstone are interested.

Details of the above PSCS issue are set out in Note 19 to the consolidated financial statements.

非上市認股權證

於2016年10月10日，本公司與Great World HK Media Pte. Ltd. (「Great World HK」) 訂立策略性合作協議 (「策略性合作協議」)，藉以提升本公司與L Catterton Management Limited (由LVMH Moët Hennessy Louis Vuitton S.A.、Catterton Holdings, L.L.C.及Groupe Arnault SAS成立的私募股權投資公司) 的業務合作。同日，本公司與Great World HK訂立 (「認購協議」) (由日期為2016年10月13日的補充協議修訂及補充)，內容有關按每份認股權證0.3港元之發行價向Great World HK配發10,000,000份認股權證，初步認股權證行使價為每股認股權證股份4.10港元，認購期自2016年12月29日起為期三年 (「認購協議」)。認股權證發行價總額3,000,000港元被視為本公司根據策略性合作協議應付Great World HK的代價3,000,000港元。認購協議及增設及發行10,000,000份認股權證獲股東於2016年12月22日舉行的本公司股東特別大會上批准。於2018年1月24日，Great World HK向Space Management轉讓10,000,000份認股權證。於2019年12月19日，Space Management進一步將10,000,000份認股權證轉讓予Grace State Investment Limited。根據認購協議，10,000,000份認股權證於2019年12月28日到期，而認購權尚未獲行使。

當時的董事認為，上述發行非上市認股權證是為本公司籌集額外資金的良機，同時可拓闊本公司的資本基礎。除預期策略性合作協議將帶來的商機外，相關持有人於非上市認股權證認購期內行使非上市認股權證所附帶的認購權將籌集權益股本。

有關上述認股權證發行的詳情載於合併財務報表附註18。

Non-listed Warrants

On 10 October 2016, the Company entered into a Strategic Alliance Agreement (the "Strategic Alliance Agreement") with Great World HK Media Pte. Ltd. ("Great World HK") to enhance the business collaboration between the Company and L Catterton Management Limited, a private equity firm formed by LVMH Moët Hennessy Louis Vuitton S.A., Catterton Holdings, L.L.C. and Groupe Arnault SAS. On the same day, the Company and Great World HK entered into a Subscription Agreement (as amended and supplemented by a Supplemental Agreement dated 13 October 2016) in relation to the allotment of 10,000,000 warrants at an issue price of HKD0.3 per warrant to Great World HK for an initial warrant exercise price of HKD4.10 per warrant share for a subscription period of 3 years commencing from 29 December 2016 (the "Subscription Agreement"). The aggregate warrant issue price in the amount of HKD3,000,000 was regarded as the consideration in the amount of HKD3,000,000 payable by the Company to Great World HK under the Strategic Alliance Agreement. The Subscription Agreement and the creation and issue of 10,000,000 warrants were approved by the Shareholders at the extraordinary general meeting of the Company held on 22 December 2016. On 24 January 2018, Great World HK transferred the 10,000,000 warrants to Space Management. On 19 December 2019, Space Management further transferred the 10,000,000 warrants to Grace State Investment Limited. Pursuant to the Subscription Agreement, the 10,000,000 warrants expired on 28 December 2019 and the subscription rights had not been exercised.

The then Directors were of the view that the said issuance of non-listed warrants represented a good opportunity to raise additional funding for the Company while broadening the capital of the Company. In addition to the business opportunities contemplated under the Strategic Alliance Agreement, equity capital will be raised upon the exercise of the subscription rights attaching to the non-listed warrants by the holder(s) thereof during the subscription period of the non-listed warrants.

Details of the above warrants issue are set out in Note 18 to the consolidated financial statements.

董事及主要行政人員於本公司股份、相關股份及債權證中之權益及淡倉

於2019年12月31日，董事及本公司主要行政人員及彼等之聯繫人於本公司股份（「股份」）、本公司或其任何相關法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之相關股份及債權證中擁有已記入根據證券及期貨條例第352條規定須存置的登記冊，或根據聯交所證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）另行知會本公司及聯交所的權益及淡倉如下：

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

As at 31 December 2019, the interests and short positions of the Directors and chief executive of the Company and their associate in the shares of the Company ("Shares"), underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

| 董事姓名 | 身份／權益性質 | 股份數目 | 股本衍生工具 (購股權) | 股份及相關 股份總數 | 於2019年 12月31日 本公司已發行 股本之概約 百分比 ⁽²⁾ Approximate percentage of issued share capital of the Company as at 31 December 2019 ⁽²⁾ |
|--------------------------------|---|---------------------|---|--|---|
| Name of Directors | Capacity/ Nature of interest | Number of Shares | Equity derivative (Share options) | Total number of Shares and underlying Shares | |
| 林先生 Mr. Lam | 全權信託的創辦人及 於受控制法團的權益 Founder of a discretionary trust and interest in a controlled corporation | 307,245,793(L) | 無 Nil | 307,245,793(L) ⁽¹⁾ | 64.59% |
| | 實益擁有人 Beneficial owner | 無 Nil | 4,400,000(L) | 4,400,000(L) | 0.92% |
| 林家寶 Lam Ka Po | 實益擁有人 Beneficial owner | 無 Nil | 1,278,000(L) | 1,278,000(L) | 0.27% |
| 馬照祥 Ma Andrew Chiu Cheung | 實益擁有人 Beneficial owner | 無 Nil | 100,000(L) | 100,000(L) | 0.02% |
| 馬豪輝 GBS JP Ma Ho Fai GBS JP | 實益擁有人 Beneficial owner | 無 Nil | 100,000(L) | 100,000(L) | 0.02% |

附註：

- 林先生為Space Management的唯一股東。Space Management持有38,200,000股實際股份，根據完成認購第一批及第二批永久次級可換股證券的換股權涉及之14,124,293股股份。此外，林先生為Shalom Trust（為一項由林先生以財產授予人身份成立的全權信託，受託人為UBS Trustee (BVI) Limited，受益人則為林先生本人、其若干家族成員及可能不時加入的其他人士）的創辦人，Shalom Trust間接持有Media Cornerstone全部已發行股本，而Media Cornerstone持有254,921,500股股份。根據證券及期貨條例，彼被視為於Space Management及Media Cornerstone擁有權益的股份中擁有權益。
- 於2019年12月31日，本公司已發行股本為475,675,676股股份。

縮寫：
「L」為好倉

Notes:

- Mr. Lam is the sole shareholder of Space Management which holds 38,200,000 Shares in actual Shares and conversion rights of 14,124,293 shares pursuant to the completion of the first and second tranches of subscription of PSCS. In addition, Mr. Lam is the founder of the Shalom Trust (a discretionary trust established by Mr. Lam as settlor, of which UBS Trustee (BVI) Limited acts as the trustee and beneficiaries, of which Mr. Lam, certain of his family members and other persons who may be added from time to time) which indirectly holds the entire issued share capital of Media Cornerstone which holds 254,921,500 Shares. By virtue of the SFO, he is deemed to be interested in the Shares in which Space Management and Media Cornerstone are interested.
- As at 31 December 2019, the issued share capital of the Company was 475,675,676 Shares.

Abbreviation:
"L" stands for long position

除以上所披露者，於2019年12月31日，概無董事及本公司主要行政人員於股份、本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之相關股份及債權證中擁有已記入根據證券及期貨條例第352條規定須存置的登記冊，或根據標準守則須知會本公司及聯交所的權益或淡倉。

購股權計劃

本公司的購股權計劃乃根據於2014年12月6日通過的股東之書面決議案採納（「該計劃」），主要目的為就該計劃所界定的合資格人士對本集團所作出或可能作出的貢獻向彼等提供獎勵或回報。該計劃於2015年1月15日生效，並將於2025年1月14日屆滿。

根據該計劃，董事會可酌情向本集團任何僱員授出購股權，以根據該計劃所規定之條款及條件認購本公司股份。

(a) 該計劃之目的

該計劃的目的為使董事會能就合資格人士對本集團所作出或可能作出的貢獻向彼等提供獎勵或回報。

(b) 該計劃之參與者

根據該計劃，本公司董事會可按其絕對酌情權向任何合資格僱員、向本集團任何成員公司提供商品或服務之供應商或任何該等供應商之任何董事或僱員、本集團任何成員公司之客戶、任何顧問、諮詢人或專業服務或該實體之任何董事或僱員（包括本公司或其附屬公司之任何不論獨立與否之執行或非執行董事）授予購股權，有關僱員獲授予購股權時，應為本公司或其附屬公司之全職或兼職僱員，或董事會全權酌情認為曾經或可能會對本集團作出貢獻之任何人士。

Save as disclosed above, as at 31 December 2019, none of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under section 352 of the SFO or which are required to be notified to the Company and Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a Shareholders' resolution in writing passed on 6 December 2014 (the "Scheme") for the primary purpose of providing incentives or rewards to eligible persons as defined in the Scheme for their contribution or potential contribution to the Group. The Scheme took effect on 15 January 2015 and will expire on 14 January 2025.

Under the Scheme, the Board may, at its discretion, offer to any employee of the Group, options to subscribe for shares of the Company subject to the terms and conditions stipulated in the Scheme.

(a) Purpose of the Scheme

The purpose of the Scheme is to enable the Board to provide incentives or rewards to the eligible persons for their contribution or potential contribution to the Group.

(b) Participants of the Scheme

Pursuant to the Scheme, the board of the Company may at its absolute discretion grant options to any eligible employee, a supplier of goods or services to any member of the Group or any director or employee of such supplier, customer, any advisory, consultancy or professional services to any member of the Group or any director or employee of such entity (including any director, whether executive or non-executive and whether independent or not, of the Company or its subsidiaries) who is in full-time or part-time employment with the Company or its subsidiaries at the time when an option is granted to such employee, or any person who, in the sole discretion of the Board, have contributed or may contribute to the Group.

(c) 根據該計劃可發行之股份總數

於2019年12月31日，本公司共授出15,934,875份購股權，其中12,544,875份購股權尚未行使。年內，39,000份購股權已失效。有關更新購股權的計劃授權限額至44,000,000股股份（相當於本公司當時已發行股本的10%）的普通決議案已於2016年6月1日的股東週年大會上獲通過。

根據該計劃及本公司任何其他計劃授出但尚未行使之所有購股權獲行使而可予發行之最高本公司股份數目不得超過本公司不時已發行股份總數30%。

(d) 各參與者可認購之最高股份數目

除非經本公司股東以該計劃所訂定之方式批准，否則於任何十二個月期間內，每位參與者行使獲授之購股權（包括已行使、尚未行使及已註銷之購股權）而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1%。

(e) 行使購股權時間

購股權可於董事釐定並知會各承授人之期限內隨時根據該計劃之條款行使，該期限可於提呈授出購股權當日開始，惟無論如何不得遲於自購股權授出日期起計十年後結束，且須遵守其提前終止條文規定。該計劃內規定購股權行使前並無必須持有之最短期限。

(c) Total number of shares available for issue under the scheme

As at 31 December 2019, a total of 15,934,875 share options were granted by the Company, of which 12,544,875 share options have not been exercised. During the year, 39,000 share options were lapsed. An ordinary resolution was passed at the annual general meeting on 1 June 2016 relating to the refreshment of scheme mandate limit of the share option to 44,000,000 shares, representing 10% of the then total issued share capital of the Company.

The maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time.

(d) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including those exercised, outstanding and cancelled options) in any 12-month period must not exceed 1% of the total number of shares of the Company in issue, unless approved by the shareholders of the Company in the manner as stipulated in the Scheme.

(e) Time of exercise of options

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the date on which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. No minimum period for which the option must be held before it can be exercised as specified in the Scheme.

(f) 每股認購價

根據該計劃授出之購股權之每股認購價由本公司董事會於授出購股權時釐定，惟於任何情況下，該認購價不得低於下列最高者：

- 於授出當日聯交所每日報價表所列本公司股份之收市價；
- 緊接授出當日前五個營業日聯交所每日報價表所列本公司股份之平均收市價；及
- 本公司股份之面值。

(g) 接納購股權所支付之金額

當接納購股權時，每名承授人須就各份獲授之購股權支付不可退回款項10港元或本公司董事會釐定的其他金額作為代價。

(h) 該計劃剩餘有效期

該計劃將於2025年1月14日屆滿，其後不可再授出購股權，惟該計劃之條文在所有其他方面均一直有效及生效，而於該計劃有效期內授出之購股權可繼續按其相關授予條款行使。

(f) The subscription price per share

The subscription price per share in respect of an option granted under the Scheme is such price as determined by the Board of the Company at the time of the grant of the options, but in any case the subscription price shall not be lower than the higher of:

- the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant;
- the price being the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and
- the nominal value of a share of the Company.

(g) Payment on acceptance of option

A non-refundable sum of HKD10 or other amount as determined by the board of the Company by way of consideration for the grant of an option is required to be paid by each of the grantee upon acceptance of the option.

(h) Remaining life of the scheme

The Scheme will expire on 14 January 2025 and no further options may be granted but the provisions of the Scheme shall in all other respects remain in force and effect and options which are granted during the life of the Scheme may continue to exercise in accordance with their respective terms of grant.

下表披露期內購股權之變動：

The following table discloses movements in the share options during the period:

| 可供認購本公司股份之購股權 | | | | | | | | |
|--|---------------------------|---|---|---|---|---|--|--|
| option to subscribe for shares of the Company | | | | | | | | |
| 承授人類別或姓名 | 授出日期 | 於2019年 1月1日 結餘 Balance as at 1 January 2019 | 期內授出 Granted during the period | 期內 失效／註銷 Lapsed/ cancelled during the period | 期內行使 Exercised during the period | 於2019年 12月31日 結餘 Balance as at 31 December 2019 | 行使期 | 每股行使價 港元 Exercise price per share HKD |
| Category or Name of Grantees | Date of grant | | | | | | Exercise period | |
| 行政人員購股權計劃 | | | | | | | | |
| Executive share option plan | | | | | | | | |
| 林先生 Mr. Lam | 2015年5月21日 21 May 2015 | 4,400,000 | – | – | – | 4,400,000 | 2016年1月1日至 2020年6月9日 ⁽¹⁾ 1 Jan 2016– 9 Jun 2020 ⁽¹⁾ | 6.95 |
| 僱員及貢獻者購股權計劃 | | | | | | | | |
| employee and Contributor share option plan | | | | | | | | |
| 林家寶 Lam Ka Po | 2015年5月21日 21 May 2015 | 1,278,000 | – | – | – | 1,278,000 | 2016年1月1日至 2020年6月9日 ⁽¹⁾ 1 Jan 2016– 9 Jun 2020 ⁽¹⁾ | 6.95 |
| 馬照祥 Ma Andrew Chiu Cheung | 2015年5月21日 21 May 2015 | 100,000 | – | – | – | 100,000 | 2016年1月1日至 2020年6月9日 ⁽¹⁾ 1 Jan 2016– 9 Jun 2020 ⁽¹⁾ | 6.95 |
| 馬豪輝 ^{GBS JP} Ma Ho Fai ^{GBS JP} | 2015年5月21日 21 May 2015 | 100,000 | – | – | – | 100,000 | 2016年1月1日至 2020年6月9日 ⁽¹⁾ 1 Jan 2016– 9 Jun 2020 ⁽¹⁾ | 6.95 |
| 僱員及貢獻者 ⁽²⁾ Employees and contributors ⁽²⁾ | 2015年5月21日 21 May 2015 | 6,705,875 | – | (39,000) | – | 6,666,875 | 2016年1月1日至 2020年6月9日 ⁽¹⁾ 1 Jan 2016– 9 Jun 2020 ⁽¹⁾ | 6.95 |
| | | 12,583,875 | – | (39,000) | – | 12,544,875 | | |

附註：

1. 上述已授出之所有購股權於以下期間可予行使：

(a) 30%的購股權可於2016年1月1日至2020年6月9日(包括首尾兩日)行使；及

(b) 餘下的70%購股權可於2017年1月1日至2020年6月9日(包括首尾兩日)行使。

緊接授出日期前之收市價為每股6.93港元。上述授出購股權之價值詳情載於合併財務報表附註32(a)。

2. 年內，購股權由若干不再為本集團僱員之承授人持有。

股份獎勵計劃

本公司於2018年5月17日採納之股份獎勵計劃(「股份獎勵計劃」)。提供股份獎勵計劃的目的是表彰及獎勵若干合資格人士對本集團增長及發展所作之貢獻，並向彼等提供激勵以為本集團持續營運及發展挽留人才，以及為本集團未來發展吸引合適人員。

截至2019年12月31日，並無根據股份獎勵計劃授出股份。上述股份獎勵計劃的詳情載於綜合財務報表附註32(b)。

Notes:

1. All the above share options granted are exercisable during the following periods:

(a) 30% of the share options shall be exercisable from 1 January 2016 to 9 June 2020 (both days inclusive); and

(b) the remaining 70% of the share options shall be exercisable from 1 January 2017 to 9 June 2020 (both days inclusive).

The closing price per share immediately before the date of grant was HKD6.93. Details of the value of options granted as above is set out in Note 32(a) to the consolidated financial statement.

2. The share options were held by certain grantees who ceased to be the employees of the Group during the year.

SHARE AWARD SCHEME

The Company adopted a Share Award Scheme (the "Share Award Scheme") on 17 May 2018. The purposes of providing the Share Award Scheme are to recognise and reward the contribution of certain eligible person(s), for the growth and development of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and attract suitable personnel for further development of the Group.

As at 31 December 2019, no Share has been granted under the Share Award Scheme. Details of the above Share Award Scheme are set out in Note 32(b) to the consolidated financial statements.

主要股東於股份及相關股份之權益及淡倉

於2019年12月31日，以下人士於本公司股份或相關股份擁有根據證券及期貨條例第336條須存置之登記冊中記錄之權益或淡倉：

於股份及相關股份之好倉

INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 December 2019, the following persons had an interest or short position in the Shares or underlying Shares of the Company recorded in the register required to be kept under Section 336 of the SFO:

Long positions in the shares and Underlying shares

| 股東姓名／名稱 | 身份／權益性質 | 股份數目 | 於本公司 已發行股本之 概約百分比 ⁽⁵⁾ Approximate percentage of issued share capital in the Company ⁽⁵⁾ |
|--|--|--------------------------------|--|
| Name of Shareholders | Capacity/Nature of interest | Number of shares | |
| 林先生 | 全權信託的創辦人及 於受控制法團的權益 | 307,245,793 (L) | 64.59% |
| Mr. Lam | Founder of a discretionary trust and interest in a controlled corporation | | |
| | 實益擁有人 | 4,400,000 (L) ⁽¹⁾ | 0.92% |
| | Beneficial owner | | |
| Media Cornerstone Limited | 實益擁有人 | 254,921,500 (L) ⁽²⁾ | 53.59% |
| Media Cornerstone Limited | Beneficial owner | | |
| Shalom Family Holding Limited | 於受控制法團的權益 | 254,921,500 (L) ⁽²⁾ | 53.59% |
| Shalom Family Holding Limited | Interest in a controlled corporation | | |
| UBS Trustee (BVI) Limited | Shalom Trust 受託人 | 254,921,500 (L) ⁽²⁾ | 53.59% |
| UBS Trustee (BVI) Limited | Trustee of Shalom Trust | | |
| Space Management Limited | 實益擁有人 | 52,324,293 (L) ⁽³⁾ | 11.00% |
| Space Management Limited | Beneficial owner | | |
| Antfin (Hong Kong) Holding Limited | 實益擁有人 | 35,675,676 (L) ⁽⁴⁾ | 7.5% |
| Antfin (Hong Kong) Holding Limited | Beneficial owner | | |
| 杭州雲鏞企業管理諮詢有限公司 | 於受控制法團的權益 | 35,675,676 (L) ⁽⁴⁾ | 7.5% |
| (Hangzhou Yunqiang Enterprise Management Consulting Co., Ltd.*) | Interest in a controlled corporation | | |

* For identification purpose only

| 股東姓名／名稱 | 身份／權益性質 | 股份數目 | 於本公司 已發行股本之 概約百分比 ⁽⁵⁾ Approximate percentage of issued share capital in the Company ⁽⁵⁾ |
|--|---|-------------------------------|--|
| Name of Shareholders | Capacity/Nature of interest | Number of shares | |
| 浙江螞蟻小微金融服務集團 股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*) | 於受控制法團的權益 Interest in a controlled corporation | 35,675,676 (L) ⁽⁴⁾ | 7.5% |
| 杭州雲鉅投資諮詢有限公司 (Hangzhou Yunbo Investment Consultancy Co., Ltd.*) | 於受控制法團的權益 Interest in a controlled corporation | 35,675,676 (L) ⁽⁴⁾ | 7.5% |
| 馬雲 Ma Yun | 於受控制法團的權益 Interest in a controlled corporation | 35,675,676 (L) ⁽⁴⁾ | 7.5% |

* For identification purpose only

附註：

Notes:

1. 林先生於2015年5月21日獲授予4,400,000份購股權。更多詳情，請參見本年報「購股權計劃」一節。

1. Mr. Lam was granted 4,400,000 share options on 21 May 2015. For further details, please refer to the section headed "Share Option Scheme" of this annual report.

2. Media Cornerstone 持有 254,921,500 股股份。Media Cornerstone 由 Shalom Family Holding Limited (「Shalom Family」) 全資擁有，而 Shalom Family 則由全權信託 Shalom Trust 全資擁有。Shalom Trust 由林先生作為財產授予人及 UBS Trustees (BVI) Limited 作為受託人成立。Family Trust 的全權受益人為林先生、其若干家族成員及可能不時加入的其他人士。根據證券及期貨條例，受託人被視為於 Media Cornerstone 擁有權益的股份中擁有權益。

2. The 254,921,500 Shares are held by Media Cornerstone. Media Cornerstone is wholly owned by Shalom Family Holding Limited ("Shalom Family"), which is in turn wholly owned by the Shalom Trust, discretionary trust. The Shalom Trust established by Mr. Lam as settlor and UBS Trustees (BVI) Limited as trustee. The discretionary beneficiaries of the Family Trust are Mr. Lam, certain of his family members and other persons who may be added from time to time. By virtue of the SFO, the Trustee is deemed to be interested in the Shares in which Media Cornerstone is interested in.

3. 林先生為 Space Management 唯一股東。Space Management 於 52,324,293 股股份中持有權益，其中 38,200,000 股股份為實際股份權益，以及根據日期為 2017 年 11 月 10 日之補充協議所修訂及補充的日期為 2017 年 9 月 7 日之認購協議完成認購第一批及第二批本金額為 30,000,000 港元及 20,000,000 港元之永久次級可換股證券（「永久次級可換股證券」）的換股權涉及之 14,124,293 股股份。認購本金額 20,000,000 港元的第二批永久次級可換股證券（附有 5,649,717 股股份換股權）於 2019 年 6 月 25 日的股東特別大會獲股東批准。第一批及第二批永久次級可換股證券分別於 2017 年 12 月 28 日及 2019 年 6 月 28 日完成。

3. Mr. Lam is the sole shareholder of Space Management, which holds interest in 52,324,293 Shares with 38,200,000 Shares in actual Shares and conversion rights of 14,124,293 Shares pursuant to the completion of the first and second tranches of subscription of the Perpetual Subordinated Convertible Securities ("PSCS") in the principal amount of HKD30,000,000 and HKD20,000,000 respectively under the Subscription Agreement dated 7 September 2017 as amended and supplemented by the Supplemental Agreement dated 10 November 2017. The subscription of the second tranche of the PSCS in the principal amount of HKD20,000,000 with conversion rights of 5,649,717 Shares was approved by the shareholders at the extraordinary general meeting on 25 June 2019. The first and second tranches of the PSCS were completed on 28 December 2017 and 28 June 2019, respectively.

4. Antfin (Hong Kong) Holding Limited持有35,675,676股股份。Antfin (Hong Kong) Holding Limited由杭州雲鎔企業管理諮詢有限公司全資擁有，杭州雲鎔企業管理諮詢有限公司則由浙江螞蟻小微金融服務集團股份有限公司全資擁有。浙江螞蟻小微金融服務集團股份有限公司由杭州君澳股權投資合夥企業(有限合夥)擁有約21.53%及由杭州君翰股權投資合夥企業(有限合夥)擁有約28.45%，該兩間公司由馬雲全資擁有的杭州雲鉅投資諮詢有限公司全資擁有。
5. 於2019年12月31日，已發行股本為475,675,676股股份。

縮寫：
「L」為好倉

除上文所披露者外，於2019年12月31日，並無其他人士於股份或相關股份中擁有根據證券及期貨條例第336條須存置之登記冊中記錄之權益或淡倉。

董事於交易、安排或合約之權益

除下列交易外，於本財政年度或本財政年度結束時概無仍存續之與本集團業務有關而本公司或其附屬公司為其中訂約方，且本公司董事或其關連實體於其中直接或間接持有重大權益之重大交易、安排及合約：

- (i) 本公司間接全資附屬公司上海雅仕維廣告有限公司(作為租戶)與雅仕維中國媒體有限公司(作為業主)訂立之租賃協議，以每月人民幣114,000租用位於上海之辦公室，由2017年7月1日起至2020年6月30日止(包括首尾兩日)為期三年；及本公司間接全資附屬公司北京雅仕維廣告有限公司(作為租戶)與億華國際有限公司(作為業主)訂立之租賃協議，以每月人民幣347,300租用位於北京之辦公室，由2017年7月1日起至2020年6月30日止(包括首尾兩日)為期三年，詳情於本公司日期為2017年6月30日之公告內披露；及

4. The 35,675,676 Shares are held by Antfin (Hong Kong) Holding Limited. Antfin (Hong Kong) Holding Limited is wholly-owned by 杭州雲鎔企業管理諮詢有限公司 (Hangzhou Yunqiang Enterprise Management Consulting Co., Ltd.*), which is in turn wholly-owned by 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*) 浙江螞蟻小微金融服務集團股份有限公司 which is owned as to approximately 21.53% by Hangzhou Junao Equity Investment Partnership (Limited Partnership) and approximately 28.45% by Hangzhou Junhan Equity Investment Partnership (Limited Partnership), which are wholly-owned by 杭州雲鉅投資諮詢有限公司 (Hangzhou Yunbo Investment Consultancy Co., Ltd.*), which is in turn wholly-owned by Ma Yun.
5. As at 31 December 2019, the issued share capital was 475,675,676 Shares.

Abbreviations:
“L” stands for long position

Save as disclosed above, as at 31 December 2019, there were no other persons who had an interest or short position in the Shares, or underlying Shares which recorded in the register required to be kept under Section 336 of SFO.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for the following transactions, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director of the Company or his or her connected entities had a material interest, whether directly or indirectly, subsisted during or at the end of the financial year:

- (i) the tenancy agreements between Shanghai Asiaray Advertising Company Limited, an indirect wholly-owned subsidiary of the Company, as tenant, and Asiaray China Media Limited, as landlord, to lease the office in Shanghai for RMB114,000 per month for a term of three years from 1 July 2017 to 30 June 2020 (both days inclusive); and 北京雅仕維廣告有限公司 (Beijing Asiaray Advertising Company Limited*), an indirect wholly-owned subsidiary of the Company, as tenant, and Billion China International Limited, as landlord, to lease the office in Beijing for RMB347,300 per month for a term of three years from 1 July 2017 to 30 June 2020 (both days inclusive) as disclosed in the announcement of the Company dated 30 June 2017; and

* For identification purpose only

- (ii) 本公司間接全資附屬公司 Genesis Printing and Production Limited (作為租戶) 與濠峰有限公司 (作為業主) 訂立日期為 2017 年 9 月 1 日及 2018 年 3 月 1 日之租賃協議，以每月 30,000 港元 (2017 年 9 月 1 日起至 2018 年 2 月 28 日止 (包括首尾兩日)) 及每月 28,000 港元 (2018 年 3 月 1 日起至 2020 年 6 月 30 日止 (包括首尾兩日)) 租用位於香港之貨倉及停車位；及本公司間接全資附屬公司香港雅仕維廣告有限公司 (作為租戶) 與濠峰有限公司 (作為業主) 訂立之租賃協議，於 2016 年 2 月 1 日 (以每月 14,000 港元 (2016 年 3 月 1 日起至 2018 年 2 月 28 日止 (包括首尾兩日)) 為期兩年) 及每月 16,000 港元 (2018 年 3 月 1 日至 2020 年 6 月 30 日 (包括首尾兩日)) 租用位於香港之貨倉單位，詳情於本公司日期為 2017 年 9 月 1 日及 2018 年 3 月 1 日之公告內披露；及
- (iii) 珠海雅仕維報業傳媒有限公司 (一間由本集團持有其 60% 股權的公司) (作為租戶) 與林先生 (作為業主) 訂立租賃協議，於 2018 年 3 月 1 日 (以每月人民幣 39,000 元) 租用一間辦公室，由 2018 年 3 月 1 日起至 2020 年 6 月 30 日止 (包括首尾兩日) 為期兩年四個月，詳情於本公司日期為 2018 年 3 月 1 日之公告內披露，而於 2019 年 12 月 31 日，林先生於當中全部均擁有權益。
- (ii) the tenancy agreements dated 1 September 2017 and 1 March 2018 between Genesis Printing and Production Limited, an indirect wholly-owned subsidiary of the Company, as tenant, and Peak Limited, as landlord, to lease the warehouse and car parking space in Hong Kong for HKD30,000 per month from 1 September 2017 to 28 February 2018 (both days inclusive) and HKD28,000 per month from 1 March 2018 to 30 June 2020 (both days inclusive); and Hong Kong Asiaray Advertising Limited, an indirect wholly-owned subsidiary of the Company, as tenant, and Peak Limited, as landlord, to lease the warehouse in Hong Kong on 1 February 2016 for HKD14,000 per month for a term of two years from 1 March 2016 to 28 February 2018 (both days inclusive), and HKD16,000 per month for the term from 1 March 2018 to 30 June 2020 (both days inclusive) as disclosed in the announcement of the Company dated 1 September 2017 and 1 March 2018; and
- (iii) the tenancy agreement between 珠海雅仕維報業傳媒有限公司 (Zhuhai Asiaray Newspaper Media Company Limited*), 60% of its equity interest held by the Group, as tenant, and Mr. Lam, as landlord, to lease an office in PRC on 1 March 2018 for RMB39,000 per month for a term of two years and four months from 1 March 2018 to 30 June 2020 (both days inclusive) as disclosed in the Announcement of the Company dated 1 March 2018, all of which Mr. Lam was interested in, as at the 31 December 2019.

* For identification purpose only

不競爭契據

林先生、Media Cornerstone、Space Management及Shalom Family(統稱「控股股東」)已與本公司訂立日期為2014年12月22日之不競爭契據(「不競爭契據」)。根據不競爭契據，各控股股東已承諾(其中包括)彼不會且將促使其聯繫人不會在香港或中國以任何形式或方式獨自或與任何其他人士或實體共同，或為任何其他人士、商號或公司，或作為主事人、合夥人、董事、僱員、顧問或代理透過任何法團、合夥企業、合資公司或其他合約安排，直接或間接(不論作為股東、董事、僱員、合夥人、代理或其他)從事、投資、或以其他形式參與與本集團在香港或中國從事或經營的業務直接或間接競爭或可能直接或間接競爭的任何業務。林先生進一步承諾，彼將促使主素有限公司行使其於台灣雅仕維廣告股份有限公司(「台灣雅仕維」)的所有表決權，以確保台灣雅仕維的業務不會拓展至台灣以外地區。不競爭契據的詳情載於本公司日期為2014年12月31日的招股章程內「與控股股東的關係 — 不競爭承諾」一節。

本公司已接獲控股股東就彼等於截至2019年12月31日止年度已遵守不競爭契據發出的確認函(「確認函」)。本公司之獨立非執行董事已獲提供所有必需資料，並已審閱確認函，且信納不競爭契據於截至2019年12月31日止年度內已獲遵守及有效。

董事於競爭業務之權益

除本集團業務外，年內概無董事於與本集團業務構成競爭或可能直接或間接構成競爭的任何業務中擁有任何權益。

購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於年內概無購買、出售或贖回本公司任何上市證券。

DEED OF NON-COMPETITION

Mr. Lam, Media Cornerstone, Space Management and Shalom Family (collectively, the "Controlling Shareholders") entered into a Deed of Non-competition dated 22 December 2014 with the Company (the "Deed of Non-competition"). Pursuant to the Deed of Non-competition, each of the Controlling Shareholder has undertaken that, among other things, he/it shall not and shall procure his/its associates not to, either alone or jointly with any other person or entity, or for any other person, firm or company, or as principal, partner, director, employee, consultant or agent through any body corporate, partnership, joint venture or other contractual arrangement, be engaged, invested, or otherwise involved, whether as a shareholder, director, employee, partner, agent or otherwise, directly or indirectly, in the carrying on of any business in any form or manner in Hong Kong or the PRC in competition or likely to be in competition, directly or indirectly, with the business operated by the Group in Hong Kong or the PRC. Mr. Lam has further undertaken that he shall procure Main Element Profits Limited to exercise all its voting power in 台灣雅仕維廣告股份有限公司 (Taiwan Asiaray Advertising Holdings Company Limited)* ("Taiwan Asiaray") to ensure that the business of Taiwan Asiaray will not expand outside Taiwan. Details of the Deed of Non-competition are set out in the section headed "Relationship with Controlling Shareholders — Non-Competition Undertakings" of the prospectus of the Company dated 31 December 2014.

The Company has received confirmations from the Controlling Shareholders of their compliance with the Deed of Non-competition for the year ended 31 December 2019 (the "Confirmations"). The Independent Non-executive Directors of the Company have been provided with all necessary information and have reviewed the Confirmations and are satisfied that the Deed of Non-competition was complied with and was effectively enforced during the year ended 31 December 2019.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors is interested in any business, apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

None of the Company or any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

重大投資

截至2019年12月31日止年度，本集團並無任何重大投資。

重大收購或出售

截至2019年12月31日止年度，本集團並無重大收購或出售。

關連方交易

本集團與根據適用會計原則被視為「關連方」之人士訂立若干交易。此等交易主要涉及本集團於日常業務過程中按一般商業條款經公平原則磋商而訂立之合約。其他有關詳情載於合併財務報表附註33。

部分交易亦構成上市規則下的「不獲豁免關連交易」及「持續關連交易」識別如下。

關連交易

昆明機場協議

於2019年7月9日，本公司間接持有51%股權的附屬公司雲南空港雅仕維信息傳媒有限公司（「雲南空港雅仕維」，作為承租人）與雲南機場集團有限責任公司（在附屬公司層面為本集團的關連人士）的全資附屬公司昆明長水國際機場有限責任公司（「昆明機場公司」，作為出租人）訂立昆明機場協議，據此，昆明機場公司同意授出獨家代理經營權予雲南空港雅仕維，以營運、管理、維護及銷售位於昆明長水國際機場1號客運大樓之廣告及媒體資源，總代價約919,033,000元（相當於約1,044,021,000港元）（含增值稅），為期由於2019年6月28日至2026年6月27日，須由雲南空港雅仕維支付予昆明機場公司。詳情請參閱2019年7月9日的公告。

SIGNIFICANT INVESTMENTS

During the year ended 31 December 2019, the Group did not have any significant investments.

MATERIAL ACQUISITIONS OR DISPOSALS

During the year ended 31 December 2019, the Group did not have material acquisitions or disposals.

RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as "Related Parties" under applicable accounting principles. These mainly relate to contracts entered into by the Group in the ordinary course of business, which contracts were negotiated on normal commercial terms and on an arm's length basis. Further details are set out in Note 33 to the consolidated financial statements.

Some of these transactions also constituted non-exempt "Connected Transaction" and "Continuing Connected Transactions" under the Listing Rules, as identified below.

CONNECTED TRANSACTIONS

Kunming Airport Agreement

On 9 July 2019, 雲南空港雅仕維信息傳媒有限公司 (Yunnan Airport Asiaray Information Media Company Limited*) ("Yunnan Airport Asiaray"), a subsidiary of the Company with 51% of its equity interest indirectly held by the Company, entered into the Kunming Airport Agreement as lessee with 昆明長水國際機場有限責任公司 (Kunming Changshui International Airport Limited Liability Company*) ("Kunming Airport Company"), a wholly-owned subsidiary of 雲南機場集團有限責任公司 (Yunnan Airport Group Limited Liability Company*), as lessor, a connected person of the Group at the subsidiary level, pursuant to which Kunming Airport Company agreed to grant exclusive concession rights to Yunnan Airport Asiaray to operate, manage, maintain and sale of advertising and media resources located at terminal 1 of Kunming Changshui International Airport, for a total consideration of approximately RMB919,033,000 (equivalent to approximately HKD1,044,021,000) (VAT included) from 28 June 2019 to 27 June 2026, payable from Yunnan Airport Asiaray to Kunming Airport Company. The details could be referred to the announcement dated 9 July 2019.

* For identification purpose only

永久次級可換股證券(「永久次級可換股證券」)

於2019年5月7日，本公司建議要求Space Management Limited(作為認購方)認購本金額為20,000,000港元之第二批永久次級可換股證券，其可轉換為本公司普通股(「換股股份」)，換股價為每股換股股份3.54港元。第二批20,000,000港元永久次級可換股證券經2019年6月25日舉行的股東特別大會批准後，已於2019年6月28日發行。由於Space Management Limited為本公司控股股東，而Space Management Limited之唯一最終實益擁有人為本公司執行董事兼控股股東林先生。因此，Space Management Limited為本公司關連人士，而認購事項構成上市規則第14A章項下本公司之關連交易。永久次級可換股證券之詳情，請參閱綜合財務報表附註19。

持續關連交易

於截至2019年12月31日止年度，本集團與根據上市規則第十四A章被視為本公司關連方之實體進行若干交易。

根據日期為2015年6月15日、2017年3月27日、2017年3月31日、2017年6月30日、2017年9月1日、2017年11月30日、2017年12月14日、2018年3月1日及2018年11月20日之公告所披露，截至2019年12月31日止年度的應付特許經營費、租金開支及服務費之年度上限包括：

- i. 與河南省機場集團有限公司(「河南機場集團」)及其聯營公司訂立日期為2015年6月12日的協議。協議年度上限為人民幣163.2百萬。河南機場集團為本公司間接附屬公司的主要股東，而河南機場集團及其聯營公司因此為本公司的關連人士。截至2019年12月31日止年度應付特許經營費約為人民幣89.8百萬；
- ii. 與天津地鐵資源投資有限公司(「天津地鐵資源」)及其聯營公司訂立日期為2017年1月6日的合作協議。合作協議年度上限為人民幣35百萬，而天津地鐵資源為本公司附屬公司層面的關連人士。截至2019年12月31日止年度的應付特許經營費約為人民幣18.8百萬；

Perpetual Subordinated Convertible Securities ("PSCS")

On 7 May 2019, the Company proposed to call for subscription of the second tranche of the PSCS by the Space Management Limited as the subscriber at the principal amount of HKD20,000,000, convertible into the ordinary shares of the Company ("Conversion Shares") at the Conversion Price of HKD3.54 per Conversion Share. The second batch of PSCS HKD20,000,000 has been issued on 28 June 2019 after approval of EGM held on 25 June 2019. Since Space Management Limited is a controlling shareholder of the Company and the sole ultimate beneficial owner of Space Management Limited is Mr. Lam, who is an executive Director and the controlling shareholder of the Company. Space Management Limited is therefore a connected person of the Company and the subscription constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. For details of the PSCS, please refer to notes 19 of the notes to consolidated financial statements.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2019, the Group entered into a number of transactions with entities which will be regarded as connected parties of the Company under Chapter 14A of the Listing Rules.

As disclosed in the announcements dated 15 June 2015, 27 March 2017, 31 March 2017, 30 June 2017, 1 September 2017, 30 November 2017, 14 December 2017, 1 March 2018 and 20 November 2018, the annual cap of the concession fees, rental expenses and service fee payable for the year ended 31 December 2019 include:

- i. the agreement dated 12 June 2015 with 河南省機場集團有限公司 (Henan Airport Group Company Limited*) ("Henan Airport Group") and its associates. The annual cap for the agreement is RMB163.2 million. Henan Airport Group is a substantial shareholder of an indirect subsidiary of our Company, and each of the Henan Airport Group and its associates is thus a connected person of the Company. The concession fee payable for the year ended 31 December 2019 was approximately RMB89.8 million;
- ii. the cooperation agreement dated 6 January 2017 with 天津地鐵資源投資有限公司 (Tianjin Metro Resources Investment Company Limited*) ("Tianjin Metro Resources") and its associates. The annual cap for the cooperation agreement is RMB35 million, Tianjin Metro Resources is a connected person of the Company at subsidiary level. The concession fee payable for the year ended 31 December 2019 was approximately RMB18.8 million;

* For identification purpose only

- iii. 與雅仕維中國媒體有限公司(「雅仕維中國」)及億華國際有限公司(「億華」)訂立日期為2017年6月30日的租賃協議。租賃協議年度上限為人民幣5,535,600。雅仕維中國及億華均由本公司執行董事兼控股股東林先生全資擁有，因此雅仕維中國及億華均為本公司的關連人士。截至2019年12月31日止年度根據租賃協議應付的租金開支為人民幣5.5百萬；
- iv. 與濠峰有限公司訂立日期為2016年2月1日、2017年9月1日及2018年3月1日的租賃協議。租賃協議年度上限為528,000港元。濠峰有限公司由本公司執行董事兼控股股東林先生全資擁有，因此濠峰有限公司為本公司的關連人士。截至2019年12月31日止年度根據租賃協議應付的租金開支為528,000港元；
- v. 與深圳機場雅仕維傳媒有限公司(「深圳機場雅仕維」)訂立日期為2016年11月26日的框架協議。截至2018年12月31日止年度，就深圳機場雅仕維向本集團提供的廣告服務而應付深圳機場雅仕維的服務費年度上限修訂為人民幣172.8百萬，而就本集團向深圳機場雅仕維提供的廣告服務而應付本集團的服務費年度上限為人民幣8.3百萬。深圳機場雅仕維為本公司附屬公司層面的關連人士。截至2019年12月31日止年度本集團應付深圳機場雅仕維的服務費約為人民幣119.9百萬，而截至2019年12月31日止年度深圳機場雅仕維應付本集團的服務費約為人民幣6.8百萬；及
- vi. 與雲南機場集團有限責任公司(「雲南機場公司」)訂立日期為2014年10月21日的框架協議。框架協議年度上限為人民幣218.8百萬。雲南機場公司為本公司間接非全資附屬公司的主要股東，而雲南機場公司及其聯營公司各自因此為本公司的關連人士。截至2019年12月31日止年度的應付特許經營費約為人民幣141.2百萬；及
- vii. 珠海雅仕維報業傳媒有限公司與林先生訂立日期為2018年3月1日的租賃協議。應付林先生租金年度上限為人民幣468,000。截至2019年12月31日止年度，應付租金為人民幣315,000。
- iii. the tenancy agreements dated 30 June 2017 with Asiaray China Media Limited ("Asiaray China") and Billion China International Limited ("Billion China"). The annual cap for the tenancy agreements is RMB5,535,600. Asiaray China and Billion China are both wholly-owned by Mr. Lam, an Executive Director and controlling shareholder of the Company, and thus Asiaray China and Billion China are both connected person of the Company. The rental expense payable under the tenancy agreements for the year ended 31 December 2019 was RMB5.5 million;
- iv. the tenancy agreements dated 1 February 2016, 1 September 2017 and 1 March 2018 with Peak Limited. The annual cap for the tenancy agreements is HKD528,000. Peak Limited is wholly owned by Mr. Lam, an Executive Director and controlling shareholder of the Company, thus Peak Limited is a connected person of the Company. The rental expense payable under the tenancy agreements for the year ended 31 December 2019 was HKD528,000;
- v. the framework agreement dated 26 November 2016 with 深圳機場雅仕維傳媒有限公司 (Shenzhen Airport Asiaray Media Company Limited*) (the "Shenzhen Airport Asiaray"). The annual cap for service fee payable to Shenzhen Airport Asiaray for the advertising services provided by Shenzhen Airport Asiaray to the Group was revised to RMB172.8 million for the year ended 31 December 2018, and the annual cap for service fee payable to the Group for the advertising services provided by the Group to Shenzhen Airport Asiaray is RMB8.3 million. Shenzhen Airport Asiaray is a connected person of the Company at the subsidiary level. The service fee payable by the Group to Shenzhen Airport Asiaray for the year ended 31 December 2019 was approximately RMB119.9 million and the service fee payable to the Group by Shenzhen Airport Asiaray for the year ended 31 December 2019 was approximately RMB6.8 million; and
- vi. the framework agreement dated 21 October 2014 with Yunnan Airport Group Limited Liability Company ("Yunnan Airport Company"). The annual cap for the framework agreement is RMB218.8 million. Yunnan Airport Company is a substantial shareholder of an indirect non-wholly owned subsidiary of the Company, and each of Yunnan Airport Company and its associates is thus a connected person of the Company. The concession fee payable for the year ended 31 December 2019 was approximately RMB141.2 million; and
- vii. the tenancy agreement dated 1 March 2018, between Zhuhai Asiaray Newspaper Media Company Limited and Mr. Lam. The annual cap for rental payable to Mr. Lam is RMB468,000. The rental payable for the year ended 31 December 2019 was RMB315,000.

本集團已設立內部控制及程序，以確保其持續關連交易符合上市規則規定。財務部門已編製月度交易報告以確保不會超出年度上限。董事會（包括獨立非執行董事）已審閱並確認已訂立之持續關連交易及已付費用：

- i. 屬於本集團的日常業務過程；
- ii. 按一般商業條款或不遜於本集團向獨立第三方提供或取得的條款進行；及
- iii. 根據公平合理的合約條款訂立，並符合本公司股東的整體利益。

根據香港會計師公會發佈的香港鑒證業務準則第3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明第740號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。核數師已根據香港聯合交易所有限公司證券上市規則第14A.56段就本集團於年報第76至78頁披露的持續關連交易，發出無保留意見的函件，並載有其發現和結論。

本公司核數師已向董事會書面確認已訂立之持續關連交易及該等費用：

- (a) 已獲董事會批准；
- (b) 符合本集團的定價政策；
- (c) 乃根據規管交易的協議條款訂立；及
- (d) 不超過日期為2015年6月15日、2017年3月27日、2017年3月31日、2017年6月30日、2017年9月1日、2017年11月30日、2017年12月14日、2018年3月1日及2018年11月20日的公告所載截至2019年12月31日止年度的有關金額上限。

董事確認，除上文所披露者外，綜合財務報表附註33所載的任何關連方交易概無構成上市規則第十四A章項下的關連交易或持續關連交易。除綜合財務報表附註33所披露者外，本集團概無訂立任何須於報告期間根據上市規則於本報告披露的關連交易或持續關連交易。

The Group has established internal controls and procedures to ensure the compliance of the continuing connected transactions with the requirement of the Listing Rules. Finance department has prepared monthly transaction reports to ensure the annual caps not to be exceeded. The Board, including the Independent Non-executive Directors, has reviewed and confirmed that the continuing connected transactions have been entered into and the fees paid were:

- i. in the ordinary course of business of the Group;
- ii. either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third party; and
- iii. in accordance with the terms of the Contract that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group on page 76 to 78 of the Annual Report in accordance with paragraph 14A. 56 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The auditor of the Company has confirmed to the Board in writing that the continuing connected transactions have been entered into and the fees:

- (a) was approved by the Board;
- (b) was in accordance with the pricing policy of the Group;
- (c) was entered into in accordance with the terms of the agreements, governing the transactions; and
- (d) did not exceed the relevant cap amount for the year ended 31 December 2019 as set out in the announcements dated 15 June 2015, 27 March 2017, 31 March 2017, 30 June 2017, 1 September 2017, 30 November 2017, 14 December 2017, 1 March 2018 and 20 November 2018.

The Directors confirm that, save as disclosed above, none of the related party transactions set out in Note 33 to the consolidated financial statements constituted connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules. Saved as disclosed in note 33 to the consolidated financial statements, the Group had not entered into any connected transaction or continuing connected transactions which are required to be disclosed in this report pursuant to the Listing Rules during the Reporting Period.

優先購股權

根據本公司之組織章程或開曼群島法律，並無優先購股權之條文規定本公司須按比例向現有股東發售新股份。

公眾持股量

根據本公司以公開途徑取得之資料及據董事所知，於本年報日期，公眾持股量維持在上市規則所規定不少於本公司已發行股份25%之足夠水平。

人力資源

本集團向香港及中國大陸的全體僱員提供具吸引力的薪酬待遇，包括培訓、醫療保險和退休福利。於2019年12月31日，本集團擁有1,109名僱員（2018年：1,001名僱員）。於截至2019年及2018年12月31日止年度的薪金總額及有關成本分別約達266.9百萬港元及213.6百萬港元。

捐款

本集團年內之慈善捐款約為115,000港元（2018年：約145,000港元）。

暫停股份過戶登記

股東週年大會（「股東週年大會」）

本公司將於2020年6月22日（星期一）至2020年6月26日（星期五）期間（首尾兩天包括在內）暫停辦理股東登記手續，期內將不會辦理任何股份的轉讓。

為確定有權出席本公司於2020年6月26日（星期五）舉行的股東週年大會並在會上投票人士之資格，本公司股東須確保所有過戶文件連同有關股票不遲於2020年6月19日（星期五）下午四時三十分前送交本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17字樓1712-1716室以辦理登記手續。

核數師

截至2019年12月31日止年度之合併財務報表已經由羅兵咸永道會計師事務所審核，該公司即將告退，惟符合資格且願意於應屆股東週年大會上接受續聘。在應屆股東週年大會上，將提交決議案以續聘羅兵咸永道會計師事務所出任本公司之核數師。

代表董事會
林德興
主席

香港，2020年3月27日

PRE-EMPTIVE RIGHTS

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

PUBLIC FLOAT

Based on the information that was publicly available to the Company and within the knowledge of its Directors, as at the date of this annual report, there was sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

HUMAN RESOURCES

The Group offers competitive remuneration packages, including trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in Mainland China. As at 31 December 2019, the Group has 1,109 employees (2018: 1,001 employees). The total salaries and related costs for the years ended 31 December 2019 and 2018 amounted to approximately HKD266.9 million and HKD213.6 million, respectively.

DONATIONS

Charitable donations made by the Group during the year amounted to approximately HKD115,000 (2018: approximately HKD145,000).

CLOSURE OF REGISTER OF MEMBERS Annual General Meeting ("AGM")

The register of members of the Company will be closed from Monday, 22 June 2020 to Friday, 26 June 2020 (both days inclusive), during which period no transfer of shares will be effected.

In order to determine who are eligible to attend and vote at the annual general meeting of the Company to be held on Friday, 26 June 2020, the shareholders of the Company should ensure that all transfers accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 19 June 2020.

AUDITOR

The consolidated financial statements for the year ended 31 December 2019 have been audited by PricewaterhouseCoopers who will retire and being eligible, offer themselves for re-appointment at the forthcoming AGM. A resolution will be submitted to the forthcoming AGM for the re-appointment of PricewaterhouseCoopers as auditor of the Company.

On behalf of the Board
Lam Tak Hing, Vincent
Chairman

Hong Kong, 27 March 2020

* For identification purpose only

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

致雅仕維傳媒集團有限公司股東
(於開曼群島註冊成立之有限公司)

To the Shareholders of Asiaray Media Group Limited
(incorporated in the Cayman Islands with limited liability)

意見

我們已審核的內容

雅仕維傳媒集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第93至229頁的合併財務報表，包括：

- 於2019年12月31日的合併資產負債表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括重大會計政策概要。

OPINION

What we have audited

The consolidated financial statements of Asiaray Media Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 93 to 229, which comprise:

- the consolidated balance sheet as at 31 December 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

我們的意見

我們認為，該等合併財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2019年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Our opinion

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

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表須承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審核憑證能充足及適當地作為我們意見的基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期合併財務報表的審核最為重要的事項。該等事項是在我們審核整體合併財務報表及出具意見時處理的。我們不會對該等事項提供單獨的意見。

我們在審核中識別的關鍵審核事項概述如下：

- 應收賬款減值評估
- 確認遞延所得稅資產
- 採納香港財務報告準則第16號－租賃

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of trade receivables
- Recognition of deferred income tax assets
- Adoption of HKFRS 16 – Lease

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|--|---|
| <p>Impairment assessment of trade receivables</p> | <p>In response to the key audit matter, we performed the following procedures:</p> |
| <p>Refer to Note 3.1(b), Note 4(a) and Note 15 to the consolidated financial statements.</p> | <ul style="list-style-type: none"> • We understood and evaluated the design of internal controls over the provision for impairment of trade receivables process including credit control, data collection and analysis, determination and approval for impairment provision, etc. We validated the effectiveness of these key internal controls, on a sample basis. |
| <p>As at 31 December 2019, the Group had trade receivables, net, of HKD441.4 million and provision for impairment of trade receivables of HKD36.6 million respectively.</p> | <ul style="list-style-type: none"> • We discussed with management and assessed the reasonableness of the provision policy of trade receivables and assessed any indicators for change in credit risk characteristics from historical patterns. |
| <p>Management applied the simplified approach to measure the lifetime expected loss allowance for all its trade receivables. In developing the loss allowances of trade receivables, management used judgement in making the assumptions about the risk of default and expected credit loss rate with reference to the historical payment profiles of sales, the corresponding historical credit losses rate, forward-looking information on macroeconomic factors. In addition, management also reviewed the credit risk of individual debtors by considering the nature of transactions, relationship with customers and their financial position, etc. to assess whether any increase in credit risk which may trigger further specific provision at the end of the reporting period.</p> | <ul style="list-style-type: none"> • We analysed the aging profile and historical loss allowance on trade receivables to assess the reasonableness of expected credit loss rates calculated by management. |
| <p>Impairment of trade receivables was made based on an assessment of the recoverability of trade receivables. Provision for impairment of trade receivables involved management's judgement and uncertainties of the actual outcome which may be different from original estimates.</p> | <ul style="list-style-type: none"> • We challenged management for the assumptions and data used in assessing the expected credit loss rate, corroborated explanations with underlying documentation and correspondence with the customers. |
| <p>We focused on this area because significant judgement and estimates are involved in the determination of the recoverable amounts of trade receivables.</p> | <ul style="list-style-type: none"> • We also interviewed supervisors in finance department, sales department and legal department to corroborate their explanations on the doubtful receivable balances on a sample basis to evaluate whether any increase in credit risk which may trigger further specific provision. • We compared the subsequent collection with the original estimation to evaluate the reliability and accuracy of management judgement and estimates in the impairment assessment. |
| | <p>Based on the procedures above, we found that the judgement and estimates applied by management was supported by the evidence that we obtained.</p> |

關鍵審核事項

我們的審核如何處理關鍵審核事項

應收賬款減值評估

請參閱合併財務報表附註3.1(b)、4(a)及附註15。

於2019年12月31日，貴集團分別有應收賬款淨結餘441.4百萬港元及應收賬款減值撥備36.6百萬港元。

管理層應用簡化法，以計量其所有應收賬款的全期預期信貸虧損。在制定應收賬款的減值虧損時，管理層運用判斷，作出有關違約風險及預期信貸虧損率的假設，並參考銷售的過往付款狀況、相應過往信貸虧損率以及有關宏觀經濟因素的前瞻性資料。此外，管理層亦透過考慮交易性質、與客戶的關係及其財務狀況等因素審閱個別債務人的信貸風險，以評估於報告期末可能觸發其他特定撥備的信貸風險是否出現任何增加。

應收賬款減值乃根據應收賬款之可回收性評估作出。應收賬款減值撥備涉及管理層的判斷，而實際結果具有不確定性，可能不同於最初估計。

我們專注於該範疇乃由於釐定應收賬款的可回收金額涉及的判斷及估計均屬重大。

針對關鍵審核事項，我們進行以下程序：

- 我們了解及評估應收賬款減值撥備程序之內部控制設計，包括信貸控制、數據收集及分析、減值撥備之釐定及批准等。我們抽樣確定該等關鍵內部控制的效力。
- 我們與管理層討論並評估應收賬款撥備政策是否合理，及評估過往模式的信貸風險特徵變動的任何指標。
- 我們分析應收賬款的賬齡情況及過往虧損撥備，以評估管理層計算的預期信貸虧損率是否合理。
- 我們質疑管理層於評估預期信貸虧損率所用的假設及數據，通過相關文件及客戶反饋求證有關解釋。
- 我們亦與財務部、銷售部及法律部的主管人員會面，抽樣求證彼等有關可疑應收款項結餘之解釋，以評估是否出現可能觸發額外特定撥備的信貸風險上升。
- 我們將其後收回之款項與最初估計作比較，以評估管理層有關減值評估的判斷及估計的可靠性及準確性。

基於以上程序，我們發現，我們取得的證據可支持管理層所用的判斷及估計。

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| <p>Recognition of deferred income tax assets</p> <p>Refer to Note 4(b) and Note 14 to the consolidated financial statements.</p> <p>The balance of deferred income tax assets as at 31 December 2019 was HKD153.6 million.</p> <p>Management recognised deferred income tax assets based on judgement that it is probable to generate sufficient taxable profits in the foreseeable future against which the unutilised tax losses and the temporary differences would be utilised. The recognition of deferred income tax assets involved management's judgements and estimations about the timing and the amount of taxable profits to be generated during the forecast period.</p> <p>Management has prepared a profit forecast to assess the timing and amount of taxable profits in the foreseeable future to utilise the tax losses. It involved key assumptions such as revenue growth rate, gross profit margin, unutilised tax loss and temporary differences.</p> <p>Management also exercised judgement to determine the temporary difference due to the complex and various deferred income tax categories and the tax law enacted in the jurisdictions where the Group companies operate.</p> <p>We focused on this area because significant judgement and estimates are involved in recognition of deferred income tax assets.</p> | <p>In response to the key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none"> • We understood and evaluated the design of internal controls over the preparation and approval of the forecast used to support the recognition of the deferred income tax asset. We validated the effectiveness of key internal controls, on a sample basis. • We compared the current year actual results with the forecast taxable figures included in the prior year forecast to assess the reasonableness of forecasts. • We challenged the reasonableness of management's assumptions of revenue growth rate and gross profit margin by comparing them against historical results of comparable business units or subsidiaries. • We tested the accuracy of temporary differences and tax losses by recalculating management's deferred income tax assets schedules and reviewing the underlying documents, on a sample basis. <p>Based on the above, we found that the judgement and estimates applied by management was supported by the evidence that we obtained.</p> |

關鍵審核事項

我們的審核如何處理關鍵審核事項

確認遞延所得稅資產

請參閱合併財務報表附註4(b)及附註14。

於2019年12月31日的遞延所得稅資產的結餘為153.6百萬港元。

管理層乃根據於可見未來可產生足夠應課稅利潤用於抵銷未動用稅項虧損及暫時差額之判斷而確認遞延所得稅資產。遞延所得稅資產之確認涉及管理層就將於預測期間產生的應課稅利潤的時間及金額所作的判斷及估計。

管理層製備預測以評估於可見未來就動用稅項虧損產生應課稅利潤的時間及金額。其涉及有關收入增長率等關鍵假設。

管理層亦作出判斷以釐定因複雜及多個遞延所得稅類別及集團公司經營所在的司法權區已頒佈的稅法所產生的暫時差異。

我們專注於該範疇乃由於確認遞延所得稅資產涉及的判斷及估計均屬重大。

針對關鍵審核事項，我們進行以下程序：

- 我們了解及評估有關製備及批准用於支持確認遞延稅項資產之預測之內部控制之設計。我們抽樣確定關鍵內部控制的效力。
- 我們將本年度實際結果與過往年度預測所載的預測應課稅數據作比較，以評估預測是否合理。
- 我們將收入增長率及毛利率與可資比較業務單位或附屬公司的過往業績作比較，以質詢管理層的有關假設是否合理。
- 我們通過重新計算管理層的遞延所得稅資產表及抽樣審閱相關文件，以測試暫時差額及稅項虧損是否準確。

基於上文所述，我們發現，我們取得的證據可支持管理層所用的判斷及估計。

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|--|---|
| <p>Adoption of HKFRS 16 – Lease</p> | <p>In response to the key audit matter, we performed the following procedures:</p> |
| <p>Refer to Note 2.2, Note 4(d) and Note 7 to the consolidated financial statements.</p> | |
| <p>Management adopted HKFRS 16 – Leases (“HKFRS 16”) on 1 January 2019 by specific transition approach. This approach required the Group to determine the carrying amounts of the leases in existence as at 1 January 2019 if those leases had always been accounted for applying HKFRS 16 but not restated comparative information for 2018 reporting period.</p> | <ul style="list-style-type: none"> • We understood of and evaluated the internal controls, including new processes and controls in respect of the application of HKFRS 16. We validated the effectiveness of these key internal controls, on a sample basis. • We assessed the appropriateness of management’s assessments on the identification of leases based on the contractual agreements and our knowledge of the business. |
| <p>The lease liabilities were initially measured at aggregated present value of the lease payments relating to the right to use the assets during the lease terms, which involved significant judgements and estimates in determining the discount rates and the lease terms with renewal options.</p> | <ul style="list-style-type: none"> • We obtained a summary of leases from management, and tested, on a sample basis, the key terms of each lease, including lease terms and lease payments, by tracing such inputs to the underlying lease contracts. • We assessed the judgements and estimates involved in determining the lease terms with renewal options based on the contractual terms, nature and condition of the assets and our knowledge of the business. |
| <p>We focused on this area because significant effort was spent auditing the lease liabilities recognised due to the large volume of leases and the significant judgements and estimates involved in determining the appropriate discount rates and lease terms.</p> | <ul style="list-style-type: none"> • We assessed the appropriateness of discount rates with the assistance of our internal valuation experts. • We tested, on a sample basis, the calculation of the lease liabilities based on lease payments, the discount rates and the expected lease terms. |
| | <p>Based on the procedures above, we found that the judgement and estimates applied by management was supported by the evidence that we obtained.</p> |

關鍵審核事項

我們的審核如何處理關鍵審核事項

採納香港財務報告準則第16號—租賃

請參閱合併財務報表附註2.2、附註4(d)及附註7。

管理層於2019年1月1日按特定過渡法採納香港財務報告準則第16號—租賃（「香港財務報告準則第16號」）。此法要求本集團釐定於2019年1月1日已存在租賃的賬面值，猶如該等租賃一直按應用香港財務報告準則第16號所列賬，惟並無就2018年報告期間重列比較資料。

租賃負債初步按與租賃期內資產使用權有關的租賃付款的匯總現值計量，釐定貼現率及帶有重續選項或終止租賃選項的租賃期時涉及重大判斷及估計。

我們專注於本領域，原因在於審核因大額租賃而確認的租賃負債耗費大量精力，釐定貼現率及租賃期的合適性時涉及重大判斷及估計。

我們進行以下步驟回應關鍵審核事項：

- 我們了解及評估內部控制，包括與應用香港財務報告準則第16號有關的新程序及控制。我們按相同基準確定該等關鍵內部控制是否有效。
- 基於合約性協議及我們對業務的認識，我們評估管理層對租賃識別評估的合適程度。
- 我們自管理層取得租賃概要，並抽樣測試各租賃的關鍵條款（包括租賃期及租賃付款），方法為於相關租賃合約追蹤有關輸入數據。
- 基於合約條款、性質及資產條件以及我們對業務的認識，我們對釐定具有重續權的租賃期所涉及的判斷及估計進行評估。
- 我們在內部估值專家的協助下評估貼現率是否適當。
- 基於租賃付款、貼現率及預期租賃期，我們對租賃負債的計算進行抽樣測試。

基於上文所述，我們發現，我們取得的證據可支持管理層所用的判斷及估計。

其他資料

貴公司董事須對其他資料負責。其他資料包括企業簡介、公司概覽、媒體網絡、經營理念、大事紀要、獎項及榮譽、財務摘要、主席報告、管理層討論及分析、董事資料、五年財務摘要及公司資料的資料，（但不包括我們於本核數師報告日期前取得合併財務報表及我們的核數師報告），以及預期會在本核數師報告日期後取得的環境、社會及管治報告。

我們對合併財務報表的意見並不涵蓋其他資料，我們既不也將不對該等其他資料發表任何形式的鑒證結論。

結合我們對合併財務報表的審核而言，我們的責任是閱讀上述的其他資料，並在此過程中，考慮其他資料是否與合併財務報表或我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日期前所取得的其他資料所執行的工作，如果我們認為定其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀環境、社會及管治報告後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審核委員會溝通，並考慮我們的法律權利和義務後採取適當行動。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Corporate Overview, Asiaray at A Glance, Media Network, Our Philosophy, Events of the Year, Awards and Recognition, Financial Highlights, Chairman's Statement, Management Discussion and Analysis, Director's Profile, Corporate Governance Report, Report of the Directors, Five-Year Financial Summary and Corporate Information (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Environmental, Social and Governance Report, which is expected to be made available to us after that date.

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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Environmental, Social and Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Audit Committee and take appropriate action considering our legal rights and obligations.

董事及審計委員會就合併財務報表須承擔的責任

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

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

審計委員會須負責監督貴集團的財務報告過程。

核數師就審核合併財務報表須承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具載列我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核總能發現可能存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期有關錯誤陳述單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE 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.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險、就此等風險設計及執行相應審核程序，以及獲取充足和適當的審核憑證作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險，高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對 貴集團內部控制的效用發表意見。
- 評價董事所採用的會計政策是否恰當及作出的會計估計和相關披露是否合理。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認定存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應修改意見。我們的結論是基於截至核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容(包括披露事項)，以及合併財務報表是否中肯反映相關交易和事項。

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

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

- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對合併財務報表發表意見。我們負責 貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了就計劃的審核範圍、時間安排、重大審核發現，包括我們在審核中識別出內部控制的任何重大缺陷。我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通就有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

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

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

出具本獨立核數師報告的審核項目合夥人是邱麗婷女士。

羅兵咸永道會計師事務所
執業會計師

香港，2020年3月27日

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Cecilia, Lai Ting Yau.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 March 2020

合併資產負債表

CONSOLIDATED BALANCE SHEET

| | | 附註 Notes | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|-------------------|---|-------------|---------------------------------|---------------------------------|
| 資產 | ASSETS | | | |
| 非流動資產 | Non-current assets | | | |
| 物業、廠房及設備 | Property, plant and equipment | 6 | 87,437 | 106,235 |
| 使用權資產 | Right-of-use assets | 7 | 2,763,406 | – |
| 土地使用權 | Land use rights | 2.2 | – | 23,724 |
| 投資物業 | Investment properties | 8 | 9,846 | 8,785 |
| 無形資產 | Intangible assets | 9 | 21,007 | 21,400 |
| 使用權益法入賬的投資 | Investments accounted for using the equity method | 12 | 39,841 | 38,136 |
| 按公平值列入損益賬的金融資產 | Financial assets at fair value through profit or loss | 10 | 6,530 | 5,943 |
| 按公平值列入其他綜合收益的金融資產 | Financial assets at fair value through other comprehensive income | 10 | 8,074 | 7,619 |
| 遞延所得稅資產 | Deferred income tax assets | 14 | 153,555 | 92,937 |
| 其他應收款項及按金 | Other receivables and deposits | 15 | 12,902 | 15,826 |
| | | | 3,102,598 | 320,605 |
| 流動資產 | Current assets | | | |
| 存貨 | Inventories | | 1,833 | 2,444 |
| 應收賬款及其他應收款項 | Trade and other receivables | 15 | 863,751 | 840,865 |
| 短期銀行存款 | Short-term bank deposits | | – | 6,122 |
| 受限制現金 | Restricted cash | 16 | 29,584 | 49,489 |
| 現金及現金等價物 | Cash and cash equivalents | 16 | 415,461 | 379,931 |
| | | | 1,310,629 | 1,278,851 |
| 總資產 | Total assets | | 4,413,227 | 1,599,456 |
| 權益及負債 | EQUITY AND LIABILITIES | | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | | |
| 股本 | Share capital | 17 | 47,568 | 44,000 |
| 儲備 | Reserves | 18 | 356,340 | 418,619 |
| | | | 403,908 | 462,619 |
| 非控股權益 | Non-controlling interests | | 109,372 | 112,558 |
| 總權益 | Total equity | | 513,280 | 575,177 |

合併資產負債表 CONSOLIDATED BALANCE SHEET

| | | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|--------------------|-------------|---|---------------------------------|---------------------------------|
| | 附註 Notes | | | |
| 負債 | | Liabilities | | |
| 非流動負債 | | Non-current liabilities | | |
| 借款 | 20 | Borrowings | 120,404 | 77,726 |
| 租賃負債 | 7 | Lease liabilities | 2,432,265 | – |
| 遞延所得稅負債 | 14 | Deferred income tax liabilities | 2,575 | 2,854 |
| | | | 2,555,244 | 80,580 |
| 流動負債 | | Current liabilities | | |
| 應付賬款及其他應付款項 | 21 | Trade and other payables | 275,900 | 573,053 |
| 合約負債 | 22 | Contract liabilities | 122,056 | 145,051 |
| 按公平值列入損益賬的 金融負債 | 36 | Financial liabilities at fair value through profit or loss | 6,216 | 6,611 |
| 借款 | 20 | Borrowings | 152,206 | 191,280 |
| 即期所得稅負債 | | Current income tax liabilities | 9,161 | 27,704 |
| 租賃負債 | 7 | Lease liabilities | 779,164 | – |
| | | | 1,344,703 | 943,699 |
| 總負債 | | Total liabilities | 3,899,947 | 1,024,279 |
| 總權益及負債 | | Total equity and liabilities | 4,413,227 | 1,599,456 |

以上合併資產負債表應與隨附附註一併閱讀。

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

第100至229頁的合併財務報表已經董事會於2020年3月27日批准刊發，並由以下董事代表簽署。

The consolidated financial statements on pages 100 to 229 were approved for issue by the Board of Directors on 27 March 2020 and were signed on its behalf.

林德興
Lam Tak Hing, Vincent
主席
Chairman

林家寶
Lam Ka Po
執行董事
Executive Director

合併綜合收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | | | 截至12月31日止年度 Year ended 31 December | |
|---------------------|---|-------------|---------------------------------------|---------------------------------|
| | | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| | | 附註 Notes | | |
| 收入 | Revenue | 5 | 1,878,361 | 1,928,866 |
| 收入成本 | Cost of revenue | 23 | (1,480,557) | (1,444,746) |
| 毛利 | Gross profit | | 397,804 | 484,120 |
| 銷售及市場推廣開支 | Selling and marketing expenses | 23 | (183,793) | (163,982) |
| 行政開支 | Administrative expenses | 23 | (187,774) | (180,406) |
| 金融資產減值虧損淨額 | Net impairment losses on financial assets | | (8,661) | (7,998) |
| 其他收入 | Other income | 25 | 27,037 | 11,751 |
| 其他收益，淨額 | Other gains, net | 26 | 1,363 | 1,333 |
| 經營利潤 | Operating profit | | 45,976 | 144,818 |
| 融資收入 | Finance income | 27 | 1,598 | 3,437 |
| 融資成本 | Finance costs | 27 | (185,210) | (7,449) |
| 融資成本，淨額 | Finance costs, net | 27 | (183,612) | (4,012) |
| 使用權益法入賬的分佔於聯營公司的淨利潤 | Share of net profit of associates accounted for using the equity method | 12 | 12,873 | 12,462 |
| 除所得稅前(虧損)/利潤 | (Loss)/profit before income tax | | (124,763) | 153,268 |
| 所得稅抵免/(開支) | Income tax credit/(expense) | 28 | 16,084 | (26,553) |
| 年度(虧損)/利潤 | (Loss)/profit for the year | | (108,679) | 126,715 |

合併綜合收益表 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| | 附註 Notes | | |
| 其他綜合收益 | Other comprehensive income | | |
| 可能重新分類至損益的項目 | Items that may be reclassified to profit or loss | | |
| — 按公平值列入其他綜合收益的金融資產變動收益／(虧損)淨額(已扣稅) | Net gains/(losses) from changes in financial assets at fair value through other comprehensive income, net of tax | 10 | 409 (695) |
| — 貨幣換算差額 | Currency translation differences | (18,162) | (24,596) |
| | | (17,753) | (25,291) |
| 年度綜合(虧損)／收益總額 | Total comprehensive (loss)/income for the year | (126,432) | 101,424 |
| 以下各方應佔(虧損)／利潤： | (Loss)/profit attributable to: | | |
| 本公司擁有人 | Owners of the Company | (126,411) | 62,953 |
| 非控股權益 | Non-controlling interests | 17,732 | 63,762 |
| 年度(虧損)／利潤 | (Loss)/profit for the year | (108,679) | 126,715 |
| 以下各方應佔綜合(虧損)／收益總額： | Total comprehensive (loss)/income attributable to: | | |
| 本公司擁有人 | Owners of the Company | (126,002) | 41,851 |
| 非控股權益 | Non-controlling interests | (430) | 59,573 |
| 年度綜合(虧損)／收益總額 | Total comprehensive (loss)/income for the year | (126,432) | 101,424 |
| 本公司擁有人應佔 | (Loss)/earnings per share | | |
| 本年度每股(虧損)／盈利(以每股港仙列示) | attributable to owners of the Company for the year (expressed in HK cents per share) | | |
| — 基本及攤薄 | — Basic and diluted | 29 | (29.69) 13.97 |

以上合併綜合收益表應與隨附附註一併閱讀。

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

合併權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | | 本公司擁有人應佔 Attributable to owners of the Company | | | 非控股權益 Non-controlling interests | 總計 Total |
|--------------------------|--|---|----------------------------------|-------------------------------|--|-------------------------------|
| | | 股本 Share capital 千港元 HKD'000 | 儲備 Reserves 千港元 HKD'000 | 總計 Total 千港元 HKD'000 | 非控股權益 Non-controlling interests 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
| 於2018年1月1日結餘 | Balance at 1 January 2018 | 44,000 | 490,007 | 534,007 | 41,701 | 575,708 |
| 綜合收益 | Comprehensive income | | | | | |
| 年度利潤 | Profit for the year | – | 62,953 | 62,953 | 63,762 | 126,715 |
| 其他綜合虧損 | Other comprehensive loss | – | (21,102) | (21,102) | (4,189) | (25,291) |
| 年度綜合收益總額 | Total comprehensive income for the year | – | 41,851 | 41,851 | 59,573 | 101,424 |
| 非控股權益注資 | Capital injection by non-controlling interests | – | – | – | 3,787 | 3,787 |
| 收購附屬公司產生的非控股權益 (附註36) | Non-controlling interests arising from acquisition of subsidiaries (Note 36) | – | – | – | 7,960 | 7,960 |
| 永久次級可換股證券分派 | Distributions to perpetual subordinated convertible securities ("PSCS") | – | (1,743) | (1,743) | – | (1,743) |
| 為股份獎勵計劃購入股份 (附註32) | Purchase of shares for share award scheme (Note 32) | – | (17,336) | (17,336) | – | (17,336) |
| 股息(附註30) | Dividends (Note 30) | – | (94,160) | (94,160) | (463) | (94,623) |
| 與擁有人以權益持有人身份進行的交易總額 | Total transactions with owners, in their capacity as owners | – | (113,239) | (113,239) | 11,284 | (101,955) |
| 於2018年12月31日的結餘 | Balance at 31 December 2018 | 44,000 | 418,619 | 462,619 | 112,558 | 575,177 |

合併權益變動表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | | 本公司擁有人應佔 Attributable to owners of the Company | | | 非控股權益 Non-controlling interests | 總計 |
|----------------------------|--|---|----------------------------------|-------------------------------|--|-------------------------------|
| | | 股本 Share capital 千港元 HKD'000 | 儲備 Reserves 千港元 HKD'000 | 總計 Total 千港元 HKD'000 | 非控股權益 Non-controlling interests 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
| 於2018年12月31日結餘 (如原先所呈列) | Balance 31 December 2018, as originally presented | 44,000 | 418,619 | 462,619 | 112,558 | 575,177 |
| 會計政策變動(附註2.2) | Change in accounting policy (Note 2.2) | - | (66,634) | (66,634) | (26,801) | (93,435) |
| 於2019年1月1日經重列結餘 | Restated balance at 1 January 2019 | 44,000 | 351,985 | 395,985 | 85,757 | 481,742 |
| 綜合虧損 | Comprehensive loss | | | | | |
| 年度(虧損)/溢利 | (Loss)/profit for the year | - | (126,411) | (126,411) | 17,732 | (108,679) |
| 其他綜合虧損 | Other comprehensive loss | - | (14,987) | (14,987) | (2,766) | (17,753) |
| 年度綜合(虧損)/收益總額 | Total comprehensive (loss)/ income for the year | - | (141,398) | (141,398) | 14,966 | (126,432) |
| 發行股份(附註17) | Issue of shares (Note 17) | 3,568 | 139,153 | 142,721 | - | 142,721 |
| 非控股權益注資 | Capital injection by non-controlling interests | - | - | - | 11,154 | 11,154 |
| 永久次級可換股證券分派 | Distributions to PSCS | - | (2,300) | (2,300) | - | (2,300) |
| 發行永久次級可換股證券(附註19) | Issue of PSCS (Note 19) | - | 19,900 | 19,900 | - | 19,900 |
| 股息(附註30) | Dividends (Note 30) | - | (11,000) | (11,000) | (2,505) | (13,505) |
| 與擁有人以權益持有人身份進行的 交易總額 | Total transactions with owners, in their capacity as owners | 3,568 | 145,753 | 149,321 | 8,649 | 157,970 |
| 於2019年12月31日的結餘 | Balance at 31 December 2019 | 47,568 | 356,340 | 403,908 | 109,372 | 513,280 |

以上合併權益變動表應與隨附附註一併閱讀。

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

合併現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| | 附註 Notes | | |
| 營運活動所得的現金流量 | Cash flows from operating activities | | |
| 營運所得現金 | Cash generated from operations | 718,167 | 162,569 |
| 已付利息 | Interest paid | (14,703) | (6,919) |
| 已繳所得稅 | Income tax paid | (38,468) | (26,803) |
| 營運活動所得現金淨額 | Net cash generated from operating activities | 664,996 | 128,847 |
| 投資活動所得的現金流量 | Cash flows from investing activities | | |
| 收購附屬公司(扣除已收購現金) | Acquisition of subsidiaries, net of cash acquired | – | 279 |
| 購置物業、廠房及設備 | Purchases of property, plant and equipment | (25,856) | (60,179) |
| 按公平值列入損益賬的 金融資產付款 | Payments for financial assets at fair value through profit or loss | (587) | (326) |
| 購置無形資產 | Purchases of intangible assets | (1,798) | (342) |
| 出售物業、廠房及 設備及無形資產所得款項 | Proceeds from disposal of property, plant and equipment and intangible assets | 953 | 1,079 |
| 已收利息 | Interest received | 2,407 | 3,372 |
| 已收金融資產股息 | Dividends on financial assets received | – | 485 |
| 已收聯營公司股息 | Dividends received from an associate | 10,034 | 8,846 |
| 短期銀行存款減少 | Decrease in short-term bank deposits | 6,122 | 25,506 |
| 投資活動所用現金淨額 | Net cash used in investing activities | (8,725) | (21,280) |
| 融資活動所得的現金流量 | Cash flows from financing activities | | |
| 借款所得款項 | Proceeds from borrowings | 450,145 | 395,308 |
| 償還借款 | Repayment of borrowings | (444,839) | (268,283) |
| 永久次級可換股證券分派 | Distribution of PSCS | (2,300) | (881) |
| 就股份獎勵計劃購回股份款項 | Payment for repurchase of shares for share award scheme | – | (17,408) |
| 發行股份(已扣除開支) | Issue of shares, net of expenses | 142,721 | – |
| 非控股權益注資 | Capital injection by non-controlling interests | 11,154 | 3,787 |
| 向本公司擁有人支付的股息 | Dividend paid to owners of the Company | (11,000) | (94,160) |
| 向非控股權益派付股息 | Dividends paid to non-controlling interests | (1,347) | (30,236) |
| 租賃付款的主要成分 | Principal elements of lease payments | (741,838) | – |
| 融資活動所用現金淨額 | Net cash used in financing activities | (597,304) | (11,873) |
| 現金及現金等價物增加淨額 | Net increase in cash and cash equivalents | 58,967 | 95,694 |
| 年初的現金及現金等價物 | Cash and cash equivalents at beginning of the year | 379,931 | 299,188 |
| 現金及現金等價物的匯兌虧損 | Exchange losses on cash and cash equivalents | (23,437) | (14,951) |
| 年終的現金及現金等價物 | Cash and cash equivalents at end of the year | 415,461 | 379,931 |

以上合併現金流量表應與隨附附註一併閱讀。

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

合併財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 一般資料

雅仕維傳媒集團有限公司(「本公司」)於2014年5月20日在開曼群島根據開曼群島公司法(2013年修訂本)註冊成立為一間獲豁免有限公司。本公司註冊辦事處地址為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands。本公司股份於2015年1月15日在香港聯合交易所有限公司主板上市。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「本集團」)主要於中華人民共和國(「中國」)、香港、澳門及東南亞從事戶外廣告媒體發展及經營，包括機場、地鐵廣告、廣告牌及大廈創意廣告。

除另有指明外，此等合併財務報表均以港元(「港元」)呈列，而所有數字已約整至最接近的千位數(千港元)，並已於2020年3月27日由本公司董事會(「董事會」)批准刊發。

2 重大會計政策概要

下文載列編撰此等合併財務報表所應用之主要會計政策。除另有指明外，所有呈報年度均貫徹應用該等政策。

1 GENERAL INFORMATION

Asiaray Media Group Limited (the "Company") was incorporated in the Cayman Islands on 20 May 2014 as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House Grand Cayman, KY1-1104, Cayman Islands. The Company's shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited on 15 January 2015.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the development and operations of out-of-home advertising media, including advertising in airports, metro lines, billboards and building solutions, mainly in the People's Republic of China (the "PRC"), Hong Kong, Macau and Southeast Asia.

These consolidated financial statements are presented in Hong Kong dollars ("HKD") and all figures are rounded to the nearest thousand (HKD'000) unless otherwise stated, and have been approved for issue by the Company's board of directors (the "Board") on 27 March 2020.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 重大會計政策概要(續)

2.1 編製基準

本公司的合併財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)及香港公司條例(第622章)之披露規定所編製。合併財務報表乃按歷史成本法編製，並根據按公平值列入其他綜合收益的金融資產、按公平值列入損益賬的金融資產、按公平值列入損益賬的金融負債及投資物業的重估(均以公平值計量)的重估修訂。

於2019年12月31日，本集團的流動負債超出其流動資產34,074,000港元(2018年12月31日：流動資產淨值335,152,000港元)，乃由於根據香港財務報告準則第16號「租賃」確認2019年12月31日的租賃負債流動部分779,164,000港元(附註2.2)。本公司董事已審視本集團的現金流量預測，其涵蓋2019年12月31日起計的十二個月期間。董事認為本集團的可得資金來源(包括未來十二個月本集團的經營活動所得預期現金流入淨額以及銀行持續提供貸款及銀行融資以向本集團提供援助)足以支付截至2019年12月31日起計未來十二個月的到期的財務責任。因此，該等合併財務報表以持續經營基準編製。

編製符合香港財務報告準則的合併財務報表須運用若干重大會計估計，而管理層應用本集團的會計政策時亦須作出判斷。涉及深層判斷或複雜情況，或假設及估計對合併財務報表有重大影響的範疇，於合併財務報表附註4披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, financial liabilities at fair value through profit or loss and investment properties, which are carried at fair values.

The Group's current liabilities exceeded its current assets by HKD34,074,000 as at 31 December 2019 (31 December 2018: net current assets of HKD335,152,000), as a result of the recognition of current portion lease liabilities amounting to HKD779,164,000 as at 31 December 2019 in accordance with HKFRS 16 "Leases" (Note 2.2). The directors of the Company have reviewed the Group's cash flow projections, which cover a period of twelve months from 31 December 2019. The directors are of the opinion that the Group's available sources of funds, including the Group's expected net cash inflows from its operating activities in the next twelve months and the continuous support from its banks by providing loans and banking facilities to the Group, is sufficient to fulfil financial obligations as and when they fall due in the coming twelve months from 31 December 2019. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 to the consolidated financial statements.

2 重大會計政策概要(續)

2.1 編製基準(續)

(a) 本集團已採納的新準則、準則修訂及詮釋

本集團已於2019年1月1日開始之財政年度首次應用下列新準則、現有準則修訂及詮釋：

| | |
|---------------------------------|------------------------|
| 年度改善項目 | 2015年至2017年週期 之年度改進 |
| 香港財務報告準則 第16號 | 租賃 |
| 香港財務報告準則 第9號(修訂本) | 具有反向賠償的提前 支付特性 |
| 香港會計準則第28號 (修訂本) | 於聯營公司及合營 公司的長期權益 |
| 香港會計準則第19號 (修訂本) | 計劃修訂、縮減或 結算 |
| 香港(國際財務報告 詮釋委員會) — 詮釋第23號 | 所得稅處理的不確 定性 |

採納香港財務報告準則第16號導致本集團需要更改其會計政策。本集團選擇追溯採納新準則，但確認了於2019年1月1日首次應用新準則的累計效應。此披露於附註2.2。上文所列大部分其他修訂本對過往期間確認的金額並無任何影響，且預計不會對當前或未來期間造成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(a) New standards, amendment to standards and interpretation adopted by the Group

The Group has applied the following new standards, amendments to existing standards and interpretation for the first time for their financial year beginning on 1 January 2019:

| | |
|---|--|
| Annual Improvement Project HKFRS 16 | Annual Improvements 2015-2017 Cycle Leases |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation |
| Amendments to HKAS 28 | Long-term interests to Associates and Joint Ventures |
| Amendments to HKAS 19 | Plan Amendment, Curtailment or Settlement |
| HK(IFRIC)-Int 23 | Uncertainty over Income Tax Treatments |

The Group had to change its accounting policies as a result of adopting HKFRS 16. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 January 2019. This is disclosed in Note 2.2. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 重大會計政策概要(續)

2.1 編製基準(續)

- (b) 已頒佈但尚未生效及本集團並無提早採納的新準則及現有準則修訂

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) New standards and amendments to existing standards that have been issued but are not effective and have not been early adopted by the Group

| | | 於以下日期或之後 開始的年度期間生效 Effective for annual periods beginning on or after |
|---|---|---|
| 香港財務報告準則第3號(修訂本) | 業務之定義 | 2020年1月1日 |
| Amendments to HKFRS 3 | Definition of a business | 1 January 2020 |
| 2018年財務報告概念框架 | 經修訂財務報告概念框架 | 2020年1月1日 |
| Conceptual Framework for Financial Reporting 2018 | Revised Conceptual Framework for Financial Reporting | 1 January 2020 |
| 香港財務報告準則第17號 | 保險合約 | 2021年1月1日 |
| HKFRS 17 | Insurance contracts | 1 January 2021 |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營公司之間的資產銷售或注資 | 待定 |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined |

上述新準則、現有準則修訂及詮釋已經頒佈及並未於2019年1月1日開始的年度報告期間強制生效，且本集團並無提早採納。該等準則預期不會對本集團當前或未來的報告期間以及可預見的未來交易產生重大影響。

The above new standards, amendments to existing standards and interpretations have been published that are not mandatory for the annual reporting periods commencing 1 January 2019 and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2 重大會計政策概要(續)

2.2 會計政策之變動

本附註說明採納香港財務報告準則第16號「租賃」對本集團合併財務報表的影響。

如上文附註2.1所顯示，本集團已自2019年1月1日起追溯採納香港財務報告準則第16號「租賃」，但並無按該準則的特定過渡條文項下所允許重列2018年報告期間之比較資料。因此，新租賃規則產生的重新分類及調整已在2019年1月1日的期初資產負債表內確認。新會計政策於附註2.32披露。

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號「租賃」的原則分類為「經營租賃」的租賃確認租賃負債。該等負債按照餘下租賃付款的現值計量，並使用截至2019年1月1日承租人增量借款利率貼現。於2019年1月1日應用於租賃負債的加權平均承租人增量借款利率為5.71%。

(i) 已採用之可行權宜方法

於首次應用香港財務報告準則第16號時，本集團已採用以下該準則允許之確認豁免及可行權宜方法：

- 對具有合理相若特徵之租賃組合採用單一貼現率
- 依賴過往評估來確定租賃是否屬繁重性質
- 將於2019年1月1日之餘下租賃期少於12個月之經營租賃按短期租賃列賬
- 豁免相關資產屬低價值之經營租賃
- 就計量於初步應用日期之使用權資產剔除初始直接成本；及
- 事後釐定有權選擇延期或終止租賃之合約的租賃期。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 "Leases" on the Group's consolidated financial statements.

As indicated in Note 2.1 above, the Group has adopted HKFRS 16 Leases retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The new accounting policies are disclosed in Note 2.32.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5.71%.

(i) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following recognition exemptions and practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics,
- reliance on previous assessment on whether leases are onerous,
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases,
- exempting operating leases for which the underlying assets are of low value,
- excluding initial direct costs for the measurement of the right-of-use assets at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

2 重大會計政策概要(續)

2.2 會計政策之變動(續)

(i) 已採用之可行權宜方法(續)

本集團亦選擇不就於初步應用日期屬於或包含租賃的合約作出重新評估。相反，就於過渡日期前訂立的合約而言，本集團依賴應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包含租賃」作出的評估。

(ii) 計量租賃負債

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(i) Practical expedients applied (Continued)

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK(IFRIC)-4 "Determining whether an Arrangement contains a Lease".

(ii) Measurement of lease liabilities

| | | 千港元 HKD'000 |
|---------------------------|---|----------------|
| 於2018年12月31日披露的經營租 | Operating lease commitments disclosed as at 31 December 2018 | 3,008,434 |
| 賃使用於首次應用日期承租人的 增量借貸率貼現 | Discounted using the lessee's incremental borrowing rate of at the date of initial application | 2,586,292 |
| 減：按直線基準確認為開支的短期及低 價值租賃 | Less: short-term and low-value leases recognised on a straight-line basis as expense | (93,947) |
| 於2019年1月1日確認的租賃負債 | Lease liabilities recognised as at 1 January 2019 | 2,492,345 |
| 當中： | Of which are: | |
| — 流動 | – Current | 665,441 |
| — 非流動 | – Non-current | 1,826,904 |
| | | 2,492,345 |

2 重大會計政策概要(續)

2.2 會計政策之變動(續)

(iii) 計量使用權資產

相關之使用權資產乃按追溯基準計量，猶如新規則一直獲應用。其他使用權資產乃按相當於租賃負債的金額計量，並經與於2018年12月31日在合併資產負債表確認之租賃有關之任何預付或應計租賃付款金額進行調整。

先前於合併資產負債表呈列為單獨項目的土地使用權已自2019年1月1日起歸類為使用權資產的一部分。

於2019年1月1日，已確認使用權資產與以下類別資產有關：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(iii) Measurement of right-of-use assets

The associated right-of-use assets were measured on a retrospective basis as if the new rules had always been applied. Other right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated balance sheet as at 31 December 2018.

Land use rights previously presented as a separate item on the consolidated balance sheet is grouped as part of right-of-use assets with effect from 1 January 2019.

The recognised right-of-use assets relate to the following types of assets as at 1 January 2019:

| | | 千港元 HKD'000 |
|-------|----------------------|----------------|
| 廣告裝置 | Advertising fixtures | 2,119,289 |
| 辦公室 | Office | 23,377 |
| 土地使用權 | Land use rights | 23,724 |
| | | <hr/> |
| | | 2,166,390 |

2 重大會計政策概要(續)

2.2 會計政策之變動(續)

(iv) 於2019年1月1日在合併資產負債表確認的調整

會計政策變動影響了於2019年1月1日合併資產負債表的下列項目：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(iv) Adjustments recognised in the consolidated balance sheet on 1 January 2019

The changes in accounting policies affected the following items in the consolidated balance sheet on 1 January 2019:

| | | 2018年 12月31日 (如原先所呈列) 31 December 2018 as originally presented 千港元 | 採納香港 財務報告 準則第16號 的影響 Effects of the adoption of HKFRS 16 千港元 | 2019年 1月1日 重列 1 January 2019 Restated 千港元 |
|---------------|---|---|---|---|
| 合併資產負債表(摘錄) | | Consolidated balance sheet (extract) | HKD'000 | HKD'000 |
| 非流動資產 | Non-current assets | | | |
| 土地使用權 | Land use rights | 23,724 | (23,724) | – |
| 使用權資產(附註7) | Right-of-use assets (Note 7) | – | 2,166,390 | 2,166,390 |
| 遞延所得稅資產(附註14) | Deferred income tax assets (Note 14) | 92,937 | 27,789 | 120,726 |
| 流動資產 | Current assets | | | |
| 應收賬款及其他應收款項 | Trade and other receivables | 840,865 | (32,945) | 807,920 |
| 流動負債 | Current liabilities | | | |
| 租賃負債(附註7) | Lease liabilities (Note 7) | – | (665,441) | (665,441) |
| 應付賬款及其他應付款項 | Trade and other payables | (573,053) | 261,400 | (311,653) |
| 非流動負債 | Non-current liabilities | | | |
| 租賃負債(附註7) | Lease liabilities (Note 7) | – | (1,826,904) | (1,826,904) |
| 股權 | Equity | | | |
| 保留盈利(附註18) | Retained earnings (Note 18) | (184,450) | 66,634 | (117,816) |
| 非控股權益 | Non-controlling interests | (112,558) | 26,801 | (85,757) |

2 重大會計政策概要(續)

2.2 會計政策之變動(續)

(iv) 於2019年1月1日在合併資產負債表確認的調整(續)

以下分部業績及每股虧損受會計政策變動所影響：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(iv) Adjustments recognised in the consolidated balance sheet on 1 January 2019 (Continued)

The following segments results and loss per share were affected by the changes in the accounting policy:

| | | 截至 2019年 12月31日止 年度的分部 毛利增加 Increase in segment gross profit for the year ended 31 December 2019 千港元 HKD'000 |
|----------|-------------------------------|---|
| 機場業務 | Airport business | 56,416 |
| 地鐵及廣告牌業務 | Metro and billboards business | 57,095 |
| | | 113,511 |

| | | 截至 2019年12月 31日止年度 Year ended 31 December 2019 千港元 HKD'000 |
|--------------|--|---|
| 營運開支減少 | Decrease in operating expenses | (861) |
| 融資成本增加 | Increase in finance costs | 171,037 |
| 所得稅開支減少 | Decrease in income tax expense | (6,449) |
| 本公司擁有人應佔虧損增加 | Increase in loss attributable to owners of the Company | (77,438) |

由於採用香港財務報告準則第16號，截至2019年12月31日止年度的每股虧損按每股17.9港仙增加。

Loss per share increased by HKD17.9 cents per share for the year ended 31 December 2019 as a result of the adoption of HKFRS 16.

2 重大會計政策概要(續)

2.3 合併及股權會計法原則

2.3.1 附屬公司

附屬公司指本集團對其有控制權的實體(包括結構性實體)。當本集團承受或享有參與實體所得之可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團之日起開始完全合併。附屬公司自控制權終止日起終止合併。

會計收購法用作對本集團作出的業務合併進行列賬(如下文附註2.4所述)。

公司間交易、結餘及集團公司間交易的未變現收益會予以對銷。未變現虧損亦會對銷，除非該交易提供所轉移資產減值的證據。附屬公司的會計政策已於需要時作出調整，以符合本集團所採納的政策。

附屬公司業績及股權中的非控股權益分別單獨列示於合併綜合收益表、合併權益變動表及合併資產負債表。

2.3.2 聯營公司

聯營公司指集團對其有重大影響力，但無控制權的實體。一般情況下，隨附20%至50%投票權的股權。於聯營公司的投資期初以成本確認後，其後會以權益會計法入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting

2.3.1 Subsidiaries

Subsidiaries are entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group as Note 2.4 below.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, accounting policies of the subsidiaries have been adjusted to conform with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

2.3.2 Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

2 重大會計政策概要(續)

2.3 合併及股權會計法原則(續)

2.3.3 權益會計法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後溢利或虧損並於其他全面收入確認本集團應佔被投資方其他全面收入的變動。已收或應收聯營公司的股息確認為投資賬面值扣減。

倘本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，除非已代表另一實體承擔責任或作出付款。

本集團與其聯營公司之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷，除非該交易顯示已轉讓資產減值的證據。權益入賬被投資方的會計政策已在需要時作出調整，以確保與本集團所採納會計政策一致。

權益入賬投資的賬面值根據附註2.12所述政策進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

2.3.3 Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.12.

2 重大會計政策概要(續)**2.3 合併及股權會計法原則(續)****2.3.4 擁有權權益變動**

本集團將不導致喪失控制權的非控股權益交易視作與本集團權益擁有人的交易。擁有權權益變動導致控股與非控股權益賬面值的調整，以反映其於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因喪失控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營公司或金融資產的保留權益而言，該公允價值為初始賬面值。此外，先前於其他全面收入就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他全面收入確認的金額重新分類至損益或轉撥至適用香港財務報告準則所指明／許可的另一權益類別內。

倘於一間聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他全面收入確認的金額僅有一定比例份額重新分類至損益(如適用)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.3 Principles of consolidation and equity accounting (Continued)****2.3.4 Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 重大會計政策概要(續)

2.4 業務合併

所有業務合併均以收購會計法入賬，無論所收購者為權益工具或其他資產。收購一間附屬公司所轉讓的代價包括：

- 所轉讓資產的公允價值，
- 所收購業務先前擁有人產生的負債，
- 本集團發行的股權，
- 或然代價安排產生的任何資產或負債的公允價值，及
- 任何先前存在的附屬公司股權的公允價值。

除有限例外情況外，於業務合併收購的可識別資產以及承擔的負債及或然負債，初步按收購日期的公允價值計量。本集團根據個別收購交易按公允價值或非控股權益應佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時列作開支。

- 所轉讓代價，
- 於被收購實體的任何非控股權益金額，及
- 任何先前於被收購實體的權益於收購日期的公允價值

與已收購可識別資產淨值的公允價值的差額按商譽列賬。倘上述金額低於所收購業務可識別資產淨值的公允價值，有關差額會作為一項廉價購買直接於損益內確認。

倘業務合併分階段完成，收購方過往於被收購方所持股權於收購日期的賬面值重新計量至收購日期的公允價值。該項重新計量所產生的任何收益或虧損於損益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group,
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2 重大會計政策概要(續)

2.5 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股息基準列賬。

倘投資附屬公司收取的股息超過附屬公司於股息宣派期間的全面收入總額或投資於獨立財務報表中的賬面值超過投資對象資產淨值(包括商譽)於合併財務報表中的賬面值，則於從該等投資收到股息時須對附屬公司的投資進行減值測試。

2.6 分部報告

經營分部乃以與提交予主要經營決策者的內部報告一致的方式呈報。主要經營決策者負責分配資源及評估經營分部表現，並被指定為本公司執行董事(「執行董事」)。

2.7 外幣換算

(a) 功能貨幣及呈列貨幣

本集團旗下各實體的財務報表列述的項目，乃採用有關實體營運業務所處主要經濟環境的貨幣(「功能貨幣」)計量。合併財務報表以本公司的功能貨幣及本集團的呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易按交易當日適用的匯率換算為功能貨幣。因該等交易結算及因按年結日匯率換算以外幣計值的貨幣資產及負債而產生的匯兌收益及虧損，均在損益賬確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Separate financial statements

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

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company ("Executive Directors").

2.7 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HKD, which is the Company's functional currency and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency 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.

2 重大會計政策概要(續)

2.7 外幣換算(續)

(b) 交易及結餘(續)

有關借款及現金及現金等價物的匯兌收益及虧損，以及所有其他匯兌收益及虧損在損益賬內「其他收益，淨額」項下呈列。

非貨幣金融資產及負債的換算差額於損益賬確認為公平值收益或虧損。非貨幣金融資產(例如分類為按公平值列入其他綜合收益的股權)的換算差額歸類於其他綜合收益。

(c) 集團公司

功能貨幣與呈列貨幣不同的所有集團實體(均無極高通脹經濟地區的貨幣)的業績及財務狀況，均按下列方式換算為呈列貨幣：

- (i) 各資產負債表呈列的資產及負債按該資產負債表的結算日的收市匯率換算；
- (ii) 各收益表的收支按平均匯率換算(除非該平均匯率未能合理反映各交易日適用的匯率所帶來的累積影響，則按照交易當日換算該等收支)；及
- (iii) 所產生的所有匯兌差額均在其他綜合收益內確認為一獨立部分。

合併入賬時，因換算於海外營運的投資淨額所產生的匯兌差額，均列入其他綜合收益內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents and all other foreign exchange gains and losses are presented in profit or loss within 'other gains, net'.

Translation differences on non-monetary financial assets and liabilities are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income, are included in other comprehensive income.

(c) Group companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income.

2 重大會計政策概要(續)

2.7 外幣換算(續)

(d) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務的全部權益)時, 公司擁有人應佔該業務於權益中累計的所有貨幣換算差額重新分類至損益賬。

倘進行部分出售並無導致本集團失去對擁有海外業務的附屬公司的控制權, 則所佔的累計貨幣換算差額的比例將重新歸屬於非控股權益, 且不會在損益賬確認。就所有其他部分出售(即集團於聯營公司或合營公司的擁有權權益減少不會導致集團失去重大影響力或共同控制)而言, 按比例分佔累計匯兌差額重新分類至損益賬。

2.8 物業、廠房及設備

所有物業、廠房及設備按歷史成本減累計折舊及累計減值支出列賬。歷史成本包括收購有關項目直接產生的支出。

僅在項目相關的未來經濟利益可能流入本集團而項目成本能可靠計量的情況下, 其後成本方會按適用情況歸類於資產的賬面值或另行確認為資產。被替換部分的賬面值將被終止確認。所有其他維修及保養費用在產生的報告期間內於損益賬扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the group's ownership interest in associates or joint ventures that do not result in the group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2.8 Property, plant and equipment

All property, plant and equipment are stated at historical costs less accumulated depreciation and accumulated impairment charge. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2 重大會計政策概要(續)

2.8 物業、廠房及設備(續)

折舊按下列估計可使用年期以直線法計算，將其成本分攤至其剩餘價值：

| | |
|---------|--------------------|
| 建築物 | 20年 |
| 租賃物業裝修 | 剩餘租期或可使用年期(以較短者為準) |
| 汽車 | 5年 |
| 傢俬及辦公設備 | 3至5年 |
| 廣告設施 | 2至10年 |

於各報告期末均會檢討資產的剩餘價值及可使用年期，並在適當情況下作出調整。

倘資產賬面值高於其估計可收回金額，則即時將該資產的賬面值撇減至其可收回金額(附註2.12)。

出售的收益及虧損按所得款項與賬面值之差額釐定，並於損益賬內「其他收益，淨額」中確認。

2.9 土地使用權

土地使用權即就土地使用權向中國國土資源局支付的款項。土地使用權按成本減累計攤銷及累計減值虧損列賬，並按使用權期40年以直線法計提攤銷撥備以撇銷土地使用權成本。自2019年1月1日起，先前於合併資產負債表呈列為單獨項目的土地使用權列為使用權資產的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|--------------------------------|---|
| Buildings | 20 years |
| Leasehold improvements | Shorter of remaining lease term or useful lives |
| Motor vehicles | 5 years |
| Furniture and office equipment | 3–5 years |
| Advertising fixtures | 2–10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other gains, net' in profit or loss.

2.9 Land use rights

Land use rights represents payment of land use rights to the PRC's land bureau. Land use rights is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided to write off the cost of land use rights on a straight-line basis over the periods of right which is 40 years. Land use right previously presented as a separate item on the consolidated balance sheet is grouped as part of right-of-use assets with effect from 1 January 2019.

2 重大會計政策概要(續)**2.10 投資物業**

投資物業主要為永久業權的辦公大樓，乃就賺取長期租金回報而持有，且並非由本集團佔用。投資物業初步按其成本（包括相關交易成本及（如適用）借款成本）計量。其後，投資物業按公平值列賬。公平值變動於損益賬呈列為其他收入的一部分。

2.11 無形資產**(i) 商譽**

商譽按附註2.4所述方式計量。收購附屬公司的商譽歸類於無形資產。商譽不會攤銷，但每年作減值測試，倘有事件或情況變化顯示商譽可能減值，則會更頻密地進行測試，並按成本減累計減值虧損列賬。出售一家實體的損益賬包括有關出售實體的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。獲分配商譽的該等現金產生單位或現金產生單位組別預期將因產生商譽的業務合併而受益。各單位或單位組別為就內部管理目的而監察商譽的最低層次，即經營分部（附註5）。

(ii) 軟件

所購買的電腦軟件授權乃根據購買及使用特定軟件所產生的成本撥充資本，並按其估計可使用年期5年攤銷。

(iii) 商標

於業務合併時獲得的商標按於收購日期的公平值確認。商標的有限可使用年期為10年。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.10 Investment properties**

Investment properties, principally freehold office buildings, are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss as part of other income.

2.11 Intangible assets**(i) Goodwill**

Goodwill is measured as described in Note 2.4. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 5).

(ii) Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software, and are amortised over their estimated useful lives of 5 years.

(iii) Brand name

Brand name acquired in a business combination is recognised at fair value at the acquisition date. It has a finite useful life of 10 years.

2 重大會計政策概要(續)

2.12 非金融資產減值

可使用年期不確定的資產或尚未可供使用的資產毋須攤銷，並每年進行減值測試。倘發生事件或環境變動而顯示賬面值可能無法收回，則檢討資產減值情況。倘資產的賬面值超過其可收回金額，則就超出的金額確認減值虧損。可收回金額即資產公平值減銷售成本與使用價值兩者中的較高者。為評估減值，資產按可單獨識別現金流量(現金產生單位)的最低水平分類。於各報告日期末對出現減值的非金融資產(商譽除外)進行檢討，以確定能否撥回減值。

2.13 金融資產

(i) 分類

本集團將其金融資產分類按公平值列入其他綜合收益(「其他綜合收益」)或列入損益賬的金融資產及按攤銷成本入賬的金融資產。

分類取決於實體管理金融資產及現金流量合約條款之業務模式。

就按公平值計量的資產而言，收益及虧損將於損益賬或其他綜合收益中記錄。就並非持作買賣之權益工具投資而言，則取決於本集團是否作出不可撤回選擇，於初步確認時將以公平值列入其他綜合收益計量(「按公平值列入其他綜合收益」)之權益工具入賬。

當且僅當本集團管理有關資產的業務模式變動時，本集團方會重新分類債務投資。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of non-financial assets

Assets that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting date.

2.13 Financial assets

(i) Classification

The Group classifies its financial assets as financial assets at fair value (either through other comprehensive income ("OCI") or through profit or loss), and at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 重大會計政策概要(續)

2.13 金融資產(續)

(ii) 確認及終止確認

一般的金融資產買賣於有關交易日期(即本集團承諾買賣該資產當日)確認。倘從金融資產收取現金流量的權利已到期或已轉讓,及本集團已轉讓擁有權的絕大部分風險和回報,則終止確認該等金融資產。

(iii) 計量

於初次確認時,本集團按公平值另加(倘為並非按公平值列入損益賬(「按公平值列入損益賬」)的金融資產)收購金融資產直接相關的交易成本計量金融資產。按公平值列入損益賬的金融資產的交易成本於損益賬內支銷。

債務工具

債務工具的其後計量方式取決於本集團管理資產的業務模式及資產的現金流量特點。本集團將其債務工具分為三個計量類別:

- 攤銷成本:持作目的乃為收取合約現金流量且該等現金流量僅為本金及利息的付款的資產按攤銷成本計量。該等金融資產所得利息收入使用實際利率法歸類於融資收入。終止確認產生的任何收益或虧損連同匯兌收益及虧損直接於損益賬內確認及於其他收益內呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Financial assets (Continued)

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'other gains, net' together with foreign exchange gains and losses.

2 重大會計政策概要(續)

2.13 金融資產(續)

(iii) 計量(續)

債務工具(續)

- 按公平值列入其他綜合收益：持作目的為收取合約現金流量及出售金融資產的資產，且該等資產的現金流量僅為本金及利息的付款，按公平值列入其他綜合收益。賬面值變動歸類於其他綜合收益，惟減值收益或虧損、利息收入及匯兌收益及虧損乃於損益賬確認。終止確認金融資產時，先前於其他綜合收益確認的累計收益或虧損自權益重新分類至損益賬及於其他收益淨額確認。該等金融資產所得利息收入使用實際利率法歸類於融資收入。匯兌收益及虧損於其他收益淨額呈列，而減值開支於損益賬內單獨呈列。
- 按公平值列入損益賬：不符合攤銷成本或按公平值列入其他綜合收益標準的資產按公平值列入損益賬。其後按公平值列入損益賬計量的債務投資收益或虧損於損益賬內確認及於產生期間於其他收益，淨額內按淨值呈列。

股本工具

本集團其後按公平值計量所有股權投資。倘本集團管理層選擇於其他綜合收益呈列股權投資之公平值收益及虧損，終止確認投資後，概無後續重新分類公平值收益及虧損至損益賬。當本集團有權收取股息付款時，該等投資之股息繼續於損益賬確認為其他收入。

按公平值列入損益賬的金融資產公平值變動於損益賬的其他收益淨額確認。按公平值列入其他綜合收益計量之股權投資之減值虧損(及減值虧損撥回)不會因公平值的其他變動而分開列報。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'other gains, net'. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains, net and impairment expenses are presented in profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'other gains, net' in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in profit or loss within other gains, net. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2 重大會計政策概要(續)**2.13 金融資產(續)****(iv) 減值**

本集團按前瞻性基準評估與按攤銷成本及按公允價值計量且其變動歸類於其他綜合收益的債務工具有關的預期信貸虧損。應用的減值方法取決於信貸風險是否大幅增加。就應收賬款而言，本集團應用香港財務報告準則第9號批准的簡化方法，其規定初始確認應收款項時予以確認的預計使用年期虧損。

2.14 抵銷金融工具

當法定可執行權利抵銷已確認金額，並且擬同時按淨值結算或變現資產和清償負債時，金融資產及負債會互相抵銷，而淨值在合併資產負債表內呈報。法定可執行權利不得依賴未來事件而定，而在一般業務過程中及倘若公司或交易對手發生違約、無力償債或破產事件時，亦必須具有約束力。於2019年12月31日並無抵銷金融工具。

2.15 存貨

存貨按成本及可變現淨值的較低者入賬。成本包括採購成本。可變現淨值為在日常業務過程中的估計售價減去完成的估計成本及使其可供出售的成本。

存貨出售時，存貨的賬面值在相關收入獲確認的期間內確認為開支。任何撇減存貨至可變現淨值的金額及所有存貨虧損乃於產生撇減或損失的期間內確認為開支。任何存貨撇減的任何撥回金額乃於發生撥回的期間內確認為已確認為開支的存貨金額的扣減。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.13 Financial assets (Continued)****(iv) Impairment**

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty. There is no offsetting financial instruments as at 31 December 2019.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost comprises all costs of purchase. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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 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.

2 重大會計政策概要(續)**2.16 應收賬款及其他應收款項**

應收賬款為就日常業務過程中銷售的商品或提供的服務應收客戶或代理的款項。預期於一年或以內收回的應收賬款及其他應收款項分類為流動資產，否則歸為非流動資產。

應收賬款及其他應收款項初始按公平值確認，其後採用實際利率法按攤銷成本扣除減值撥備計量。

2.17 現金及現金等價物

在合併現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下的其他短期高流通性投資。原到期日超過三個月但少於一年的銀行存款被分類為短期銀行存款。

2.18 股本及為僱員股份計劃持有股份

普通股列入權益類別。發行新股份或購股權直接產生的增量成本在權益內列作所得款項的扣減項(已扣稅)。

倘任何集團公司購入本公司的權益工具，所支付的代價(包括任何扣除所得稅的後直接所佔的增量成本)從本公司擁有人應佔權益中扣除作為庫存股份，直至股份被註銷或重新發行為止。如有關普通股其後被重新發行，任何已收取代價(扣除任何直接所佔的增量交易成本及相關所得稅影響)歸類於本公司擁有人應佔權益。股份獎勵計劃信託持有的股份披露為庫存股份，並從繳入權益扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.16 Trade and other receivables**

Trade receivables are amounts due from customers or agents for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less, they are classified as current assets. Otherwise, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.17 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank deposits with original maturities over three months but less than one year are classified as 'short-term bank deposits'.

2.18 Share capital and shares held for employee share scheme

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company. Shares held by the Share Award Scheme Trust are disclosed as treasury shares and deducted from contributed equity.

2 重大會計政策概要(續)**2.19 永久次級可換股證券**

本公司所發行之永久次級可換股證券授予其持有人權力隨時以固定的每股行使價將該等證券轉換為固定數目的本公司股份。永久次級可換股證券並無到期日及可按本公司選擇贖回。該等證券乃權益工具。

2.20 應付賬款及其他應付款項

應付賬款乃日常業務過程中向供應商購買貨品或服務的支付責任。付款到期日為一年或以下的應付賬款及其他應付款項歸為流動負債類別，否則歸為非流動負債。

應付賬款及其他應付款項初始按公平值確認，其後採用實際利率法按攤銷成本入賬。

2.21 借款及借款成本

借款最初按公平值(扣除已產生的交易成本)確認。借款隨後按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值之間的任何差額於期內採用實際利率法在損益賬內確認。

倘貸款很有可能部分或全部被提取，設立貸款融資所支付的費用將確認為貸款交易成本。於該情況下，該費用會遞延至提取融資為止。倘無跡象顯示該貸款很有可能部分或全部被提取，該費用將撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

除非本集團擁有無條件權利，可延遲償還負債至報告期結束後至少12個月，否則借款應列為流動負債。

所有其他借款成本於產生期間在損益賬確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.19 Perpetual subordinated convertible securities**

PSCS issued by the Company gives the right to the holder to convert those securities into a fixed number of the Company's shares at any time at a fixed exercise price per share. The perpetual subordinated convertible securities have no maturity date and are redeemable at the option of the Company. These securities are equity instruments.

2.20 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.21 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over their period using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 重大會計政策概要(續)

2.22 即期及遞延所得稅

年內稅項開支包括即期及遞延稅項。稅項於損益賬確認，惟倘若其涉及於其他綜合收益中或直接於權益確認的項目則除外。在此情況下，稅項亦分別於其他綜合收益或權益中確認。

(a) 即期所得稅

即期所得稅開支根據本公司的附屬公司經營及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅法計算。管理層會定期就有待詮釋的適用稅務法規評估報稅狀況，並在適當情況下按預期須向稅務機構繳納的稅款計提撥備。

(b) 遞延所得稅

遞延所得稅按資產及負債的稅基與其在合併財務報表的賬面值之間的暫時差額以負債法悉數撥備。然而，若遞延稅項負債產生自對商譽的初步確認而未獲確認。倘遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，亦不予列賬。遞延所得稅採用在報告期末前已頒佈或實質頒佈，並預期在有關遞延所得稅資產變現或遞延所得稅負債結算時適用的稅率(及法例)釐定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 重大會計政策概要(續)

2.22 即期及遞延所得稅(續)

(b) 遞延所得稅(續)

有關按公允價值計量的投資物業的遞延稅項負債乃假設該物業將透過出售完全收回釐定。

遞延稅項資產僅在未來應課稅金額將可用於利用該等暫時差異及虧損時予以確認。

倘本公司能控制撥回暫時差額的時間及該等差異很可能不會於可見將來撥回，則不會就海外業務投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

倘若存在可依法強制執行的權利將即期稅項資產與負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨額基準清償或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

當期及遞延稅項於損益賬中確認，惟有關於其他綜合收益或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他綜合收益或直接於權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 重大會計政策概要(續)

2.23 僱員福利

(a) 退休金責任

定額供款式計劃是一項退休金計劃，本集團據此支付固定的供款予一個獨立的實體。倘若該基金於當期及過往期間並無足夠的資產用於支付所有僱員有關僱傭服務的福利，本集團並無法定或推定責任支付進一步的供款。

本集團的中國附屬公司及香港附屬公司分別按月對多項定額供款計劃及香港的強制性公積金計劃作出供款。於繳付供款後，本集團再無其他付款責任。供款於到期時確認為僱員福利開支。中國附屬公司的計劃資產由中國有關政府部門持有及管理，而香港附屬公司供款計劃的資產由香港單獨的信託管理基金持有。該等供款計劃的資產與本集團的資產分開。

(b) 僱員應享假期

僱員享有年假的權利在僱員應享有之時確認。本集團為截至報告期末止因僱員提供服務而產生之年假之估計負債作出撥備。僱員之病假及產假於僱員支取假期時方予確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Employee benefits

(a) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group's PRC subsidiaries and Hong Kong subsidiaries contribute on a monthly basis to various defined contribution plans and the mandatory provident fund plan in Hong Kong, respectively. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Assets of the plans of the PRC subsidiaries are held and managed by the relevant PRC government authorities; while assets of the plans of the Hong Kong subsidiaries are held in separate trustee-administrated funds in Hong Kong. The assets of the plans are separated from those of the Group.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick and maternity leave are not recognised until the time of leave.

2 重大會計政策概要(續)

2.24 以股份為基礎之付款

(a) 以權益結算以股份為基礎之付款交易

本集團設有多項以權益結算的股份基礎報酬計劃，據此，實體視僱員所提供服務為本集團權益工具的代價。

僱員購股權

僱員就獲授購股權所提供服務的公平值確認為開支。將予支銷總金額參照所授出購股權的公平值而釐定：

- 包括任何市場表現條件，例如實體的股價；
- 不包括任何服務及非市場表現歸屬條件的影響，例如盈利能力、銷售增長目標及在特定時限內留聘實體僱員；及
- 包括任何非歸屬條件的影響，例如在特定時限內規定僱員儲蓄或持有股份。

於各報告期末，本集團根據非市場表現及服務條件修訂對預期歸屬之購股權數目所作之估計，並在損益賬確認修訂原來估計產生之影響(如有)，並對權益作出相應調整。

此外，在部分情況下，僱員可在授出日期之前提供服務，故授出日期的公平值就確認服務開始期與授出日期的期間內的開支作出估計。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Share-based payments

(a) Equity-settled share-based payment transactions

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group.

Employee options

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

2 重大會計政策概要(續)

2.24 以股份為基礎之付款(續)

(a) 以權益結算以股份為基礎之付款交易(續)

本公司於購股權獲行使時發行新股份。所收款項(扣除任何直接應計交易成本)會撥入股本及股份溢價。

倘權益獎勵透過沒收而被註銷，當並無達成歸屬條件(不包括市況)時，於沒收日期並無就該獎勵確認任何開支，則被視為猶如其並無獲確認。同時，任何先前就該註銷權益獎勵確認的開支自沒收當日存在的賬目撥回。

僱員股份獎勵計劃

根據僱員股份獎勵計劃，以零現金代價透過僱員股份信託向僱員發行的股份於授出日期即時歸屬。該日，已發行股份的市值確認為僱員福利開支，權益相應增加。

(b) 集團實體間以股份為基礎之付款交易

本公司向本集團附屬公司之僱員所授出其股本工具之購股權乃視為資本出資。所獲得僱員服務之公平值乃參考授出日期之公平值計量，於歸屬期內確認為增加對附屬公司之投資，並相應歸類於母公司實體賬目內之權益。

2.25 認股權證儲備

本公司發行將以固定金額的現金換取本公司固定數目的自有股本工具方式結算的認股權證屬股本工具。發行認股權證的代價於權益(認股權證儲備)內確認。認股權證儲備將於行使認股權證時轉撥至股本及股份溢價賬。於屆滿日期尚未行使認股權證時，於認股權證儲備確認的過往金額將轉撥至累計利潤。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Share-based payments (Continued)

(a) Equity-settled share-based payment transactions (Continued)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

If an equity award is cancelled by forfeiture, when the vesting conditions (other than market conditions) have not been met, any expense not yet recognised for that award, as at the date of forfeiture, is treated as if it had never been recognised. At the same time, any expense previously recognised on such cancelled equity awards are reversed from the accounts effective as at the date of forfeiture.

Employee share award scheme

Under the employee share award scheme, shares issued by the Employee Share Trust to employees for no cash consideration vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense with a corresponding increase in equity.

(b) Share-based payment transactions among Group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

2.25 Warrant reserve

Warrants issued by the Company that will be settled by a fixed amount of cash for a fixed number of the Company's own equity instruments are equity instruments. The consideration from the issue of warrants are recognised in equity (warrant reserve). The warrant reserve will be transferred to share capital and share premium accounts upon the exercise of the warrants. When the warrants are still not exercised at the expiry date, the amount previously recognised in the warrant reserve will be transferred to accumulated profits.

2 重大會計政策概要(續)

2.26 撥備

當本集團須就過往事件而承擔現有法律或推定責任，同時履行該責任很有可能導致資源流出，且能夠可靠地估計金額的情況下，則須確認撥備。本集團不會就未來經營虧損確認撥備。

倘出現多項類似責任，履行責任時導致資源流出的可能性乃考慮整體責任的類別後釐定。即使任何一項同類責任可能導致資源流出的機會不大，仍會確認撥備。

撥備乃按採用稅前利率計算預期須就履行責任支付開支的現值計量，有關利率反映現時市場對貨幣時間價值的評估及該責任的特定風險。因時間流逝而產生的撥備增加會確認為利息開支。

2.27 收入確認

收入在貨品或服務的控制權轉移至客戶時計量。視乎合約條款及適用於合約的法律而定，貨品及服務的控制權或會在一段時間內或某一時點轉移。倘本集團在履約過程中滿足下列條件，貨品及服務的控制權在一段時間內轉移：

- 提供客戶同時收到且消耗的所有利益；或
- 於本集團履約時創建及提升由客戶控制的資產；或
- 並無創建對本集團有替代用途的資產，且本集團可強制執行權利以支付迄今已完成的履約部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow of resources will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow of resources with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.27 Revenue recognition

Revenue is measured when or as the control of the goods or services is transferred to a customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- 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.

2 重大會計政策概要(續)**2.27 收入確認(續)**

倘貨品及服務的控制權在一段時間內轉移，則收入參照完全達成履約責任的進度而於合約期間確認。本集團使用輸出法計量進度，並根據向客戶轉移的價值直接計量確認收入。否則，收入於客戶取得貨品及服務控制權的時點確認。

客戶合約可能包含多項履約責任。就有關安排而言，本集團根據其相關單獨售價分配收入至每項履約責任。本集團一般根據向客戶收取的價格釐定單獨售價。當單獨售價不可直接觀察，則其使用預期成本加利潤率或經調整市場評估方法進行估計，視乎可獲取的可觀察信息而定。估計每項獨立履約責任的相關售價時已作出假設及估計，而對該等假設及估計的判斷變化可能影響收入確認。

當合約的任一訂約方已履約，本集團根據實體履約責任及客戶付款之間的關係將其合約於合併資產負債表呈列為合約資產或合約負債。

合約資產為本集團對其已向客戶轉移的商品及服務收取代價的權利。應收款項於本集團擁有代價的無條件權利時入賬。僅於支付代價前所需時間到期後代價權利方成為無條件。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.27 Revenue recognition (Continued)**

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The Group use the output methods to measuring the progress towards, that recognise revenue based on direct measurements of the value transferred to the customer. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods and services.

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. Assumptions and estimations have been made in estimating the relative selling price of each distinct performance obligation, and changes in judgements on these assumptions and estimates may impact the revenue recognition.

When either party to a contract has performed, the Group presents the contract in the consolidated balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of the consideration is due.

2 重大會計政策概要(續)

2.27 收入確認(續)

倘客戶支付代價或本集團在其向客戶轉讓貨品或服務前擁有無條件收取代價的權利，本集團於付款或記錄應收款項時(以較早者為準)呈列合約負債。合約負債是本集團因已向客戶收取代價(或代價金額)到期而向客戶轉讓貨品或服務的責任。收入乃按已收或應收代價的公平值計量，為所提供服務的應收款項，經扣除折扣及增值稅後列賬。

收入乃於收入金額能可靠計量、經濟利益可能流入本集團，且符合以下本集團各項業務的具體標準時確認。本集團根據過往業績，考慮顧客類型、交易方法及各項安排細節作出估計。當本集團具有根據合約條款到期的廣告服務款項之無條件權利而確認收入時，本集團錄得應收賬款。

(a) 廣告發佈服務

廣告發佈服務收入以直線法按廣告發佈期的表現期間確認。

(b) 廣告製作、安裝及拆卸服務

廣告製作、安裝及拆卸服務收入於相關廣告已製作、安裝或拆卸時確認。

(c) 廣告諮詢服務

提供諮詢服務的收入於提供服務期間確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract liability when the payment is made or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration) is due from the customer. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered, stated net of discounts and value-added taxes.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that the economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Group records accounts receivables when the revenue recognized since the Group has unconditional rights to payments of advertising services which are due according to the contract terms.

(a) Advertising display services

Revenue from advertising display services is recognised on a straight-line basis over the performance period for which the advertisements are displayed.

(b) Advertising production, installation and dismantling services

Revenue from advertising production, installation and dismantling services is recognised at a point in time when the related advertisements is produced, installed or dismantled.

(c) Advertising consulting service

Revenue from rendering of consulting services is recognised over the period in which the services are rendered.

2 重大會計政策概要(續)

2.27 收入確認(續)

(d) 租金收入

物業經營租賃的租金收入按租約年期以直線法於損益賬內確認。

(e) 主事人對代理考慮

本集團根據多項因素的持續評估釐定收入應按總額亦或按淨額呈報。釐定本集團向客戶提供貨品或服務時擔任主事人還是代理，本集團首先需確定向客戶轉讓特定貨品或服務前由誰控制有關貨品或服務。若本集團通過下列任何一項取得控制權：(i)自另一方獲取一項貨品或另一項資產的控制隨後轉讓予客戶；(ii)享有另一方提供服務的權利，使本集團能夠指示該方代表本集團向客戶提供服務；(iii)其他人士所擁有隨後於本集團向顧客提供特定貨品或服務時與其他貨品或服務合併的貨物或服務，則本集團為主事人。倘無法確定控制權，於本集團在交易中承擔主要責任、承擔存貨風險、可自由訂立價格及選擇供應商或擁有若干但非全部該等指標時，本集團收入按總額入賬。否則，本集團將所賺取淨額入賬列為出售產品或提供服務的佣金。

本集團已評估本集團於提供有關服務時的角色及職責，並認定本集團對提供服務承擔主要責任，並可自由釐定價格。因此，本集團按總額記錄透過其他廣告媒體代理產生的收入。

分配至未履行或部分未履行履約責任的交易價格並無披露，原因為本集團幾乎所有合約的年期均為一年或以下。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

(d) Rental income

Rental income from operating lease of properties is recognised in profit or loss on a straight-line basis over the term of the lease.

(e) Principal versus agent consideration

Determining whether revenue of the Group should be reported gross or net is based on a continuing assessment of various factors. When determining whether the Group is acting as the principal or agent in offering goods or services to the customer, the Group needs to first identify who controls the specified goods or services before they are transferred to the customer. The Group is a principal and obtains control any of the following: (i) a good or another asset from the other party that the Group then transfers to the customer; (ii) a right to a service to be performed by the other party, which gives the Group the ability to direct that party to provide the service to the customer on the Group's behalf; (iii) a good or service from the other party that the Group then combines with other goods or services in providing the specified good or service to the customer. If control is unclear, when the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, the Group records revenues on a gross basis. Otherwise, the Group records the net amount earned as commissions from products sold or services provided.

The Group has evaluated the roles and responsibilities of the Group in rendering the relevant services and concluded that the Group has the primarily obligation in rendering the services and has the sole latitude in establishing prices. Accordingly, the Group records the revenue driven through agents of other advertising media space on a gross basis.

The transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, has not been disclosed, as substantially all of the Group's contracts have a duration of 1 year or less.

2 重大會計政策概要(續)

2.28 利息收入

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入。任何其他利息收入歸類於其他收入。

利息收入是用實際利率乘以金融資產賬面總值計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨值(經扣除虧損撥備)得出。

2.29 股息收入

股息收入於收取股息的權利確立時確認。

2.30 政府補貼

政府補貼在能夠合理保證將會收到補貼而且本集團符合所有附帶條件時按公平值確認。

與成本相關的政府補貼會遞延至須與擬補貼的成本相應入賬的期間在損益賬確認。

2.31 廣告空間特許經營費支出

本集團與媒體資源擁有人(如地鐵綫路及機場)訂立特許經營權合約，據此，本集團取得權利可使用媒體資源擁有人的廣告空間發佈廣告。特許經營權合約根據附註2.32入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.29 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.30 Government grants

Grants from government are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

2.31 Concession fee charges for advertising spaces

The Group enters into concession right agreements with media resources owners such as metro lines and airports, under which the Group obtains the right to use the media resources owners' spaces for the display of the advertisements. The concession rights agreement is accounted for according to Note 2.32.

2 重大會計政策概要(續)**2.31 廣告空間特許經營費支出(續)**

應付予媒體資源擁有人的特許經營費一般包括自業務營運所賺取收入的百分比份額(即佣金費用)。佣金費用於實際產生期間確認。

2.32 租賃

誠如上文附註2.2所解釋，本集團就本集團作為承租人的租賃改變會計政策。新政策於下文描述，變動影響載於附註2.2。

直至2018年12月31日前，擁有權的大部分風險及回報未轉讓予本集團(作為承租人)的租賃被歸類為經營租賃。經營租賃付款(扣除自出租人收取的任何優惠)於租期內以直線法自損益賬扣除。

自2019年1月1日起，租賃於已租賃資產可供本集團使用當日確認為使用權資產及相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃房地產而言，其已選擇不區分租賃及非租賃部分，相而將該等租賃入賬作為單一租賃部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.31 Concession fee charges for advertising spaces (Continued)**

The concession fees payable to media resources owners were typically comprised of a percentage share of the revenue earned from the operations (the commission fees). The commission fees were recognised in the period in which they are actually incurred.

2.32 Leases

As explained in Note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.2.

Until 31 December 2018, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

2 重大會計政策概要(續)

2.32 租賃(續)

租賃所產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠
- 基於指數或利率並於開始日期按指數或利率初步計量的可變租賃付款
- 剩餘價值擔保下的本集團預期應付款項
- 購買選擇權的行使價(倘本集團合理確定行使該選擇權)；及
- 支付終止租賃的罰款(倘租期反映本集團行使權利終止租約)。

根據合理確定擴大選擇權作出的租賃付款亦歸類於負債的計量。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.32 Leases (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

2 重大會計政策概要(續)

2.32 租賃(續)

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

本集團未來可能根據指數或利率增加可變租賃付款額，而有關指數或利率在生效前不會歸類於租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.32 Leases (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2 重大會計政策概要(續)

2.32 租賃(續)

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額
- 在開始日期或之前作出的任何租賃付款減任何已收租賃優惠
- 任何初始直接成本；及
- 復原成本。

使用權資產一般於資產的可使用年期及租賃期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與短期租賃以及低價值資產租賃相關的付款按直線法於損益賬確認為費用。短期租賃指租賃期為12個月或以下的租賃。低價值資產包括小型廣告裝置及小型辦公傢俬。

2.33 股息分派

分派予股東的股息在獲得股東或董事會(如適用)宣派及批准的期內於合併財務報表中確認為負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.32 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small advertising fixture and small items of office furniture.

2.33 Dividends distribution

Dividends distribution to the shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividend is declared and approved by the shareholders or the Board, where appropriate.

3 財務風險管理

3.1 財務風險因素

本集團業務面對多項財務風險：市場風險（包括外匯風險、現金流量及公平值利率風險及價格風險），信貸風險及流動資金風險。本集團之整體風險管理計劃著眼於金融市場之不可預測性，旨在尋求盡量減少對本集團財務表現造成的潛在不利影響。風險管理由本集團高級管理層執行並由董事會批准。

(a) 市場風險

(i) 外匯風險

本集團的中國附屬公司以人民幣於中國進行主要活動。將人民幣兌換作外幣須受中國政府頒佈之外匯管制規則及法規所限。將功能貨幣為人民幣的附屬公司淨資產兌換為港元所產生的匯兌差異確認為貨幣換算差額並作為其他綜合收益的一部分列賬。

由於本集團的實體交易中少於10%以其功能貨幣以外的貨幣計值，董事認為因該等貨幣計值的交易而產生於損益賬確認的匯兌差額外幣風險並不重大。因此，並未呈列該等貨幣的敏感度分析。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risk factors: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group and approved by the Board.

(a) Market risk

(i) Foreign exchange risk

The Group's PRC subsidiaries carried out their principal activities in the PRC in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The exchange differences arising upon translation of net assets of subsidiaries with functional currencies in RMB to HKD are recognised as currency translation differences and recorded as part of other comprehensive income.

As less than 10% of the Group's entities' transactions are denominated in currencies other than their functional currencies, the directors are of the view that exchange difference recognised in profit or loss arise from transactions denominated in other foreign currencies is not material. Therefore, no sensitivity analysis for these currencies is presented.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公平值利率風險

本集團的利率風險產生自計息銀行存款及銀行借款。按浮動利率計息的銀行存款及銀行借款令本集團面臨現金流量利率風險。按固定利率計息的銀行借款令本集團承受公平值利率風險。

除了計息銀行存款，本集團並無其他重大計息資產。本公司董事預計，利率變動不會對計息資產造成任何重大影響，因為銀行存款的利率預期不會大幅變動。

於2019年及2018年12月31日，本集團按浮動利率和固定利率計息的計息借款如下：

| | | 於12月31日 As at 31 December | |
|------------|-----------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 按固定利率計息的借款 | Borrowings at fixed rate | 31,740 | 58,122 |
| 按浮動利率計息的借款 | Borrowings at floating rate | 240,870 | 210,884 |
| | | 272,610 | 269,006 |

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from interest-bearing bank deposits and bank borrowings. Bank deposits and bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. Bank borrowings at fixed rates expose the Group to fair value interest rate risk.

Other than interest-bearing bank deposits, the Group has no other significant interest-bearing assets. The directors of the Company do not anticipate there is any significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

As at 31 December 2019 and 2018, the Group's interest-bearing borrowings at variable rates and fixed rates were as follows:

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公平值利率風險(續)

截至2019年12月31日止年度，倘借款的浮動利率上升／下降100個基點(2018年：100個基點)，而所有其他變量維持不變，除稅後虧損(2018年：除稅後利潤)將會增加／減少約1,534,000港元(2018年：減少／增加750,000港元)，主要由於浮動利率借款的利息開支上升／下降所致。

截至2019年12月31日止年度，倘借款的固定利率上升／下降100個基點(2018年：100個基點)，而所有其他變量維持不變，借款的公平值將會增加／減少約90,000港元(2018年：211,000港元)，主要由於定息借款的利息開支上升／下降所致。

(iii) 價格風險

由於本集團持有分類為按公平值列入損益賬及按公平值列入其他綜合收益，本集團面臨價格風險。本集團並無面臨商品價格風險。

敏感度分析乃根據於各報告期末按公平值列入損益賬及按公平值列入其他綜合收益的價格風險而釐定。倘本集團所持按公平值列入損益賬的公平值上升／下降5%(2018年：5%)，則截至2019年12月31日止年度的除稅後虧損(2018年：除稅後利潤)將下降／上升約273,000港元(2018年：上升／下降248,000港元)。倘本集團所持按公平值列入其他綜合收益的公平值上升／下降5%(2018年：5%)，則截至2019年12月31日止年度的其他綜合收益(扣除稅項)將上升／下降約337,000港元(2018年：381,000港元)。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk (Continued)

For the year ended 31 December 2019, if the floating interest rate on borrowings had been higher/lower by 100 basis points (2018: 100 basis points) with all other variables held constant, the post-tax loss (2018: post-tax profit) would be approximately HKD1,534,000 higher/lower (2018: HKD750,000 lower/higher) mainly as a result of higher/lower interest expenses on floating rate borrowings.

For the year ended 31 December 2019, if the fixed interest rate on borrowings had been higher/lower by 100 basis points (2018: 100 basis points) with all other variables held constant, the fair value of the borrowings would be approximately HKD90,000 (2018: HKD211,000) higher/lower mainly as a result of higher/lower interest expenses on fixed rate borrowings.

(iii) Price risk

The Group is exposed to price risk because of investments held by the Group, which are classified as FVPL and FVOCI. The Group is not exposed to commodity price risk.

The sensitivity analysis is determined based on the exposure to price risk of the FVPL and FVOCI at the end of each reporting period. If the fair values of the FVPL held by the Group had been 5% (2018: 5%) higher/lower, post-tax loss (2018: post-tax profit) would be approximately, HKD273,000 lower/higher (2018: HKD248,000 higher/lower) for the year ended 31 December 2019. If the fair values of the FVOCI held by the Group had been 5% (2018: 5%) higher/lower, the other comprehensive income, net of tax would be approximately HKD337,000 (2018: HKD381,000) higher/lower for the year ended 31 December 2019.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險主要產生自短期銀行存款、受限制現金、銀行結餘、應收賬款及其他應收款項(不包括預付款項)、按公平值列入損益賬及按公平值列入其他綜合收益。最大信貸風險乃合併資產負債表所列的各項金融資產的賬面值。

信貸風險按集體基準管理。管理層備有政策，按持續基準監察該等信貸風險。

為減低銀行存款、按公平值列入損益賬及按公平值列入其他綜合收益產生的風險，本集團將銀行存款及分類為按公平值列入損益賬及按公平值列入其他綜合收益的投資存置於若干獨立機構所給予信貸評級最低為「投資級別」的信譽良好之銀行或高信用資質的金融機構。本公司董事預期不會因該等交易對手不履約而產生的任何虧損。

應收賬款、其他應收款項及按金透過評估有關交易對手的信貸質素，同時計及其財務狀況、過往經驗及其他因素進行持續監控。本集團並無向客戶收取任何抵押品。

金融資產減值

本集團下列類別金融資產受預期信貸虧損模式規限：

- 應收賬款及其他應收款項
- 受限制現金
- 現金及現金等價物
- 按公平值列入其他綜合收益的列賬的債務投資

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk mainly arises from short-term bank deposits, restricted cash, bank balances, trade and other receivables excluding prepayments, FVPL and FVOCI. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheet.

Credit risk is managed on a group basis. Management has policies in place and exposures to these credit risks are monitored on an ongoing basis.

To mitigate the risk arising from bank deposits, FVPL and FVOCI, the Group places their bank deposits and investments classified as FVPL and FVOCI to certain reputable banks with a minimum rating of "investment grade" ranked by an independent party or financial institutions with high credit quality. The directors of the Company does not expect any loss arising from non-performance by these counterparties.

Trade receivables, other receivables and deposits are continuously monitored by assessing the credit quality of respective counterparties, taking into account its financial position, past experience and other factors. The Group does not obtain collateral from customers.

Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Restricted cash
- Cash and cash equivalents
- Debt investments at FVOCI

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值(續)

本集團按照香港財務報告準則第9號規定應用簡化法就預期信貸虧損計提撥備，有關準則允許就所有第三方應收賬款及合約資產應用全期預期信貸虧損。

為計量預期信貸虧損，應收賬款已根據攤佔信貸風險特點及過期天數分類。

應收賬款之虧損撥備乃根據違約風險及預期虧損率之假設釐定。本集團於作出該等假設及選擇減值計算輸入數據時，主要根據過往銷售付款狀況及相關歷史信貸虧損率以及於各報告期末的有關宏觀經濟因素的現行及前瞻性資料作出判斷。

視乎初次確認後信貸風險是否顯著增加，其他應收款項及按金作為12個月預期信貸虧損或全期預期信貸虧損計量。倘自初次確認後應收款項的信貸風險顯著增加，則按全期預期信貸虧損計量減值。其他應收款項減值虧損撥備為4,467,000港元(2018年：4,818,000港元)。

雖然現金及現金等價物亦須根據香港財務報告準則第9號的減值規定計算減值，本公司董事認為2019年及2018年12月31日的減值虧損不重大。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

The Group applies the simplified approach to provide expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss model for all trade receivables from third parties and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The loss allowances of trade receivables are based on assumptions about the risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, mainly base on the historical payment profiles of sales and the corresponding historical credit losses rate, current and forward-looking information on macro-economic factors at the end of each reporting period.

Other receivables and deposits are measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, impairment is measured as lifetime expected credit losses. The allowance on impairment loss of other receivables amounted to HKD4,467,000 (2018: HKD4,818,000).

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the directors of the Company was of the opinion that the impairment loss is determined to be immaterial at 31 December 2019 and 2018.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值(續)

2019年及2018年12月31日應收賬款之減值虧損釐定如下：

| 2019年12月31日 | 31 December 2019 | 最多6個月 Up to 6 months 千港元 HKD'000 | 6個月至12個月 6 months to 12 months 千港元 HKD'000 | 1年至2年 1 year to 2 years 千港元 HKD'000 | 2年至3年 2 years to 3 years 千港元 HKD'000 | 3年以上 Over 3 years 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-------------|---------------------------|--|--|---|--|---|-------------------------------|
| 預期信貸虧損率 | Expected credit loss rate | 0.59% | 0.67% | 0.82% | 28.10% | 93.97% | N/A不適用 |
| 賬面總值 | Gross carrying amount | 351,339 | 47,538 | 40,494 | 5,580 | 12,229 | 457,180 |
| 虧損撥備 | Loss allowance | 2,065 | 319 | 333 | 1,568 | 11,491 | 15,776 |

| 2018年12月31日 | 31 December 2018 | 最多6個月 Up to 6 months 千港元 HKD'000 | 6個月至12個月 6 months to 12 months 千港元 HKD'000 | 1年至2年 1 year to 2 years 千港元 HKD'000 | 2年至3年 2 years to 3 years 千港元 HKD'000 | 3年以上 Over 3 years 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-------------|---------------------------|--|--|---|--|---|-------------------------------|
| 預期信貸虧損率 | Expected credit loss rate | 0.46% | 0.58% | 5.87% | 22.49% | 93.91% | N/A不適用 |
| 賬面總值 | Gross carrying amount | 397,028 | 69,027 | 21,675 | 11,407 | 6,011 | 505,148 |
| 虧損撥備 | Loss allowance | 1,826 | 401 | 1,272 | 2,565 | 5,645 | 11,709 |

下表列述獨立評估的應收賬款於2019年及2018年12月31日的賬面總值及虧損撥備結餘：

The following table presents the balances of gross carrying amounts and the loss allowance in respect of the individually assessed trade receivables as at 31 December 2019 and 2018:

| 2019年12月31日 | 31 December 2019 | 最多6個月 Up to 6 months 千港元 HKD'000 | 6個月至12個月 6 months to 12 months 千港元 HKD'000 | 1年至2年 1 year to 2 years 千港元 HKD'000 | 2年至3年 2 years to 3 years 千港元 HKD'000 | 3年以上 Over 3 years 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-------------|---------------------------|--|--|---|--|---|-------------------------------|
| 預期虧損率 | Expected credit loss rate | 100.00% | N/A不適用 | 100.00% | 100.00% | 100.00% | N/A不適用 |
| 賬面總值 | Gross carrying amount | 32 | - | 2,846 | 2,478 | 15,453 | 20,809 |
| 虧損撥備 | Loss allowance | 32 | - | 2,846 | 2,478 | 15,453 | 20,809 |

| 2018年12月31日 | 31 December 2018 | 最多6個月 Up to 6 months 千港元 HKD'000 | 6個月至12個月 6 months to 12 months 千港元 HKD'000 | 1年至2年 1 year to 2 years 千港元 HKD'000 | 2年至3年 2 years to 3 years 千港元 HKD'000 | 3年以上 Over 3 years 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-------------|---------------------------|--|--|---|--|---|-------------------------------|
| 預期信貸虧損率 | Expected credit loss rate | N/A不適用 | N/A不適用 | 100.00% | 100.00% | 100.00% | N/A不適用 |
| 賬面總值 | Gross carrying amount | - | - | 1,041 | 4,914 | 10,951 | 16,906 |
| 虧損撥備 | Loss allowance | - | - | 1,041 | 4,914 | 10,951 | 16,906 |

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值(續)

於2019年12月31日應收賬款及其他應收款項之虧損撥備與期初虧損撥備的對賬如下：

| | | 應收賬款 | | 其他應收款項 | |
|---------|------------------------------|-------------------|---------|-------------------|---------|
| | | Trade receivables | | Other receivables | |
| | | 於12月31日 | | | |
| | | As at 31 December | | | |
| | | 2019年 | 2018年 | 2019年 | 2018年 |
| | | 2019 | 2018 | 2019 | 2018 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 | HKD'000 | HKD'000 |
| 於年初 | At beginning of the year | 28,615 | 27,344 | 4,818 | 1,739 |
| 於損益賬確認的 | Increase in loss allowance | | | | |
| 虧損撥備增加 | recognised in profit or loss | 8,911 | 4,728 | (250) | 3,270 |
| 撤銷 | Written off | (161) | (2,199) | – | – |
| 匯兌換算差額 | Currency translation | | | | |
| | differences | (780) | (1,258) | (101) | (191) |
| 於年終 | At end of the year | 36,585 | 28,615 | 4,467 | 4,818 |

當不存在可收回的合理預期時，本集團會撤銷應收賬款及其他應收款項。不存在可收回的合理預期指標包括(其中包括)債務人無法與本集團達成還款計劃，以及無法於終止項目後作出合約付款。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

The loss allowance for trade receivables and other receivables as at 31 December 2019 reconciling to the opening loss allowances as follows:

Trade receivable and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments upon termination of projects.

(c) 流動性風險

本集團旨在維持充足現金及現金等價物。由於相關業務的動態性質，本集團的財務部通過維持充足現金及現金等價物而維持資金方面的靈活性。本集團定期監察借貸契諾的遵守情況，以確保其維持充足現金儲備及隨時可變現有價證券，以及從主要財務機構取得足夠的未提取融資，以應付其短期及長期流動資金需要。

本集團繼續致力於落實措施，以自新銷售合約產生現金，並進一步控制資本及經營開支以加強營運資金。

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, the Group's finance department maintains flexibility in funding by maintaining adequate cash and cash equivalents. The Group regularly monitors compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate undrawn facilities from major financial institutions to meet its liquidity requirements in the short and longer term.

The Group continues its efforts to implement measures to generating cash from new sales contracts, and to further control capital and operating expenditures to strengthen its working capital.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險(續)

下表乃本集團金融負債按照由結算日至合約到期日的剩餘期間分成相關的到期組別進行分析。表內所披露金額為合約未貼現現金流量。

| | | 少於1年 Less than 1 year 千港元 HKD'000 | 1至2年 Between 1 and 2 years 千港元 HKD'000 | 2至5年 Between 2 and 5 years 千港元 HKD'000 | 5年以上 Over 5 years 千港元 HKD'000 | 總合約現金流 Total contractual cash flows 千港元 HKD'000 | 負債賬面值 Carrying amount of liabilities 千港元 HKD'000 |
|--------------|--------------------------|---|---|---|---|--|---|
| 於2019年12月31日 | At 31 December 2019 | | | | | | |
| 借款 | Borrowings | 161,622 | 95,508 | 30,211 | - | 287,341 | 272,610 |
| 應付賬款及其他應付款項 | Trade and other payables | 243,399 | - | - | - | 243,399 | 243,399 |
| 租賃負債 | Lease liabilities | 779,164 | 499,469 | 1,530,336 | 402,460 | 3,211,429 | 3,211,429 |
| 總計 | Total | 1,184,185 | 594,977 | 1,560,547 | 402,460 | 3,742,169 | 3,727,438 |
| 於2018年12月31日 | At 31 December 2018 | | | | | | |
| 借款 | Borrowings | 198,130 | 37,932 | 31,919 | - | 267,981 | 269,006 |
| 應付賬款及其他應付款項 | Trade and other payables | 567,173 | - | - | - | 567,173 | 567,173 |
| 總計 | Total | 765,303 | 37,932 | 31,919 | - | 835,154 | 836,179 |

3.2 資本管理

本集團管理資本的目標是保障本集團能持續經營，以為股東帶來回報及為其他利益相關者帶來利益，並維持最理想的資本架構以降低資本成本。

為維持或調整資本架構，本集團可能調整支付予股東的股息金額、向股東退回資本、發行新股份或出售資產以減少債務。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理(續)

3.2 資本管理(續)

與其他同業做法一致，本集團以資本負債比率監察資本。此比率按照(現金)/債務淨額除以總資本計算。(現金)/債務淨額為總借款(包括合併資產負債表所列的「流動及非流動借款」)減現金及現金等價物計算。總權益乃本公司擁有人應佔權益及非控股權益。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital management (Continued)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net (cash)/debt divided by total equity. Net (cash)/debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total equity represents the equity attributable to owners of the Company and non-controlling interests.

| 淨債務 Net debt | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|-----------------|--------------------------|---------------------------------|---------------------------------|
| 淨現金 | Net cash | 142,851 | 110,925 |
| 總權益 | Total equity | 513,280 | 575,177 |
| 淨債務對權益比率 | Net debt to equity ratio | 28% | 19% |

3.3 公平值估算

下表按估值方法分析按公平值列賬的金融工具。不同層級的定義如下：

- 同類資產或負債於活躍市場中的報價(未經調整)(第1級)。
- 資產或負債可直接(即價格)或間接(即從價格得出)觀察的輸入數據(第1級所包括的報價除外)(第2級)。
- 並非基於可觀察市場數據的資產或負債輸入數據(即不可觀察輸入數據)(第3級)。

3.3 Fair value estimation

The table below analyses financial instruments carried at fair values, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

3 財務風險管理(續)

3.3 公平值估算(續)

於2019年12月31日，本集團持有下表呈列按公平值計量的資產及負債：

| | | 第一級 Level 1 千港元 HKD'000 | 第二級 Level 2 千港元 HKD'000 | 第三級 Level 3 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|--------------------|---|----------------------------------|----------------------------------|----------------------------------|-------------------------------|
| 按公平值列入損益賬 | FVPL | – | – | 6,530 | 6,530 |
| 按公平值列入其他 | FVOCI | – | – | 8,074 | 8,074 |
| 綜合收益 | | – | – | 14,604 | 14,604 |
| 按公平值列入損益賬的 金融負債 | Financial liabilities at fair value through profit or loss | – | – | 6,216 | 6,216 |
| — 應付或然代價 | – Contingent consideration payable | – | – | 6,216 | 6,216 |

於2018年12月31日，本集團持有下表呈列按公平值計量的資產及負債：

| | | 第一級 Level 1 千港元 HKD'000 | 第二級 Level 2 千港元 HKD'000 | 第三級 Level 3 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|--------------------|---|----------------------------------|----------------------------------|----------------------------------|-------------------------------|
| 按公平值列入損益賬 | FVPL | – | – | 5,943 | 5,943 |
| 按公平值列入其他 | FVOCI | – | – | 7,619 | 7,619 |
| 綜合收益 | | – | – | 13,562 | 13,562 |
| 按公平值列入損益賬的 金融負債 | Financial liabilities at fair value through profit or loss | – | – | 6,611 | 6,611 |
| — 應付或然代價 | – Contingent consideration payable | – | – | 6,611 | 6,611 |

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's financial instruments that are measured at fair values at 31 December 2019:

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2018:

3 財務風險管理(續)

3.3 公平值估算(續)

倘一項或多項重大輸入數據並非基於可觀察市場數據，則該工具歸入第3級。

按公平值計量的投資物業披露見附註8。

年內，第1級及第3級公平值層級分類之間並無重大金融資產轉移(2018年：無)。

下表呈列截至2019年及2018年12月31日止年度的第3級工具的變化：

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

See Note 8 for disclosure of the investment property that are measured at fair value.

There were no significant transfers of assets between level 1 and level 3 fair value hierarchy classifications during the year (2018: Nil).

The following table presents the changes in level 3 instruments for the year ended 31 December 2019 and 2018:

| | | 截至12月31日止年度 Year ended 31 December | |
|------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 按公平值列入損益賬 | FVPL | | |
| 於1月1日 | At 1 January | 5,943 | 5,953 |
| 添置 | Additions | 587 | 326 |
| 公平值虧損 | Fair value losses | — | (336) |
| 於12月31日 | At 31 December | 6,530 | 5,943 |
| 計入資產損益的其他收益 淨額的虧損總額 | Total losses included in profit or loss for assets within other gains, net | — | (336) |
| 按公平值列入其他綜合收益 | FVOCI | | |
| 於1月1日 | At 1 January | 7,619 | 8,418 |
| 公平值收益／(虧損) | Fair value gains/(losses) | 455 | (799) |
| 於12月31日 | At 31 December | 8,074 | 7,619 |
| 計入其他綜合收益的 收益／(虧損)總額 | Total gains/(losses) included in the other comprehensive income | 455 | (799) |

3 財務風險管理(續)

3.3 公平值估算(續)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

| | | 截至2019年 12月31日 止年度 Year ended 31 December 2019 千港元 HKD'000 |
|-------------------------|--|---|
| 按公平值列入損益賬的 金融負債一或然代價 | Financial liabilities at fair value through profit or loss – contingent consideration | |
| 於1月1日 | At 1 January | 6,611 |
| 公平值虧損 | Fair value loss | (395) |
| 於12月31日 | At 31 December | 6,216 |

應收款項及應付款項流動部分的賬面值減減值撥備與其公平值合理相若。用於披露的財務負債的公平值乃按同類金融工具以本集團現時適用的市場利率貼現未來合約現金流量估計得出，除非貼現的影響並不重大。

The carrying values less impairment provision of the current portion of receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments, unless the effect of discounting is immaterial.

4 關鍵會計估計及判斷

本集團持續評估估計及判斷，並按過往經驗及其他因素(包括對未來事件的合理預期)作出估計及判斷。

(a) 應收賬款虧損撥備

應收賬款及其他應收款項之虧損撥備乃根據違約風險及預期虧損率之假設釐定。本集團於作出該等假設及選擇減值計算輸入數據時，根據本集團之過往銷售付款記錄、過往違約歷史於各報告期末之前瞻性資料作出判斷。

主要假設及所用輸入數據的詳情已於合併財務報表附註3.1(b)的表格披露。

(b) 即期及遞延所得稅

本集團須在若干司法權區繳付所得稅。在日常業務過程中有諸多交易及事件不能最終確定稅項。在釐定各個司法權區所得稅撥備時，本集團需要作出重要判斷。如此等事件的最終稅務結果與最初入賬的金額不同，則此等差額將影響作出有關釐定之期間的所得稅及遞延稅項撥備。

本集團根據可能於可預見未來產生充足應課稅利潤的判斷(就此未動用稅項虧損及可扣減暫時性差額將獲動用)確認遞延所得稅資產。確認遞延所得稅資產主要涉及管理層對錄得稅項虧損的公司的應課稅利潤的時間及金額的判斷及估計。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Loss allowance of trade receivables

The loss allowances for trade and other receivables is made based on assumptions about the risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's historical payment profiles of sales, historical default history, as well as forward looking information at the end of each reporting period.

Details of the key assumptions and inputs used are disclosed in the table in Note 3.1(b) to the consolidated financial statements.

(b) Current and deferred income taxes

The Group is subject to income taxes in several jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises deferred income tax assets based on judgement that it is probable to generate sufficient taxable profits in the foreseeable future against which the unutilised tax losses and the deductible temporary differences would be utilised. The recognition of deferred income tax assets mainly involved management's judgements and estimations about the timing and the amount of taxable profits of the companies which had tax losses.

4 關鍵會計估計及判斷(續)**(c) 應付或然代價**

於2018年10月30日，本集團完成收購 Radius Displays International Limited (「Radius Displays」) 已發行股份之 51%。Radius Displays 及其附屬公司 (統稱「Radius Displays集團」) 主要業務為提供廣告解決方案、廣告招牌及市貌陳設設計、工程及顧問服務。購買代價超出本集團所收購可識別資產淨值的剩餘部分將獲分配為商譽。購買價分配及應付或然代價計量涉及重大管理層判斷及估計。

(d) 租期及貼現率釐定

就釐定租期而言，集團考慮會產生行使延長選擇權或不行使終止選擇權的經濟獎勵的所有事實及情況。延長選擇權 (或終止選擇權後的期間) 僅會在可合理確定租賃將延長 (或不終止) 的情況下計入租期內。潛在未來現金流出並無計入租賃負債，因為無法合理確定租賃將延長 (或不終止)。倘發生重大事件或環境重大變動影響本評估且屬於承租人控制範疇，則會重新審閱該評估。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**(c) Contingent consideration payable**

On 30 October 2018, the Group completed the acquisition of 51% issued share capital of Radius Displays International Limited ("Radius Displays"). Radius Displays and its subsidiary (collectively as the "Radius Displays Group") is principally engaged in the provision of advertisement solutions, signage and urban furniture design engineering and consulting services. The residual portion of the purchase consideration in excess of the fair values of identifiable net assets acquired by the Group was allocated as goodwill. The purchase price allocation and the measurement of contingent consideration payables have involved significant management judgement and estimation.

(d) Lease term and discount rate determination

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

4 關鍵會計估計及判斷(續)

(d) 租期及貼現率釐定(續)

就釐定貼現率而言，於開始日期及修改生效日期，本集團須就釐定貼現率行使重大判斷，當中計及相關資產性質及租賃條款及條件。

(e) 使用權資產、物業、廠房及設備

倘發生事件或情況變動表示有關賬面值可能無法收回，本集團對使用權資產、物業、廠房及設備進行減值審閱。釐定是否已出現減值通常須作出多個估計及假設，包括釐定哪個現金流與可能減值資產直接相關、將產生現金流的可使用年期、其金額及資產剩餘價值(如有)。另一方面，計量減值虧損須釐定可收回金額，其乃基於管理層以可得的最佳資料作出的估計。本集團自過往經驗及內部業務計劃計算所需的現金流估計。為釐定可收回金額，本集團使用按合適貼現率貼現的現金流估計、可得的市場報價及獨立評估(如適用)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Lease term and discount rate determination (Continued)

In determining the discount rate, the Group is required to exercise considerable judgement in relation to determining the discount rate taking into account the nature of the underlying assets and the terms and conditions of the leases, at both the commencement date and the effective date of the modification.

(e) Impairment of right-of-use assets, property, plant and equipment

The Group reviews right-of-use assets, property, plant and equipment for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Determining whether impairment has occurred typically requires various estimates and assumptions, including determining which cash flows are directly related to the potentially impaired asset, the useful life over which cash flows will occur, their amount, and the asset's residual value, if any. In turn, measurement of an impairment loss requires a determination of recoverable amount, which is based on management's estimate with best information available. The Group derives the required cash flow estimates from historical experience and internal business plans. To determine recoverable amount, the Group uses cash flow estimates discounted at an appropriate discount rate, quoted market prices when available and independent appraisals, as appropriate.

5 分部資料

主要營運決策者為執行董事。執行董事審閱本集團的內部報告以評估表現及分配資源。執行董事已根據該等報告釐定營運分部。

執行董事從產品的角度考慮業務，並釐定本集團擁有下列營運分部：

- 機場業務－經營機場廣告服務；
- 地鐵及廣告牌業務－經營地鐵綫廣告服務及廣告牌及大廈創意廣告。

主要經營決策者主要根據各營運分部的收入及毛利評估營運分部的表現。於年內，本集團大部分業務乃於中國大陸及香港經營。銷售及市場推廣開支和行政開支為各營運分部所整體產生的共同成本，因此並未納入主要營運決策者分配資源及評估分部表現所用的分部表現計量標準。金融資產減值虧損淨額、其他收入、其他收益，淨額、融資成本，淨額及所得稅開支亦不分配予個別營運分部。

概無向主要經營決策者提供分部資產及負債資料。

5 SEGMENT INFORMATION

The Executive Directors have been identified as the chief operating decision-maker. The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Executive Directors has determined the operating segments based on these reports.

The Executive Directors considered the business from product perspective, and determined that the Group has the following operating segments:

- Airports business – operation of advertising services in airports;
- Metro and billboards business – operation of advertising services in metro lines; and billboards and building solutions.

The chief operating decision-maker assesses the performance of the operating segments mainly based on revenue and gross profit of each operating segment. Majority of the businesses of the Group are carried out in Mainland China and Hong Kong during the year. Selling and marketing expenses and administrative expenses are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments' performance which is used by the chief operating decision-maker as a basis for the purpose of resource allocation and assessment of segment performance. Net impairment losses on financial assets, other income, other gains, net, finance costs, net and income tax expense are also not allocated to individual operating segment.

There are no segment assets and liabilities information provided to chief operating decision-maker.

5 分部資料(續)

有關營運分部的分部資料如下：

5 SEGMENT INFORMATION (Continued)

The segment information for the operating segments is as follows:

| | | 機場業務 Airports business 千港元 HKD'000 | 地鐵及 廣告牌業務 Metro and billboards business 千港元 HKD'000 | 其他 Others 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|------------------------|--|--|---|--------------------------------|-------------------------------|
| 截至2019年12月31日止年度 | Year ended 31 December 2019 | | | | |
| 收入 | Revenue | 739,282 | 919,309 | 219,770 | 1,878,361 |
| 收入成本 | Cost of revenue | (522,027) | (782,646) | (175,884) | (1,480,557) |
| 毛利 | Gross profit | 217,255 | 136,663 | 43,886 | 397,804 |
| 使用權益法入賬的分佔聯營公司 的淨利潤 | Share of net profit of associates accounted for using the equity method | 11,625 | 1,248 | – | 12,873 |
| 分部業績 | Segment results | 228,880 | 137,911 | 43,886 | 410,677 |
| 銷售及市場推廣開支 | Selling and marketing expenses | | | | (183,793) |
| 行政開支 | Administrative expenses | | | | (187,774) |
| 金融資產減值虧損淨額 | Net impairment losses on financial assets | | | | (8,661) |
| 其他收入 | Other income | | | | 27,037 |
| 其他收益，淨額 | Other gains, net | | | | 1,363 |
| 融資收入 | Finance income | | | | 1,598 |
| 融資成本 | Finance costs | | | | (185,210) |
| 融資成本，淨額 | Finance costs, net | | | | (183,612) |
| 除所得稅前虧損 | Loss before income tax | | | | (124,763) |
| 分部資料 | Segment information | | | | |
| 使用權資產折舊 | Depreciation of right-of-use assets | 246,736 | 442,277 | 16,543 | 705,556 |
| 物業、廠房及設備折舊 | Depreciation of property, plant and equipment | 26,048 | 7,727 | 8,366 | 42,141 |
| 無形資產攤銷 | Amortisation of intangible assets | – | – | 2,157 | 2,157 |

其他指來自其他媒體空間的收入。

Others represents revenue from other media space.

5 分部資料(續)

5 SEGMENT INFORMATION (Continued)

| | | 機場業務 Airports business 千港元 HKD'000 | 地鐵及 廣告牌業務 Metro and Billboards business 千港元 HKD'000 | 其他 Others 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|------------------------|--|--|---|--------------------------------|-------------------------------|
| 截至2018年12月31日止年度 | Year ended 31 December 2018 | | | | |
| 收入 | Revenue | 727,684 | 974,917 | 226,265 | 1,928,866 |
| 收入成本 | Cost of revenue | (458,404) | (790,618) | (195,724) | (1,444,746) |
| 毛利 | Gross profit | 269,280 | 184,299 | 30,541 | 484,120 |
| 使用權益法入賬的分佔聯營公司 的淨利潤 | Share of net profit of associates accounted for using the equity method | 12,462 | – | – | 12,462 |
| 分部業績 | Segment results | 281,742 | 184,299 | 30,541 | 496,582 |
| 銷售及市場推廣開支 | Selling and marketing expenses | | | | (163,982) |
| 行政開支 | Administrative expenses | | | | (180,406) |
| 金融資產減值虧損淨額 | Net impairment losses on financial assets | | | | (7,998) |
| 其他收入 | Other income | | | | 11,751 |
| 其他收益，淨額 | Other gains, net | | | | 1,333 |
| 融資收入 | Finance income | | | | 3,437 |
| 融資成本 | Finance costs | | | | (7,449) |
| 融資成本，淨額 | Finance costs, net | | | | (4,012) |
| 除所得稅前利潤 | Profit before income tax | | | | 153,268 |
| 分部資料 | Segment information | | | | |
| 土地所有權攤銷 | Amortisation of land use rights | – | – | 672 | 672 |
| 物業、廠房及設備折舊 | Depreciation of property, plant and equipment | 21,765 | 6,580 | 9,217 | 37,562 |
| 無形資產攤銷 | Amortisation of intangible assets | – | – | 497 | 497 |

其他指來自其他媒體空間的收入。

Others represents revenue from other media space.

5 分部資料(續)

收入包括以下各項：

5 SEGMENT INFORMATION (Continued)

Revenue consisted of the following:

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 廣告發佈收入 | Advertising display revenue | 1,681,013 | 1,711,649 |
| 廣告製作、安裝及拆卸收入 | Advertising production, installation and dismantling revenue | 197,348 | 217,217 |
| | | 1,878,361 | 1,928,866 |

本集團收入的收入確認時間如下：

The timing of revenue recognition of the Group's revenue was as follows:

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------|----------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 隨時間確認的收入 | Revenue over time | 1,681,013 | 1,711,649 |
| 於某一時間點確認的收入 | Revenue at a point in time | 197,348 | 217,217 |
| | | 1,878,361 | 1,928,866 |

本集團收入的地區分佈如下：

The geographical distribution of the Group's revenue was as follows:

| | | 截至12月31日止年度 Year ended 31 December | |
|------|----------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 中國大陸 | Mainland China | 1,428,955 | 1,506,010 |
| 香港 | Hong Kong | 449,406 | 422,856 |
| | | 1,878,361 | 1,928,866 |

5 分部資料(續)

本集團擁有大量客戶，概無任何客戶貢獻本集團總收入的10%或以上。

本集團的非流動資產(金融工具及遞延所得稅資產除外)位於中國大陸及香港，具體如下：

| | | 截至12月31日止年度 Year ended 31 December | |
|------|----------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 中國大陸 | Mainland China | 2,754,986 | 173,852 |
| 香港 | Hong Kong | 178,737 | 40,254 |
| 其他 | Others | 716 | — |
| | | 2,934,439 | 214,106 |

於2019年及2018年12月31日，合約負債主要包括根據本集團業務廣告服務合約從客戶收取的按金。

5 SEGMENT INFORMATION (Continued)

The Group has a large number of customers, none of which contributed 10% or more of the Group's total revenue.

The Group's non-current assets other than financial instruments and deferred income tax assets were located in Mainland China and Hong Kong as follows:

As at 31 December 2019 and 2018, contract liabilities mainly include deposits received from customers under the contracts for advertising services the Group's business.

合併財務報表附註 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 物業、廠房及設備

6 PROPERTY, PLANT AND EQUIPMENT

| | | 建築物 | 廣告設施 | 租賃物業裝修 | 汽車 | 傢俬及辦公設備 | 總計 |
|------------------------|--|-----------|----------------------|------------------------|----------------|--------------------------------|-----------|
| | | Buildings | Advertising fixtures | Leasehold improvements | Motor vehicles | Furniture and office equipment | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 |
| 於2018年1月1日 | At 1 January 2018 | | | | | | |
| 成本 | Cost | 31,583 | 217,969 | 11,533 | 11,899 | 26,057 | 299,041 |
| 累計折舊 | Accumulated depreciation | (3,632) | (168,868) | (6,723) | (9,046) | (21,766) | (210,035) |
| 賬面淨值 | Net book amount | 27,951 | 49,101 | 4,810 | 2,853 | 4,291 | 89,006 |
| 截至2018年12月31日止年度 | Year ended 31 December 2018 | | | | | | |
| 期初賬面淨值 | Opening net book amount | 27,951 | 49,101 | 4,810 | 2,853 | 4,291 | 89,006 |
| 添置 | Additions | – | 51,284 | 3,138 | 1,171 | 4,586 | 60,179 |
| 收購附屬公司(附註36) | Acquisition of subsidiaries (Note 36) | – | – | 47 | – | 68 | 115 |
| 折舊 | Depreciation | (1,457) | (29,466) | (3,107) | (942) | (2,590) | (37,562) |
| 出售 | Disposals | – | (315) | (872) | (37) | (215) | (1,439) |
| 貨幣換算差額 | Currency translation differences | (1,235) | (2,404) | (107) | (115) | (203) | (4,064) |
| 期末賬面淨值 | Closing net book amount | 25,259 | 68,200 | 3,909 | 2,930 | 5,937 | 106,235 |
| 於2018年12月31日及2019年1月1日 | At 31 December 2018 and 1 January 2019 | | | | | | |
| 成本 | Cost | 30,131 | 258,264 | 13,215 | 11,593 | 27,244 | 340,447 |
| 累計折舊 | Accumulated depreciation | (4,872) | (190,064) | (9,306) | (8,663) | (21,307) | (234,212) |
| 賬面淨值 | Net book amount | 25,259 | 68,200 | 3,909 | 2,930 | 5,937 | 106,235 |
| 截至2019年12月31日止年度 | Year ended 31 December 2019 | | | | | | |
| 期初賬面淨值 | Opening net book amount | 25,259 | 68,200 | 3,909 | 2,930 | 5,937 | 106,235 |
| 添置 | Additions | – | 15,887 | 5,361 | 1,449 | 3,159 | 25,856 |
| 折舊 | Depreciation | (1,425) | (33,453) | (3,344) | (989) | (2,930) | (42,141) |
| 出售 | Disposals | – | (4) | (503) | (74) | (252) | (833) |
| 貨幣換算差額 | Currency translation differences | (528) | (925) | (91) | (51) | (85) | (1,680) |
| 期末賬面淨值 | Closing net book amount | 23,306 | 49,705 | 5,332 | 3,265 | 5,829 | 87,437 |
| 於2019年12月31日 | At 31 December 2019 | | | | | | |
| 成本 | Cost | 29,472 | 269,381 | 17,810 | 10,656 | 26,026 | 353,345 |
| 累計折舊 | Accumulated depreciation | (6,166) | (219,676) | (12,478) | (7,391) | (20,197) | (265,908) |
| 賬面淨值 | Net book amount | 23,306 | 49,705 | 5,332 | 3,265 | 5,829 | 87,437 |

6 物業、廠房及設備(續)

折舊支出於合併綜合收益表中在下列類別列作開支：

| | | 截至12月31日止年度 Year ended 31 December | |
|-----------|--------------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 收入成本 | Cost of revenue | 31,342 | 26,342 |
| 行政開支 | Administrative expenses | 9,117 | 9,806 |
| 銷售及市場推廣開支 | Selling and marketing expenses | 1,682 | 1,414 |
| | | 42,141 | 37,562 |

於2019年12月31日，已抵押賬面淨值為9,525,000港元(2018年：10,364,000港元)的建築物作為銀行借款及銀行擔保的抵押。

6 PROPERTY, PLANT AND EQUIPMENT
(Continued)

Depreciation charges were expensed in the following categories in the consolidated statement of comprehensive income:

As at 31 December 2019, buildings of net book value of HKD9,525,000 (2018: HKD10,364,000) were pledged as security for bank borrowings and bank guarantees.

7 使用權資產及租賃負債
(a) 於合併資產負債表確認的結餘

使用權資產

7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES
(a) Balance recognised in the consolidated balance sheet

Right-of-use assets

| | | 土地使用權 Land use rights 千港元 HKD'000 | 廣告設施 Advertising fixtures 千港元 HKD'000 | 辦公室 Office 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-----------------|--|---|---|---------------------------------|-------------------------------|
| 於2019年1月1日 | As at 1 January 2019 | - | - | - | - |
| 會計政策變動(附註2.2) | Change in accounting policy (Note 2.2) | 23,724 | 2,119,289 | 23,377 | 2,166,390 |
| 於2019年1月1日(經重列) | Restated at 1 January 2019 | 23,724 | 2,119,289 | 23,377 | 2,166,390 |
| 添置 | Additions | - | 1,338,883 | 15,914 | 1,354,797 |
| 折舊 | Depreciation | (646) | (689,298) | (15,612) | (705,556) |
| 貨幣換算差異 | Currency translation differences | (508) | (51,457) | (260) | (52,225) |
| 於2019年12月31日 | At 31 December 2019 | 22,570 | 2,717,417 | 23,419 | 2,763,406 |

7 使用權資產及租賃負債(續)

(a) 於合併資產負債表確認的結餘(續)

租賃負債

| | | 2019年 12月31日 31 December 2019 千港元 HKD'000 | 2019年 1月1日 1 January 2019 千港元 HKD'000 |
|--------|-------------------------|--|--|
| 即期部分 | Current portion | 779,164 | 665,441 |
| 非即期部分 | Non-current portion | 2,432,265 | 1,826,904 |
| 租賃負債總額 | Total lease liabilities | 3,211,429 | 2,492,345 |

(b) 於合併綜合收益表中確認的金額

**7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES
(Continued)**

(a) Balance recognised in the consolidated balance sheet (Continued)

Lease liabilities

(b) Amounts recognised in the consolidated statement of comprehensive income

| | | 截至 2019年 12月31日 止年度 Year ended 31 December 2019 千港元 HKD'000 |
|-------------|--|---|
| 使用權資產折舊開支 | Depreciation charge of right-of-use assets | 705,556 |
| 租賃負債利息開支 | Interest expenses on lease liabilities | 171,037 |
| 關於短期租賃付款的開支 | Expenses related to short-term lease payment | 386,924 |

租賃現金流出總額約為741,838,000港元。

The total cash outflow of lease was approximately HKD741,838,000.

(c) 本集團的租賃活動

本集團租賃多處廣告設備、辦公室及土地使用權。廣告設備及辦公室的租賃合約一般按1至10年的期限訂立。租賃條款乃經個別磋商釐定，並包含各種不同的條款及條件。租賃安排並不構成任何契據。

(c) The Group's leasing activities

The Group leases various advertising fixtures, offices and land use rights. Rental contracts of advertising fixtures and offices are typically entered into for a period of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants.

7 使用權資產及租賃負債(續)

(d) 可變租賃付款

部分租賃載有可變付款條款，與店舖所產生銷售有關。就個別店舖而言，最多100%的租賃付款按可變付款條款為基準，銷售百分比介乎4%至25%。使用可變付款條款有多項理由，包括減低新開廣告裝置的固定成本基礎。視乎銷售而定的可變租賃付款在觸發付款之條件發生期間內於損益賬確認。

(e) 延續及終止權

延續權歸類於本集團多項特許經營租賃協議中。該等條款的設立是為在管理本集團營運所使用資產上發揮最大營運靈活性。所持大部分延續及終止權僅可由本集團行使，相關出租人不可行使。

(f) 尚未開始但已就其作出承擔的租賃

本集團有關尚未開始但已就其作出承擔的租賃的潛在未來現金流出達1,595,996,000港元。

7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(d) Variable lease payments

Some leases contain variable payment terms that are linked to sales generated from a site. For individual site, up to 100% of lease payments are on the basis of variable payment terms with percentages ranging from 4% to 25% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established advertising fixture. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(e) Extension and termination options

Extension are included in a number of concession lease agreement across the Group. These are used to maximise operational flexibility in terms of managing the assets used in The Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(f) Lease not yet commenced to which the lease is committed

The future cash outflows to which the Group is potentially exposed for lease not yet commenced to which the lease is committed amounted to HKD1,595,996,000.

8 投資物業

8 INVESTMENT PROPERTIES

| | | 千港元 HKD'000 |
|--------------|----------------------------------|----------------|
| 於2018年1月1日 | At 1 January 2018 | 8,520 |
| 公平值變動 | Changes in fair value | 680 |
| 貨幣換算差額 | Currency translation differences | (415) |
| 於2018年12月31日 | At 31 December 2018 | 8,785 |
| 於2019年1月1日 | At 1 January 2019 | 8,785 |
| 公平值變動 | Changes in fair value | 1,276 |
| 貨幣換算差額 | Currency translation differences | (215) |
| 於2019年12月31日 | At 31 December 2019 | 9,846 |

於2019年及2018年12月31日，本集團的投資物業公平值分別約為9,846,000港元（等值於人民幣8,820,000元）及8,785,000港元（等值於人民幣7,697,000元），乃由本公司董事參照獨立合資格專業估值師北京中天華資產評估有限責任公司進行的估值釐定。估值採用直接比較法進行，並假設該物業可根據現有租約或以其他方式在現況下交吉出售，以及參照有關市場上可知的可比銷售交易。投資物業的公平值計量方法歸入公平值層級中的第3級。

The fair values of the Group's investment properties was approximately HKD9,846,000 (equivalent to RMB8,820,000) and HKD8,785,000 (equivalent to RMB7,697,000) as at 31 December 2019 and 2018, respectively, as determined by the directors of the Company with reference to the valuation performed by 北京中天華資產評估有限責任公司 (China Appraisal Associates*), an independent qualified professional valuer. Valuation was performed using the direct comparison method on the assumption that the property can be sold in its existing state subject to existing tenancies or otherwise with the benefit of vacant possession and making references to comparable sales transactions as available in the relevant market. The fair value measurement of the investment properties is categorised within level 3 of the fair value hierarchy.

* For identification purpose only

8 投資物業(續)

(a) 於合併綜合收益表中確認的投資物業金額

8 INVESTMENT PROPERTIES (Continued)

(a) Amounts recognised in profit or loss for investment properties

| | | 截至12月31日止年度 Year ended 31 December | |
|-----------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 投資物業的租金收入 | Rental income from investment properties | 206 | 230 |

於2019年及2018年12月31日，本集團概無就日後維修及維護而尚未撥備的合約責任。

As at 31 December 2019 and 2018, the Group had no un-provided contractual obligations for future repairs and maintenance.

(b) 租賃安排

投資物業位於中國大陸，分別根據為期約2年的經營租約出租予租戶，租金須按月支付。投資物業不可撤銷經營租賃項下的應收最低租金如下：

(b) Leasing arrangements

The investment properties are located in Mainland China and leased to tenants under operating leases of approximately 2 years with rental payable monthly. Minimum lease payments under non-cancellable operating leases of investment properties are receivable as follows:

| | | 於12月31日 As at 31 December | |
|------------|--|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 1年內 | Within one year | 295 | 192 |
| 超過1年但未超過2年 | Later than one year but not later than 2 years | 197 | — |
| | | 492 | 192 |

9 無形資產

9 INTANGIBLE ASSETS

| | | 商譽 Goodwill 千港元 HKD'000 | 商標 Brand name 千港元 HKD'000 | 電腦軟件 Computer software 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-------------------------|---------------------------------------|----------------------------------|---------------------------------------|--|-------------------------------|
| 於2018年1月1日 | At 1 January 2018 | | | | |
| 成本 | Cost | – | – | 4,087 | 4,087 |
| 累計攤銷 | Accumulated amortisation | – | – | (2,473) | (2,473) |
| 賬面淨值 | Net book amount | – | – | 1,614 | 1,614 |
| 截至2018年12月31日止年度 | Year ended 31 December 2018 | | | | |
| 期初賬面淨值 | Opening net book amount | – | – | 1,614 | 1,614 |
| 添置 | Additions | – | – | 342 | 342 |
| 收購附屬公司(附註36) | Acquisition of subsidiaries (Note 36) | 2,685 | 17,298 | – | 19,983 |
| 攤銷 | Amortisation | – | – | (497) | (497) |
| 出售 | Disposals | – | – | (26) | (26) |
| 貨幣換算差額 | Currency translation differences | – | – | (16) | (16) |
| 期末賬面淨值 | Closing net book amount | 2,685 | 17,298 | 1,417 | 21,400 |
| 於2018年12月31日 | At 31 December 2018 | | | | |
| 成本 | Cost | 2,685 | 17,298 | 4,271 | 24,254 |
| 累計攤銷 | Accumulated amortisation | – | – | (2,854) | (2,854) |
| 期末賬面淨值 | Net book amount | 2,685 | 17,298 | 1,417 | 21,400 |
| 截至2019年12月31日止年度 | Year ended 31 December 2019 | | | | |
| 期初賬面淨值 | Opening net book amount | 2,685 | 17,298 | 1,417 | 21,400 |
| 添置 | Additions | – | – | 1,798 | 1,798 |
| 攤銷 | Amortisation | – | (1,729) | (428) | (2,157) |
| 貨幣換算差額 | Currency translation differences | – | – | (34) | (34) |
| 賬面淨值 | Closing net book amount | 2,685 | 15,569 | 2,753 | 21,007 |
| 於2019年12月31日 | At 31 December 2019 | | | | |
| 成本 | Cost | 2,685 | 17,298 | 5,986 | 25,969 |
| 累計攤銷 | Accumulated amortisation | – | (1,729) | (3,233) | (4,962) |
| 期末賬面淨值 | Net book amount | 2,685 | 15,569 | 2,753 | 21,007 |

9 無形資產(續)

截至2019年及2018年12月31日止年度，攤銷支出於行政開支中列作開支。

商譽減值評估

現金產生單位的可收回金額乃參考使用價值計算方法釐定。

於評估使用價值計算方法時，經參考根據管理層批准涵蓋五年預測期的財務計劃作出的稅前現金流量預測所用的計算方法。預測期以外的現金流量乃使用估計長期增長率推算。已應用主要假設包括稅前貼現率16.5%、收益複合年增長率6%及終端增長率3%。於2019年12月31日，本公司董事經考慮使用價值計算Radius Displays的業務價值及性質、前景、財務狀況及業務風險後認為毋須對商譽作出減值，因為現金產生單位估計可收回金額超出其賬面值。

9 INTANGIBLE ASSETS (Continued)

Amortisation charge was expensed in administrative expenses during the years ended 31 December 2019 and 2018.

Impairment assessments of goodwill

The recoverable amount of the cash generating unit are determined by reference to the value-in-use calculation.

In assessing the value-in-use calculation, references were made to the calculations use pre-tax cash flow projections based on financial plans approved by management covering a forecast period of 5 years. Cash flows beyond the forecast period are extrapolated using the estimated long-term growth rates. The key assumptions applied includes pre-tax discount rate 16.5%, compound annual growth rate of revenue 6% and terminal growth rate of 3 %. As at 31 December 2019, the directors of the Company consider that there was no impairment of goodwill has been made as the estimate recoverable amount of CGUs exceeded their carrying values after considering the value-in-use calculation for the business value of Radius Displays and the nature, prospects, financial condition and business risks.

10 按公平值列入損益賬的金融資產及按公平值列入其他綜合收益的金融資產

(a) 按公平值列入損益賬的金融資產

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) FVPL

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------|-----------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 於年初 | At beginning of the year | 5,943 | 5,953 |
| 添置 | Additions | 587 | 326 |
| 公平值虧損(附註26) | Fair value losses (Note 26) | — | (336) |
| 於年終 | At end of the year | 6,530 | 5,943 |

按公平值列入損益賬的金融資產為兩份關鍵管理層人壽保單。本集團為保單的受益人。關鍵管理人員人壽保單的投資起初指定為按公平值列入損益賬的金融資產。

釐定關鍵管理人員人壽保單的投資的公平值時採用貼現現金流量(「貼現現金流量」)模式。貼現現金流量模式使用的重大假設及輸入數據如下：

The FVPL represented two key management life insurance policies. The Group is the beneficiary of the insurance policies. The investments in key management life insurance policies were designated as FVPL at inception.

Discounted cash flow ("DCF") model was applied to determine the fair value of the investments in key management life insurance policies. The significant assumptions and inputs used in the DCF model were as follows:

| | | 於12月31日 As at 31 December | |
|-----|----------------------|------------------------------|---------------|
| | | 2019年 2019 | 2018年 2018 |
| 死亡率 | Mortality adjustment | 90% | 90% |
| 貼現率 | Discount rate | 3.41% | 4.04% |

10 按公平值列入損益賬的金融資產及按公平值列入其他綜合收益的金融資產(續)

(b) 按公平值列入其他綜合收益的金融資產

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

(b) FVOCI

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 於年初 | At beginning of the year | 7,619 | 8,418 |
| 於其他綜合收益確認的公平值 收益／(虧損) | Fair value gains/(losses) recognised in other comprehensive income | 455 | (799) |
| 於年終，均為非流動及非上市 | At end of the year, all non-current and unlisted | 8,074 | 7,619 |

按公平值列入其他綜合收益指若干非報價債券基金。於2019年12月31日，按公平值列入損益賬及按公平值列入其他綜合收益均以港元計值。按公平值列入其他綜合收益之公平值與非報價債券基金的資產淨值相若。

於報告日期所承擔的最大信貸風險為按公平值列入損益賬的金融資產及按公平值列入其他綜合收益的金融資產的賬面值。

FVOCI represented certain unquoted bond funds. As at 31 December 2019, both FVPL and FVOCI are denominated in HKD. The fair value of FVOCI are approximately the net asset value of the unquoted bond funds.

The maximum exposure to credit risk at the reporting date is the carrying value of the FVPL and FVOCI.

11 按類別劃分的金融工具

11 FINANCIAL INSTRUMENTS BY CATEGORY

| | | 按攤銷 成本入賬 的金融資產 Financial assets at amortised costs 千港元 HKD'000 | 按公平值 入賬的 金融資產 Financial assets at fair value 千港元 HKD'000 |
|-----------------------------|---|--|---|
| 於2019年12月31日 | At 31 December 2019 | | |
| 應收賬款及其他應收款項(不包括預付稅項和其他預付款項) | Trade and other receivables excluding prepaid taxes and other prepayments | 695,763 | — |
| 按公平值列入損益賬 | FVPL | — | 6,530 |
| 按公平值列入其他綜合收益 | FVOCI | — | 8,074 |
| 受限制現金 | Restricted cash | 29,584 | — |
| 現金及現金等價物 | Cash and cash equivalents | 415,461 | — |
| | | 1,140,808 | 14,604 |
| 於2018年12月31日 | At 31 December 2018 | | |
| 應收賬款及其他應收款項(不包括預付稅項和其他預付款項) | Trade and other receivables excluding prepaid taxes and other prepayments | 777,339 | — |
| 按公平值列入損益賬 | FVPL | — | 5,943 |
| 按公平值列入其他綜合收益 | FVOCI | — | 7,619 |
| 短期銀行存款 | Short-term bank deposits | 6,122 | — |
| 受限制現金 | Restricted cash | 49,489 | — |
| 現金及現金等價物 | Cash and cash equivalents | 379,931 | — |
| | | 1,212,881 | 13,562 |

11 按類別劃分的金融工具(續)

11 FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

| | | 租賃負債 | 按攤銷成本 入賬的負債 | 按公平值列入 損益賬的金融負債 |
|---------------------|----------------------------------|--|--|--|
| | | Lease liabilities 千港元 HKD'000 | Liabilities at amortised cost 千港元 HKD'000 | Financial liabilities at fair value through profit or loss 千港元 HKD'000 |
| 於2019年12月31日 | At 31 December 2019 | | | |
| 借款 | Borrowings | – | 272,610 | – |
| 應付賬款及其他應付款項 | Trade and other payables | – | 243,399 | – |
| 應付或然代價 | Contingent consideration payable | – | – | 6,216 |
| 租賃負債 | Lease liabilities | 3,211,429 | – | – |
| | | 3,211,429 | 516,009 | 6,216 |
| 於2018年12月31日 | At 31 December 2018 | | | |
| 借款 | Borrowings | – | 269,006 | – |
| 應付賬款及其他應付款項 | Trade and other payables | – | 567,173 | – |
| 應付或然代價 | Contingent consideration payable | – | – | 6,611 |
| | | – | 836,179 | 6,611 |

12 使用權益法入賬的投資

12 INVESTMENTS ACCOUNTED FOR USING THE
EQUITY METHOD

| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|--------|----------------------------------|---------------------------------|---------------------------------|
| 於年初 | At beginning of the year | 38,136 | 27,391 |
| 注資 | Capital injections | – | 9,199 |
| 應佔業績 | Share of results | 12,873 | 12,462 |
| 股息 | Dividends | (10,034) | (8,846) |
| 貨幣換算差額 | Currency translation differences | (1,134) | (2,070) |
| 於年終 | At end of the year | 39,841 | 38,136 |

12 使用權益法入賬的投資(續)

以下為本集團於2019年12月31日的聯營公司。下列聯營公司由本集團直接持有，其註冊成立國家亦為其主要經營地點。

| 實體名稱 Name of entity | 註冊成立/ 成立日期 Date of incorporation/ establishment | 經營地點/ 註冊成立國家 Place of business/ country of incorporation | 所有權權益比例 Percentage of ownership interest | 業務性質 Nature of business |
|---|---|--|---|--|
| 福建兆翔廣告有限公司 (「福建兆翔廣告」) Fujian Zhaoxiang Advertising Company Limited (「Fujian Zhaoxiang Advertising」) | 2006年4月29日 29 April 2006 | 中國 the PRC | 2019: 30% (2018: 30%) | 開發及經營戶外 廣告媒體 Development and operations of out-of-home advertising media |
| 廣西頂源傳媒責任有限公司 (「廣西頂源」) Guangxi Top Source Media Company Limited (「Guangxi Top Source」) | 2012年6月20日 20 June 2012 | 中國 the PRC | 2019: 40% (2018: 40%) | 開發及經營戶外 廣告媒體 Development and operations of out-of-home advertising media |
| 深圳機場雅仕維傳媒有限公司 (「深圳機場雅仕維」) Shenzhen Airport Asiaray Media Company Limited (「Shenzhen Airport Asiaray」) | 2013年9月29日 29 September 2013 | 中國 the PRC | 2019: 49% (2018: 49%) | 開發及經營戶外 廣告媒體 Development and operations of out-of home advertising media |
| 珠海粵雅傳媒有限公司 (「珠海粵雅」) Zhuhai Yueya Media Company Limited (「Zhuhai Yueya」) | 2018年8月22日 22 August 2018 | 中國 the PRC | 2019: 40% (2018: 40%) | 開發及經營戶外 廣告媒體 Development and operations of out-of-home advertising media |

該等聯營公司為本集團的策略合作夥伴，提供接觸中國不同城市新客戶及市場的機會。

聯營公司全部均為非上市公司，故並無可得市值。概無有關本集團於聯營公司的權益的重大或然負債及資本承擔，自聯營公司轉撥資產或盈利至本集團亦無重大限制。

上述聯營公司的英文名稱乃由本公司管理層盡力從中文名稱翻譯而來。

本公司董事認為，深圳機場雅仕維對本集團而言屬重大。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Set out below were the associates of the Group as at 31 December 2019. The associates as listed below were held directly by the Group, their countries of incorporation are also their principal places of business.

These associates are strategic partners of the Group, providing access to new customers and markets in different cities in PRC.

All of the associates are unlisted companies and there are no market values available for the associates. There are no significant contingent liabilities and capital commitments relating to the Group's interests in the associates and there are no significant restrictions on the transfer of assets or earnings from the associates to the Group.

The English names of the above associates represented the best efforts by management of the Company in translating their Chinese names.

In the opinion of the directors of the Company, Shenzhen Airport Asiaray is material to the Group.

12 使用權益法入賬的投資(續)

(a) 深圳機場雅仕維的財務資料概要：

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(a) Summarised financial information for Shenzhen Airport Asiaray:

| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|------------------------|--|---------------------------------|---------------------------------|
| 非流動資產 | Non-current assets | 26,873 | 38,504 |
| 流動資產 | Current assets | | |
| — 現金及現金等價物 | – Cash and cash equivalents | 51,017 | 28,905 |
| — 其他流動資產 | – Other current assets | 98,654 | 98,840 |
| | | 149,671 | 127,745 |
| 流動負債 | Current liabilities | (93,215) | (78,705) |
| 淨資產 | Net assets | 83,329 | 87,544 |
| 本集團分佔淨資產 | Group's share of net assets | 49% | 49% |
| 調整前本集團應佔淨資產 | Net assets attributable to the Group before adjustments | 40,831 | 42,897 |
| 其他調整 | Other adjustments | (10,926) | (13,666) |
| 於聯營公司的權益 | Interests in the associate | 29,905 | 29,231 |
| 收益 | Revenue | (503,956) | (632,973) |
| 折舊及攤銷 | Depreciation and amortisation | 2,051 | 1,771 |
| 利息收入 | Interest income | (430) | (1,688) |
| 除稅前利潤 | Profit before tax | (25,759) | (36,379) |
| 所得稅開支 | Income tax expense | 7,624 | 8,753 |
| 年度利潤 | Profit for the year | (18,135) | (27,626) |
| 其他綜合收益 | Other comprehensive income | – | – |
| 綜合收益總額 | Total comprehensive income | (18,135) | (27,626) |
| 本集團分佔： | Group's share of: | | |
| — 年度利潤 | – Profit for the year | 8,886 | 13,537 |
| — 其他綜合收益 | – Other comprehensive income | – | – |
| — 其他調整 | – Other adjustments | 2,739 | (842) |
| — 綜合收益總額 | Total comprehensive income | 11,625 | 12,695 |
| 分佔利潤對賬 | Reconciliation of share of profits | | |
| — 重大聯營公司 | – Material associate | 11,625 | 12,695 |
| — 個別非重大聯營公司合計 (附註b) | – Aggregate of individually immaterial associates (Note b) | 1,248 | (233) |
| | | 12,873 | 12,462 |

12 使用權益法入賬的投資(續)

(a) 深圳機場雅仕維的財務資料概要：

截至2019年及2018年12月31日止年度，其他調整主要指撤銷與深圳機場雅仕維及深圳雅仕城鐵有限公司(「雅仕城鐵」，其55%的權益由深圳機場雅仕維直接持有)的上游交易款項。

(b) 個別不重大聯營公司：

除上文所披露聯營公司之權益外，本集團亦於兩間個別不重大的聯營公司擁有權益，其使用權益法入賬。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(a) Summarised financial information for Shenzhen Airport Asiaray:

Other adjustments mainly represented elimination of upstream transaction between 深圳雅仕城鐵有限公司 (Shenzhen Airport Asiaray and Shenzhen Yashi Metro Company Limited*), whose 55% equity interest was directly held by Shenzhen Airport Asiaray for the year ended 31 December 2019 and 2018.

(b) Individually immaterial associates:

In addition to the interests in associates disclosed above, the Group also has interests in individually immaterial associates that are accounted for using the equity method.

| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
|---------------------------|---|---------------------------------|---------------------------------|
| 本集團分佔個別非重大 聯營公司淨資產賬面總值 | Aggregate carrying amount of net assets of individually immaterial associates shared by the Group | 9,936 | 8,905 |
| 本集團分佔總額： | Aggregate amounts of the Group's share of: | | |
| 年度利潤／(虧損) | Profit/(loss) for the year | 1,248 | (233) |
| 其他綜合收益 | Other comprehensive income | — | — |
| 綜合收益／(虧損)總額 | Total comprehensive income/(loss) | 1,248 | (233) |

於2019年及2018年12月31日，由於本集團應佔虧損已超出其於福建兆翔廣告及廣西頂源的權益，故此於福建兆翔廣告及廣西頂源的投資賬面值已減少至零。

The carrying amount of the investment in Fujian Zhaoxiang Advertising and Guangxi Top Source was reduced to nil as at 31 December 2019 and 2018 as the Group's share of losses had exceeded its interest in Fujian Zhaoxiang Advertising and Guangxi Top Source.

* For identification purpose only

13 附屬公司

下列為於2019年12月31日之主要附屬公司。

13 SUBSIDIARIES

The following is a list of the principal subsidiaries as at 31 December 2019.

| 公司名稱 | 註冊成立/成立地點 及法律實體類型 | 主要業務和營業地點 | 已發行股本/ 註冊資本詳情 | 母公司 直接持有的 普通股比例(%) | 本集團持有的 普通股比例(%) | 非控股 權益持有的 普通股比例(%) |
|--|--|---|---|--|--|---|
| Company Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operation | Particulars of issued share capital/ registered capital | Proportion of ordinary shares directly held by parent (%) | Proportion of ordinary shares held by the Group (%) | Proportion of ordinary shares held by non-controlling interests (%) |
| 本公司直接持有： Directly held by the Company: | | | | | | |
| 雅仕維傳媒控股有限公司 Asiaray Media Holdings Limited | 英屬處女群島，有限責任公司 BVI, limited liability company | 投資控股，英屬處女群島 Investment holding, BVI | 50,000港元 HKD50,000 | 100% | — | — |
| 本公司間接持有： Indirectly held by the Company: | | | | | | |
| Asiaray Metro Media Limited | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 1港元 HKD1 | — | 100% | — |
| 雅仕維廣告媒體有限公司 Asiaray Advertising Media Limited | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 2,500,000港元 HKD2,500,000 | — | 100% | — |
| Asiaray Outdoor Media Limited | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 10,000港元 HKD10,000 | — | 100% | — |
| Asiaray Megamedia Limited | 香港，有限責任公司 Hong Kong, limited liability company | 設計、顧問、施工及 維護服務，香港 Design, consultancy, construction and maintenance services, Hong Kong | 10,000港元 HKD10,000 | — | 100% | — |
| Genesis Printing and Production Limited | 香港，有限責任公司 Hong Kong, limited liability company | 廣告、生產、安裝和 拆除服務，香港 Advertising, production, installation and dismantling services, Hong Kong | 10,000港元 HKD10,000 | — | 100% | — |
| 雅仕維廣告有限公司 ⁽¹⁾ Asiaray Advertising Limited ⁽¹⁾ | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 10,000港元 HKD10,000 | — | 100% | — |

附註(1)：於2020年1月13日改名為Asiaray Bus Media Limited。

Note (1): Changed the company name as Asiaray Bus Media Limited on 13 January 2020.

13 附屬公司(續)

13 SUBSIDIARIES (Continued)

| 公司名稱 | 註冊成立/成立地點 及法律實體類型 | 主要業務和營業地點 | 已發行股本/ 註冊資本詳情 | 母公司 直接持有的 普通股比例(%) | 本集團持有的 普通股比例(%) | 非控股 權益持有的 普通股比例(%) |
|--|--|--|---|--|--|---|
| Company Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operation | Particulars of issued share capital/ registered capital | Proportion of ordinary shares directly held by parent (%) | Proportion of ordinary shares held by the Group (%) | Proportion of ordinary shares held by non-controlling interests (%) |
| 香港雅仕維廣告有限公司 Hong Kong Asiaray Advertising Limited | 香港，有限責任公司 Hong Kong, limited liability company | 投資控股，香港 Investment holding, Hong Kong | 9,900港元 HKD9,900 | — | 100% | — |
| 雅仕維媒體有限公司 Asiaray Media Limited | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 10港元 HKD10 | — | 100% | — |
| 雅仕維聯盟有限公司 Asiaray Screen Alliance Limited | 香港，有限責任公司 Hong Kong, limited liability company | 戶外廣告媒體服務，香港 Out-of-home advertising media services, Hong Kong | 10,000港元 HKD10,000 | — | 100% | — |
| Radius Displays International Limited | 香港，有限責任公司 Hong Kong, limited liability company | 提供廣告甄選、廣告招牌及街道陳設 設計、工程及顧問服務，香港 Provision of advertising selections, signage and street furniture design engineering and consulting service, Hong Kong | 10,100港元 HKD10,100 | — | 51% | 49% |
| Radius Displays Limited | 香港，有限責任公司 Hong Kong, limited liability company | 提供廣告甄選、廣告招牌及街道陳設 設計、工程及顧問服務，香港 Provision of advertising selections, signage and street furniture design engineering and consulting service, Hong Kong | 10,000港元 HKD10,000 | — | 51% | 49% |
| 上海雅仕維廣告有限公司 (「上海雅仕維」) Shanghai Asiaray Advertising Company Limited ("Shanghai Asiaray") | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣99,839,136 RMB99,839,136 | — | 100% | — |
| 上海美狄斯廣告傳播有限公司 Shanghai Meidisi Advertising Media Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣2,365,530 RMB2,365,530 | — | 100% | — |
| 浙江雅仕維廣告有限公司 Zhejiang Asiaray Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣5,000,000 RMB5,000,000 | — | 100% | — |
| 深圳雅緻廣告有限公司 Shenzhen Yatie Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣1,000,000 RMB1,000,000 | — | 100% | — |

13 附屬公司(續)

13 SUBSIDIARIES (Continued)

| 公司名稱 | 註冊成立/成立地點 及法律實體類型 | 主要業務和營業地點 | 已發行股本/ 註冊資本詳情 | 母公司 直接持有的 普通股比例(%) | 本集團持有的 普通股比例(%) | 非控股 權益持有的 普通股比例(%) |
|---|--|--|---|--|--|---|
| Company Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operation | Particulars of issued share capital/ registered capital | Proportion of ordinary shares directly held by parent (%) | Proportion of ordinary shares held by the Group (%) | Proportion of ordinary shares held by non-controlling interests (%) |
| 上海雅仕維廣告傳播有限公司 (「上海廣告傳播」) | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣40,000,000 | — | 100% | — |
| Shanghai Asiaray Advertising Media Company Limited (“Shanghai Advertising Media”) | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB40,000,000 | | | |
| 廣州雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣1,030,000 | — | 100% | — |
| Guangzhou Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB1,030,000 | | | |
| 雲南空港雅仕維信息傳媒有限公司 (「雲南空港雅仕維」) | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣50,000,000 | — | 51% | 49% |
| Yunnan Airport Asiaray Information Media Company Limited (“Yunnan Airport Asiaray”) | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB50,000,000 | | | |
| 深圳雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣1,000,000 | — | 100% | — |
| Shenzhen Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB1,000,000 | | | |
| 海南雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣2,000,000 | — | 100% | — |
| Hainan Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB2,000,000 | | | |
| 深圳雅仕維城鐵有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣1,000,000 | — | 72% | 28% |
| Shenzhen Yashi Metro Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB1,000,000 | | | |
| 四川雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣1,200,000 | — | 100% | — |
| Sichuan Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB1,200,000 | | | |
| 北京雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣10,500,000 | — | 100% | — |
| Beijing Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB10,500,000 | | | |
| 西安雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣1,000,000 | — | 100% | — |
| Xi'an Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB1,000,000 | | | |
| 青島雅仕維廣告有限公司 | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣10,000,000 | — | 100% | — |
| Qingdao Asiaray Advertising Company Limited | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB10,000,000 | | | |

13 附屬公司(續)

13 SUBSIDIARIES (Continued)

| 公司名稱 | 註冊成立/成立地點 及法律實體類型 | 主要業務和營業地點 | 已發行股本/ 註冊資本詳情 | 母公司 直接持有的 普通股比例(%) | 本集團持有的 普通股比例(%) | 非控股 權益持有的 普通股比例(%) Proportion of ordinary shares held by non-controlling interests (%) |
|---|--|---|---|--|--|---|
| Company Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operation | Particulars of issued share capital/ registered capital | Proportion of ordinary shares directly held by parent (%) | Proportion of ordinary shares held by the Group (%) | |
| 河南空港雅仕維傳媒有限公司 (「河南空港雅仕維」) | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣5,000,000 | – | 51% | 49% |
| Henan Airport Asiaray Media Company Limited ("Henan Airport Asiaray") | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB5,000,000 | | | |
| 上海雅仕維廣告傳媒有限公司 Shanghai Asiaray Media Communication Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣1,000,000 RMB1,000,000 | – | 100% | – |
| 深圳佰墨仕廣告有限公司 Shenzhen Baimoshi Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 廣告服務，中國 Advertising services, the PRC | 人民幣1,000,000 RMB1,000,000 | – | 100% | – |
| 無錫雅仕維地鐵傳媒有限公司 (「無錫雅仕維」) | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣3,600,000 | – | 100% | – |
| Wuxi Asiaray Metro Media Company Limited ("Wuxi Asiaray") | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB3,600,000 | | | |
| 北京雅仕維廣告傳媒有限公司 Beijing Yatie Media Communication Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣1,000,000 RMB1,000,000 | – | 100% | – |
| 青島城投雅仕維廣告有限公司 (「青島城投」) | 中國，有限責任公司 | 戶外廣告媒體服務，中國 | 人民幣14,424,000 | – | 69% | 31% |
| Qingdao Chengtou Asiaray Advertising Company Limited ("Qingdao Chengtou") | the PRC, limited liability company | Out-of-home advertising media services, the PRC | RMB14,424,400 | | | |
| 北京創世博維廣告有限公司 Beijing Chuangshibowei Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 廣告服務，中國 Advertising services, the PRC | 人民幣5,000,000 RMB5,000,000 | – | 100% | – |
| 天津雅仕維廣告傳媒有限公司 Tianjin Yatie Media Communication Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣10,000,000 RMB10,000,000 | – | 60% | 40% |

13 附屬公司(續)

13 SUBSIDIARIES (Continued)

| 公司名稱 | 註冊成立/成立地點 及法律實體類型 | 主要業務和營業地點 | 已發行股本/ 註冊資本詳情 | 母公司 直接持有的 普通股比例(%) | 本集團持有的 普通股比例(%) | 非控股 權益持有的 普通股比例(%) |
|---|--|--|---|--|--|---|
| Company Name | Place of incorporation/ establishment and kind of legal entity | Principal activities and place of operation | Particulars of issued share capital/ registered capital | Proportion of ordinary shares directly held by parent (%) | Proportion of ordinary shares held by the Group (%) | Proportion of ordinary shares held by non-controlling interests (%) |
| 浙江雅緻廣告有限公司 Zhejiang Yatie Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣10,000,000 RMB10,000,000 | – | 100% | – |
| 深圳天網創媒廣告有限公司 Shenzhen Skynet Creative Media Advertising Company Limited | 中國，有限責任公司 the PRC, limited liability company | 廣告服務，中國 Advertising services, the PRC | 人民幣5,000,000 RMB5,000,000 | – | 100% | – |
| 珠海雅仕維報業傳媒有限公司 Zhuhai Asiaray Newspaper Media Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣8,000,000 RMB8,000,000 | – | 60% | 40% |
| 珠海雅創迪廣告設計有限公司 Zhuhai Yachuangdi Design Company Limited | 中國，有限責任公司 the PRC, limited liability company | 廣告服務，中國 Advertising services, the PRC | 人民幣1,000,000 RMB1,000,000 | – | 100% | – |
| 溫州市軌道傳媒公司 Wenzhou Railway Media Company Limited | 中國，有限責任公司 the PRC, limited liability company | 戶外廣告媒體服務，中國 Out-of-home advertising media services, the PRC | 人民幣20,000,000 RMB20,000,000 | – | 51% | 49% |
| Asiaray Connect Singapore Pte Ltd. | 新加坡 Singapore | 戶外廣告媒體服務，新加坡 Out-of-home advertising media services, Singapore | 100新加坡元 SGD100 | – | 100% | – |

上文提及的附屬公司並無正式英文名稱，其英文名稱乃由本公司管理層盡力從中文名稱翻譯而來。

The English names of the above subsidiaries located in the PRC referred to above represents the best efforts by management of the Company in translating their Chinese names, as they do not have official English names.

13 附屬公司(續)

所有附屬公司均納入合併。本集團於附屬公司持有的投票權比例與所持的股本權益比例一致。

誠如合併財務報表附註32所披露，本公司已設立股份獎勵計劃信託，以管理及持有為股份獎勵計劃購入的股份。由於本公司擁有權力管理股份獎勵計劃信託的相關活動及可從根據股份獎勵計劃獲授股份的合資格人士的貢獻受益，本公司董事認為適合將股份獎勵計劃合併入賬。

於2019年12月31日的非控股權益130,936,000港元(2018年：97,333,000港元)與於雲南空港雅仕維的非控股權益有關。於2019年12月31日的非控股虧絀15,708,000港元(2018年：抵免9,313,000港元)與河南空港雅仕維的非控股權益有關。於2019年12月31日的非控股虧絀21,307,000港元(2018年：8,152,000港元)與天津雅鐵廣告傳媒有限公司的非控股權益有關。

由於本集團有權控制上述三個實體的財務及營運政策，故該等實體已作為本集團之附屬公司入賬。

本集團其他非全資附屬公司的非控股權益對本集團並不重要。

重大限制

於2019年及2018年12月31日，在中國大陸持有的現金及現金等價物以及短期銀行存款分別為272,142,000港元及312,394,000港元，並須受當地外匯管制法規所規限。該等當地外匯管制法規限制透過正常股息以外的方式將資金匯出中國。詳情見附註3.1信貸風險。

13 SUBSIDIARIES (Continued)

All subsidiaries are included in the consolidation. The proportion of the voting rights in the subsidiaries held by the Group does not differ from the proportion of equity interests held.

As disclosed in Note 32 to the consolidated financial statements, the Company has set up a Share Award Scheme Trust for the administration and holding the Company's shares acquired for Share Award Scheme. As the Company has the power to govern the relevant activities of the Share Award Scheme Trust and can derive benefits from the contribution of the eligible persons who award the shares under the Share Award Scheme, the directors of the Company consider it is appropriate to consolidate the Share Award Scheme Trust.

The non-controlling interest of HKD130,936,000 as at 31 December 2019 (2018: HKD97,333,000) was relating to the non-controlling interest in Yunnan Airport Asiaray. The non-controlling deficit of HKD15,708,000 as at 31 December 2019 (2018: credit HKD9,313,000) was relating to the non-controlling interest in Henan Airport Asiaray. The non-controlling deficit of HKD21,307,000 as at 31 December 2019 (2018: HKD8,152,000) was relating to the non-controlling interest in Tianjin Yatie Media Communication Company Limited.

As the Group had the power to control the financial and operating policies of the above three entities, they had been accounted for as subsidiaries of the Group.

The non-controlling interests of the Group's other non-wholly owned subsidiaries are not material to the Group.

Significant restrictions

Cash and cash equivalents and short-term bank deposits of HKD272,142,000 and HKD312,394,000 were held in Mainland China as at 31 December 2019 and 2018, respectively, and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends. See Note 3.1 credit risk for the detail.

13 附屬公司(續)
具有重大非控股權益的附屬公司的財務
資料概要

(a) 雲南空港雅仕維的財務資料概要：

(i) 資產負債表概要

| | | 於12月31日 As at 31 December | |
|----------|--------------------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 流動 資產 | Current Assets | 399,994 | 365,918 |
| 負債 | Liabilities | (202,053) | (222,097) |
| 流動資產淨值 | Net current assets | 197,941 | 143,821 |
| 非流動資產 | Non-current Assets | 965,611 | 54,817 |
| 負債 | Liabilities | (896,398) | — |
| 非流動資產淨值 | Net non-current assets | 69,213 | 54,817 |
| 資產淨值 | Net assets | 267,154 | 198,638 |
| 本集團分佔淨資產 | Group's share of net assets | 49% | 49% |
| 本集團應佔淨資產 | Net assets attributable to the Group | 130,905 | 97,333 |

(ii) 綜合收益表概要

13 SUBSIDIARIES (Continued)
Summarised financial information for subsidiaries
with material non-controlling interests

(a) Summarised financial information of Yunnan Airport
Asiaray:

(i) Summarised balance sheet

(ii) Summarised statement of comprehensive
income

| | | 截至12月31日止年度 Year ended 31 December | |
|----------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 收入 | Revenue | 403,395 | 365,763 |
| 除所得稅前利潤 | Profit before income tax | 99,169 | 139,299 |
| 所得稅開支 | Income tax expense | (15,229) | (20,940) |
| 年度利潤 | Profit for the year | 83,940 | 118,359 |
| 其他綜合虧損 | Other comprehensive loss | (15,424) | (9,115) |
| 綜合收益總額 | Total comprehensive income | 68,516 | 109,244 |
| 已攤分給非控股權益的 綜合收益總額 | Total comprehensive income allocated to non-controlling interest | 33,573 | 53,530 |
| 應付非控股權益的股息 | Dividend payable to non-controlling interest | — | — |

13 附屬公司(續)

具有重大非控股權益的附屬公司的財務資料概要(續)

(a) 雲南空港雅仕維的財務資料概要：(續)

(iii) 現金流量表概要

13 SUBSIDIARIES (Continued)

Summarised financial information for subsidiaries with material non-controlling interests (Continued)

(a) Summarised financial information of Yunnan Airport Asiaray: (Continued)

(iii) Summarised statement of cash flows

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 營運活動所得的現金流量 | Cash flows from operating activities | | |
| 經營(所用)/所得現金 | Cash (used in)/generated from operations | (86,592) | 209,326 |
| 已繳所得稅 | Income tax paid | (17,053) | (15,114) |
| 營運活動的現金(流出)/流入淨額 | Net cash (outflow)/inflow from operating activities | (103,645) | 194,212 |
| 投資活動的現金流入淨額 | Net cash inflow from investing activities | 6,455 | 6,617 |
| 融資活動的現金流出淨額 | Net cash outflow from financing activities | — | (57,803) |
| 現金及現金等價物(減少)/增加淨額 | Net (decrease)/increase in cash and cash equivalents | (97,190) | 143,026 |
| 年初的現金及現金等價物 | Cash and cash equivalents at beginning of the year | 181,330 | 45,352 |
| 現金及現金等價物的匯兌虧損 | Exchange losses on cash and cash equivalents | (2,253) | (7,048) |
| 年終的現金及現金等價物 | Cash and cash equivalents at the end of the year | 81,887 | 181,330 |

13 附屬公司(續)

具有重大非控股權益的附屬公司的財務資料概要(續)

(b) 河南空港雅仕維的財務資料概要：

(i) 資產負債表概要

| | | 於12月31日 As at 31 December | |
|-----------|-----------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 流動 資產 | Current Assets | 128,026 | 128,548 |
| 負債 | Liabilities | (147,519) | (171,561) |
| 流動負債淨額 | Net current liabilities | (19,493) | (43,013) |
| 非流動 資產 | Non-current Assets | 632,036 | 65,158 |
| 負債 | Liabilities | (644,601) | (3,139) |
| 非流動負債淨額 | Net non-current liabilities | (12,565) | 62,019 |
| (負債)/資產淨額 | Net (liabilities)/assets | (32,058) | 19,006 |

(ii) 綜合虧損表概要

13 SUBSIDIARIES (Continued)

Summarised financial information for subsidiaries with material non-controlling interests (Continued)

(b) Summarised financial information of Henan Airport Asiaray:

(i) Summarised balance sheet

(ii) Summarised statement of comprehensive income

| | | 截至12月31日止年度 Year ended 31 December | |
|---------------------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 收入 | Revenue | 172,840 | 191,925 |
| 除所得稅前(虧損)/溢利 | (Loss)/profit before income tax | (20,561) | 23,865 |
| 所得稅抵免/(開支) | Income tax credit/(expense) | 4,867 | (6,125) |
| 年度(虧損)/溢利 | (Loss)/profit for the year | (15,694) | 17,740 |
| 其他綜合虧損 | Other comprehensive loss | (35,370) | (1,050) |
| 綜合(虧損)/收益總額 | Total comprehensive (loss)/income | (51,064) | 16,690 |
| 已攤分給非控股權益的 綜合(虧損)/收益總額 | Total comprehensive (loss)/income allocated to non-controlling interest | (25,021) | 8,178 |

13 附屬公司(續)

具有重大非控股權益的附屬公司的財務資料概要(續)

(b) 河南空港雅仕維的財務資料概要：(續)

(iii) 現金流量表概要

13 SUBSIDIARIES (Continued)

Summarised financial information for subsidiaries with material non-controlling interests (Continued)

(b) Summarised financial information of Henan Airport Asiaray: (Continued)

(iii) Summarised statement of cash flow

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 營運活動所得的現金流量 | Cash flows from operating activities | | |
| 經營(所用)/所得現金 | Cash (used in)/generated from operations | (135,020) | 54,569 |
| 已付利息 | Interest paid | (242) | (298) |
| 已繳所得稅 | Income tax paid | (11,979) | (7,631) |
| 營運活動的現金(流出)/流入淨額 | Net cash (outflow)/inflow from operating activities | (147,241) | 46,640 |
| 投資活動的現金流入淨額 | Net cash inflow from investing activities | 91,450 | 162 |
| 現金及現金等價物(減少)/增加淨額 | Net (decrease)/increase in cash and cash equivalents | (55,791) | 46,802 |
| 年初的現金及現金等價物 | Cash and cash equivalents at beginning of the year | 81,264 | 37,791 |
| 現金及現金等價物的匯兌虧損 | Exchange losses on cash and cash equivalents | (795) | (3,329) |
| 年終的現金及現金等價物 | Cash and cash equivalents at the end of the year | 24,678 | 81,264 |

13 附屬公司(續)

具有重大非控股權益的附屬公司的財務資料概要(續)

(c) 天津雅鐵廣告傳媒有限公司的財務資料概要：

(i) 資產負債表概要

13 SUBSIDIARIES (Continued)

Summarised financial information for subsidiaries with material non-controlling interests (Continued)

(c) Summarised financial information of Tianjin Yatie Media Communication Company Limited:

(i) Summarised balance sheet

| | | 於12月31日 As at 31 December | |
|------------|--------------------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 流動資產 | Current Assets | 40,362 | 15,867 |
| 流動負債 | Current Liabilities | (85,223) | (48,056) |
| 流動負債淨額 | Net current liabilities | (44,861) | (32,189) |
| 非流動資產 | Non-current Assets | 182,445 | 11,809 |
| 非流動負債 | Non-current Liabilities | (190,851) | – |
| 非流動負債／資產淨值 | Net non-current (liabilities)/assets | (8,406) | 11,809 |
| 負債淨額 | Net liabilities | (53,267) | (20,380) |

(ii) 綜合虧損表概要

(ii) Summarised statement of comprehensive income

| | | 截至12月31日止年度 Year ended 31 December | |
|------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 收入 | Revenue | 30,296 | 41,822 |
| 除所得稅前虧損 | Loss before income tax | (26,124) | (13,066) |
| 所得稅抵免 | Income tax credit | 257 | 3,067 |
| 年度虧損 | Loss for the year | (25,867) | (9,999) |
| 其他綜合(虧損)／收益 | Other comprehensive (loss)/income | (7,020) | 826 |
| 綜合虧損總額 | Total comprehensive loss | (32,887) | (9,173) |
| 已攤分給非控股權益的綜合虧損總額 | Total comprehensive loss allocated to non-controlling interest | (16,115) | (3,669) |

13 附屬公司(續)

具有重大非控股權益的附屬公司的財務資料概要(續)

(c) 天津雅鐵廣告傳媒有限公司的財務資料概要：(續)

(iii) 現金流量表概要

13 SUBSIDIARIES (Continued)

Summarised financial information for subsidiaries with material non-controlling interests (Continued)

(c) Summarised financial information of Tianjin Yatie Media Communication Company Limited: (Continued)

(iii) Summarised statement of cash flow

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 營運活動所得的現金流量 | Cash flows from operating activities | | |
| 經營的現金流入／(流出) | Cash inflow/(outflow) from operations | 20,920 | (14,512) |
| 營運活動所得現金流入／(流出)淨額 | Net cash inflow/(outflow) from operating activities | 20,920 | (14,512) |
| 投資活動的現金流入／(流出)淨額 | Net cash inflow/(outflow) from investing activities | 12 | (40) |
| 融資活動的現金流入淨額 | Net cash inflow from financing activities | 1,819 | — |
| 現金及現金等價物增加／(減少)淨額 | Net increase/(decrease) in cash and cash equivalents | 22,751 | (14,552) |
| 年初的現金及現金等價物 | Cash and cash equivalents at beginning of the year | 4,302 | 19,243 |
| 現金及現金等價物的匯兌虧損 | Exchange losses on cash and cash equivalents | (496) | (389) |
| 年終的現金及現金等價物 | Cash and cash equivalents at the end of the year | 26,557 | 4,302 |

14 遞延所得稅

遞延所得稅資產及負債的分析如下：

14 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

| | | 於12月31日 As at 31 December | |
|------------|------------------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 遞延所得稅資產： | Deferred income tax assets: | | |
| 一 於12個月內收回 | – to be recovered within 12 months | 92,935 | 52,680 |
| 一 於12個月後收回 | – to be recovered after 12 months | 63,011 | 43,741 |
| | | 155,946 | 96,421 |
| 遞延所得稅負債： | Deferred income tax liabilities: | | |
| 一 於12個月內結算 | – to be settled within 12 months | (4,966) | (6,338) |
| | | 150,980 | 90,083 |

遞延稅項賬目的淨變動如下：

The net movement on the deferred income tax account is as follows:

| | | 截至12月31日止年度 Year ended 31 December | |
|--|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 年初 | Beginning of the year | 90,083 | 84,845 |
| 有關採納香港財務報告準則 第16號的會計政策變動 (附註2.2) | Change in accounting policy relating to the adoption of HKFRS16 (Note 2.2) | 27,789 | – |
| 經重列年初結餘 | Restated opening balance of the year | 117,872 | 84,845 |
| 計入損益賬(附註28) | Credited to profit or loss (Note 28) | 36,282 | 12,221 |
| (直接計入其他綜合收益)／ 直接於其他綜合收益中扣除 | (Charged)/credited directly to other comprehensive income | (46) | 104 |
| 收購附屬公司 | Acquisition of subsidiaries | – | (2,854) |
| 貨幣換算差額 | Currency translation differences | (3,128) | (3,933) |
| 年終 | End of the year | 150,980 | 90,083 |

14 遞延所得稅(續)

遞延所得稅資產：

14 DEFERRED INCOME TAX (Continued)

Deferred income tax assets:

| | | 於12月31日 As at 31 December | |
|------------------|--|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 以下各項應佔包括暫時差額的結餘： | The balance comprises temporary differences attributable to: | | |
| 稅項虧損 | Tax losses | 63,012 | 43,740 |
| 預提費用 | Accruals | 86,076 | 44,990 |
| 應收款項減值撥備 | Provision for impairment of receivables | 7,058 | 6,658 |
| 貸款予一間聯營公司的貼現影響 | Discounting effect of loans to an associate | 133 | 395 |
| 列入損益賬的公平值變動 | Fair value change on financial assets through profit or loss | 146 | 193 |
| 折舊準備 | Depreciation allowance | (479) | 445 |
| 遞延稅項資產總值 | Total deferred tax assets | 155,946 | 96,421 |
| 根據抵銷規定抵銷遞延稅項負債 | Set-off of deferred tax liabilities pursuant to set-off provisions | (2,391) | (3,484) |
| 遞延稅項資產淨值 | Net deferred tax assets | 153,555 | 92,937 |

14 遞延所得稅(續)

遞延所得稅資產及負債的變動(未計及在同一稅務司法權區抵銷的結餘)如下：

遞延所得稅資產：

14 DEFERRED INCOME TAX (Continued)

Movement in deferred income tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

Deferred income tax assets:

| | | 稅項虧損 | 預提費用 | 應收款項 減值撥備 | 一間聯營公司 的貼現影響 | 按公平值列入 貸款予其他綜合收益的 金融資產的 公平值變動 Fair value change on financial assets Discounting effect of loans to an associate through other comprehensive income | 折舊準備 | 總計 |
|------------------------------------|--|---------------------------------|----------------------------|---|--------------------------------|---|---|-------------------------|
| | | Tax losses 千港元 HKD'000 | Accruals 千港元 HKD'000 | Provision for impairment of receivables 千港元 HKD'000 | an associate 千港元 HKD'000 | at fair value 千港元 HKD'000 | Depreciation allowance 千港元 HKD'000 | Total 千港元 HKD'000 |
| 截至2019年12月31日止年度 | Year ended 31 December 2019 | | | | | | | |
| 於年初 | At beginning of the year | 43,740 | 44,990 | 6,658 | 395 | 193 | 445 | 96,421 |
| 有關採納香港財務報告準則第16號的 會計政策變動(附註2.2) | Change in accounting policy relating to the adoption of HKFRS 16 (Note 2.2) | - | 27,789 | - | - | - | - | 27,789 |
| 於2019年1月1日經重列 | Restated at 1 January 2019 | 43,740 | 72,779 | 6,658 | 395 | 193 | 445 | 124,210 |
| 於損益中計入/(扣除) | Credited/(charged) to profit or loss | 20,546 | 15,042 | 556 | (258) | - | (924) | 34,962 |
| 於其他綜合收益中扣除 | Charged to other comprehensive income | - | - | - | - | (46) | - | (46) |
| 貨幣換算差額 | Currency translation differences | (1,275) | (1,745) | (156) | (4) | - | - | (3,180) |
| 於年終 | At end of the year | 63,011 | 86,076 | 7,058 | 133 | 147 | (479) | 155,946 |
| 截至2018年12月31日止年度 | Year ended 31 December 2018 | | | | | | | |
| 於年初 | At beginning of the year | 40,726 | 40,053 | 5,040 | 669 | 89 | 10 | 86,587 |
| 於損益中計入/(扣除) | Credited/(charged) to profit or loss | 4,819 | 6,846 | 1,914 | (252) | - | 435 | 13,762 |
| 計入其他綜合收益中 | Credited to other comprehensive income | - | - | - | - | 104 | - | 104 |
| 貨幣換算差額 | Currency translation differences | (1,805) | (1,909) | (296) | (22) | - | - | (4,032) |
| 於年終 | At end of the year | 43,740 | 44,990 | 6,658 | 395 | 193 | 445 | 96,421 |

14 遞延所得稅(續)

遞延所得稅負債：

14 DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities:

| | | 於12月31日 As at 31 December | |
|------------------|---|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 以下各項應佔包括暫時差額的結餘： | The balance comprises temporary differences attributable to: | | |
| 折舊準備 | Depreciation allowance | 5 | 1,380 |
| 通過業務合併的公平值收益 | Fair value gains through business combinations | 2,569 | 2,854 |
| 投資物業公平值收益 | Fair value gains on investment properties | 2,392 | 2,104 |
| 遞延稅項負債總額 | Total deferred tax liabilities | 4,966 | 6,338 |
| 根據抵銷規定抵銷遞延稅項負債 | Set-off of deferred tax assets pursuant to set-off provisions | (2,391) | (3,484) |
| 遞延稅項負債淨額 | Net deferred tax liabilities | 2,575 | 2,854 |

| | | 折舊準備 Depreciation allowance 千港元 HKD'000 | 業務合併 公平值收益 Fair value gains through business combination 千港元 HKD'000 | 投資物業 公平值收益 Fair value gains on investment properties 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|------------------|---------------------------------------|--|--|--|-------------------------------|
| 截至2019年12月31日止年度 | Year ended 31 December 2019 | | | | |
| 於年初 | At beginning of the year | 1,380 | 2,854 | 2,104 | 6,338 |
| 於損益中(計入)/扣除 | (Credited)/charged to profit or loss | (1,375) | (285) | 340 | (1,320) |
| 收購附屬公司 | Currency translation differences | - | - | (52) | (52) |
| 於年終 | At end of the year | 5 | 2,569 | 2,392 | 4,966 |
| 截至2018年12月31日止年度 | Year ended 31 December 2018 | | | | |
| 於年初 | At beginning of the year | 31 | - | 2,011 | 2,042 |
| 於損益中扣除 | Charged to profit or loss | 1,349 | - | 192 | 1,541 |
| 收購附屬公司(附註36) | Acquisition of subsidiaries (Note 36) | - | 2,854 | - | 2,854 |
| 貨幣換算差額 | Currency translation differences | - | - | (99) | (99) |
| 於年終 | At end of the year | 1,380 | 2,854 | 2,104 | 6,338 |

14 遞延所得稅(續)

於2019年及2018年12月31日，本集團並無分別就可結轉以抵扣未來應課稅收入的143,970,000港元及57,976,000港元稅項虧損確認遞延稅項資產33,233,000港元及11,722,000港元。

未確認遞延所得稅資產的稅項虧損屆滿日期如下：

| | | 於12月31日 | |
|-------------|--|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 1年以內屆滿 | Expire within 1 year | 18,448 | 1,268 |
| 於1至2年內屆滿 | Expire in 1 to 2 years | 14,863 | 5,690 |
| 於2至3年內屆滿 | Expire in 2 to 3 years | 10,468 | 7,875 |
| 於3至4年內屆滿 | Expire in 3 to 4 years | 66 | 10,468 |
| 於4至5年內屆滿 | Expire in 4 to 5 years | 67,654 | 69 |
| 5年以上及不受屆滿影響 | Over 5 years and not subject to expiration | 32,471 | 32,606 |
| | | 143,970 | 57,976 |

於2019年及2018年12月31日，本集團分別地並無就可結轉以抵扣未來應課稅收入的5,200,000港元及4,023,000港元其他可扣減暫時差額確認遞延稅項資產1,300,000港元及1,006,000港元。

於2019年12月31日，本集團中國附屬公司的保留盈利222,262,000港元(2018年：192,965,000港元)尚未匯予中國境外註冊成立之控股公司，且並未作出遞延稅項負債撥備。因此，預期該等盈利將由中國附屬公司保留作再投資之用，而基於管理層對海外資金要求的估計，該等盈利於可見將來亦不會匯予其於中國境外註冊成立之控股公司。

14 DEFERRED INCOME TAX (Continued)

The Group did not recognise deferred income tax assets of HKD33,233,000 and HKD11,722,000 in respect of tax losses amounting to HKD143,970,000 and HKD57,976,000 that can be carried forward against future taxable profit as at 31 December 2019 and 2018, respectively.

The expiry date of the tax losses for which deferred income tax assets were not recognised is as follows:

The Group did not recognise deferred income tax assets of HKD1,300,000 and HKD1,006,000 in respect of other deductible temporary differences amounting to HKD5,200,000 and HKD4,023,000 that can be carried forward against future taxable profit as at 31 December 2019 and 2018, respectively.

As at 31 December 2019, the retained earnings of the Group's PRC subsidiaries not yet remitted to the holding companies incorporated outside PRC, for which no deferred tax liability had been provided, were approximately HKD222,262,000 (2018: HKD192,965,000). Such earnings are expected to be retained by the PRC subsidiaries for reinvestment purposes and would not be remitted to their holding companies incorporated outside PRC in the foreseeable future based on management's estimation of overseas funding requirements.

15 應收賬款及其他應收款項

15 TRADE AND OTHER RECEIVABLES

| | | 於12月31日 | |
|-----------------|---|-------------------|----------------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 流動資產 | Current assets | | |
| 應收賬款 | Trade receivables | 477,989 | 522,054 |
| 減：應收賬款減值撥備(b) | Less: loss allowance of trade receivables (b) | (36,585) | (28,615) |
| 應收賬款，淨額 | Trade receivables, net | 441,404 | 493,439 |
| 其他應收款項(c) | Other receivables (c) | 245,561 | 271,720 |
| 減：其他應收款項減值撥備(c) | Less: loss allowance of other receivables (c) | (4,467) | (4,818) |
| 其他應收款項，淨額 | Other receivables, net | 241,094 | 266,902 |
| 應收利息 | Interest receivables | 363 | 1,172 |
| 預付稅項 | Prepaid taxes | 37,683 | 26,929 |
| 其他預付款項(d) | Other prepayments (d) | 143,207 | 52,423 |
| | | 863,751 | 840,865 |
| 非流動資產 | Non-current assets | | |
| 其他應收款項及按金(c) | Other receivables and deposits (c) | 12,902 | 15,826 |
| 總計 | Total | 876,653 | 856,691 |

15 應收賬款及其他應收款項(續)

- (a) 本集團並無授予客戶指定信貸期。按發票日期列示的應收賬款賬齡分析如下：

| | | 於12月31日 | |
|----------|-----------------------|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 最多6個月 | Up to 6 months | 351,371 | 397,028 |
| 6個月至12個月 | 6 months to 12 months | 47,538 | 69,027 |
| 1年至2年 | 1 year to 2 years | 43,340 | 22,716 |
| 2年至3年 | 2 years to 3 years | 8,058 | 16,321 |
| 3年以上 | Over 3 years | 27,682 | 16,962 |
| | | 477,989 | 522,054 |

(b) 應收賬款虧損撥備

本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，及就所有應收賬款應用全期預期信貸虧損。本集團亦透過評估有關交易對手的信貸質素，同時考慮其財務狀況、過往經驗及其他因素持續監控信貸風險。

於本報告期間，虧損撥備增加7,970,000港元至36,585,000港元。有關該等虧損撥備的計算方法詳情載於附註3.1(b)。

應收賬款減值虧損計入合併綜合收益表內的金融資產減值虧損淨額。

15 TRADE AND OTHER RECEIVABLES (Continued)

- (a) The Group has no specified credit terms for its customers. Ageing analysis of the trade receivables by invoice date is as follows:

(b) Loss allowance of trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which use a lifetime expected loss allowance for all trade receivables. The Group also continuously monitors the credit risks by assessing the credit quality of respective counterparties, taking into account its financial position, past experience and other factors.

The loss allowance increased by HKD7,970,000 during the current reporting period to HKD36,585,000. Note 3.1(b) provides for details about the calculation of these loss allowance.

The impairment loss on trade receivables is included in 'net impairment losses on financial assets' in the consolidated statement of comprehensive income.

15 應收賬款及其他應收款項(續)

- (c) 其他應收款項主要指向不同媒體資源擁有人支付的擔保保證金及應收若干關連方款項。於2019年及2018年12月31日，其他應收款項的賬面值與其公平值相若。

視乎初次確認後信貸風險是否顯著增加，其他應收款項及按金作為12個月預期信貸虧損或全期預期信貸虧損計量。倘自初次確認後應收款項的信貸風險顯著增加，則按全期預期信貸虧損計量減值。其他應收款項減值虧損撥備為4,467,000港元(2018年：4,818,000港元)。

- (d) 本集團有關其他應收款項減值撥備的變動如下：

15 TRADE AND OTHER RECEIVABLES (Continued)

- (c) Other receivables mainly represent guaranteed deposits paid to various media resources owners and amounts due from certain related parties. The carrying amounts of other receivables approximate their fair value as at 31 December 2019 and 2018.

Other receivables and deposits are measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, impairment is measured as lifetime expected credit losses. The allowance on impairment loss of other receivables amounts to HKD4,467,000 (2018: HKD4,818,000).

- (d) Movements on the Group's provision for impairment of other receivables are as follows:

| | | 於12月31日 | |
|--------------------|--|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 廣告空間特許經營費的 預付款項 | Prepayments for concession fee for advertising spaces | 136,998 | 47,161 |
| 其他 | Others | 6,209 | 5,262 |
| | | 143,207 | 52,423 |

15 應收賬款及其他應收款項(續)

(e) 本集團應收賬款及其他應收款項的賬面金額以下列貨幣計值：

| | | 於12月31日 As at 31 December | |
|-----|-----|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 人民幣 | RMB | 626,681 | 640,800 |
| 港元 | HKD | 106,765 | 163,468 |
| | | 733,446 | 804,268 |

15 TRADE AND OTHER RECEIVABLES (Continued)

(e) The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

16 受限制現金及現金及現金等價物

16 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

| | | 於12月31日 As at 31 December | |
|-------------|-------------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 銀行存款及手頭現金 | Cash at bank and on hand | 445,045 | 429,420 |
| 減：受限制現金(b) | Less: restricted cash (b) | (29,584) | (49,489) |
| 現金及現金等價物(a) | Cash and cash equivalents (a) | 415,461 | 379,931 |

(a) 有關現金及現金等價物以下列貨幣計值：

(a) Cash and cash equivalents were denominated in the following currencies:

| | | 於12月31日 As at 31 December | |
|-----|--------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 人民幣 | RMB | 281,453 | 306,481 |
| 港元 | HKD | 128,382 | 68,555 |
| 其他 | Others | 5,626 | 4,895 |
| | | 415,461 | 379,931 |

16 受限制現金及現金及現金等價物 (續)

- (b) 除3,592,000港元以港元計值外，受限制現金以人民幣計值。受限制現金的分析如下：

| | | 於12月31日 As at 31 December | |
|-----------------|---|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 若干銀行所發出保函的擔保保證金 | Guaranteed deposits for letter of guarantee issued by certain banks | 25,992 | 45,897 |
| 信託就庫存股份持有的按金 | Deposits held by the Trust for treasury shares | 3,592 | 3,592 |
| | | 29,584 | 49,489 |

將以人民幣計值的結餘兌換為外幣及從中國大陸匯出該等外幣計值的銀行結餘及現金，須遵守中國大陸政府頒佈的外匯管制規則及法規。

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

17 股本

17 SHARE CAPITAL

| | | 普通股數目 Number of ordinary shares (千股) (thousand) | 股本 Share Capital 千港元 HKD'000 |
|--|---|--|--|
| 已發行及繳足： | Issued and fully paid: | | |
| 於2018年1月1日及 2018年12月31日及 2019年1月1日 | At 1 January 2018 and 31 December 2018 and 1 January 2019 | 440,000 | 44,000 |
| 發行股份(附註) | Issue of share (Note) | 35,676 | 3,568 |
| 於2019年12月31日 | At 31 December 2019 | 475,676 | 47,568 |

附註：截至2019年12月31日止年度，本集團按每股4.1港元向Antfin (Hong Kong) Holding Limited(該公司於香港註冊成立及為浙江螞蟻小微金融服務集團股份有限公司(「螞蟻金服」)的間接全資附屬公司)發行35,675,676股普通股。

Note: During the year ended 31 December 2019, the Group issued 35,675,676 ordinary shares to Antfin (Hong Kong) Limited at HKD4.1 per share, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*) ("Ant Financial").

* For identification purpose only

18 儲備

18 RESERVES

| | | 按公平值列入 | | 以股份為基礎 | | 認股權證 | 永久次級 | 貨幣換算 | | | |
|-----------------------|--|----------|---------|----------|-------------------------|---------|--|------------------------|----------|----------|-----------|
| | | 股份溢價 | 儲備的金融資產 | 庫存股份 | 之報酬儲備 | 儲備 | 可換股證券 (附註19) | 儲備 | 其他儲備 | 保留盈利 | 總計 |
| | | Share | FVOCI | Treasury | Share-based | Warrant | Perpetual subordinated convertible | Currency | Other | Retained | Total |
| | | premium | reserve | stocks | compensation reserve | reserve | securities (Note 19) | translation reserve | reserves | earnings | |
| | | 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 |
| | | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 |
| 2018年1月1日 | At 1 January 2018 | 346,613 | (712) | – | 26,209 | 3,075 | 30,000 | (10,110) | (23,327) | 118,259 | 490,007 |
| 綜合收益 | Comprehensive income | | | | | | | | | | |
| 年度利潤 | Profit for the year | – | – | – | – | – | – | – | – | 62,953 | 62,953 |
| 其他綜合虧損 | Other comprehensive loss | – | (695) | – | – | – | – | (20,407) | – | – | (21,102) |
| 綜合收益總額 | Total comprehensive income | – | (695) | – | – | – | – | (20,407) | – | 62,953 | 41,851 |
| 購股權失效 | Share option lapsed | – | – | – | (4,981) | – | – | – | – | 4,981 | – |
| 永久次級可換股證券分派 | Distributions to PSCS | – | – | – | – | – | – | – | – | (1,743) | (1,743) |
| 為股份獎勵計劃購買 股份(附註32) | Purchase of shares for Share Award Scheme (Note 32) | – | – | (17,336) | – | – | – | – | – | – | (17,336) |
| 已付股息 | Dividend paid | (94,160) | – | – | – | – | – | – | – | – | (94,160) |
| 直接於權益確認與擁有人的 交易總額 | Total transactions with owners, recognised directly in equity | (94,160) | – | (17,336) | (4,981) | – | – | – | – | 3,238 | (113,239) |
| 於2018年12月31日結餘 | Balance at 31 December 2018 | 252,453 | (1,407) | (17,336) | 21,228 | 3,075 | 30,000 | (30,517) | (23,327) | 184,450 | 418,619 |

合併財務報表附註 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 儲備(續)

18 RESERVES (Continued)

| | | 股份溢價 | 可供出售 金融資產儲備 | 庫存股份 | 以股份為基礎 之報酬儲備 | 認股權證 儲備 | 永久次級 可換股證券 (附註19) | 貨幣換算差額 | 保留盈利／ (累計虧損) | 總計 | |
|----------------------------|--|------------------|------------------|--------------------|--|--------------------|---|------------------------------------|-------------------|--|-----------|
| | | Share premium | FVOCI reserve | Treasury stocks | Share-based compensation reserve | Warrant reserve | Perpetual subordinated convertible securities (Note 19) | Currency translation reserve | Other reserves | Retained earnings/ (accumulated losses) | Total |
| | | 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 |
| | | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 |
| 於2018年12月31日結餘 (如原先所呈列) | Balance at 31 December 2018 as originally presented | 252,453 | (1,407) | (17,336) | 21,228 | 3,075 | 30,000 | (30,517) | (23,327) | 184,450 | 418,619 |
| 會計政策之變動(附註2.2) | Change in accounting policies (Note 2.2) | - | - | - | - | - | - | - | - | (66,634) | (66,634) |
| 於2019年1月1日經重列總權益 | Restated total equity at 1 January 2019 | 252,453 | (1,407) | (17,336) | 21,228 | 3,075 | 30,000 | (30,517) | (23,327) | 117,816 | 351,985 |
| 綜合虧損 | Comprehensive loss | | | | | | | | | | |
| 年度虧損 | Loss for the year | - | - | - | - | - | - | - | - | (126,411) | (126,411) |
| 其他綜合(虧損)/收益 | Other comprehensive (loss)/income | - | 409 | - | - | - | - | (15,396) | - | - | (14,987) |
| 綜合收益/(虧損)總額 | Total comprehensive income/(loss) | - | 409 | - | - | - | - | (15,396) | - | (126,411) | (141,398) |
| 購股權失效 | Share option lapsed | - | - | - | (63) | - | - | - | - | 63 | - |
| 永久次級可換股證券分派 | Distributions to PSCS | - | - | - | - | - | - | - | - | (2,300) | (2,300) |
| 發行新股份 | Issue of new shares | 139,153 | - | - | - | - | - | - | - | - | 139,153 |
| 向本公司擁有人支付的股息 | Dividend paid to owners of the Company | (11,000) | - | - | - | - | - | - | - | - | (11,000) |
| 認股權證屆滿 | Expiration of warrants | - | - | - | - | (3,075) | - | - | - | 3,075 | - |
| 發行永久次級可換股證券 (附註19) | Issue of PSCS (Note 19) | - | - | - | - | - | 19,900 | - | - | - | 19,900 |
| 直接於權益確認與擁有人的 交易總額 | Total transactions with owners, recognised directly in equity | 128,153 | - | - | (63) | (3,075) | 19,900 | - | - | 838 | 145,753 |
| 於2019年12月31日結餘 | Balance at 31 December 2019 | 380,606 | (998) | (17,336) | 21,165 | - | 49,900 | (45,913) | (23,327) | (7,757) | 356,340 |

18 儲備(續)

認股權證儲備

於2016年10月10日，本公司與Great World HK Media Pte. Ltd. (「Great World HK」)訂立策略性合作協議，藉以提升本公司與L Catterton Management Limited (由LVMH Moët Hennessy Louis Vuitton S.A., Catterton Holdings, L.L.C及Groupe Arnault SAS成立的私募股權投資公司)的業務合作。同日，本公司與Great World HK訂立認購協議(由日期為2016年10月13日的補充協議修訂及補充)，內容有關本公司以發行價合共3,000,000港元，或每份認股權證0.3港元發行10,000,000份認股權證。本公司賦予認購方權利可按行使價每股認股權證股份4.10港元認購最多10,000,000股認股權證股份。假設認購方悉數行使認股權證，發行認股權證的所得款項淨額將約為40,700,000港元。

認購事項於2016年12月29日完成。本公司董事委任一間獨立估值師行漢華評值有限公司估計上述認股權證之公平值。認股權證的公平值乃使用二叉樹法釐定。於發行日期，認股權證之公平值為3,075,000港元，於截至2016年12月31日止年度之損益內扣除，相當於授出的每份認股權證0.3075港元。於認股權證估值方法中使用的重大輸入數據為行使價每份認股權證4.10港元、波幅38.0567%、股息收益率4.7483%、預計年期3年，及年度無風險利率1.3713%。於2019年12月31日，認股權證已到期及認購權未獲行使，先前於認股權證儲備確認的金額轉撥至累計虧損。

18 RESERVES (Continued)

Warrant reserve

On 10 October 2016, the Company entered into a strategic alliance agreement with Great World HK Media Pte. Ltd. ("Great World HK") to enhance the business collaboration between the Company and L Catterton Management Limited, a private equity firm formed by LVMH Moët Hennessy Louis Vuitton S.A., Catterton Holdings, L.L.C and Groupe Arnault SAS. On the same day, the Company and Great World HK entered into a subscription agreement (as amended and supplemented by a supplemental agreement dated 13 October 2016) in relation to issue 10,000,000 warrants of the Company at issue price of HKD3,000,000 in total, or HKD0.3 per warrant. The Company entitled the subscriber to subscribe for up to 10,000,000 warrant shares at the exercise price of HKD4.10 per warrant share. Assuming the warrants are exercised in full by the subscriber, the net proceeds of the warrant issue will be approximately HKD40,700,000.

The subscription was completed on 29 December 2016. The directors of the Company appointed an independent valuer, Greater China Appraisal Limited, to estimate the fair value of the above warrants. The fair values of the warrants were determined using the Binomial method. As at date of issue, the fair value of the warrants was HKD3,075,000, which was charged to profit or loss during the year ended 31 December 2016, representing HKD0.3075 per warrant granted. The significant inputs used in the warrants valuation method were exercise price of HKD4.10 per warrant, volatility of 38.0567%, dividend yield of 4.7483%, an expected life of 3 years, and an annual risk-free interest rate of 1.3713%. As at 31 December 2019, the warrants expired and the subscription rights had not been exercised, the amount previously recognised on the warrant reserve is transferred to accumulated losses.

19 永久次級可換股證券

於2017年9月7日，本公司與Space Management Limited(「認購方」)(本公司股東之一)訂立認購協議，據此，本公司有條件同意發行而認購方有條件同意認購本金額為50,000,000港元之永久次級可換股證券，可按初步換股價每股換股股份3.54港元分兩批轉換為本公司普通股股份(「換股股份」)，面值分別為30,000,000港元及20,000,000港元。根據認購協議，發行須待下列條件達成方可作實：(1)香港聯交所批准發行本金額為50,000,000港元之永久次級可換股證券；及(2)本公司獨立股東於股東大會上批准認購協議。於完成首批認購起計五年內，本公司通過董事會會議，可全權酌情行使其權利要求認購方認購本金額為20,000,000港元的第二批證券。

於2017年11月10日，本公司與認購方訂立補充協議以修訂要求認購方認購第二批永久次級可換股證券一事，據此，認購第二批永久次級可換股證券須待本公司獨立股東批准後方可進行。

於2017年12月15日舉行之股東特別大會批准後，第一批本金額為30,000,000港元之永久次級可換股證券已於2017年12月28日發行。於2019年6月25日舉行之股東特別大會批准後，第一批本金額為20,000,000港元之永久次級可換股證券已於2019年6月28日發行。本公司擬將所有現金流量付款，包括本金及利息，由本公司酌情作出。

19 PERPETUAL SUBORDINATED CONVERTIBLE SECURITIES

On 7 September 2017, the Company entered into a Subscription Agreement with the Space Management Limited (the "Subscriber"), one of the shareholders of the Company, pursuant to which, the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, the Perpetual Subordinated Convertible Securities (the "PSCS") in the principal amount of HKD50,000,000 that is convertible into the ordinary shares of the Company ("Conversion Shares") at the initial Conversion Price of HKD3.54 per Conversion Share in two tranches at the face value of HKD30,000,000 and HKD20,000,000 respectively. Pursuant to the Subscription Agreement, the issuance is conditional on the fulfilment of the following conditions: (1) approval of the issue of the PSCS (with principal amount of HKD50,000,000) by the Hong Kong Stock Exchange; and (2) approval of the Subscription Agreement by the independent shareholders of the Company at the general meeting. Within 5 years from the completion of the first tranche subscription, the Company shall have the right, at its sole discretion and through its board of directors meetings, to call for the Subscriber to subscribe for the second tranche of the Securities in the principal amount of HKD20,000,000.

On 10 November 2017, the Company and the Subscriber entered into a Supplemental Agreement to amend the call for the Subscriber to subscribe for the second tranche of the PSCS, pursuant to which the subscription of the second tranche of PSCS shall be subject to independent shareholders' approval by the Company.

The first batch of PSCS HKD30,000,000 has been issued on 28 December 2017 after the approval of the EGM held on 15 December 2017. The second batch of PSCS HKD20,000,000 has been issued on 28 June 2019 after approval of EGM held on 25 June 2019. It is the intention of the Company that all the cash flow payments, including principal and interests, will be made at the Company's discretion.

20 借款

20 BORROWINGS

| | | 於12月31日 As at 31 December | |
|----------|------------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 非流動部分 | Non-current portion | | |
| 有抵押銀行借款 | Bank borrowings, secured | 1,954 | 3,139 |
| 無抵押銀行借款 | Bank borrowings, unsecured | 118,450 | 74,587 |
| | | 120,404 | 77,726 |
| 流動部分 | Current portion | | |
| 一有抵押銀行借款 | Bank borrowings, secured | 1,116 | 32,151 |
| 一無抵押銀行借款 | Bank borrowings, unsecured | 151,090 | 159,129 |
| | | 152,206 | 191,280 |
| 銀行借款總額 | Total bank borrowings | 272,610 | 269,006 |

借款及銀行擔保由抵押於2019年12月31日為9,525,000港元的若干物業及土地使用權(歸類於使用權資產)作為抵押(2018年: 10,364,000港元)。

The borrowings and bank guarantees are secured by the pledge of certain properties and land use rights (included in right-of-use-assets) of HKD9,525,000 as at 31 December 2019 (2018: HKD10,364,000).

於各結算日的加權平均實際利率如下:

The weighted average effective interest rates at each balance sheet date are as follows:

| | | 於12月31日 As at 31 December | |
|-------|------------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 非流動借款 | Non-current borrowings | 4.17% | 4.38% |
| 流動借款 | Current borrowings | 4.46% | 3.89% |

20 借款(續)

(a) 於2019年及2018年12月31日，本集團應償還借款如下：

| | | 於12月31日 | |
|-------|-----------------------|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 1年以內 | Within 1 year | 152,206 | 191,280 |
| 1年至2年 | Between 1 and 2 years | 90,817 | 35,241 |
| 2年至5年 | Between 2 and 5 years | 29,587 | 42,485 |
| | | 272,610 | 269,006 |

即期借款的公平值與其賬面值相若，因為貼現的影響不大。非流動借款的賬面值及公平值如下：

20 BORROWINGS (Continued)

(a) At 31 December 2019 and 2018, the Group's borrowings are repayable as follows:

The fair values of current borrowings approximated their carrying amounts as the impact of discounting was not significant. The carrying amounts and fair values of the non-current borrowings are as follows:

| | | 於12月31日 | |
|-----|------------------|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 賬面值 | Carrying amounts | 120,404 | 77,726 |
| 公平值 | Fair values | 114,473 | 73,757 |

本集團於報告期內遵守該等財務及非財務契約。

The Group has complied with those financial and non-financial covenants throughout the reporting period.

20 借款(續)

(a) (續)

本集團的應付賬款及其他應付款項賬面值以下列貨幣計值：

| | | 於12月31日 | |
|-----|-----|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 人民幣 | RMB | 30,978 | 52,742 |
| 港元 | HKD | 241,632 | 216,264 |
| | | 272,610 | 269,006 |

20 BORROWINGS (Continued)

(a) (Continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

21 應付賬款及其他應付款項

21 TRADE AND OTHER PAYABLES

| | | 於12月31日 | |
|-----------|------------------------------------|-------------------|------------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| | | | (經重列) |
| | | | (Restated) |
| 應付賬款(a) | Trade payables (a) | 92,558 | 187,369 |
| 應計廣告空間特許 | Accrued concession fee charges for | | |
| 經營費支出 | advertising spaces | 89,856 | 283,789 |
| 其他應付稅項 | Other taxes payables | 9,173 | 5,880 |
| 應付利息 | Interests payables | — | 530 |
| 應付薪金及員工福利 | Salary and staff welfare payables | 23,328 | 28,581 |
| 其他應付款項 | Other payables | 60,985 | 66,904 |
| | | 275,900 | 573,053 |

21 應付賬款及其他應付款項(續)

本集團應付賬款及其他應付款項總額的賬面值按以下貨幣計值：

21 TRADE AND OTHER PAYABLES (Continued)

The carrying amounts of the Group's total trade and other payable are denominated in the following currencies:

| | | 於12月31日 As at 31 December | |
|-----|-----|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 人民幣 | RMB | 194,215 | 446,411 |
| 港元 | HKD | 81,685 | 126,642 |
| | | 275,900 | 573,053 |

- (a) 於2019年及2018年12月31日，基於發票日期的應付賬款賬齡分析如下：

- (a) As at 31 December 2019 and 2018, the ageing analysis of the trade payables based on invoice date is as follows:

| | | 於12月31日 As at 31 December | |
|----------|-----------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 最多6個月 | Up to 6 months | 89,130 | 145,597 |
| 6個月至12個月 | 6 months to 12 months | 578 | 36,855 |
| 1年至2年 | 1 year to 2 years | 875 | 1,281 |
| 2年至3年 | 2 years to 3 years | 176 | 3,116 |
| 3年以上 | Over 3 years | 1,799 | 520 |
| | | 92,558 | 187,369 |

22 合約負債

22 CONTRACT LIABILITIES

| | | 於12月31日 | |
|------|----------------------|-------------------|---------|
| | | As at 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 合約負債 | Contract liabilities | 122,056 | 145,051 |

本集團按照香港財務報告準則第15號「客戶合約收益」確認與客戶合約有關的負債。合約負債指本集團轉讓貨品或服務予客戶前收取客戶的墊款。合約負債於本集團根據合約履約時確認為收入。

The Group has recognised liabilities related to contracts with customers in accordance with HKFRS 15 "Revenue from contracts with customers". The contract liabilities represented advance from customers before Group transfers good or services to customers. Contract liabilities are recognised as revenue when the Group performs under contract.

就此確認的收入歸類於期初的合約負債結餘：

The revenue recognised that was included in the contract liabilities balance at the beginning of the period:

| | | 截至12月31日止年度 | |
|---------------------|---|------------------------|---------|
| | | Year ended 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 就此確認的收入歸類於期初的合約負債結餘 | Revenue recognised that was included in the contract liabilities balance at the beginning of the period | 142,460 | 149,697 |

23 按性質劃分的開支

歸入收入成本、銷售及市場推廣開支及行政開支的合併綜合收益表項目分析如下：

23 EXPENSES BY NATURE

Consolidated statement of comprehensive income items included in cost of revenue, selling and marketing expenses and administrative expenses are analysed as follows:

| | | 截至12月31日止年度 | |
|--------------|---|------------------------|-----------|
| | | Year ended 31 December | |
| | | 2019年 | 2018年 |
| | | 2019 | 2018 |
| | | 千港元 | 千港元 |
| | | HKD'000 | HKD'000 |
| 廣告空間特許經營費支出 | Concession fee charges for advertising spaces | 224,327 | 1,227,615 |
| 項目安裝及拆卸成本 | Project installation and dismantling costs | 101,766 | 104,502 |
| 稅項及附加費 | Tax and surcharges | 26,658 | 38,770 |
| 電費支出 | Utilities | 14,221 | 21,342 |
| 僱員福利開支(附註24) | Employee benefit expenses (Note 24) | 266,878 | 213,639 |
| 差旅及業務招待開支 | Travelling and entertainment expenses | 29,207 | 53,087 |
| 辦公室租金開支 | Office rental expenses | – | 23,403 |
| 短期租賃付款相關開支 | Expenses related to short-term lease payment | 386,924 | – |
| 專業服務費 | Professional service fees | 11,898 | 12,196 |
| 物業、廠房及設備折舊 | Depreciation of property, plant and equipment | 42,141 | 37,562 |
| 使用權資產折舊 | Depreciation of right-of-use assets | 705,556 | – |
| 核數師酬金 | Auditors' remuneration | 5,560 | 5,315 |
| – 審計服務 | – Audit services | 3,623 | 3,663 |
| – 非審計服務 | – Non-audit services | 1,937 | 1,652 |
| 土地使用權攤銷 | Amortisation of land use rights | – | 672 |
| 無形資產攤銷 | Amortisation of intangible assets | 2,157 | 497 |
| 其他 | Others | 34,831 | 50,534 |
| | | 1,852,124 | 1,789,134 |

24 僱員福利開支(包括董事酬金)

(a) 僱員福利開支

24 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

(a) Employee benefit expenses

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 工資、薪金及花紅 | Wages, salaries and bonuses | 225,262 | 177,472 |
| 退休金成本－定額供款計劃 | Pension costs - defined contribution plans | 32,277 | 28,773 |
| 福利、醫療及其他 | Welfare, medical and others | 9,339 | 7,394 |
| | | 266,878 | 213,639 |

本集團中國附屬公司的僱員須參與由地方市政府管理和營辦的定額供款退休金計劃。本集團按照地方市政府設定的固定比例(介乎僱員薪金的13%至21%，設有上下限)對地方各計劃作出供款，為僱員的退休福利提供資金。

本集團於香港註冊成立的附屬公司均向強積金計劃供款，據此，本集團與每名僱員各自每月向計劃作出僱員合資格收入5%的供款。

Employees of the Group's subsidiaries in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal governments. The Group contributes funds which are calculated on fixed percentage ranging from 13% to 21% of the employees' salary (subject to a floor and cap) as set by local municipal governments to each scheme locally to fund the retirement benefits of the employees.

The Group's subsidiaries incorporated in Hong Kong contribute to an MPF scheme, under which the Group and each employee each make monthly contribution to the scheme at 5% of the qualifying earnings of the employee.

24 僱員福利開支(包括董事酬金)(續)

(b) 五名最高薪酬人士

截至2019年12月31日止年度，本集團五名最高薪酬人士包括兩名(2018年：一名)執行董事，彼等的酬金已在附註38的分析中分別反映。截至2019年12月31日止年度，其餘三名(2018年：四名)人士的酬金總額載列如下：

24 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

(b) Five highest paid individuals

The 5 individuals whose emoluments were the highest in the Group for the year ended 31 December 2019 included 2 (2018: 1) executive directors whose emoluments are reflected in the analysis presented in Note 38. The aggregate amounts of emoluments for the remaining 3 (2018: 4) individuals for the year ended 31 December 2019 are set out below:

| | | 截至12月31日止年度 Year ended 31 December | |
|----------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 工資及薪金 | Wages and salaries | 5,221 | 5,574 |
| 花紅 | Bonuses | 516 | 1,348 |
| 退休金成本— 一定額供款計劃 | Pension costs – defined contribution plans | 18 | 36 |
| | | 5,755 | 6,958 |

截至2019年及2018年12月31日止年度應向該等人士支付的酬金屬於下列範圍：

The emoluments payable to these individuals for the years ended 31 December 2019 and 2018 fell within the following bands:

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------------|------------------------------|---------------------------------------|---------------|
| | | 2019年 2019 | 2018年 2018 |
| 酬金範圍 | Emoluments band | | |
| 1,000,001港元至1,500,000港元 | HKD1,000,001 to HKD1,500,000 | – | – |
| 1,500,001港元至2,000,000港元 | HKD1,500,001 to HKD2,000,000 | 3 | 2 |
| 2,000,001港元至2,500,000港元 | HKD2,000,001 to HKD2,500,000 | – | 2 |

於截至2019年及2018年12月31日止年度內，本集團概無向任何董事或五名最高薪酬人士支付任何酬金，作為加盟本集團或加盟後的獎勵或作為離職補償，概無董事已放棄或同意放棄任何薪酬。

During the years ended 31 December 2019 and 2018, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office, no directors waived or have agreed to waive any emoluments.

25 其他收入

25 OTHER INCOME

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 廣告諮詢服務收入 | Advertising consulting service income | 11,335 | 4,276 |
| 政府補貼收入(附註(a)) | Government subsidy income (Note (a)) | 4,374 | 682 |
| 貸款予一間聯營公司的 利息收入(附註33) | Interest income on loans to an associate (Note 33) | 1,032 | 1,007 |
| 訂約方違約賠償 | Compensation from counter parties for breach of contracts | 561 | 1,123 |
| 報銷安裝及維護成本 | Reimbursement of installation and maintenance costs | 851 | 1,169 |
| 廣告設計服務收入 | Advertising design service income | 5,829 | 2,402 |
| 股息收入 | Dividend income | 488 | 485 |
| 租金收入 | Rental income | 206 | 230 |
| 其他 | Others | 2,361 | 377 |
| | | 27,037 | 11,751 |

(a) 政府補貼收入指有關政府主管部門在沒有未來責任下授出的各種退稅。

(a) Government subsidy income represented various tax refunds granted by the relevant government authorities with no future obligations.

26 其他收益，淨額

26 OTHER GAINS, NET

| | | 截至12月31日止年度 Year ended 31 December | |
|-----------------------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 匯兌虧損淨額 | Net exchange losses | (33) | (291) |
| 投資物業公平值收益 (附註8) | Fair value gains on investment properties (Note 8) | 1,276 | 680 |
| 按公平值列入損益賬的 金融資產公平值(附註10) | Fair value losses on FVPL (Note 10) | — | (336) |
| 出售物業、廠房及設備及 無形資產的收益(虧損) | Gains/(losses) on disposal of property, plant and equipment and intangible assets | 120 | (386) |
| 其他 | Others | — | 1,666 |
| | | 1,363 | 1,333 |

27 融資成本，淨額

27 FINANCE COSTS, NET

| | | 截至12月31日止年度 Year ended 31 December | |
|----------|---------------------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 融資收入 | Finance income | | |
| 銀行存款利息收入 | Interest income on bank deposits | (1,598) | (3,437) |
| 融資成本 | Finance costs | | |
| 銀行借款利息開支 | Interest expense on bank borrowings | 14,173 | 7,449 |
| 租賃負債利息開支 | Interest expense on lease liabilities | 171,037 | — |
| | | 185,210 | 7,449 |
| 融資成本，淨額 | Finance costs, net | 183,612 | 4,012 |

28 所得稅開支

本集團截至2019年及2018年12月31日止年度的所得稅開支分析如下：

28 INCOME TAX EXPENSE

The income tax expense of the Group for the years ended 31 December 2019 and 2018 is analysed as follows:

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------|-------------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 即期所得稅 | Current income tax | | |
| — 中國企業所得稅 | — PRC corporate income tax | 19,660 | 38,040 |
| — 香港利得稅 | — Hong Kong profits tax | 538 | 734 |
| | | 20,198 | 38,774 |
| 遞延所得稅(附註14) | Deferred income tax (Note 14) | (36,282) | (12,221) |
| | | (16,084) | 26,553 |

截至2019年12月31日止年度的遞延所得稅開支為36,282,000港元，當中4,936,000港元關於撇銷先前年度確認的遞延稅項資產。

The deferred income tax charge amounted to HKD36,282,000 for the year ended 31 December 2019, of which HKD4,936,000 was related to write-off of deferred tax assets recognised in previous year.

(a) 香港利得稅

由於本集團擁有須繳納香港利得稅的業務營運，故已就香港利得稅計提撥備。本集團已根據截至2019年及2018年12月31日止年度各年的估計應課稅利潤按16.5%的稅率計提撥備。

(a) Hong Kong profits tax

Hong Kong profits tax has been provided for as there was business operation that is subject to Hong Kong profits tax. It had been provided for at the rate of 16.5% on the estimated assessable profits for each of the years ended 31 December 2019 and 2018.

(b) 中國企業所得稅

本集團已根據現行法例、詮釋及有關慣例就中國大陸業務於各年末的估計應課稅利潤按25%的稅率計提所得稅撥備，除非有適用的優惠稅率則作別論。

(b) PRC corporate income tax

The income tax provision of the Group in respect of operations in Mainland China has been calculated at the tax rate of 25% on the estimated assessable profits for each of the years ended, based on the existing legislation, interpretations and practices in respect thereof, unless preferential tax rates were applicable.

本集團附屬公司雲南空港雅仕維於中國雲南省成立，符合適用於中國大陸西部開發地區的優惠稅收政策資格，故享有15%的優惠所得稅稅率。

Yunnan Airport Asiaray, a subsidiary of the Group, was established in Yunnan Province, PRC. It was eligible for preferential tax policies applicable for the development of western regions in Mainland China, and was entitled to a preferential income tax rate of 15%.

28 所得稅開支(續)

(c) 中國預扣稅

根據適用中國稅務法規，於中國大陸成立的公司就2008年1月1日之後產生的利潤向外國投資者分派的股息，一般須按10%稅率預扣所得稅。倘於香港註冊成立的外國投資者符合中國大陸與香港訂立的避免雙重徵稅安排的條件及規定，有關預扣稅稅率將由10%降低至5%。

28 INCOME TAX EXPENSE (Continued)

(c) PRC withholding tax

According to the applicable PRC tax regulations, dividends distributed by a company established in Mainland China to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding income tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between Mainland China and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------------------|---|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 除所得稅前(虧損)/利潤 | (Loss)/profit before income tax | (124,763) | 153,268 |
| 減：使用權益法入賬的分佔 於聯營公司 的淨利潤 | Less: share of net profit of associates accounted for using the equity method | (12,873) | (12,462) |
| | | (137,636) | 140,806 |
| 按25%(2018年：25%)稅率 計算 | Calculated at a taxation rate of 25% (2018: 25%) | (34,409) | 35,202 |
| 其他國家的不同稅率 | Different taxation rates in other countries | (7,578) | (12,007) |
| 毋須課稅的收入 | Income not subject to tax | (9) | (104) |
| 不可扣稅開支 | Expenses not deductible for tax purposes | 3,108 | 3,653 |
| 遞延所得稅資產的未確認稅項 虧損 | Tax losses not recognised for deferred income tax assets | 16,574 | 1,393 |
| 取消確認先前已確認遞延 稅項資產 | Derecognition of previously recognized deferred tax assets | 4,936 | — |
| 未確認遞延所得稅資產的 暫時性差額 | Temporary differences not recognised for deferred income tax assets | 1,300 | 91 |
| 動用過往年度未確認的稅項 虧損 | Utilisation of tax losses previously not recognised | — | (1,610) |
| 動用先前未確認的暫時差額 | Utilisation of temporary difference previously not recognised | (6) | (65) |
| 所得稅(抵免)/開支 | Income tax (credit)/expense | (16,084) | 26,553 |

29 每股(虧損)/盈利

(a) 基本

每股基本(虧損)/盈利乃根據本公司擁有人應佔(虧損)/利潤減去永久次級可換股證券分派，除以年內已發行普通股加權平均數計算。

29 LOSS/EARNINGS PER SHARE

(a) Basics

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company less the distribution of PSCS by the weighted average number of ordinary shares in issue during the year.

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------------------|--|---------------------------------------|---------------|
| | | 2019年 2019 | 2018年 2018 |
| 本公司擁有人應佔 (虧損)/利潤(千港元) | (Loss)/profit attributable to owners of the Company (HKD'000) | (126,411) | 62,953 |
| 減：永久次級可換股證券分派 (千港元) | Less: Distribution to PSCS (HKD'000) | (2,300) | (1,725) |
| | | (128,711) | 61,228 |
| 已發行普通股的加權平均數 (千股) | Weighted average number of ordinary shares in issue (thousand shares) | 433,521 | 438,403 |
| 每股(虧損)/盈利(每股港仙) | (Loss)/earnings per share (HK cents per share) | (29.69) | 13.97 |

(b) 攤薄

每股攤薄盈利乃假設已轉換本公司所授購股權、認股權證及永久次級可換股證券所產生的所有潛在攤薄普通股(作為計算每股攤薄(虧損)/盈利的分母)對發行在外普通股加權平均數作調整計算。

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options granted by the Company, warrants and PSCS (forming the denominator for computing diluted (loss)/earnings per share).

截至2019年及2018年12月31日止年度，本集團購股權(附註32)、永久次級可換股證券(附註19)及認股權證(附註18)日後可能會攤薄每股基本(虧損)/盈利，但由於在年內具有反攤薄效應，故在計算每股攤薄(虧損)/盈利時並未計算在內。

For the years ended 31 December 2019 and 2018, the Group's share options (Note 32), PSCS (Note 19), and warrants (Note 18) could potentially dilute basic (loss)/earnings per share in the future, but were not included in the calculation of diluted (loss)/earnings per share because they are anti-dilutive for the year.

30 股息

30 DIVIDENDS

| | | 截至12月31日止年度 Year ended 31 December | |
|--------------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 2019年建議股息／2018年 末期股息(附註(a)) | Proposed dividend for 2019/final dividend for 2018 (Note (a)) | — | 11,000 |
| 2018年中期股息 每股0.014港元 | Interim dividend for 2018 of HKD0.014 per share | — | 6,160 |
| 2018年特別股息 每股0.10港元 | Special dividend for 2018 of HKD0.10 per share | — | 44,000 |
| | | — | 61,160 |

(a) 於2020年3月27日舉行之會議上，董事會不建議派付截至2019年12月31日止年度末期股息(2018年：每股0.025港元，總額為11,000,000港元)。

(a) At the meeting held on 27 March 2020, the Board did not recommend the payment of a final dividend for the ended 31 December 2019 (2018: HKD0.025 per share amounting to a total of HKD 11,000,000).

31 現金流量資料
(a) 營運所得現金

31 CASH FLOW INFORMATION
(a) Cash generated from operations

| | | 截至12月31日止年度 Year ended 31 December | |
|---------------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 除所得稅前(虧損)/利潤調整： | (Loss)/profit before income tax Adjustments for: | (124,763) | 153,268 |
| 應收賬款及其他應收款項虧損撥備 | Loss allowance for trade and other receivables | 8,661 | 7,998 |
| 銀行借款利息開支(附註27) | Interest expenses on bank borrowings (Note 27) | 14,173 | 7,449 |
| 銀行存款利息收入(附註27) | Interest income on bank deposits (Note 27) | (1,598) | (3,437) |
| 貸款予一間聯營公司的利息收入(附註25) | Interest income on loans to an associate (Note 25) | (1,032) | (1,007) |
| 租賃負債利息開支 | Interest expense on lease liabilities | 171,037 | – |
| 按公平值列入其他綜合收益的股息收入(附註25) | Dividend income on FVOCI (Note 25) | – | (485) |
| 物業、廠房及設備折舊(附註6) | Depreciation of property, plant and equipment (Note 6) | 42,141 | 37,562 |
| 使用權資產折舊 | Depreciation of right-of-use assets | 705,556 | – |
| 土地使用權攤銷 | Amortisation of land use rights | – | 672 |
| 無形資產攤銷(附註9) | Amortisation of intangible assets (Note 9) | 2,157 | 497 |
| 出售物業、廠房及設備及無形資產的收益/(虧損)虧損(附註26) | Gains/(losses) on disposal of property, plant and equipment and intangible assets (Note 26) | (120) | 386 |
| 按公平值列入損益賬的公平值虧損(附註26) | Fair value losses on FVPL (Note 26) | – | 336 |
| 重新計量應付或然代價的虧損 | Loss on remeasurement on contingent consideration payable | (395) | – |
| 按公平值列入損益賬的投資物業公平值收益(附註8) | Fair value gains on investment properties at fair value through profit or loss (Note 8) | (1,276) | (680) |
| 使用權益法入賬的分佔於聯營公司的淨利潤(附註12) | Share of net profit of associates accounted for using the equity method (Note 12) | (12,873) | (12,462) |
| | | 801,668 | 190,097 |
| 營運資金變動(撇除合併賬目時貨幣換算差額的影響)： | Changes in working capital (excluding the effects of currency translation differences on consolidation): | | |
| – 存貨 | – Inventories | 567 | 381 |
| – 應收賬款及其他應收款項 | – Trade and other receivables | (70,609) | (200,250) |
| – 應付賬款及其他應付款項 | – Trade and other payables | (32,699) | 150,062 |
| – 受限制現金 | – Restricted cash | 19,240 | 22,279 |
| 營運所得現金 | Cash generated from operations | 718,167 | 162,569 |

31 現金流量資料(續)

(a) 營運所得現金(續)

在合併現金流量表中，出售物業、廠房及設備及無形資產所得款項包括：

31 CASH FLOW INFORMATION (Continued)

(a) Cash generated from operations (Continued)

In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment and intangible assets comprise:

| | | 截至12月31日止年度 Year ended 31 December | |
|-----------------|---------------------------------------|---------------------------------------|----------------|
| | | 2019年 2019 | 2018年 2018 |
| | | 千港元 HKD'000 | 千港元 HKD'000 |
| 賬面淨值(附註6及9) | Net book amount (Note 6 and 9) | 833 | 1,465 |
| 出售收益／(虧損)(附註26) | Gains/(losses) on disposals (Note 26) | 120 | (386) |
| 出售所得款項 | Proceeds from disposals | 953 | 1,079 |

(b) 融資活動產生之負債對賬

本節就各個呈列期間列出淨現金與淨現金變動之分析。

(b) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of net cash and the movements in net cash for each of the periods presented.

| | | 其他資產 Other assets | 融資活動所得負債 Liabilities from financing activities | | | |
|----------------------|--|--------------------------|---|---|--|-------------------------|
| | | 現金／ (銀行透支) | 租賃負債 | 1年內 到期之借款 Borrowing due within 1 year | 1年後 到期之借款 Borrowing due after 1 year | 總計 |
| | | Cash/(bank Overdraft) | Lease liabilities | 千港元 HKD'000 | 千港元 HKD'000 | Total 千港元 HKD'000 |
| 於2018年1月1日 之淨現金 | Net cash as at 1 January 2018 | 299,188 | – | (130,204) | (14,146) | 154,838 |
| 現金流量 | Cash flows | 95,694 | – | (31,088) | (96,187) | (31,581) |
| 外匯調整 | Foreign exchange adjustments | (14,951) | – | 2,163 | 456 | (12,332) |
| 其他非現金變動 | Other non-cash movements | – | – | (32,151) | 32,151 | – |
| 於2018年12月31日 之淨現金 | Net cash as at 31 December 2018 | 379,931 | – | (191,280) | (77,726) | 110,925 |
| 會計政策變動 | Change in accounting policy | – | (2,492,345) | – | – | (2,492,345) |
| 於2019年1月1日之 經重列結餘 | Restated balance at 1 January 2019 | 379,931 | (2,492,345) | (191,280) | (77,726) | (2,381,420) |
| 現金流量 | Cash flows | 58,967 | 741,838 | 108,684 | (113,990) | 795,499 |
| 外匯調整 | Foreign exchange adjustments | (23,437) | 64,912 | 1,634 | 68 | 43,177 |
| 收購租賃非現金變動 | Acquisition of leases non-cash movement | – | (1,525,834) | – | – | (1,525,834) |
| 其他非現金變動 | Other non-cash movements | – | – | (71,244) | 71,244 | – |
| 於2019年12月31日 之淨現金 | Net cash as at 31 December 2019 | 415,461 | (3,211,429) | (152,206) | (120,404) | (3,068,578) |

32 以股份為基礎的付款

(a) 購股權計劃

本公司的購股權計劃乃根據於2014年12月6日通過的決議案採納(「該計劃」)，主要目的為就合資格人士對本集團所作出或可能作出的貢獻向彼等提供獎勵或回報。

於2015年5月21日，董事會批准根據該計劃授出11,534,875份購股權予其僱員及除本公司主席兼首席執行官林德興(「林先生」)以外的董事(「僱員及貢獻者購股權計劃」)及根據該計劃授出4,400,000份購股權予林先生(「行政人員購股權計劃」)，並於2015年6月10日舉行的股東特別大會由獨立股東批准及確認。

上述購股權的歸屬時間表為自授予日起0.6年後可行使30%及自授予日起1.6年後可行使70%。承授人於2016年1月1日至2020年6月9日(包括首尾兩日)期間可行使上述已授出購股權的首30%；承授人於2017年1月1日至2020年6月9日(包括首尾兩日)期間可行使已授出購股權的其餘70%。

本集團並無法律或推定義務，以現金回購或結算該股權。

32 SHARE-BASED PAYMENT

(a) Share Option Plan

The Company's share option scheme was adopted pursuant to a resolution passed on 6 December 2014 (the "Scheme") for the primary purpose of providing incentives or rewards to eligible persons for their contribution or potential contribution to the Group.

On 21 May 2015, the Board approved to grant 11,534,875 share options under the Scheme to its employees and directors that excluding Lam Tak Hing, Vincent ("Mr. Lam") the chairman and the chief executive officer of the Company ("Employee and Contributor Share Option Plan") and 4,400,000 share options under the Scheme to Mr. Lam ("Executive Share Option Plan") that was approved and confirmed by the independent shareholders at the extraordinary general meeting held on 10 June 2015.

The vesting schedule of above share options is 30% after 0.6 years from the grant date and 70% after 1.6 years from the grant date. The first 30% of the above share options granted shall be exercisable by the grantees during the period from 1 January 2016 to 9 June 2020 (both days inclusive); and the remaining 70% of the share options granted shall be exercisable by the grantees during the period from 1 January 2017 to 9 June 2020 (both days inclusive).

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

32 以股份為基礎的付款(續)

(a) 購股權計劃(續)

(i) 購股權的變動

尚未行使的購股權數量及其相關加權平均行使價格變動情況如下：

| | | 僱員及貢獻者購股權計劃 Employee and Contributor Share Option Plan | | 行政人員購股權計劃 Executive Share Option Plan | | 總購股權數量 (千份) |
|------------------|-----------------------------|--|-------------------------------------|--|-------------------------------------|--|
| | | 平均行使價 (每份購股權 以港元計) | 購股權數量 (千份) | 平均行使價 (每份購股權 以港元計) | 購股權數量 (千份) | |
| | | Average exercise price (HKD per share option) | Number of options (thousands) | Average exercise price (HKD per share option) | Number of options (thousands) | Total number of options (thousands) |
| 於2019年1月1日 失效 | At 1 January 2019 Lapsed | 6.95 6.95 | 8,184 (39) | 6.95 – | 4,400 – | 12,584 (39) |
| 於2019年12月31日 | At 31 December 2019 | 6.95 | 8,145 | 6.95 | 4,400 | 12,545 |
| 於2018年1月1日 失效 | At 1 January 2018 Lapsed | 6.95 6.95 | 8,337 (153) | 6.95 – | 4,400 – | 12,737 (153) |
| 於2018年12月31日 | At 31 December 2018 | 6.95 | 8,184 | 6.95 | 4,400 | 12,584 |

(ii) 尚未行使購股權

於年終尚未行使購股權的到期日及行使價如下：

32 SHARE-BASED PAYMENT (Continued)

(a) Share Option Plan (Continued)

(i) Movements in share options

Movements in the number of share options outstanding and their related weighted average exercise prices were as follows:

(ii) Outstanding share options

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

| | | 每份購股權 以港元計行使價 Exercise price in HKD per share option | 購股權數量 (千份) Number of share options (thousands) |
|---|---|--|--|
| 到期日 – 2020年6月9日 僱員及貢獻者及行政人員 購股權計劃 | Expiry date - 9 June 2020 Employee and Contributor and Executive Share Option Plans | 6.95 | 12,545 |

32 以股份為基礎的付款(續)

(a) 購股權計劃(續)

(iii) 購股權公平值

本公司董事委任一間獨立估值師行漢華評值有限公司就上述購股權於各授出日期的公平值進行估計。購股權的公平值乃使用二叉樹法釐定。僱員及貢獻者購股權計劃估值方法中使用的重大輸入數據為上述行使價、波幅30.493%、股息率1.0726%、預期購股權年期5.1年及無風險年利率1.2258%。行政人員購股權計劃估值方法中使用的重大輸入數據為上述行使價、波幅31.29%、股息率1.0726%、預期購股權年期5年及無風險年利率1.3088%。所計量的波幅乃以多間可資比較公司的平均五年按週波幅估計。於2015年5月21日根據僱員及貢獻者購股權計劃授出的購股權公平值為約19,402,000港元，而根據行政人員購股權計劃授出的購股權公平值為約7,453,000港元。

於截至2019年及2018年12月31日止年度概無確認開支。

(b) 股份獎勵計劃

本公司於2018年5月17日採納股份獎勵計劃(「股份獎勵計劃」)，主要目的為表彰及獎勵本集團僱員及董事會批准的其他合資格人士對本集團業務的貢獻及潛在貢獻。股份獎勵計劃於採納股份獎勵計劃當日起計10年有效及生效，惟可由董事會在適當情況下決定提早終止。本公司已成立一項信託，並委任受託人管理及持有為股份獎勵計劃購入的股份(「股份獎勵計劃信託」)。歸屬期及條件由董事會釐定。

於截至2019年及2018年12月31日止年度，本公司並無根據股份獎勵計劃授出任何股份。

32 SHARE-BASED PAYMENT (Continued)

(a) Share Option Plan (Continued)

(iii) Fair values of share options

The directors of the Company appointed an independent valuer, Greater China Appraisal Limited, to estimate the fair value of the above share options as at the respective grant dates. The fair values of the share options were determined using the Binomial method. The significant inputs used in the Employee and Contributor Share Option Plan valuation method were exercise price shown above, volatility of 30.493%, dividend yield of 1.0726%, an expected option life of 5.1 years, and an annual risk-free interest rate of 1.2258%. The significant inputs used in the Executive Share Option Plan valuation method were exercise price shown above, volatility of 31.29%, dividend yield of 1.0726%, an expected share option life of 5 years, and an annual risk-free interest rate of 1.3088%. The volatility measured is estimated by the average of 5-year weekly volatility of several comparable companies. The fair value of share options granted on 21 May 2015 under Employee and Contributor Share Option Plan was approximately HKD19,402,000 and the fair value of options granted under Executive Share Option Plan was approximately HKD7,453,000.

There was no expense recognised for years ended 31 December 2019 and 2018.

(b) Share Award Scheme

On 17 May 2018, the Company adopted a share award scheme (the "Share Award Scheme") for the primary purpose to recognise and reward the contribution of the Group's employees and other eligible persons as approved the Board of Directors for their contribution or potential contribution to the Group's business. The Share Award Scheme shall be valid and effective for a term of 10 years commencing from the date of the adoption of the Share Award Scheme, subject to any early termination as may be determined appropriate by the Board of Directors. The Company has set up a trust and appointed a trustee for the administration and holding of the Company's shares acquired for the Share Award Scheme (the "Share Award Scheme Trust"). The vesting period and conditions is determined by the Board of Directors.

During the year ended 31 December 2019 and 2018, the Company did not grant any shares under the Share Award Scheme.

33 重大關連方交易

本集團受Media Cornerstone Limited(於英屬處女群島註冊成立)控制，其擁有本公司股份的53.59%。Space Management Limited(於英屬處女群島註冊成立)持有本公司股份的8.03%。其他餘下38.38%股份分散持有。董事視Media Cornerstone Limited分別為控股公司及最終控股公司。本集團的最終控股方為林先生。

誠如上文其他附註所披露者，本集團與其關連方於截至2019年及2018年12月31日止年度進行了以下重大交易。本公司董事認為，該等關連方交易於正常業務過程按本集團與各關連方磋商的條款進行。

33 SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group is controlled by Media Cornerstone Limited incorporated in the British Virgin Islands, which owns 53.59% of the Company's shares. Space Management Limited incorporated in the British Virgin Islands holds 8.03% of the Company's shares. The other remaining 38.38% of the shares are widely held. The directors regard Media Cornerstone Limited as the holding company and ultimate holding company respectively. The ultimate controlling party of the Group is Mr. Lam.

Same as disclosed in other notes above, the following significant transactions were carried out between the Group and its related parties during the year ended 31 December 2019 and 2018. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

33 重大關連方交易 (續)

(a) 關連方交易

以下交易與關連方進行：

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties

The following transactions occurred with related parties:

| | | 截至12月31日止年度 Year ended 31 December | |
|-------------------------|--|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 廣告展示服務收入： | Advertising display service incomes: | | |
| — 聯營公司 | — Associates | 12,059 | 2,168 |
| — 於附屬公司的非控股權益 | — Non-controlling interests in subsidiaries | 9,279 | 4,472 |
| | | 21,338 | 6,640 |
| 廣告空間特許經營費支出： | Concession fee charges for advertising spaces: | | |
| — 聯營公司 | — Associates | 185,151 | 207,565 |
| — 於附屬公司的非控股權益 | — Non-controlling interests in subsidiaries | 291,274 | 304,152 |
| | | 476,425 | 511,717 |
| 已付／應付聯營公司銷售佣金 | Sales commissions paid/payable to an associate | 536 | 555 |
| 辦公室租金開支： | Office rental expenses: | | |
| — 於附屬公司的非控股權益 | — Non-controlling interests in subsidiaries | 1,214 | 1,201 |
| — 由林先生控制的關連公司 | — A related company controlled by Mr. Lam | 6,819 | 7,068 |
| — 最終控股方 | — Ultimate holding party | 359 | 329 |
| | | 8,392 | 8,598 |
| 已付／應付於附屬公司的非控股權益的電費支出成本 | Utilities cost paid/payable to non-controlling interests in subsidiaries | 3,635 | 4,780 |
| 聯營公司貸款的利息收入 | Interest income on loans to an associate | 1,032 | 1,007 |

33 重大關連方交易(續)

(a) 關連方交易(續)

主要管理人員薪酬

就僱員服務已付或應付主要管理人員(包括董事、首席執行官及其他高級行政人員)的薪酬如下：

| | | 截至12月31日止年度 Year ended 31 December | |
|--------|---------------------------------|---------------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 工資及薪金 | Wages and salaries | 7,313 | 4,992 |
| 退休計劃供款 | Retirement scheme contributions | 36 | 36 |
| 花紅 | Bonuses | 1,384 | 160 |
| 總計 | Total | 8,733 | 5,188 |

(b) 與關連方的結欠

(i) 歸於應收賬款：

| | | 於12月31日 As at 31 December | |
|-------------|--|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 聯營公司 | Associates | 8,677 | 1,904 |
| 於附屬公司的非控股權益 | Non-controlling interest in subsidiaries | 1,116 | 1,454 |
| | | 9,793 | 3,358 |

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

Key management compensation

The compensations paid or payable to key management personnel (including directors, chief executive officer and other senior executives) for employee services are shown below:

(b) Balances with related parties

(i) Included in trade receivables:

33 重大關連方交易(續)

(b) 與關連方的結欠(續)

(ii) 歸於應付賬款：

| | | 於12月31日 As at 31 December | |
|-------------|---|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 聯營公司 | Associates | 5,858 | 2,762 |
| 於附屬公司的非控股權益 | Non-controlling interests in subsidiaries | 15,884 | 68,612 |
| | | 21,742 | 71,374 |

(iii) 歸於其他預付款項：

| | | 於12月31日 As at 31 December | |
|-------------|---|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 聯營公司 | Associates | 582 | 765 |
| 於附屬公司的非控股權益 | Non-controlling interests in subsidiaries | 3,831 | 5,663 |
| | | 4,413 | 6,428 |

(iv) 歸於應計廣告空間特許經營費支出：

| | | 於12月31日 As at 31 December | |
|-------------|---|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 聯營公司 | Associate | 72,862 | 69,985 |
| 於附屬公司的非控股權益 | Non-controlling interests in subsidiaries | 945 | 174,353 |
| | | 73,807 | 244,338 |

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(b) Balances with related parties (Continued)

(ii) Included in trade payables:

(iii) Included in other prepayments:

(iv) Included in accrued concession fee charges for advertising spaces:

33 重大關連方交易(續)

(b) 與關連方的結欠(續)

(v) 歸於其他應收款項：

| | | 於12月31日 As at 31 December | |
|-------------|--|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 聯營公司 | Associates | 28,041 | 5,376 |
| 於附屬公司的非控股權益 | Non-controlling interest in subsidiaries | 41,883 | 17,535 |
| | | 69,924 | 22,911 |

(vi) 歸於其他應付款項：

| | | 於12月31日 As at 31 December | |
|-------------|--|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 於附屬公司的非控股權益 | Non-controlling interest in a subsidiaries | 1,561 | 45 |
| 由林先生控制的關連公司 | Related companies controlled by Mr. Lam | – | 9,477 |
| | | 1,561 | 9,522 |

(vii) 歸於租賃負債：

| | | 於12月31日 As at 31 December | |
|------|-------------------|---------------------------------|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 |
| 關連公司 | Related companies | 2,001,349 | – |

上述與關連方的結欠為無抵押、免息及須按要求償還以及以人民幣計值。

上文提及的若干關連方並無正式英文名稱，其英文名稱乃由本公司管理層盡力從中文名稱翻譯而來。

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(b) Balances with related parties (Continued)

(v) Included in other receivables:

(vi) Included in other payables:

(vii) Included in lease liabilities:

The above balances with related parties were unsecured, interest-free and repayable on demand and denominated in RMB.

The English names of certain related parties referred to above represented the best efforts by management of the Company in translating their Chinese names, as they do not have official English names.

34 或有事項

除合併財務報表其他章節所披露者外，本集團於2019年及2018年12月31日概無重大或然負債。

35 承擔

於2019年及2018年12月31日，本集團並無任何重大資本承擔。

36 業務合併

於2018年8月29日，本集團附屬公司Asiaray International Holding Limited訂立買賣協議，據此，本集團有條件同意購買Radius Displays International Limited及其附屬公司（統稱「Radius」）之已發行股本51%。Radius主要從事提供廣告招牌及市貌陳設設計、工程及顧問服務。於2018年10月30日，本集團已完成上述收購。

根據收購Radius的買賣協議，此收購的總代價乃以買賣協議所指明的公式基於截至2021年3月31日止四個年度的除稅後平均經調整利潤計算，並以現金或本公司發行代價股份分四期結付。於完成日期，或然代價的公平值乃由獨立估值師採用貼現現金流量法及經參考貼現率16.5%進行之專業估值釐定。應付或然代價的公平值被視為第3級計量，並於合併財務報表附註3.3披露。

於截至2019年12月31日止年度，公平值變動395,000港元（2018年：無）已計入綜合收益表。

34 CONTINGENCIES

Saved as disclosed elsewhere in the consolidated financial statements, the Group had no material contingent liabilities as at 31 December 2019 and 2018.

35 CAPITAL COMMITMENT

As at 31 December 2019 and 2018, the Group did not have any material capital commitments.

36 BUSINESS COMBINATION

On 29 August 2018, Asiaray International Holding Limited, a subsidiary of the Group, has entered into a sale and purchase agreement, pursuant to which the Group conditionally agreed to purchase 51% of the issued share capital of Radius Displays International Limited and its subsidiary (together as "Radius"). Radius is mainly engaged in provision of signage and urban furniture design engineering and consulting work. On 30 October 2018, the Group has completed the above acquisition.

In accordance with the sale and purchase agreement of the acquisition of Radius, total consideration of this acquisition was based on the average adjusted profit after tax for the 4 years ending 31 March 2021 with a formula as prescribed in the sale and purchase agreement and will be settled in 4 installments by payment of cash or issuance of consideration share by the Company. As at the completion date, the fair values of the contingent consideration is determined by a professional valuation conducted by an independent valuer using discounted cash flow method and with reference to the discount rate of 16.5%. The fair value of the contingent consideration payable is considered as a level 3 measurements and disclosed in Note 3.3 to the consolidated financial statements.

During the year ended 31 December 2019, HKD395,000 (2018: Nil) of changes in fair value has been credited to statement of comprehensive income.

37 本公司資產負債表及權益變動

37 BALANCE SHEET AND EQUITY MOVEMENT OF THE COMPANY

| | | 於12月31日 As at 31 December | |
|---------------|---|------------------------------|----------------|
| | | 2019年 2019 | 2018年 2018 |
| | | 千港元 HKD'000 | 千港元 HKD'000 |
| | 附註 Note | | |
| 資產 | ASSETS | | |
| 非流動資產 | Non-current asset | | |
| 於一間附屬公司之投資 | Investment in a subsidiary | 280,094 | 280,094 |
| 向股份獎勵計劃信託供款 | Contribution to Share Award Scheme Trust | 21,000 | 21,000 |
| | | 301,094 | 301,094 |
| 流動資產 | Current assets | | |
| 其他應收款項及預付款項 | Other receivables and prepayments | 599,829 | 462,578 |
| 現金及現金等價物 | Cash and cash equivalents | 89,900 | 8,759 |
| | | 689,729 | 471,337 |
| 總資產 | Total assets | 990,823 | 772,431 |
| 權益及負債 | EQUITY AND LIABILITIES | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | |
| 股本 | Share capital | (a) 47,568 | 44,000 |
| 儲備 | Reserves | (a) 677,846 | 537,185 |
| 總權益 | Total equity | 725,414 | 581,185 |
| 負債 | Liabilities | | |
| 非流動負債 | Non-current liability | | |
| 借款 | Borrowings | 106,000 | 45,750 |
| 流動負債 | Current liabilities | | |
| 其他應付款項 | Other payables | 73,327 | 91,586 |
| 借款 | Borrowings | 86,082 | 53,910 |
| | | 159,409 | 145,496 |
| 總負債 | Total liabilities | 265,409 | 191,246 |
| 總權益及負債 | Total equity and liabilities | 990,823 | 772,431 |

本公司資產負債表已經董事會於2020年3月27日批准刊發，並由以下董事代表簽署。

The balance sheet of the Company was approved by the Board of Directors on 27 March 2020 and was signed on its behalf.

林德興
Lam Tak Hing, Vincent
主席
Chairman

林家寶
Lam Ka Po
執行董事
Executive Director

合併財務報表附註 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 本公司資產負債表及權益變動(續)

(a) 本公司權益變動

37 BALANCE SHEET AND EQUITY MOVEMENT OF THE COMPANY (Continued)

(a) Equity movement of the Company

| | | 股本 | 股份溢價 | 以股份為基礎 的補償儲備 | 認股權證儲備 | 永久次級可 換股證券 | 其他儲備 | 累計虧損 | 總計 |
|-----------------|--|------------------|------------------|--|--------------------|--|-------------------|-----------------------|----------------|
| | | Share capital | Share premium | Share-based compensation reserve | Warrant reserve | Perpetual subordinated convertible securities | Other reserves | Accumulated losses | Total |
| | | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 | 千港元 HKD'000 |
| 於2018年1月1日 | At 1 January 2018 | 44,000 | 346,613 | 26,209 | 3,075 | 30,000 | 249,674 | (14,090) | 685,481 |
| 年度虧損 | Loss for the year | - | - | - | - | - | - | (8,393) | (8,393) |
| 股息 | Dividends | - | (94,160) | - | - | - | - | - | (94,160) |
| 永久次級可換股 證券分派 | Perpetual subordinated convertible securities distribution | - | - | - | - | - | - | (1,743) | (1,743) |
| 購股權失效 | Share option lapsed | - | - | (4,981) | - | - | - | 4,981 | - |
| 於2018年12月31日 | At 31 December 2018 | 44,000 | 252,453 | 21,228 | 3,075 | 30,000 | 249,674 | (19,245) | 581,185 |
| 於2019年1月1日 | At 1 January 2019 | 44,000 | 252,453 | 21,228 | 3,075 | 30,000 | 249,674 | (19,245) | 581,185 |
| 年度虧損 | Loss for the year | - | - | - | - | - | - | (5,092) | (5,092) |
| 已發行股份 | Share issued | 3,568 | 139,153 | - | - | - | - | - | 142,721 |
| 永久次級可換股證券 | PSCS | - | - | - | - | - | - | (2,300) | (2,300) |
| 股息 | Dividends | - | (11,000) | - | - | - | - | - | (11,000) |
| 永久次級可換股 證券分派 | Perpetual subordinated convertible securities distribution | - | - | - | - | 19,900 | - | - | 19,900 |
| 購股權證屆滿 | Expiration of warrants | - | - | - | (3,075) | - | - | 3,075 | - |
| 購股權失效 | Share option lapsed | - | - | (63) | - | - | - | 63 | - |
| 於2019年12月31日 | At 31 December 2019 | 47,568 | 380,606 | 21,165 | - | 49,900 | 249,674 | (23,499) | 725,414 |

38 董事酬金

每位董事於截至2019年12月31日止年度的酬金載列如下：

38 DIRECTORS' EMOLUMENTS

The remuneration of each director for the year ended 31 December 2019 is set out as below:

| 董事姓名 | Name of directors | 袍金 Fees 千港元 HKD'000 | 薪金 Salary 千港元 HKD'000 | 酌情花紅 Discretionary bonuses 千港元 HKD'000 | 津貼及 實物福利 Allowances and benefits in kind 千港元 HKD'000 | 僱主對退休金 計劃的供款 retirement benefit scheme 千港元 HKD'000 | 就董事管理 本公司或 其附屬公司 業務事宜的 其他服務已付 或應收其他酬金 Other emoluments paid or receivable in respect of director's other services in connection with the Employer's contribution to a company or its subsidiary undertaking 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|-----------------------|--|------------------------------|--------------------------------|--|--|--|---|-------------------------------|
| 主席及執行董事 | Chairman and Executive director | | | | | | | |
| 林先生 | Mr. Lam | - | 1,404 | 500 | - | 18 | - | 1,922 |
| 執行董事 | Executive director | | | | | | | |
| 林家寶 | Lam Ka Po | - | 2,400 | 384 | - | 18 | - | 2,802 |
| 非執行董事 | Non-executive directors | | | | | | | |
| 黃志堅 | Wong Chi Kin | 252 | - | 500 | - | - | 2,501 | 3,253 |
| 楊鵬(自2019年 12月4日委任) | Yang Peng (appointed on 4 December 2019) | - | - | - | - | - | - | - |
| 獨立非執行董事 | Independent non-executive directors | | | | | | | |
| 馬照祥 | Ma Andrew Chiu Cheung | 252 | - | - | - | - | - | 252 |
| 馬豪輝 | Ma Ho Fai | 252 | - | - | - | - | - | 252 |
| 麥嘉齡 | Mak Ka Ling | 252 | - | - | - | - | - | 252 |

38 董事酬金(續)

每位董事於截至2018年12月31日止年度的酬金載列如下：

38 DIRECTORS' EMOLUMENTS (Continued)

The remuneration of each director for the year ended 31 December 2018 is set out as below:

| 董事姓名 | Name of directors | 袍金 Fees 千港元 HKD'000 | 薪金 Salary 千港元 HKD'000 | 酌情花紅 Discretionary bonuses 千港元 HKD'000 | 津貼及 實物福利 Allowances and benefits in kind 千港元 HKD'000 | 僱主對退休金 計劃的供款 Employer's contribution to a retirement scheme 千港元 HKD'000 | 就董事管理 本公司或 其附屬公司 業務事宜的 其他服務已付 或應收其他酬金 Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking 千港元 HKD'000 | 總計 Total 千港元 HKD'000 |
|----------------|--|------------------------------|--------------------------------|--|---|---|---|-------------------------------|
| 主席及執行董事 | Chairman and Executive director | | | | | | | |
| 林先生 | Mr. Lam | - | 1,404 | - | - | 18 | - | 1,422 |
| 執行董事 | Executive director | | | | | | | |
| 林家寶 | Lam Ka Po | - | 2,400 | 160 | 180 | 18 | - | 2,758 |
| 非執行董事 | Non-executive director | | | | | | | |
| 黃志堅 | Wong Chi Kin | 252 | - | - | - | - | - | 252 |
| 獨立非執行董事 | Independent non-executive directors | | | | | | | |
| 馬照祥 | Ma Andrew Chiu Cheung | 252 | - | - | - | - | - | 252 |
| 馬豪輝 | Ma Ho Fai | 252 | - | - | - | - | - | 252 |
| 麥嘉齡 | Mak Ka Ling | 252 | - | - | - | - | - | 252 |

38 董事酬金(續)

(a) 董事酬金

截至2019年12月31日止年度，概無董事自本集團收取任何酬金作為加入或離開本集團的獎勵或失去職位的補償；概無董事及高級管理人員放棄或同意放棄任何酬金(2018年：無)。

(b) 董事退休福利

截至2019年12月31日止年度，概無就作為本公司及其附屬公司董事所提供的董事服務或就有關管理本公司或其附屬公司業務事宜之其他服務，向本公司董事支付任何由本集團經營的定額福利退休金計劃的董事退休福利(2018年：無)。

(c) 董事離職福利

截至2019年12月31日止年度，概無就本公司董事提前終止委任而向董事支付任何補償(2018年：無)。

(d) 向第三方支付提供董事服務之代價

截至2019年12月31日止年度，本公司並未向任何第三方支付董事服務之代價(2018年：無)。

(e) 有關以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至2019年12月31日止年度，概無以本公司董事、董事之受控制法團及關連實體為受益人之貸款、準貸款或其他交易(2018年：無)。

(f) 董事於交易、安排或合約之重大權益

於年末或年內任何時間，本公司董事概無於本公司已訂立與本集團業務有關之重要交易、安排及合約中擁有任何重大直接或間接權益(2018年：無)。

38 DIRECTORS' EMOLUMENTS (Continued)

(a) Directors' remuneration

During the year ended 31 December 2019, no director received any emolument from the Group as an inducement to join or leave the Group or compensation for loss of office; no directors and senior management waived or has agreed to waive any emoluments (2018: nil).

(b) Directors' retirement benefit

During the year ended 31 December 2019, no retirement benefits paid to the directors of the Company by a defined benefit pension plan operated by the Group in respect of the director's services as a director of the Company and its subsidiaries or other services in connection with the management of the affairs of the Company or its subsidiary undertaking (2018: nil).

(c) Directors' termination benefit

During the year ended 31 December 2019, no payments to the directors of the Company as compensation for the early termination of the appointment (2018: nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2019, the Company did not provide to any third party for making available director's services (2018: nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2019, no loans, quasi-loans or other dealings in favour of directors of the Company, controlled bodies corporate by and connected entities with such directors (2018: nil).

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2018: nil).

39 結算日後事項

2019 新型冠狀病毒病 (COVID-19) (「COVID-19」) 於2020年初爆發以來，中國各地已經並繼續實行一系列預防和監控措施。中國政府採取多項嚴格措施，包括對農曆新年假日後復工的限制。為了避免COVID-19傳播，中國若干省份交通服務中斷或受限，導致中國內地的廣告媒體需求下滑。

截至本報告日期，本集團仍在評估COVID-19對本集團整體表現的影響且現時無法估計本集團所受的量化影響。本集團將密切注意COVID-19疫情的發展，繼續對其影響作出評估及採取相關措施。

39 SUBSEQUENT EVENT

After the outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the China. The PRC government adopted various strict measures including imposing restriction on the resumption date of work after the Chinese New Year Holidays. Due to the suspension or limited service of transportation services in certain provinces in the PRC to prevent the spread of the COVID-19, resulting in a decline in demand of advertising media within Mainland China.

Up to the date of this report, the Group is still in the process of assessing the impacts of the COVID-19 on the Group's overall performance and is currently unable to estimate the quantitative impacts to the Group. The Group will pay close attention to the development of the COVID-19 outbreak, continue to perform assessment of its impact and take relevant measures.

五年財務摘要

FIVE-YEAR FINANCIAL SUMMARY

業績

RESULTS

| | | 截至12月31日止年度 Year ended 31 December | | | | |
|-----------------------|---|---------------------------------------|---------------------------------|---------------------------------|--|---------------------------------|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 | 2017年 2017 千港元 HKD'000 | 2016年 2016 千港元 HKD'000 (經重列) (Restated) | 2015年 2015 千港元 HKD'000 |
| 本公司擁有人應佔 (虧損)/利潤 | (Loss)/profit attributable to owners of the Company | (126,411) | 62,953 | 44,690 | 16,883 | (39,616) |
| 未計利息、稅項、折舊 及攤銷前的盈利 | Earnings before interest, tax, depreciation and amortisation | 808,703 | 196,011 | 133,474 | 90,219 | 24,031 |

資產及負債

ASSETS AND LIABILITIES

| | | 於12月31日 As at 31 December | | | | |
|-----|-------------------|---------------------------------|---------------------------------|---------------------------------|--|--|
| | | 2019年 2019 千港元 HKD'000 | 2018年 2018 千港元 HKD'000 | 2017年 2017 千港元 HKD'000 | 2016年 2016 千港元 HKD'000 (經重列) (Restated) | 2015年 2015 千港元 HKD'000 (經重列) (Restated) |
| 總資產 | Total assets | 4,413,227 | 1,599,456 | 1,307,444 | 1,136,523 | 1,264,963 |
| 總負債 | Total liabilities | (3,899,947) | (1,024,279) | (728,266) | (548,859) | (559,865) |
| 淨資產 | Net assets | 513,280 | 575,177 | 579,178 | 587,664 | 705,098 |

公司資料

CORPORATE INFORMATION

董事會

執行董事

林德興先生
(主席兼首席執行官)
林家寶先生
(首席營運官)

非執行董事

黃志堅先生
楊鵬先生
(自2019年12月4日起)

獨立非執行董事

馬照祥先生
馬豪輝先生 *GBS JP*
麥嘉齡女士

公司秘書

葉沛森先生

授權代表

林德興先生
葉沛森先生

審計委員會

馬照祥先生(主席)
馬豪輝先生 *GBS JP*
麥嘉齡女士

提名委員會

林德興先生(主席)
馬豪輝先生 *GBS JP*
麥嘉齡女士

薪酬委員會

馬豪輝先生 *GBS JP* (主席)
林德興先生
馬照祥先生
麥嘉齡女士

BOARD OF DIRECTORS

Executive Directors

Mr. Lam Tak Hing, Vincent
(Chairman and Chief Executive Officer)
Mr. Lam Ka Po
(Chief Operations Officer)

Non-executive Directors

Mr. Wong Chi Kin
Mr. Yang Peng
(w.e.f. 4 December 2019)

Independent Non-executive Directors

Mr. Ma Andrew Chiu Cheung
Mr. Ma Ho Fai *GBS JP*
Ms. Mak Ka Ling

COMPANY SECRETARY

Mr. Ip Pui Sum

AUTHORISED REPRESENTATIVES

Mr. Lam Tak Hing, Vincent
Mr. Ip Pui Sum

AUDIT COMMITTEE

Mr. Ma Andrew Chiu Cheung (Chairman)
Mr. Ma Ho Fai *GBS JP*
Ms. Mak Ka Ling

NOMINATION COMMITTEE

Mr. Lam Tak Hing, Vincent (Chairman)
Mr. Ma Ho Fai *GBS JP*
Ms. Mak Ka Ling

REMUNERATION COMMITTEE

Mr. Ma Ho Fai *GBS JP* (Chairman)
Mr. Lam Tak Hing, Vincent
Mr. Ma Andrew Chiu Cheung
Ms. Mak Ka Ling

核數師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體核數師

法律顧問

程彥棋律師樓
香港
德輔道中19號
環球大廈24樓2403室

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
渣打銀行(香港)有限公司
大華銀行有限公司
遠東國際商業銀行

註冊辦事處

Maples Corporate Services Limited
P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

香港主要營業地點

香港鰂魚涌
康山道一號
康怡廣場辦公大樓
16樓全層

香港證券登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

網站

<http://www.asiaray.com>

股份代號

1993

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest
Entity Auditor

LEGAL ADVISER

Mason Ching & Associates
2403, 24/F., World-Wide House
19 Des Voeux Road Central
Hong Kong

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
United Overseas Bank Limited
Far Eastern International Bank

REGISTERED OFFICE

Maples Corporate Services Limited
P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

16/F.,
Kornhill Plaza – Office Tower
1 Kornhill Road
Quarry Bay, Hong Kong

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F.
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

WEBSITE

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STOCK CODE

1993



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