

# N&Q

## 福建諾奇股份有限公司

### Fujian Nuoqi Co., Ltd.

*(A Joint Stock Limited Liability Company Incorporated  
In The People's Republic of China)*

Stock Code: 1353

*(於中華人民共和國註冊成立之股份有限公司)*

股份代號: 1353

# 年報 Annual Report 2019



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Xu Haiying (*Chairman*)

Mr. Sit Hon Wing

#### Non-executive Director

Mr. Han Huiyuan

#### Independent non-executive Directors

Mr. Chan Ming Sun Jonathan

Mr. Lee Chi Hwa Joshua

Mr. Mak Yiu Tong

### AUDIT COMMITTEE

Mr. Chan Ming Sun Jonathan (*Chairman*)

Mr. Lee Chi Hwa Joshua

Mr. Mak Yiu Tong

### REMUNERATION COMMITTEE

Mr. Mak Yiu Tong (*Chairman*)

Mr. Lee Chi Hwa Joshua

Mr. Xu Haiying

### NOMINATION COMMITTEE

Mr. Mak Yiu Tong (*Chairman*)

Mr. Chan Ming Sun Jonathan

Mr. Xu Haiying

### SUPERVISORY COMMITTEE

Ms. Wang Zhiyu (*Chairman*)

Mr. Cheung Wang Lok, Anthony

Mr. Cai Han Zong (*Employee Representative*)

### COMPANY SECRETARY

Mr. Leung Ka Kit, *HKICPA*

### 董事會

#### 執行董事

許海鷹先生 (*董事長*)

薛漢榮先生

#### 非執行董事

韓惠源先生

#### 獨立非執行董事

陳銘樂先生

李智華先生

麥耀棠先生

### 審核委員會

陳銘樂先生 (*主席*)

李智華先生

麥耀棠先生

### 薪酬委員會

麥耀棠先生 (*主席*)

李智華先生

許海鷹先生

### 提名委員會

麥耀棠先生 (*主席*)

陳銘樂先生

許海鷹先生

### 監事會

王智宇女士 (*主席*)

張宏樂先生

蔡漢忠先生 (*僱員代表*)

### 公司秘書

梁家傑先生 · *HKICPA*

# CORPORATE INFORMATION

## 公司資料

### INTERNATIONAL AUDITORS

BDO Limited  
Certified Public Accountants

### LEGAL ADVISERS IN HONG KONG

Chiu and Partners

### REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 2602, Block 5  
Jialong Shangdu, Jitai Road  
Economic and Technical Development Zone  
Quanzhou

### PLACE OF BUSINESS IN HONG KONG

Rooms 2501–2509, 25/F.  
Shui On Centre  
6-8 Harbour Road  
Wanchai

### H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716  
17th Floor Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### PRINCIPAL BANKS

China Minsheng Banking Corp., Ltd.  
China Construction Bank

### COMPANY WEBSITE

[www.nuoqi.com.hk](http://www.nuoqi.com.hk)

### STOCK CODE

1353

### 國際核數師

香港立信德豪會計師事務所有限公司  
執業會計師

### 香港法律顧問

趙不渝 馬國強律師事務所

### 註冊辦事處及中國主要營業地點

泉州  
經濟技術開發區  
吉泰路嘉龍尚都  
5號樓2602室

### 香港營業地點

灣仔  
港灣道6至8號  
瑞安中心  
25樓2501-2509室

### H股證券登記處

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

### 主要往來銀行

中國民生銀行股份有限公司  
中國建設銀行

### 公司網站

[www.nuoqi.com.hk](http://www.nuoqi.com.hk)

### 股份代號

1353

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

The Company is a casual wear apparel company in the PRC offering a wide range of fashion casual wear products such as jackets, sweaters, shirts, T-shirts, trousers, shoes and accessories under its own brand, N&Q.

Due to the intense market competition in the apparel industry, revenue of the Group decreased significantly to approximately RMB8,000 for the year ended 31 December 2019 (“FY2019”) from approximately RMB2 million for the year ended 31 December 2018 (“FY2018”), as the Company has scaled down its operation since the first quarter of 2019, aiming at minimising the operation cost. During FY2019, the Company completed a disposal of its leasehold land and building and record a loss on disposal of property, plant and equipment and right-of-use assets of approximately RMB14 million in FY2019. Administrative and other expenses decreased to approximately RMB13 million in FY2019 from approximately RMB17 million in FY2018. As a result, the Company recorded a loss attributable to the owners of the Company of approximately RMB30 million in FY2019 from approximately RMB19 million in FY2018.

The Group recorded total assets of approximately RMB25 million as at 31 December 2019 as compared to approximately RMB66 million as at 31 December 2018. The decrease in total assets of the Group was mainly attributable to, among other things, the disposal of property, plant and equipment and prepaid land lease payments for approximately RMB52 million and RMB10 million respectively during FY2019.

### 業務回顧

本公司為一間中國休閒服裝公司，以自建品牌「諾奇 (N&Q)」提供各式休閒時裝產品(如夾克、毛衣、襯衫、T恤、褲子、鞋及配飾等)。

由於服裝行業之市場競爭激烈，本集團已自二零一九年第一季度起縮減營運規模，旨在減低營運成本，故此本集團之收入由截至二零一八年十二月三十一日止年度(「二零一八財政年度」)約人民幣2,000,000元大幅減至截至二零一九年十二月三十一日止年度(「二零一九財政年度」)約人民幣8,000元。於二零一九財政年度，本公司完成出售其租賃土地及樓宇，並於二零一九財政年度錄得出售物業、廠房及設備以及使用權資產虧損約人民幣14,000,000元。行政及其他開支由二零一八財政年度約人民幣17,000,000元減至二零一九財政年度約人民幣13,000,000元。因此，本公司於二零一九財政年度錄得本公司擁有人應佔虧損約人民幣30,000,000元，而二零一八財政年度約人民幣19,000,000元。

本集團於二零一九年十二月三十一日錄得資產總值約人民幣25,000,000元，而於二零一八年十二月三十一日之資產總值則約為人民幣66,000,000元。二零一九財政年度本集團之資產總值減少主要歸因於(其中包括)出售物業、廠房及設備以及預付土地租賃款項分別約人民幣52,000,000元及人民幣10,000,000元。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### VERY SUBSTANTIAL ACQUISITION/REVERSE TAKEOVER

As disclosed in the announcement of the Company dated 4 December 2017 (the “RTO Announcement”), the Company, Zhong Hong Holdings Group Limited (the “Vendor”) and the Vendor’s warrantor (Mr. Hu Yulin who was interested in approximately 76% of the issued shares of the Vendor as at the date of the RTO Announcement) entered into a sale and purchase agreement on 6 November 2017 in relation to the Company’s acquisition of the entire issued share capital (the “Acquisition”) in Zhong Hong International Limited (the “Target Company”) which is a wholly-owned subsidiary of the Vendor. Pursuant to the sale and purchase agreement, the consideration shall be paid by the Company by allotting and issuing to the Vendor 1,541,878,659 new H Shares, credited as fully paid, at the issue price of HK\$0.6829 per share. Completion of the Acquisition is conditional upon fulfillment or waiver of a number of conditions precedents, as disclosed in the RTO Announcement.

The Target Company and its subsidiaries (the “Target Group”) are principally engaged in the provision of construction services, mainly as a general contractor for residential construction projects, commercial and public works construction projects, and industrial and other construction projects, in the PRC.

As disclosed in the RTO Announcement, the Acquisition constitutes a reverse takeover for the Company under Rule 14.06(6)(a) of the Listing Rules. Accordingly, the Company will be treated as if it were a new listing applicant. The Acquisition is therefore also subject to the approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for a new listing application to be made by the Company. Please refer to the announcement of the Company dated 4 March 2020 for details of the latest development in respect of the Acquisition.

### 非常重大收購事項／反向收購

誠如本公司日期為二零一七年十二月四日之公告(「反向收購公告」)所披露，本公司、中宏控股集團有限公司(「賣方」)與賣方擔保人(胡玉林先生，彼於反向收購公告日期擁有賣方已發行股份約76%權益)於二零一七年十一月六日訂立買賣協議，內容有關本公司收購中宏國際有限公司(「目標公司」，其為賣方之全資附屬公司)之全部已發行股本(「收購事項」)。根據買賣協議，代價須由本公司透過按發行價每股0.6829港元向賣方配發及發行1,541,878,659股新H股(入賬列作繳足)之方式支付。誠如反向收購公告所披露，收購事項須待多項先決條件獲達成或豁免後，方告完成。

目標公司及其附屬公司(「目標集團」)主要從事提供建築服務，主要於中國擔任住宅建築項目、商業及公共工程建築項目以及工業及其他建築項目之總承建商。

誠如反向收購公告所披露，根據上市規則第14.06(6)(a)條，收購事項構成本公司一項反向收購。因此，本公司將被視作新上市申請人，故收購事項亦須待香港聯合交易所有限公司(「聯交所」)上市委員會批准本公司將作出之新上市申請後方可作實。有關收購事項最新進展之詳情，請參閱本公司日期為二零二零年三月四日之公告。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### THE DISPOSAL

As disclosed in the circular of the Company dated 21 June 2019 (the “VSD Circular”), on 16 April 2019, the Company entered into a sale and purchase agreement with 泉州市鑫浩瀚品牌管理有限公司 (Quanzhou Xin Hao Han Brand Management Co., Ltd.\*) (the “Purchaser”), pursuant to which the Company conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, property comprising a parcel of land and premises situated at Quanzhou Economic and Technological Development Zone, Quanzhou City, Fujian Province, the PRC (the “Property”) at a consideration of RMB50 million (the “Disposal”). The Disposal has been approved at the extraordinary general meeting of the Company on 6 August 2019, and completed on 26 August 2019.

### BUSINESS PROSPECTS

Since the suspension of the trading in H Shares in July 2014, the Company has been striving to reactivate its business and to fulfill the resumption conditions imposed by the Stock Exchange. As disclosed in the 2016 annual report of the Group, the Company would seek to resume the trading of the H Shares at the earliest possible time in order to re-establish a fund raising platform to be available for the future expansion of the Group. In light of the various challenges and uncertainties lying ahead in the apparel industry under the current PRC macro-economic environment, the Board has continuously been exploring different investment opportunities to broaden the income stream of the Group with a view to promote growth in the revenue and profits of the Group which will be beneficial to its shareholders. Through the Acquisition, the Company can acquire the well-established businesses of the Target Group which is engaged in the construction industry in the PRC and allows the scope of business of the Group to be expanded and its existing business portfolio to be diversified.

### 出售事項

誠如本公司日期為二零一九年六月二十一日之通函（「非常重大出售事項通函」）所披露，於二零一九年四月十六日，本公司與泉州市鑫浩瀚品牌管理有限公司（「買方」）訂立買賣協議，據此本公司有條件同意出售而買方有條件同意購買由位於中國福建省泉州市泉州經濟技術開發區之一幅地塊及物業組成之物業（「該物業」），代價為人民幣50,000,000元（「出售事項」）。出售事項已於本公司於二零一九年八月六日舉行之股東特別大會批准，並於二零一九年八月二十六日完成。

### 業務前景

自二零一四年七月暫停H股買賣後，本公司一直致力重新開展業務，以符合聯交所施加之復牌條件。誠如本集團二零一六年年報所披露，本公司將尋求H股盡早恢復買賣，以重建可供本集團未來擴展之集資平台。鑑於服裝行業在目前中國宏觀經濟環境下面臨各種挑戰及不確定性，董事會一直探索不同投資機遇以拓寬本集團之收入來源，以促進本集團收入及利潤增長，此將對其股東有利。透過收購事項，本公司能夠收購目標集團於中國從事建造業之成熟業務，並可擴大本集團之業務範圍，令其現有業務組合更多元化。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS PROSPECTS *(Continued)*

The construction industry in the PRC has experienced rapid growth in the recent years in accordance with the improvement of urbanisation as well as investment in infrastructure in the PRC. In order to accommodate the increasing urban population in cities, there are growing opportunities for building construction projects of both residential and commercial properties. Further, as public facilities and infrastructure are necessary to drive the urbanisation, the Company is optimistic towards the growth potential in the construction industry. The Board is of the view that the growth potential and prospect of the construction industry is expected to be more promising than that of the apparel industry.

The Target Group has an established business and is a valuable asset to be added into the business as a diversification for the Company. After completion of the Acquisition subject to fulfillment of the conditions precedent as disclosed in the announcement made by the Company on 4 December 2017, the Target Group will become wholly-owned subsidiaries of the Company.

The Company has no plan to dispose of its existing business. After completion of the Acquisition subject to the fulfillment of conditions precedent as disclosed in the RTO Announcement, the Company may restructure its apparel business according to the development of the apparel industry and the then market conditions.

### 業務前景 (續)

近年來，由於中國城市化進程及投資於基礎設施有所增加，中國建造業經歷急速增長。為了適應城市日益增長之都市人口，住宅及商業物業之建築項目機會也越來越多。此外，由於公共設施及基礎設施對推動城市化而言屬必要，本公司對建造業之增長潛力感到樂觀。董事會認為，預期建造業之增長潛力及前景優於服裝行業。

目標集團之業務已見規模，為本公司注入一項寶貴資產，從而多元化發展業務。收購事項須待本公司於二零一七年十二月四日作出之公告所披露之先決條件獲達成後方告完成，目標集團屆時將成為本公司之全資附屬公司。

本公司並無計劃出售現有業務。於收購事項完成（須待反向收購公告所披露各項先決條件獲達成）後，本公司可視乎服裝行業之發展形勢及當時市況重整旗下之服裝業務。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

The Group generated revenue in FY2019 of approximately RMB8,000, which represented an approximately 100% decrease as compared to approximately RMB2 million in FY2018 mainly due to that the Company has scaled down its operation since the first quarter of 2019.

#### Cost of sales and gross loss

Cost of sales in FY2019 was approximately RMB51,000, which represented an approximately 98% decrease as compared to approximately RMB2 million in FY2018. The decrease was mainly due to the decrease in sales.

Gross loss in FY2019 was approximately RMB43,000 as compared to approximately RMB60,000 in FY2018. The decrease in gross loss was mainly due to the decrease in sales volume.

#### Other gains and losses, net

The Company recorded net other losses of approximately RMB15 million in FY2019, as compared to the net other gains of approximately RMB2 million in FY2018. Such significant increase in other losses was mainly attributable to the loss on disposal of property, plant and equipment and right-of-use assets of approximately RMB14 million in FY2019.

#### Administrative and other expenses

Administrative and other expenses in FY2019 were approximately RMB13 million, which represented an approximately 24% decrease as compared to approximately RMB17 million in FY2018. Such decrease was mainly due to decrease in depreciation expenses upon disposal of property, plant and equipment and right-of-use assets during FY2019.

### 財務回顧

#### 收入

本集團於二零一九財政年度產生收入約人民幣8,000元，較二零一八財政年度約人民幣2,000,000元減少約100%，主要由於本公司自二零一九年第一季度縮減營運規模。

#### 銷售成本及毛損

二零一九財政年度之銷售成本約為人民幣51,000元，較二零一八財政年度約人民幣2,000,000元減少約98%，主要由於銷售減少所致。

二零一九財政年度之毛損約為人民幣43,000元，而二零一八財政年度則約為人民幣60,000元。毛損減少主要由於銷量下跌所致。

#### 其他收益及虧損淨額

本公司於二零一九財政年度錄得其他虧損淨額約人民幣15,000,000元，而二零一八財政年度則錄得其他收益淨額約人民幣2,000,000元。其他虧損大幅增加主要由於二零一九財政年度產生出售物業、廠房及設備以及使用權資產虧損約人民幣14,000,000元。

#### 行政及其他開支

二零一九財政年度之行政及其他開支約為人民幣13,000,000元，較二零一八財政年度約人民幣17,000,000元減少約24%。有關減少主要由於二零一九財政年度出售物業、廠房及設備以及使用權資產後折舊開支有所減少。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Finance costs

No finance costs were incurred in FY2019 as compared to approximately RMB1 million in FY2018. The reason for the decrease in finance cost was due to the repayment of the other borrowings of RMB80 million during FY2018.

#### Loss attributable to owners of the Company

Based on the above, loss attributable to owners of the Company in FY2019 amounted to approximately RMB30 million, which represented an increase of approximately 54% as compared to approximately RMB19 million in FY2018.

#### Liquidity, financial resources and capital structure

As at 31 December 2019, bank and cash balances of the Group were approximately RMB23,034,000 (2018: approximately RMB488,000). The Group's gearing ratio (measured as total borrowings over total assets) as at 31 December 2019 was 0% (31 December 2018: 21%). The decrease was mainly attributable to the repayment of the loan from a shareholder during FY2019.

#### Foreign currency risks

Most of the Group's transactions, assets and liabilities are principally denominated in Renminbi, the functional currency of the Group. Therefore, the Group had minimal exposure to foreign currency risk and hence the Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure of the Group from time to time and will consider hedging significant foreign currency exposure should the need arise.

#### Significant investments/Material acquisitions and disposals

Save as the Acquisition and the Disposal, the Group had not made any significant investments or material acquisitions and disposals of subsidiaries during FY2019.

### 財務回顧(續)

#### 財務成本

二零一九財政年度並無產生財務成本，而二零一八財政年度則產生財務成本約人民幣1,000,000元。財務成本減少乃由於在二零一八財政年度償還其他借款人民幣80,000,000元所致。

#### 本公司擁有人應佔虧損

基於上文所述，於二零一九財政年度，本公司擁有人應佔虧損約為人民幣30,000,000元，較二零一八財政年度約人民幣19,000,000元增加約54%。

#### 流動資金、財務資源及資本結構

於二零一九年十二月三十一日，本集團之銀行及現金結餘約為人民幣23,034,000元(二零一八年：約人民幣488,000元)。於二零一九年十二月三十一日，本集團之資產負債比率(按總借款除以總資產計量)為0%(二零一八年十二月三十一日：21%)。資產負債比率減少主要由於在二零一九財政年度償還股東貸款所致。

#### 外幣風險

本集團大部分交易、資產及負債主要以本集團之功能貨幣人民幣計值。因此，本集團之外匯風險甚微及因此本集團目前並無外匯對沖政策。然而，管理層不時監察本集團之外匯風險及將於需要時考慮對沖重大外匯風險。

#### 重要投資／重大收購及出售事項

除收購事項及出售事項外，於二零一九財政年度，本集團並無任何重要投資或重大附屬公司收購及出售。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW *(Continued)*

#### Contingent liabilities and capital commitments

As at 31 December 2019, the Group did not have any significant contingent liabilities and capital commitments (31 December 2018: nil).

#### DIVIDENDS

The Board does not recommend the payment of a final dividend for FY2019 (FY2018: nil).

#### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiary purchased, redeemed or sold any of the Company's listed security during FY2019.

### 財務回顧(續)

#### 或然負債及資本承擔

於二零一九年十二月三十一日，本集團並無任何重大或然負債及資本承擔(二零一八年十二月三十一日：無)。

#### 股息

董事會不建議就二零一九財政年度派發末期股息(二零一八財政年度：無)。

#### 購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於二零一九財政年度內概無購買、贖回或出售任何本公司上市證券。

# DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

## 董事及高級管理層的履歷

### BOARD OF DIRECTORS

#### Executive Directors

#### Xu Haiying (許海鷹)

**Mr. Xu Haiying**, aged 65, was appointed to the Board on 15 May 2017. He was appointed as a non-executive director of Hao Tian on 1 January 2012 and was re-designated as an executive director of Hao Tian in February 2012. Mr. Xu is the senior technical consultant and senior manager of 中國節能環保集團有限公司 (China Jieneng Huangbao Group Company Limited\*), whose principal business is the development of energy conservation technologies, clean and new energy, and energy infrastructure construction. Mr. Xu has substantial management experience and has been the manager of the representative offices of Wallem & Company Limited (華林船務集團有限公司) in Shanghai and Tianjin, the PRC and the chief representative of the Shanghai representative office of Hong Kong Maritime Company Limited (香港海運有限公司) and has served other management positions.

#### Sit Hon Wing (薛漢榮)

**Mr. Sit Hon Wing**, aged 43, was appointed to the Board on 21 April 2017. He has served as the chief financial officer, financial controller and company secretary of certain listed companies in Hong Kong. During the period from June 2006 to January 2008, Mr. Sit was the financial controller and company secretary of Sau San Tong Holdings Limited which was listed on the Stock Exchange (Stock Code: 8200). During the period from January 2008 to September 2015, Mr. Sit was the chief financial officer and company secretary of CT Environmental Group Limited ("CTEG") which was listed on the Stock Exchange (Stock Code: 1363). Since September 2015 and October 2016 and up to August 2017, Mr. Sit has been the financial controller and company secretary of Hao Tian Development Group Limited respectively. Mr. Sit is currently the Company Secretary of CTEG. Mr. Sit is a fellow member of both the Hong Kong Institute of Certified Public Accountants (HKICPA) and Association of Chartered Certified Accountants (ACCA).

### 董事會

#### 執行董事

#### 許海鷹

**許海鷹先生**，65歲，於二零一七年五月十五日獲委任為董事會成員。彼於二零一二年一月一日獲委任為昊天非執行董事，並於二零一二年二月調任為昊天之執行董事。許先生為中國節能環保集團有限公司的高級技術顧問及高級經理，該公司主要從事節能技術開發、潔淨及新能源以及能源基礎建設業務。許先生擁有豐富的管理經驗，曾擔任華林船務集團有限公司中國上海及天津代表辦事處經理，以及香港海運有限公司上海代表辦事處的首席代表及其他管理職位。

#### 薛漢榮

**薛漢榮先生**，43歲，於二零一七年四月二十一日獲委任為董事會成員。彼曾擔任香港若干上市公司之首席財務官、財務總監及公司秘書。於二零零六年六月至二零零八年一月期間，薛先生出任修身堂控股有限公司（其於聯交所上市，股份代號：8200）之財務總監及公司秘書。於二零零八年一月至二零一五年九月期間，薛先生出任中滔環保集團有限公司（「中滔環保」）（其於聯交所上市，股份代號：1363）之首席財務官及公司秘書。自二零一五年九月及二零一六年十月起及直至二零一七年八月，薛先生分別獲委任為昊天發展集團有限公司之財務總監及公司秘書。薛先生現時為中滔環保之公司秘書。薛先生為香港會計師公會（香港會計師公會）及英國特許公認會計師公會（英國特許公認會計師公會）之資深會員。

## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層的履歷

### BOARD OF DIRECTORS (Continued)

#### Non-executive Director

##### Han Huiyuan (韓惠源)

**Mr. Han Huiyuan (韓惠源)**, aged 56, is a non-executive Director. He was appointed to the Board on 9 July 2013. Mr. Han is currently the managing director of Heaven-Sent Capital Management Group Co., Ltd. (硅谷天堂資產管理集團股份有限公司), a corporate shareholder of Silicon Valley Solar Venture Capital Co., Ltd. (深圳硅谷天堂陽光創業投資有限公司) and is responsible for the overall business operation. Mr. Han obtained a master degree in urban economics from the Renmin University of China (中國人民大學) in 2011 and a bachelor degree in industrial automation from Huazhong Technical College (華中工學院) (currently known as the "Huazhong University of Science and Technology (華中科技大學)") in 1984.

#### Independent non-executive Directors

##### Chan Ming Sun (陳銘樂)

**Mr. Chan Ming Sun Jonathan**, aged 47, was appointed to the Board on 21 April 2017. Mr. Chan graduated from the University of New South Wales, Australia with a Bachelor of Commerce degree in Accounting and Computer Information Systems. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Certified Practising Accountants, Australia. Mr. Chan has over 20 years of experience in auditing, accounting, investment and financial management. Mr. Chan is currently an investment manager of Sprint Asset Management Limited. Mr. Chan is also an independent non-executive director of each of China Dredging Environment Protection Holdings Limited (stock code: 871), Shenyang Public Utility Holdings Company Limited (stock code: 747), Up Energy Development Group Limited (stock code: 307) and Hao Tian, and of Changhong Jiahua Holdings Limited (stock code: 8016), whose securities are listed on GEM of the Stock Exchange. Mr. Chan resigned as independent non-executive director of Beautiful China Holdings Company Limited (stock code: 706), Cornerstone Financial Holdings Limited (stock code: 8112), L&A International Holdings Limited (stock code: 8195), Far East Holdings International Limited (stock code: 36) and Life Concepts Holdings Limited (stock code: 8056) in February 2014, November 2015, March 2017, July 2017 and December 2018 respectively.

### 董事會 (續)

#### 非執行董事

##### 韓惠源

**韓惠源先生**，56歲，非執行董事。彼於二零一三年七月九日獲委任加入董事會。韓先生現時為深圳硅谷天堂陽光創業投資有限公司的公司股東硅谷天堂資產管理集團股份有限公司的董事總經理，負責整體業務營運。韓先生於二零一一年取得中國人民大學城市經濟學碩士學位，並於一九八四年取得華中工學院(現稱為華中科技大學)的工業自動化學士學位。

#### 獨立非執行董事

##### 陳銘樂

**陳銘樂先生**，47歲，於二零一七年四月二十一日獲委任為董事會成員。陳先生畢業於澳洲新南威爾斯大學，持有會計及電腦資訊系統學系商學士學位。彼現為香港會計師公會之資深會員及澳洲會計師公會之會員。陳先生於審計、會計、投資及財務管理方面擁有逾20年經驗。陳先生現時為新銳資產管理有限公司之投資經理。陳先生亦為中國疏浚環保控股有限公司(股份代號：871)、瀋陽公用發展股份有限公司(股份代號：747)、優派能源發展集團有限公司(股份代號：307)及昊天，以及長虹佳華控股有限公司(股份代號：8016)之獨立非執行董事，該公司之證券於聯交所GEM上市。陳先生分別於二零一四年二月、二零一五年十一月、二零一七年三月、二零一七年七月及二零一八年十二月辭任美麗中國控股有限公司(股份代號：706)、基石金融控股有限公司(股份代號：8112)、樂亞國際控股有限公司(股份代號：8195)、遠東控股國際有限公司(股份代號：36)及生活概念控股有限公司(股份代號：8056)之獨立非執行董事。

## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層的履歷

### BOARD OF DIRECTORS (Continued)

#### Independent non-executive Directors (Continued)

#### Lee Chi Hwa Joshua (李智華)

**Mr. Lee Chi Hwa Joshua**, aged 47, was appointed to the Board on 21 April 2017. He is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants. Mr. Lee has extensive experience in the fields of auditing, accounting and finance. Mr. Lee currently serves as an independent non-executive director of Hao Tian, Hao Tian International Construction Investment Group Limited (Stock code: 1341), Up Energy Development Group Limited (Stock code: 307), China Fortune Investments (Holding) Limited (Stock code: 8116), Code Agriculture (Holdings) Limited (Stock code: 8153) and Cornerstone Financial Holdings Limited (Stock code: 8112) respectively, whose shares are listed on the Stock Exchange. He was an executive director of Link-Asia International Co. Ltd (Stock code: 1143) from November 2015 to December 2019, whose shares are listed on the Main Board of the Stock Exchange. He was an independent non-executive director of King Stone Energy Group Limited (Stock code: 663) from January 2012 to April 2013, China Minsheng Drawin Technology Group Limited (Stock code: 726) from December 2013 to February 2015 and Teamway International Group Holdings Limited (Stock code: 1239) from March 2015 to August 2017, all companies are listed on the Stock Exchange.

#### Mak Yiu Tong (麥耀棠)

**Mr. Mak Yiu Tong**, aged 61, was appointed to the Board on 21 April 2017. Mr. Mak graduated from the China University of Political Science and Law with a Bachelor of Law degree in 1998. Mr. Mak is a legal executive of Chiu, Szeto & Cheng, a firm of solicitors in Hong Kong. Mr. Mak has been working in the legal industry for over 30 years. Mr. Mak currently serves as an independent non-executive director of Talent Property Group Limited (Stock code: 760), Up Energy Development Group Limited (Stock code: 307) and Hao Tian International Construction Investment Group Limited (Stock code: 1341), whose shares are listed on the main board of the Stock Exchange.

### 董事會 (續)

#### 獨立非執行董事 (續)

#### 李智華

**李智華先生**，47歲，於二零一七年四月二十一日獲委任為董事會成員。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。李先生於核數、會計及財務方面擁有豐富經驗。李先生現分別為昊天、昊天國際建設投資集團有限公司(股份代號：1341)、優派能源發展集團有限公司(股份代號：307)、中國幸福投資(控股)有限公司(股份代號：8116)、科地農業控股有限公司(股份代號：8153)及基石金融控股有限公司(股份代號：8112)之獨立非執行董事，該等公司之股份均於聯交所上市。彼於二零一五年十一月至二零一九年十二月出任環亞國際實業有限公司(股份代號：1143)之執行董事，該公司之股份於聯交所主板上市。彼於二零一二年一月至二零一三年四月出任金山能源集團有限公司(股份代號：663)、於二零一三年十二月至二零一五年二月出任中民築友科技集團有限公司(股份代號：726)及於二零一五年三月至二零一七年八月出任Teamway International Group Holdings Limited (股份代號：1239) (該等公司均於聯交所上市)之獨立非執行董事。

#### 麥耀棠

**麥耀棠先生**，61歲，於二零一七年四月二十一日獲委任為董事會成員。麥先生於一九九八年畢業於中國政法大學，獲頒授法學學士學位。麥先生為趙、司徒、鄭律師事務所(一家香港律師行)之法律行政人員。麥先生於法律行業工作逾三十年。麥先生現時擔任新天地產集團有限公司(股份代號：760)、優派能源發展集團有限公司(股份代號：307)及昊天國際建設投資集團有限公司(股份代號：1341)之獨立非執行董事，該等公司之股份均於聯交所主板上市。

## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層的履歷

### BOARD OF SUPERVISORS

#### Wang Zhiyu (王智宇)

**Ms. Wang Zhiyu**, aged 36, joined the Company and was appointed to the Board of supervisor on 21 April 2017. She obtained a bachelor's degree in business administration and has over 15 years of experience in administrative and human resources management. Between 2003 and 2010, she served as a manager in two companies and was responsible for daily administration management and establishing the administration and staff policy of the companies. In 2010, she joined Hao Tian Development Group Limited ("Hao Tian") and served a number of management positions, and was responsible for administrative and human resources management for the Hao Tian group and its subsidiaries. Ms. Wang was also appointed as a director of various subsidiaries of the Hao Tian group since June 2012.

#### Cheung Wang Lok (張宏樂)

**Mr. Cheung Wang Lok**, aged 42, joined the Company and was appointed to the Board of supervisor on 21 April 2017. He has more than 18 years of experience in internal auditing, external auditing, accounting, finance, taxation, treasury management, internal control and personnel management in international and listed companies. Mr. Cheung was an associate general manager and finance manager in a listed company in the United States of America from 2007 to 2010. Mr. Cheung joined Hao Tian in 2010. He was appointed as a director of various subsidiaries of Hao Tian group since May 2016 and was promoted to Senior Finance Manager in 2019.

#### Cai Han Zong (蔡漢忠)

**Mr. Cai Han Zong**, aged 34, has over 10 years of experience in stores engineering supervision and administrative management. Mr. Cai joined the Company in August 2011 as an engineering supervisor. He has then worked as the deputy manager of the administrative department of the Company since September 2016. Prior to joining the Company in 2011, Mr. Cai had worked in 深圳市 跨域體育用品有限公司 (Shenzhen Cross Domain Sports Equipment Company Limited\*) as its engineering supervisor. Mr. Cai obtained a college degree in business administration from The Open University of Fujian in 2006.

\* For identification purposes only

### 監事會

#### 王智宇

王智宇女士，36歲，於二零一七年四月二十一日加入本公司並獲委任為監事會成員。彼取得工商管理學士學位並於行政及人力資源管理方面擁有逾15年經驗。於二零零三年至二零一零年間，彼擔任兩間公司之經理，負責日常行政管理並制定公司之行政及員工政策。於二零一零年，彼加入昊天發展集團有限公司（「昊天」）並擔任多項管理職位，負責昊天集團及其附屬公司之行政及人力資源管理。此外，王女士自二零一二年六月起獲委任為昊天集團多間附屬公司之董事。

#### 張宏樂

張宏樂先生，42歲，於二零一七年四月二十一日加入本公司並獲委任為監事會成員。彼於國際及上市公司之內部核數、外部核數、會計、財務、稅項、財務管理、內部控制及人事管理方面擁有逾18年經驗。張先生於二零零七年至二零一零年出任一間美利堅合眾國上市公司之副總經理兼財務經理。張先生於二零一零年加入昊天。彼自二零一六年五月起獲委任為昊天集團多間附屬公司之董事及於二零一九年獲晉升為高級財務經理。

#### 蔡漢忠

蔡漢忠先生，34歲，於店舖工程監理及行政管理方面擁有逾10年經驗。蔡先生於二零一一年八月加入本公司出任工程監理，彼其後自二零一六年九月起一直擔任本公司行政部副經理。於二零一一年加入本公司前，蔡先生為深圳市跨域體育用品有限公司之工程監理。蔡先生於二零零六年獲得福建廣播電視大學工商管理專科學歷。

# DIRECTORS' REPORT

## 董事會報告

### PRINCIPAL ACTIVITIES

The principal activities of the Company are retailing men's and women's casual apparels. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the Group's revenue and profit for the year is set out in the section headed "Management Discussion and Analysis" in this report.

### RESULTS AND DIVIDENDS

The results of the Group in FY2019 are set out in the consolidated statement of profit or loss and other comprehensive income on page 53 of this annual report.

For details regarding a fair review of the Company's business, please refer to the paragraph headed "Business review" of the section headed "Management discussion and analysis" of this annual report.

The Board does not recommend the payment of a dividend.

### Summary financial information

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 136. The summary does not form part of the audited consolidated financial statements.

### 主營業務

本公司的主營業務為男士及女士休閒服飾零售業務。本集團的主營業務性質於年內概無重大變動。

本集團於年內之收入及溢利分析載於本報告「管理層討論及分析」一節。

### 業績及股息

本集團二零一九財政年度的業績載於本年報第53頁的綜合損益及其他全面收益表內。

有關本公司業務公平回顧的詳情，請參閱本年報「管理層討論及分析」一節「業務回顧」一段。

董事會不建議派付股息。

### 財務資料概要

本集團過去五個財政年度之已刊發業績、資產及負債的概要(摘錄自經審核綜合財務報表)載於第136頁。此概要並不構成經審核綜合財務報表之一部分。

# DIRECTORS' REPORT

## 董事會報告

### AGM AND CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The notice of the forthcoming annual general meeting (“AGM”) and the period of closure of register of members of H Shares will be published and despatched to the shareholders of the Company (“Shareholders”), at least 20 days before the meeting, in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and the articles of association of the Company. To ascertain the Shareholders’ entitlement to attend and vote at the forthcoming AGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration. Details to which will be announced in due course.

### SHARE CAPITAL

Details of movements in the Company’s share capital during the year are set out in note 24 to the financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and of the Group during the year are set out in note 14 to the financial statements.

### RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 25 to the financial statements and in the consolidated statement of changes in equity, respectively.

### 股東週年大會及暫停辦理H股過戶登記

根據聯交所證券上市規則(「上市規則」)及本公司之公司章程之規定，應屆股東週年大會(「股東週年大會」)及暫停辦理H股過戶登記手續期間之通告將於大會前至少20日刊發及寄發予本公司股東(「股東」)。為確定股東出席應屆股東週年大會並於會上投票之權利，所有股份過戶文件連同有關股票及過戶表格必須遞交本公司之香港股份過戶登記分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樓1712–1716號舖，以辦理登記手續。其詳情將於適當時候公告。

### 股本

本公司於年內之股本變動詳情載於財務報表附註24。

### 物業、廠房及設備

本公司及本集團物業、廠房及設備於年內的變動詳情載於財務報表附註14內。

### 儲備

本公司及本集團儲備於年內的變動詳情分別載於財務報表附註25及綜合權益變動表。

# DIRECTORS' REPORT

## 董事會報告

### DISTRIBUTABLE RESERVES

As at 31 December 2019, our Company had no distributable reserves available for distribution to its equity holders.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of the PRC which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during FY2019.

### ENVIRONMENTAL POLICIES

We are committed to building an environmentally-friendly workplace that pays close attention to conserving natural resources. We strive to minimize our environmental impact by saving water supplies, electricity and encouraging recycle of office supplies and other packaging materials.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Company's operations are mainly carried out in the PRC. Our establishment and operations accordingly shall comply with relevant laws and regulations in the PRC. During FY2019 and up to the date of this report, there is no material non-compliance with all the prevailing laws and regulations in the PRC.

### 可分派儲備

於二零一九年十二月三十一日，本公司並無可向其股權持有人分派之可供分派儲備。

### 優先購買權

本公司之公司章程或中國法律並無規定本公司於發行新股時，必須按比例賦予現有股東優先購買權。

### 購買、贖回或出售本公司上市證券

於二零一九財政年度，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

### 環境政策

本公司致力於建立密切關注節約天然資源之環保工作環境。本公司力求盡量減少對環境造成之影響，方式為節約供水、電力及鼓勵循環再用辦公室物品及其他包裝物料。

### 遵守法律及法規

本公司主要於中國進行營運。因此，本公司之成立及營運均須遵守中國之相關法律及法規。於二零一九財政年度及直至本報告日期，概無重大違反所有中國現行法律及法規。

# DIRECTORS' REPORT

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

#### Sales

The aggregate percentages of sales attributable to the Group's major customers during FY2019 are as follows:

Our largest customer	59%
Five largest customers combined	100%

None of the Directors or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

#### Purchases

During FY2019, no purchase was incurred in the Group.

### DIRECTORS

The composition of the Board is as follows:

#### Executive Directors

Mr. Xu Haiying (*Chairman*)  
Mr. Sit Hon Wing

#### Non-executive Directors

Mr. Han Huiyuan

#### Independent non-executive Directors

Mr. Chan Ming Sun Jonathan  
Mr. Lee Chi Hwa Joshua  
Mr. Mak Yiu Tong

### 主要客戶及供應商 銷售

於二零一九財政年度，本集團之主要客戶應佔之銷售百分比總額如下：

最大客戶	59%
五大客戶合計	100%

董事或彼等之任何聯繫人或任何股東(就董事所深知擁有本公司已發行股本超過5%)概無於本集團五大客戶擁有任何實益權益。

#### 採購

於二零一九財政年度，本集團並無任何採購。

### 董事

董事會的組成如下：

#### 執行董事

許海鷹先生(*董事長*)  
薛漢榮先生

#### 非執行董事

韓惠源先生

#### 獨立非執行董事

陳銘樂先生  
李智華先生  
麥耀棠先生

## DIRECTORS' REPORT 董事會報告

### DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and supervisors of the Company and the senior management of the Group are set out on pages 9 to 12 of the annual report.

An annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules has been received from each of the independent non-executive Directors. The Company considered that all the independent non-executive Directors were independent, and that no family, material or other relevant relationships existed between any of them. In addition, none of the members of the Board were related to any of the others.

### DIRECTORS' AND SUPERVISORS SERVICE CONTRACTS

Each of the Directors and supervisors of the Company has entered into a service agreement with the Company for a term of three years.

No Director and supervisor of the Company has entered into a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### 董事、監事及高級管理層的履歷

本公司董事及監事以及本集團高級管理層的履歷詳情載於年報的第9至第12頁。

本公司已自各獨立非執行董事收到其根據上市規則第3.13條發出之獨立性年度確認書。本公司認為，全體獨立非執行董事均屬獨立，且彼等之間概不存在親屬、重大或其他相關關係。此外，概無董事會成員與任何其他人士有關連。

### 董事及監事之服務合約

各董事及本公司監事已與本公司訂立為期三年之服務協議。

概無董事及本公司監事已與本公司訂立本公司不可於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

## DIRECTORS' REPORT 董事會報告

### EMPLOYEES AND REMUNERATION POLICY

The Group had approximately 5 employees as at 31 December 2019 (31 December 2018: 20 employees). The total remuneration of employees in FY2019 amounted to approximately RMB2 million (FY2018: RMB3 million).

The Group's emolument policy is formulated based on the performance of individual employees and is reviewed regularly. Subject to the Group's profitability, the Group may also provide discretionary bonuses to its employees as an incentive for their contribution to the Group. The primary goal of the emolument policy with regard to the remuneration packages of the Group's executive Directors is to enable the Group to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives achieved.

The principal elements of the Group's remuneration packages include basic salaries, discretionary bonuses and housing benefits.

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group.

### DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

None of the Directors, the supervisors of the Company nor their respective associates had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the year.

### 僱員及薪酬政策

於二零一九年十二月三十一日，本集團有約5名僱員（二零一八年十二月三十一日：20名僱員）。二零一九財政年度的僱員薪酬總額約為人民幣2,000,000元（二零一八財政年度：人民幣3,000,000元）。

本集團的薪酬政策乃根據個別僱員的表現而制訂，並會定期作出檢討。視乎本集團的盈利能力，本集團亦可向其僱員派發酌情花紅，作為彼等對本集團作出貢獻之獎勵。就本集團執行董事之薪酬待遇而言，薪酬政策的首要目標乃將執行董事的薪酬與其達成企業目標的表現掛鉤，讓本集團能夠挽留及激勵執行董事。

本集團薪酬待遇的主要元素包括基本薪金、酌情花紅及房屋福利。

董事袍金須由股東於股東大會上批准。其他薪酬由董事會經參考董事職務、責任及表現以及本集團的業績後釐定。

### 董事及監事於合約的權益

概無本公司董事、監事或彼等各自之聯繫人於本公司或其任何附屬公司於年內訂立對本集團業務屬重大之任何交易、安排或合約當中直接或間接擁有重大權益。

# DIRECTORS' REPORT

## 董事會報告

### CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for the information disclosed under this annual report, there was no other contract of significance between the Group and the Company's controlling shareholder (the "Controlling Shareholder") or any of its subsidiaries subsisted at the end of the year or at any time during the year.

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

As at 31 December 2019, none of the Directors and the Company's chief executive, and their respective associates had any interests in the Shares in and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have been taken under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"), or were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO.

### 控股股東於重大合約的權益

除於本年報披露之資料外，本集團與本公司之控股股東（「控股股東」）或其任何附屬公司概無訂立於年末或年內任何時間存續之其他重大合約。

### 董事及主要行政人員於股份及相關股份的權益及淡倉

於二零一九年十二月三十一日，概無董事及本公司主要行政人員及彼等各自的聯繫人士於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部（包括根據證券及期貨條例之條文彼等被當作或視為擁有的權益及淡倉）或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所，或根據證券及期貨條例第352條須記錄於本公司所存置的登記冊的任何權益。

# DIRECTORS' REPORT

## 董事會報告

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

As at 31 December 2019, so far as the Directors are aware of, the interests or short positions of the persons and corporations in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO were as follow:

### 主要股東於本公司股份及相關股份的權益及淡倉

於二零一九年十二月三十一日，據董事所悉，有關人士及法團於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或淡倉如下：

Name of Shareholder	Nature of interest	Number of Shares held	Type of shares	Approximate percentage of the respective type of shares	Approximate percentage of total issued shares
股東姓名／名稱	權益性質	持有股份數目 (Note 1) (附註1)	股份類型	佔各類股份之 概約百分比	佔已發行 股份總數之 概約百分比
Hao Tian Investment (China) Company Limited 昊天投資(中國)有限公司	Beneficial owner 實益擁有人	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
Li Shao Yu 李少宇	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
Asia Link Capital Investment Holdings Limited 亞聯創富控股有限公司	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

主要股東於本公司股份及相關股份的權益及淡倉 (續)

Name of Shareholder	Nature of interest	Number of Shares held	Type of shares	Approximate percentage of the respective type of shares	Approximate percentage of total issued shares
股東姓名/名稱	權益性質	持有股份數目 (Note 1) (附註 1)	股份類型	佔各類股份之 概約百分比	佔已發行 股份總數之 概約百分比
Hao Tian Corporation Limited 昊天商貿有限公司	Beneficial owner 實益擁有人	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
Hao Tian Development Group Limited 昊天發展集團有限公司	Interest in controlled corporation 受控制法團權益	53,991,000 (L)	H Shares (Note 3) H股(附註3)	33.58	8.84
	Interest in controlled corporation 受控制法團權益	312,068,670 (L)	Domestic Shares (Note 2) 內資股(附註2)	69.35	51.09
Chan Yuk Ming 陳育明	Beneficial owner/ Interest in controlled corporation/founder of a discretionary trust 實益擁有人/受控制法團 權益/全權信託創辦人	42,800,000 (L)	H Shares (Note 4) H股(附註4)	26.62	7.01
Theme Link Investments Ltd.	Beneficial owner 實益擁有人	12,700,000 (L)	H Shares (Note 4) H股(附註4)	7.90	2.08
Evisu (PTC) Limited	Trustee 受託人	29,400,000 (L)	H Shares (Note 5) H股(附註5)	18.28	4.81

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

主要股東於本公司股份及相關股份的權益及淡倉 (續)

Name of Shareholder	Nature of interest	Number of Shares held	Type of shares	Approximate percentage of the respective type of shares	Approximate percentage of total issued shares
股東姓名/名稱	權益性質	持有股份數目 (Note 1) (附註 1)	股份類型	佔各類股份之 概約百分比	佔已發行 股份總數之 概約百分比
Pacific Success Holdings Limited	Interest in controlled corporation 受控制法團權益	29,400,000 (L)	H Shares (Note 5) H股(附註5)	18.28	4.81
Evergreen International Holdings Limited	Interest in controlled corporation 受控制法團權益	29,400,000 (L)	H Shares (Note 5) H股(附註5)	18.28	4.81
Sunsonic Holdings Limited	Interest in controlled corporation 受控制法團權益	29,400,000 (L)	H Shares (Note 5) H股(附註5)	18.28	4.81
Joy Business Investments Limited	Beneficial owner 實益擁有人	29,400,000 (L)	H Shares (Note 5) H股(附註5)	18.28	4.81
Hong Jinjing 洪金京	Interest in controlled corporation 受控制法團權益	17,840,000 (L)	H Shares (Note 6) H股(附註6)	11.89	2.92
Sky Success Venture Holdings Limited	Beneficial owner 實益擁有人	17,840,000 (L)	H Shares (Note 6) H股(附註6)	11.89	2.92

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Notes:

1. The letter "L" denotes a person's or a corporation's long position in the Shares and "S" denotes a person's or a corporation's short position in the Shares.
2. Hao Tian Investment (China) Company Limited was wholly owned by Hao Tian Investment (Hong Kong) Limited, which was in turn wholly owned by Long Xin Holdings Limited, which was in turn wholly owned by Hao Tian Development Group Limited. Hao Tian Development Group Limited was owned as to 50.26% by Asia Link Capital Investment Holdings Ltd which in turn was beneficially wholly-owned by Ms. Li Shao Yu and 2.14% directly by Ms. Li Shao Yu.
3. Hao Tian Corporation Limited was wholly owned by Yixin Investments Limited, which was in turn wholly owned by Hao Tian Development Group Limited. Hao Tian Development Group Limited was owned as to 50.26% by Asia Link Capital Investment Holdings Ltd which in turn was beneficially wholly-owned by Ms. Li Shao Yu and 2.14% directly by Ms. Li Shao Yu.
4. Of the 42,800,000 H Shares in which Mr. Chan Yuk Ming ("Mr. Chan") was interested or deemed to be interested in, 700,000 H Shares were held by him personally, 12,700,000 H Shares are held by Theme Link Investments Ltd., a company wholly-owned by Mr. Chan, and 29,400,000 H Shares were held by Joy Business Investments Limited, a company wholly-owned by Sunsonic Holdings Limited which is a company indirectly owned by Evisu (PTC) Limited, the trustee of a discretionary trust of which Mr. Chan was a founder (please see Note 5 below).
5. The abovementioned 29,400,000 H Shares were held by Joy Business Investments Limited, a company wholly-owned by Sunsonic Holdings Limited which was in turn wholly-owned by Evergreen International Holdings Limited ("Evergreen"), a company the shares of which are listed on the Hong Kong Stock Exchange under stock code 238. Evergreen was owned as to 51% by Pacific Success Holdings Limited, a company wholly-owned by Evisu (PTC) Limited which was the trustee of a discretionary trust of which Mr. Chan was a founder.
6. Mr. Hong Jinjing holds 42.00% equity interest in registered capital of Sky Success Venture Holdings Limited. Accordingly, Mr. Hong Jinjing is deemed to be interested in the 17,840,000 Shares held by Sky Success Venture Holdings Limited by virtue of SFO.

### 主要股東於本公司股份及相關股份的權益及淡倉 (續)

附註：

1. 字母「L」指有關人士或法團於股份之好倉，而字母「S」指有關人士或法團於股份之淡倉。
2. 昊天投資(中國)有限公司由昊天投資(香港)有限公司全資擁有，而昊天投資(香港)有限公司由龍鑫控股有限公司全資擁有，而龍鑫控股有限公司由昊天發展集團有限公司全資擁有。昊天發展集團有限公司由亞聯創富控股有限公司(由李少宇女士實益全資擁有)擁有50.26%權益及由李少宇女士直接擁有2.14%權益。
3. 昊天商貿有限公司由意新投資有限公司全資擁有，而意新投資有限公司由昊天發展集團有限公司全資擁有。昊天發展集團有限公司由亞聯創富控股有限公司(由李少宇女士實益全資擁有)擁有50.26%權益及由李少宇女士直接擁有2.14%權益。
4. 在陳育明先生(「陳先生」)擁有或被視為擁有權益的42,800,000股H股中，700,000股H股由其個人持有，12,700,000股H股由陳先生全資擁有的公司Theme Link Investments Ltd.持有，而29,400,000股H股由Sunsonic Holdings Limited全資擁有的公司Joy Business Investments Limited持有。Sunsonic Holdings Limited由Evisu (PTC) Limited間接擁有，而Evisu (PTC) Limited為陳先生創辦的全權信託的受託人(請見下文附註5)。
5. 上述29,400,000股H股由Sunsonic Holdings Limited全資擁有的公司Joy Business Investments Limited持有，而Sunsonic Holdings Limited由Evergreen International Holdings Limited(「Evergreen」)全資擁有，Evergreen的股份於香港聯交所上市(股份代號：238)。Evergreen由Pacific Success Holdings Limited擁有51%權益。Pacific Success Holdings Limited由Evisu (PTC) Limited全資擁有，Evisu (PTC) Limited為陳先生創辦的全權信託的受託人。
6. 洪金京先生持有Sky Success Venture Holdings Limited註冊資本中42.00%股權。因此，根據證券及期貨條例，洪金京先生被視為於Sky Success Venture Holdings Limited所持17,840,000股股份中擁有權益。

## DIRECTORS' REPORT 董事會報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for those disclosed in the paragraphs headed and "Directors' and chief executive's interests and short positions in Shares and underlying Shares" in this Directors' report in this annual report, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this annual report, the Company has maintained the prescribed public float under the Listing Rules based on the information that is publicly available to the Company and within the knowledge of the Directors.

### CONNECTED TRANSACTION

Hao Tian Investment (China) Company Limited (昊天投資(中國)有限公司), the Controlling Shareholder entered into four loan agreements with the Company to provide interest-free unsecured working capital loan total RMB20 million to the Company for general working capital purposes and to support the daily operation and expansion plan. As at 31 December 2019, the outstanding amount of loan payable to the Controlling Shareholder was fully settled (2018: RMB14 million).

As at 31 December 2019, amount due to Hao Tian Management (Hong Kong) Limited amounts to approximately RMB2 million (2018: RMB3 million).

Details of the related party transactions of the Company in FY2019 and undertaken in the usual course of business are set out in note 28 to the consolidated financial statements. None of these related party transactions constitutes a discloseable connected transaction as defined under the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

### 董事收購股份或債券的權利

除本年報之董事會報告內「董事及主要行政人員於股份及相關股份的權益及淡倉」各段所披露者外，於年內所有時間，概無任何董事或彼等各自之配偶或未成年子女獲授任何可以收購本公司股份或債券的方式獲取利益的權利，彼等亦無行使任何該等權利，本公司或其任何附屬公司亦無訂立任何安排，以使董事可獲取任何其他法團的該等權利。

### 足夠公眾持股量

根據本公司從公開途徑取得的資料及就董事所知，於本年報刊發前之最後實際可行日期，本公司已維持上市規則項下規定之公眾持股量。

### 關連交易

控股股東昊天投資(中國)有限公司與本公司訂立四份貸款協議，向本公司提供免息無抵押營運資金貸款合共人民幣20,000,000元，以用作一般營運資金及支持日常營運及擴展計劃。於二零一九年十二月三十一日，應付控股股東的未償還貸款已悉數償付(二零一八年：人民幣14,000,000元)。

於二零一九年十二月三十一日，應付昊天管理(香港)有限公司之款項約為人民幣2,000,000元(二零一八年：人民幣3,000,000元)。

於二零一九財政年度，本公司於正常業務過程中進行之關連人士交易詳情載於綜合財務報表附註28。該等關連人士交易並不構成上市規則所界定之須予披露關連交易。本公司確認其已遵守上市規則第14A章的披露規定。

# DIRECTORS' REPORT

## 董事會報告

### MANAGEMENT CONTRACTS

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

### DIRECTORS' AND SUPERVISORS' INTEREST IN COMPETING BUSINESS

None of the Directors or supervisors of the Company or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

### CHARITABLE DONATIONS

During FY2019, the Group made charitable donations amounting to RMB2 million.

### AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Details of the Audit Committee, Remuneration Committee and Nomination Committee are set out in section headed "Corporate Governance Report" of this annual report.

### REVIEW BY AUDIT COMMITTEE

The Audit Committee together with the management have reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Company in FY2019.

### 管理合約

年內，概無訂立或存在有關本公司全部或任何重大部分業務之管理及行政之重大合約。

### 董事及監事於競爭業務之權益

概無董事或本公司監事或彼等各自之聯繫人已從事與本集團業務構成競爭或可能構成競爭的任何業務，或於其中擁有任何權益。

### 慈善捐款

於二零一九財政年度，本集團作出慈善捐款人民幣2,000,000元。

### 審核委員會、薪酬委員會及提名委員會

審核委員會、薪酬委員會及提名委員會之詳情載於本年報「企業管治報告」一節。

### 由審核委員會審閱

審核委員會連同管理層已審閱本集團採納之會計原則及常規以及本公司於二零一九財政年度之經審核綜合財務報表。

# DIRECTORS' REPORT

## 董事會報告

### AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2019 were audited by BDO. A resolution will be proposed at the forthcoming annual general meeting to re-appoint BDO as the auditor of the Company.

On behalf of the Board

**Xu Haiying**

*Executive Director*

Quanzhou, PRC, 20 March 2020

### 核數師

本公司截至二零一九年十二月三十一日止年度的綜合財務報表已由立信德豪審核。本公司將於應屆股東週年大會提呈決議案續聘立信德豪為本公司核數師。

代表董事會

執行董事

許海鷹

中國泉州，二零二零年三月二十日

# SUPERVISORY COMMITTEE REPORT

## 監事會報告

Dear Shareholders:

On behalf of the Supervisory Committee of the Company, I would like to present to the general meeting the work report of the Supervisory Committee for the year 2019.

In 2019, the fourth session of the Supervisory Committee of Fujian Nuoqi Co., Ltd. (hereinafter referred to as the "Company") earnestly performed its duties in compliance with the relevant national laws and regulations as well as the articles of association of the Company, highlighted its supervisory function over the financial position and senior management of the Company, and carried out its works by abiding to the objective of safeguarding the interests of the Shareholders.

We hereby report the work performed by the Supervisory Committee of the Company for the year 2019 as follows:

### **(1) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE LAWFUL OPERATION OF THE COMPANY**

The Supervisory Committee is of the view that the Company had complied with the legal requirements in its management and operation during 2019 and that the Directors and managers of the Company had fulfilled their duties without violating any laws, regulations and articles of association of the Company or performed any behaviours that were detrimental to the interests of the Company.

各位股東：

本人謹代表公司監事會，向股東大會提呈二零一九年度監事會工作報告。

二零一九年度福建諾奇股份有限公司(以下簡稱「公司」或「本公司」)第四屆監事會遵循國家相關法律法規和本公司之公司章程認真履行監事會的職責，突出對公司財務狀況及高級管理人員的監督職能，秉承維護股東權益的宗旨開展工作。

現將二零一九年度公司監事會工作匯報如下：

### **(一) 監事會對公司依法運作情況的獨立意見**

監事會認為，公司在二零一九年的管理和運作中合乎法律規範的要求，而本公司董事及經理已履行彼等之職責且並無違反任何法例、法規及本公司之公司章程或作出任何損害本公司權益之行為。

## SUPERVISORY COMMITTEE REPORT 監事會報告

### (2) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE INSPECTION OF THE FINANCIAL POSITION OF THE COMPANY

The Supervisory Committee is of the opinion that BDO expressed its unqualified opinions that 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 International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### (3) INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON THE AUDIT OPINION OF ACCOUNTING FIRM

The consolidated financial statement of the Company for the year 2019 was audited by BDO and an audit report of unqualified opinion was issued thereon. The Supervisory Committee had no objection to the audit opinion and the report.

We hereby present this report for the Shareholders’ consideration.

### (二) 監事會對檢查公司財務情況的獨立意見

監事會認為，立信德豪已發表其無保留意見認為，綜合財務報表已根據國際會計準則理事會（「國際會計準則理事會」）頒佈的國際財務報告準則（「國際財務報告準則」）真實而公平地反映本集團於二零一九年十二月三十一日之綜合財務狀況，以及其截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥為編製。

### (三) 監事會對會計師事務所審計意見的獨立意見

本公司二零一九年度之綜合財務報表已經立信德豪審計，並就此出具無保留意見審計報告。監事會對審計意見及報告並無異議。

特此報告，請各位股東審議。

**Fujian Nuoqi Co., Ltd.**  
*Supervisory Committee*

Quanzhou, PRC, 20 March 2020

**福建諾奇股份有限公司**  
**監事會**

中國泉州，二零二零年三月二十日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CODE OF CORPORATE GOVERNANCE PRACTICE

The Company has adopted the Corporate Governance Code (the "Code") contained in Appendix 14 to the Listing Rules as its own code of corporate governance. During the year ended 31 December 2019, the Company has complied with the code provisions under the Code, except for the deviation from the code provision A.2.1. Key corporate governance principles and practices of the Company as well as details relating to the foregoing deviation are summarised below.

Pursuant to code provision A.2.1 of the Code, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, since the resolution passed on an extraordinary general meeting convened on 21 April 2017 that Mr. Ding Hui was removed as a Director, Mr. Zhang Aiping, a then executive Director, has been elected as the chairman of the Board. On 27 June 2017, the Board has resolved to appoint Mr. Xu Haiying, an executive Director, as the chairman of the Board. On the other hand, the Board has yet to appoint the chief executive officer of the Company. The Board will keep reviewing the current structure of the Company from time to time and should a candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post of the chief executive officer as appropriate and will make further announcement in due course.

### 企業管治常規守則

本公司已採納上市規則附錄14所載企業管治守則(「守則」)，作為其自身的企業管治守則。截至二零一九年十二月三十一日止年度，本公司已遵從守則項下的守則條文，惟守則條文第A.2.1條的偏離情況除外。本公司的關鍵企業管治原則及常規以及有關上述偏離情況的詳情概述如下。

根據守則的守則條文第A.2.1條，董事長及行政總裁的職責須予劃分，不應由同一人士擔任。然而，自於二零一七年四月二十一日舉行之股東特別大會上通過決議案後，丁輝先生被罷免董事職務，而當時執行董事張愛平先生則被選舉為董事會主席。於二零一七年六月二十七日，董事會已議決委任執行董事許海鷹先生為董事會主席。此外，董事會尚未委任本公司之行政總裁。董事會將繼續不時檢討本公司目前架構，倘能物色具備適當知識、技能及經驗之人選，本公司將於適當情況委任以填補行政總裁之空缺，並於適當時候另行作出公告。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company. Having made specific enquiry by the Company to the Directors, they confirmed that they have complied with the required standard of dealings as set out in the Model Code during FY2019.

### BOARD OF THE DIRECTORS

The Board is currently constituted by six members, including two executive Directors, one non-executive Director and three Independent non-executive Directors. The composition of the Board is as follows:

#### Executive Directors

Mr. Xu Haiying (*Chairman*)  
Mr. Sit Hon Wing

#### Non-executive Director

Mr. Han Huiyuan

#### Independent non-executive Directors

Mr. Chan Ming Sun Jonathan  
Mr. Lee Chi Hwa Joshua  
Mr. Mak Yiu Tong

### 進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事買賣本公司證券時的操守守則。經本公司向董事作出具體查詢後，彼等確認，於二零一九財政年度，彼等已遵從標準守則所載買賣規定標準。

### 董事會

董事會現時由六名成員組成，包括兩名執行董事、一名非執行董事及三名獨立非執行董事。董事會的組成如下：

#### 執行董事

許海鷹先生(董事長)  
薛漢榮先生

#### 非執行董事

韓惠源先生

#### 獨立非執行董事

陳銘樂先生  
李智華先生  
麥耀棠先生

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF THE DIRECTORS (Continued)

#### Function

The Board is responsible for the oversight of the management of the Company's business and affairs with the objective of enhancing shareholder value.

The Board is also responsible for performing corporate governance duties including the developing, reviewing and monitoring of the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and compliance manual applicable to employees and Directors.

Daily operations, business strategies and administration are delegated to the executive Directors and the management with divisional heads responsible for different aspects of the business. When the Board delegates different aspects of its management and administrative functions to the senior management, it has given clear directions in relation to the scope of powers of the senior management. Although the Board is not involved in the Company's day-to-day operations, it does have a formal schedule of matters reserved for its own decision, as defined in its terms of reference, which are available on the Company's website.

### 董事會 (續)

#### 職能

董事會負責監督本公司業務及事務的管理，務求提高股東價值。

董事會亦負責履行企業管治職責，包括制訂、檢討及監察本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、遵守標準守則及適用於僱員及董事的合規手冊。

日常營運、業務策略及行政授權執行董事及管理層執行，而部門主管負責各個方面的業務營運。當董事會將其不同管理及行政職能轉授高級管理層時，董事會已就高級管理層的權力範圍給予清晰指引。儘管董事會不參與本公司的日常營運，但設有其職權範圍明確列出須由董事會作決定的事項之正式清單（有關內容可在本公司網站查閱）。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF THE DIRECTORS (Continued)

#### Board meetings

During the year ended 31 December 2019, 14 meetings were held by the Board. The attendance record of each Director is set out below:

### 董事會 (續)

#### 董事會會議

截至二零一九年十二月三十一日止年度，董事會舉行了14次會議。各董事出席會議的情況載列如下：

Name of Board members 董事會成員姓名	Number of attendance 出席次數	Number of meetings 會議次數
Mr. Xu Haiying 許海鷹先生	14	14
Mr. Sit Hon Wing 薛漢榮先生	12	13
Mr. Han Huiyuan 韓惠源先生	12	14
Mr. Chan Ming Sun Jonathan 陳銘樂先生	14	14
Mr. Lee Chi Hwa Joshua 李智華先生	9	14
Mr. Mak Yiu Tong 麥耀棠先生	14	14

Notice of regular Board meetings is served to all Directors at least 14 days before the meetings while reasonable notice is generally given for other Board meetings.

定期董事會會議的通知於會議前最少14日送達全體董事，而其他董事會會議一般會給予合理通知。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF THE DIRECTORS *(Continued)*

#### Independent non-executive Directors

Pursuant to Rule 3.10(1) and Rule 3.10(2) of the Listing Rules, every listed issuer is required to have at least three independent non-executive Directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. The Company complied with these requirements throughout the year ended 31 December 2019, with three independent non-executive Directors, which represented more than one-third of the entire Board; and more than one of them has appropriate professional qualifications in accounting or related financial management expertise. Each of the independent non-executive Directors has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. The Board is of the view that all independent non-executive Directors meet the guidelines set out in Rule 3.13 of the Listing Rules and are independent pursuant to the requirements of the guidelines.

#### Chairman and Chief Executive Officer

The chairman is responsible for leading the Board and is also responsible for overseeing effective functioning of the Board and application of good corporate governance practices and procedures. Whereas the role of chief executive officer focuses on implementing objectives, policies and strategies approved and delegated by the Board.

As mentioned in the section headed “Code of corporate governance practice” above, the Board has yet to appoint the chief executive officer of the Company.

### 董事會 *(續)*

#### 獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條，每名上市發行人均須有最少三名獨立非執行董事，而其中最少一名須具備合適之專業資格或會計或相關財務管理專長。本公司已於截至二零一九年十二月三十一日止整個年度內遵守該等規定，其有三名獨立非執行董事（佔全部董事會成員超過三分之一），且超過一名獨立非執行董事具備合適之會計專業資格或相關財務管理專長。各獨立非執行董事已根據上市規則第3.13條確認其獨立性。董事會認為，全體獨立非執行董事均符合上市規則第3.13條所載之指引，而按照指引之規定均屬獨立。

#### 董事長及行政總裁

董事長的職責是領導董事會，並負責監督董事會的有效運作和應用良好企業管治常規及程序。行政總裁的職責則為專注執行董事會批准並下達的目標、政策及策略。

誠如上文「企業管治常規守則」一節所述，董事會尚未委任本公司之行政總裁。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF THE DIRECTORS (Continued)

#### Appointment, re-election and removal

A Director shall have a term of office of three years and shall be entitled to be re-appointed when the term of office expires provided that the term of office of independent non-executive Directors shall not exceed six years. The Company has entered into service agreements with each of the executive Director and non-executive Director with a term of three years. The appointment and removal of Directors shall be approved by shareholders at shareholders' meeting. The current Directors appointed by the Board shall hold office until the next annual general meeting of the Company and be subject to re-election at such meeting.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office and the Company may by ordinary resolution appoint another in his place.

#### Directors' continuous training and development

Pursuant to the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During FY2019, the Company has circulated and the Directors have received updates on changes and development on relevant laws and regulations for their reference.

### COMMITTEES OF THE BOARD

#### Remuneration Committee

The remuneration committee of the Company ("Remuneration Committee") comprises one executive Director and two independent non-executive Directors, namely, Mr. Mak Yiu Tong, Mr. Xu Haiying and Mr. Lee Chi Hwa Joshua. Mr. Mak Yiu Tong is the chairman of the Remuneration Committee. The Remuneration Committee is responsible for making recommendations to the Board on the remuneration of the Directors and senior management and specific remuneration packages and conditions of employment for the Directors and senior management and evaluating and making recommendations on employee benefit arrangements.

### 董事會 (續)

#### 委任、重選及罷免

董事之任期為三年，並有權在任期屆滿時膺選連任，惟獨立非執行董事之任期不得超過六年。本公司與各執行董事及非執行董事訂有服務協議，任期為三年。董事之委任及罷免須獲股東於股東大會上批准。由董事會委任的現任董事任期直至本公司下一屆股東週年大會為止，並須於該大會上重選。

董事可於任期屆滿前由本公司以普通決議案罷免，而本公司亦可以普通決議案委任其他人士代替其職位。

#### 董事的持續培訓及發展

根據守則，全體董事應參加持續專業發展以發展及更新其知識及技能，從而確保其對董事會之貢獻仍然為知情及相關。於二零一九財政年度，本公司已傳閱且董事已接獲有關法律及法規之變動及發展之更新資料，以供彼等參考。

### 董事委員會

#### 薪酬委員會

本公司薪酬委員會（「薪酬委員會」）由一名執行董事及兩名獨立非執行董事（即麥耀棠先生、許海鷹先生及李智華先生）組成。麥耀棠先生為薪酬委員會主席。薪酬委員會負責就董事及高級管理層的薪酬及董事與高級管理層的特定薪酬組合及聘用條件向董事會提供推薦建議，以及評估僱員福利安排並提供推薦建議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMITTEES OF THE BOARD (Continued)

#### Remuneration Committee (Continued)

The remuneration of Directors is determined by the Board, upon recommendation of the Remuneration Committee with reference to the Directors' qualifications, experience, duties, responsibilities and performance and results of the Group.

The terms of reference of the Remuneration Committee are posted on the websites of the Company and Stock Exchange.

During FY2019, the Remuneration Committee had held one meeting. The attendance records of the members of the Remuneration Committee are summarised below:

### 董事委員會 (續)

#### 薪酬委員會 (續)

董事的薪酬乃由董事會經參考董事的資格、經驗、職務、責任及表現以及本集團的業績後，根據薪酬委員會的推薦意見釐定。

薪酬委員會的職權範圍登載於本公司及聯交所網站。

於二零一九財政年度，薪酬委員會舉行了一次會議。薪酬委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings
		出席會議次數 / 會議次數
Mr. Mak Yiu Tong (Chairman)	麥耀棠先生 (主席)	1/1
Mr. Lee Chi Hwa Joshua	李智華先生	1/1
Mr. Xu Haiying	許海鷹先生	1/1

### Nomination Committee

The Company established the Nomination Committee on 16 December 2013 with written terms of reference in compliance with the Code.

The nomination committee of the Company ("Nomination Committee") comprises one executive Director and two independent non-executive Directors, namely, Mr. Mak Yiu Tong, Mr. Xu Haiying and Mr. Chan Ming Sun Jonathan, Mr. Mak Yiu Tong is the chairman of the Nomination Committee. The Nomination Committee is responsible for making recommendations to the Board on the appointment of Directors. The Committee is also responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually; assessing the independence of the independent non-executive Directors; and evaluating the effectiveness and implementation of the Board Diversity Policy (see below).

### 提名委員會

本公司於二零一三年十二月十六日遵照守則成立提名委員會，並制定書面職權範圍。

本公司提名委員會(「提名委員會」)由一名執行董事及兩名獨立非執行董事(即麥耀棠先生、許海鷹先生及陳銘燊先生)組成。麥耀棠先生為提名委員會主席。提名委員會負責就董事的委任向董事會提供推薦建議。委員會亦負責至少每年檢討董事會的架構、規模及組成(包括技能、知識及經驗)、評估獨立非執行董事的獨立性，以及評估董事會成員多元化政策(見下文)的成效及執行情況。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMITTEES OF THE BOARD (Continued)

#### Nomination Committee (Continued)

The terms of reference of the Nomination Committee are posted on the websites of the Company and Stock Exchange.

During FY2019, the Nomination Committee had held one meeting. The attendance records of the members of the Nomination Committee are summarised below:

### 董事委員會 (續)

#### 提名委員會 (續)

提名委員會的職權範圍刊登於本公司及聯交所網站。

於二零一九財政年度，提名委員會舉行了一次會議。提名委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings
		出席會議次數／會議次數
Mr. Mak Yiu Tong (Chairman)	麥耀棠先生(主席)	1/1
Mr. Chan Ming Sun Jonathan	陳銘樂先生	1/1
Mr. Xu Haiying	許海鷹先生	1/1

#### Audit Committee

The audit committee of the Company currently comprises three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lee Chi Hwa Joshua and Mr. Mak Yiu Tong. Mr. Chan Ming Sun Jonathan is the chairman of the audit committee of the Company. The audit committee is primarily responsible for the review and supervision of the financial reporting system, risk management and internal control systems of the Group. It has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

#### 審核委員會

本公司審核委員會現時由三名獨立非執行董事，即陳銘樂先生、李智華先生及麥耀棠先生組成。陳銘樂先生為本公司審核委員會之主席。審核委員會主要負責審閱及監督本集團財務報告系統、風險管理及內部監控制度。審核委員會已審閱本集團採納之會計原則及常規以及本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMITTEES OF THE BOARD (Continued)

#### Audit Committee (Continued)

During FY2019, the Audit Committee had held 2 meetings. The attendance records of the members of the Audit Committee are summarised below:

### 董事委員會 (續)

#### 審核委員會 (續)

於二零一九財政年度，審核委員會舉行了兩次會議。審核委員會成員出席會議的情況概述如下：

		Attendance/Numbers of meetings during the Reporting Period 於報告期內 出席會議次數／會議次數
Mr. Chan Ming Sun Jonathan (Chairman)	陳銘樂先生 (主席)	2/2
Mr. Lee Chi Hwa Joshua	李智華先生	2/2
Mr. Mak Yiu Tong	麥耀棠先生	2/2

### BOARD DIVERSITY POLICY

The Company adopted a policy concerning diversity of board members ("Board Diversity Policy") on 16 December 2013. The Company recognises and embraces the benefits of having a diverse Board to enhance its operating results and quality of its performance.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. When determining the composition of the Board, board diversity will be 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 services. 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.

### 董事會成員多元化政策

於二零一三年十二月十六日，本公司採納一項關於董事會成員多元化的政策（「董事會成員多元化政策」）。本公司明白並深信董事會成員多元化對提升本公司的營運業績及表現素質裨益良多。

為達致可持續及均衡發展，本公司視董事會層面日益多元化為支援其達到戰略目標及維持可持續發展的關鍵元素。本公司在釐定董事會的組成時，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、技巧、知識，以及服務任期。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，以及服務任期。最終將按人選的長處及可為董事會作出的貢獻而作決定。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMPANY SECRETARY

Mr. Leung Ka Kit, our Company Secretary, possesses the necessary qualification and experience and, is capable of performance of the functions of the company secretary. During FY2019, Mr. Leung Ka Kit has satisfied the requirements on a minimum of 15 hours dedicated for relevant professional training as set out in Rule 3.29 of the Listing Rules.

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the Code.

The Board has reviewed the Company's corporate governance policies and practices, training and continuous professional and development of the Directors and senior management of the Group, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code, and the Company's compliance with the Code and disclosure in this Corporate Governance Report.

### FINANCIAL REPORTING

The Board are responsible for the preparation of consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group. In preparing the consolidated financial statements for the year ended 31 December 2019, the Directors have reviewed and applied suitable accounting policies, adopted appropriate IFRSs and International Accounting Standards ("IASs"), made adjustments and estimates that are prudent and reasonable, and have prepared the accounts on a going concern basis. The Directors are also responsible for keeping proper accounting records which reflect the financial information of the Group with reasonable accuracy.

### 公司秘書

公司秘書梁家傑先生具備必要資格及經驗，足以履行公司秘書的職責。於二零一九財政年度，梁家傑先生已達成上市規則第3.29條所載參加至少15小時相關專業培訓的要求。

### 企業管治職能

董事會負責履行守則的守則條文第D.3.1條所載職能。

董事會已檢討本公司的企業管治政策及常規、本集團董事及高級管理層的培訓及持續專業發展、本公司在遵守法律法規規定、遵守標準守則及本公司在遵守守則方面之政策及常規以及本企業管治報告的披露情況。

### 財務申報

董事會負責編製各財務期間的綜合財務報表，以真實公平地反映本集團的事務狀況。於編製截至二零一九年十二月三十一日止年度的綜合財務報表時，董事已審閱及應用合適的會計政策、採納適當的國際財務報告準則及國際會計準則（「國際會計準則」）、作出審慎而合理的調整及估計以及按持續經營基準編製賬目。董事亦負責保留適當會計記錄，以合理及準確反映本集團的財務資料。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### FINANCIAL REPORTING (Continued)

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

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the section headed "Independent Auditor's Report" in this annual report.

### EXTERNAL AUDITORS

External auditors' responsibility is to form an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the Company, as a body, and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the auditors' report.

The Company engaged BDO as its external auditor for the year ended 31 December 2019. The Audit Committee has been notified of the nature and the service charges of non-audit services for the agreed upon procedures in connection with annual results announcement for the year ended 31 December 2019 and considered that these non-audit services have no adverse effect on the independence of the auditor. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor. Details of the fees paid/payable to BDO during the year are as follows:

#### Nature of services

服務的性質

#### Fee paid/payable

已付／應付費用

RMB'000

人民幣千元

Audit services	審核服務	247
Non-audit services	非審核服務	—
		247

### 財務申報(續)

董事並不知悉任何重大不明朗因素，其涉及可能對本公司持續經營能力產生重大疑慮的事件或狀況。

本公司獨立核數師所作有關彼等就財務報表的申報責任的聲明，載於本年報「獨立核數師報告」一節。

### 外聘核數師

外聘核數師的責任乃根據其審核工作的結果，對該等財務報表發表獨立意見，並僅向本公司作整體報告。除此之外，該報告不可用作其他用途。核數師概不會就核數師報告的內容，對任何其他人士負責或承擔任何責任。

本公司已委任立信德豪為截至二零一九年十二月三十一日止年度的外聘核數師。審核委員會已獲知會有關截至二零一九年十二月三十一日止年度的年度業績公告的經協定程序的非審核服務的性質及服務收費，認為有關非審核服務對核數師的獨立身分並無不利影響。董事會與審核委員會對外聘核數師的挑選、委任、辭任或罷免並無意見分歧。於本年度已付／應付立信德豪的費用詳情如下：

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective risk management and internal control system and for reviewing its effectiveness, particularly in respect of controls on financial, operational, compliance and risk management, to safeguard shareholders' investment and the Group's assets.

The Company has developed its disclosure policy which provides a general guide to the Directors, the Company's officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

The internal control system is designed to provide reasonable, but not absolute, assurance. The system aims to eliminate, or otherwise manage, risks of failure in achieving the Company's objectives.

During the year, the internal audit department performed regular financial and operational review and recommending necessary actions to the management. The works carried out by the internal audit department ensure the risk management and internal control measures are in place and function properly as intended. The internal audit department reports the internal audit plan and results to the Audit Committee directly.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems. The management has reported and confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems during the year ended 31 December 2019.

### 風險管理及內部監控

董事會有整體責任維持一個健全和有效的風險管理及內部監控系統以及檢閱其有效性，尤其是有關財務、營運、合規和風險管理的監控，以保障股東的投資和本集團的資產。

本公司已制訂其披露政策，其就處理機密資料、監管資料披露及回應查詢向董事、本公司高級職員、高級管理層及相關僱員提供全面指引。監控程序經已實施，以確保嚴禁於未獲授權之情況下取得及使用內幕消息。

內部監控系統旨在提供合理（但並非絕對）的保證。該系統的目的是在達致本公司目標過程中消除或管理其失誤的風險。

內部審核部門已於本年度進行定期財務及營運檢討及向管理層建議必要行動。內部審核部門開展的工作確保風險管理及內部監控措施實施到位並按計劃妥善發揮作用。內部審核部門直接向審核委員會呈報內部審計計劃及結果。

審核委員會協助董事會領導管理層，並監督風險管理及內部監控系統的設計、實施及監察。截至二零一九年十二月三十一日止年度，管理層已向董事會及審核委員會報告及確認風險管理及內部監控系統的效能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

No material issues on the Group's internal control system have been identified and reported to the Audit Committee by the Group's internal audit department and the Company's external auditors during the year which required significant rectification measures. The Board considered that the Group's risk management and internal control systems for financial reporting and Listing Rules compliance are effective and adequate.

### REGULATORY COMPLIANCE

As disclosed under the section headed "Directors' continuous training and development" in this annual report, the Directors have sufficient up-to-date knowledge of relevant laws and regulations.

The Company had engaged external professional advisers, including legal advisers, to render professional advice as to compliance with the statutory requirements applicable to the Group from time to time.

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information, which enables shareholders and investors to make appropriate investment decisions.

The members of the Board and committees of the Board and the external auditor will be present to answer shareholders' questions in the annual general meetings of the Company. Circulars will be distributed to all shareholders before the annual general meeting and any special general meetings in accordance with the timeline requirement as laid down in the Listing Rules and the articles of association of the Company. All the resolutions proposed to be approved at the general meetings will be taken by poll and poll voting results will be published on the websites of the Stock Exchange and the Company after the relevant general meetings.

### 風險管理及內部監控(續)

於本年度，本集團內部審核部門及本公司外聘核數師並無識別有關本集團內部監控系統並須實施重大糾正措施的重大事項並向審核委員會呈報。董事會認為本集團的就財務報告及遵守上市規則而言的風險管理及內部監控系統為有效及充分。

### 監管合規

誠如本年報「董事的持續培訓及發展」一節所披露，董事已就相關法律及法規掌握足夠的最新知識。

本公司已委聘外部專業顧問(包括法律顧問)不時就適用於本集團的法定規定合規情況提供專業意見。

### 與股東及投資者的溝通

本公司相信與股東有效溝通對增進投資者關係與令投資者了解本集團的業務表現及策略甚為重要。本集團亦明白公司資料透明及適時披露的重要性，這令股東及投資者能夠作出合適的投資決定。

董事會成員及董事會屬下委員會成員與外聘核數師將出席本公司股東週年大會回答股東提問。通函將按照上市規則及本公司的公司章程所規定的時限，於股東週年大會及任何股東特別大會前派發予全體股東。全部提呈並將於股東大會上批准的決議案將以投票方式進行表決，投票結果將於有關股東大會後在聯交所及本公司網站刊登。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS *(Continued)*

As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any enquires.

### SHAREHOLDERS' RIGHTS

#### Convening of extraordinary general meeting on requisition by Shareholders

The shareholders, individually or collective holding not less than 10% of the paid-up capital of the Company, may by written requisition request the Board to convene an extraordinary general meeting. The Board shall within 10 days after the receipt of the written requisition provide a written reply as to whether an extraordinary general meeting will be convened in respect of the written requisition received.

If the Board do not within 10 days from the date of the deposit of the requisition proceed to convene a meeting, the requisitionists may by written requisition request the supervisory committee of the Company ("Supervisory Committee") to convene an extraordinary general meeting.

In the event that the Supervisory Committee did not provide a notice of extraordinary general meeting within the specified timeframe, the Supervisory Committee shall be considered to be unwilling to convene and preside over the extraordinary general meeting. The shareholders that, either individually or jointly, hold over 10% of shares of the Company for a period of 90 consecutive days or more may at their sole discretion convene and preside over the extraordinary general meeting in accordance with the articles of association of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the company secretary of the Company at the Company's principal place of business at Rooms 2501-2509, 25/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong and may consist of several documents in like form each signed by one or more requisitionists.

### 與股東及投資者的溝通(續)

作為鼓勵有效溝通的渠道，本集團設立網站以刊登本公司公佈的資料、財務資料及其他資料。股東和投資者可將查詢以書面形式直接寄往本公司的香港主要營業地點。

### 股東權利

#### 應股東請求召開股東特別大會

個別或合共持有本公司繳足股本不少於10%的股東可透過請求書要求董事會召開股東特別大會。董事會於接獲請求書後10天內，須就會否針對所接獲的請求書召開股東特別大會作出書面回復。

倘董事會並無於遞交請求日期起計10天內召開會議，則請求人可透過請求書要求本公司監事會(「監事會」)召開股東特別大會。

倘監事會並無於指定時限內提供股東特別大會通告，則監事會將被視為不願召開及主持股東特別大會。於連續90日以上期間個別或合共持有本公司超過10%股份之股東可根據本公司之公司章程全權酌情召開及主持股東特別大會。

請求書必須註明會議目的及由請求人簽署，並送達本公司主要營業地點(地址為香港灣仔港灣道6至8號瑞安中心25樓2501-2509室)交予本公司之公司秘書。請求書可由多份各自由一名或多名請求人簽署的相同格式文件組成。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SHAREHOLDERS' RIGHTS (Continued)

#### Convening of extraordinary general meeting on requisition by Shareholders (Continued)

The request will be verified with the Company's share registrars and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Board to include the resolution in the agenda for the extraordinary general meeting.

#### Procedures for putting forward proposals at general meetings by Shareholders

To put forward proposals at an AGM or extraordinary general meeting, the shareholders, individually or collective holding not less than 3% of the paid-up capital of the Company, should submit a written notice of those proposals 10 days before the holding of such meeting to the company secretary of the Company at the Company's principal place of business at Rooms 2501–2509, 25/F., Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong. The contents of the proposals to be raised shall be within the scope of duties of the general meetings. It shall have a clear topic and specific matters to be resolved on, and shall be in compliance with relevant requirements of the laws, administrative regulations and the articles of association of the Company.

#### Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns with contact information of the requisitionists to the Board in writing through the company secretary of the Company by mail to the Company's principal place of business in Hong Kong at Rooms 2501–2509, 25/F., Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong.

### 股東權利(續)

#### 應股東請求召開股東特別大會(續)

請求將由本公司股份登記處核實，經股份登記處確認該請求為恰當及適當後，本公司之公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。

#### 股東在股東大會上提呈建議的程序

如欲在股東週年大會或股東特別大會上提呈建議，個別或合共持有本公司繳足股本不少於3%的股東應在舉行該大會前10天將有關建議的書面通知遞交至本公司主要營業地點(地址為香港灣仔港灣道6至8號瑞安中心25樓2501–2509室)交予本公司之公司秘書。將提出的建議內容應當屬於股東大會的職責範圍，有明確的議題及具體決議事項，並且符合法律、行政法規及本公司之公司章程的相關規定。

#### 股東向董事會發送查詢的程序

股東可隨時透過本公司之公司秘書以書面形式將彼等的查詢及所關注事項連同請求人的聯絡資料發送予董事會，方式為郵寄至本公司的香港主要營業地點(地址為香港灣仔港灣道6至8號瑞安中心25樓2501–2509室)。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### TO THE SHAREHOLDERS OF FUJIAN NUOQI Co., LTD.

*(A joint stock limited company incorporated in the People's Republic of China with limited liability).*

### OPINION

We have audited the consolidated financial statements of Fujian Nuoqi Co., Ltd. (the "Company") and its subsidiary (together the "Group") set out on pages 53 to 135, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### BASIS FOR OPINION

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

### 致福建諾奇股份有限公司股東

*(於中華人民共和國註冊成立之股份有限公司)*

### 意見

我們已審核載於第53至135頁的福建諾奇股份有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，包括於二零一九年十二月三十一日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而公平地反映貴集團於二零一九年十二月三十一日的綜合財務狀況，以及其截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港公司條例的披露規定妥為編製。

### 意見的基準

我們已根據香港會計師公會(「香港會計師公會」)頒佈的香港審計準則(「香港審計準則」)進行審核。根據該等準則，我們的責任於本報告「核數師就審核綜合財務報表須承擔的責任」一節中進一步詳述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

#### Assessment of going concern assumption

As at 31 December 2019, the Group sustained a recurring loss of approximately RMB30,005,000 (2018: approximately RMB19,496,000) for the year then ended.

Notwithstanding the above, the consolidated financial statements have been prepared by management on a going concern basis as, in the opinion of the directors, the Group will have sufficient working capital to sustain its operations and continue to operate as a going concern for the foreseeable future.

The directors of the Company evaluated the Group's ability to continue as a going concern based upon an assessment of the Group's cash position, a free cash flow forecast and its recourse to various financing facilities.

The preparation of a free cash flow forecast requires the exercise of significant management judgment in assessing the relevant businesses, particularly in relation to both qualitative and quantitative factors about the sustainability of the businesses, the business plans of the Group and the macroeconomic environment.

We identified management's use of the going concern assumption in preparing the consolidated financial statements as a key audit matter because the factors considered by the directors of the Company in their evaluation on the Group's ability to continue as a going concern are complex and contain certain judgmental assumptions which may be inherently uncertain and could be subject to management bias.

Refer to critical accounting judgments and key sources of estimation uncertainty in Note 5 and basis of measurement and going concern assumption in Note 2 to the consolidated financial statements.

### 關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期間的綜合財務報表的審核最為重要的事項。此等事項是在我們審核整體綜合財務報表及就此出具意見時進行處理的。我們不會對此等事項提供單獨的意見。

#### 評估持續經營假設

於二零一九年十二月三十一日，貴集團於截至該日止年度持續錄得經常性虧損約人民幣30,005,000元（二零一八年：約人民幣19,496,000元）。

儘管有上述情況，管理層按持續經營基準編製綜合財務報表，原因為董事認為貴集團有充足營運資金以支持其營運及會於可見將來持續經營。

貴公司董事根據對貴集團現金狀況、自由現金流量預測及對多項資金融資追索權的評估，評估貴集團的持續經營能力。

編製自由現金流量預測需要就評估有關業務作出重大管理層判斷，尤其是有關業務的可持續性、貴集團業務計劃及宏觀經濟環境。

我們已識別管理層編製綜合財務報表所用持續經營假設為關鍵審核事項，原因為貴公司董事評估貴集團持續經營能力所考慮因素相當複雜，且包括可能在本質上並不確定及受管理層偏見影響的若干判斷假設。

參閱綜合財務報表附註5的重要會計判斷及估計不確定因素的主要來源以及附註2的計量基準及持續經營假設。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Assessment of going concern assumption (Continued)

Our response:

Our procedure in relation to assess appropriateness of management's preparation of the consolidated financial statements on a going concern basis included the following:

- evaluating management's future plans for the businesses of the Group and making inquiries of management the availability to have sufficient working capital to sustain its operations and continue to operate for a period of at least 12 months from the end of the reporting period;
- comparing data in management's free cash flow forecast with the relevant data, including forecast revenue, forecast operating expenses and forecast capital expenditure, in the financial budget and the businesses plan which was prepared by management; and
- performing sensitivity analyses of the key assumptions adopted in the free cash flow forecast and assessing the impact of the changes in the key assumptions on the conclusions reached and whether there were any indicators of management bias.

### OTHER INFORMATION IN THE ANNUAL REPORT

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

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

### 關鍵審核事項(續)

#### 評估持續經營假設(續)

我們的回應：

我們就評估管理層按持續經營基準編製綜合財務報表的適當性進行的審核程序包括下列各項：

- 評估管理層對 貴集團業務的未來計劃，並就自報告期結束起至少12個月期間是否有充足營運資金以支持其營運及繼續經營向管理層提出質詢；
- 將管理層的自由現金流量預測與管理層所編製財務預算及業務計劃的相關數據(包括預測收入、預測經營開支及預測資本開支)進行比較；及
- 對自由現金流量預測所採用的主要假設進行敏感度分析，並評估主要假設的變動對管理層的評估結論造成的影響，以及是否有任何跡象顯示管理層偏頗。

### 年報的其他資料

董事須對其他資料負責。其他資料包括載於 貴公司年報的資料，惟不包括綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們不會對其他資料發表任何形式的核證結論。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION IN THE ANNUAL REPORT

(Continued)

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

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibilities in this regard.

### 年報的其他資料(續)

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況存在重大不一致，或似乎存在重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們須報告該事實。於此方面，我們並無任何報告。

### 董事就綜合財務報表須承擔的責任

董事須負責根據國際財務報告準則及按照香港公司條例的披露規定編製真實而公平的綜合財務報表，並落實董事認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，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 貴集團清盤或終止經營，或別無實際可行替代方案。

董事亦須負責監督 貴集團的財務報告過程。審核委員會會協助董事履行其此方面的責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

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

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

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

### 核數師就審核綜合財務報表須承擔的責任

我們的目標為對整體綜合財務報表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核證，並發出包括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責或承擔任何責任。

合理核證乃高水平的核證，但不能保證按香港審計準則進行的審核總能發現存在的某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其個別或匯總起來可能影響該等綜合財務報表的基準的使用者所作出的經濟決定，則有關的錯誤陳述可被視為屬重大。

於根據香港審計準則進行審核過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對此等風險，以及取得充足及適當審核憑證，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，或凌駕於內部監控之上，因此未能發現因欺詐而導致重大錯誤陳述的風險較因錯誤而導致重大錯誤陳述的風險為高。
- 了解與審核相關的內部監控，以設計適當的審核程序，但目的並非對貴集團內部監控有效性發表意見。
- 評估董事所採用會計政策的恰當性以及作出會計估計及相關披露的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

(Continued)

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

We communicate with 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.

### 核數師就審核綜合財務報表須承擔的責任 (續)

- 就董事採用持續經營會計基礎的恰當性作出結論。根據所得審核憑證，確定是否存在與事件或情況有關的重大不確定性，從而可能對貴集團持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要於核數師報告中提請使用者注意綜合財務報表中相關披露。假如有關披露不足，我們則應當發表非無保留意見。我們的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否以達致公允陳述的方式反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充分及適當的審核憑證，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審核。我們對我們的審核意見承擔全部責任。

我們與審核委員會就(其中包括)審核的計劃範圍、時間安排及重大審核發現溝通，該等發現包括我們在審核過程中識別的內部監控的任何重大缺失。

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

(Continued)

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 the directors, 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.

#### **BDO Limited**

*Certified Public Accountants*

#### **Wan Che Bun**

Practising Certificate No. P05804

Hong Kong, 20 March 2020

### 核數師就審核綜合財務報表須承擔的責任 (續)

我們亦向審核委員會作出聲明，確認我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事項，以及相關的防範措施(如適用)。

從與董事的溝通事項中，我們釐定對本期綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。我們於核數師報告中描述該等事項，除非法律或法規不允許對某件事項作出公開披露，或於極端罕見的情況下，倘合理預期於我們報告中披露某事項而造成的負面後果將會超過其產生的公眾利益，則我們決定不應於報告中溝通該事項。

#### 香港立信德豪會計師事務所有限公司

執業會計師

#### 尹子斌

執業證書編號 P05804

香港，二零二零年三月二十日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>	6	<b>8</b>	2,177
Cost of sales	銷售成本		<b>(51)</b>	(2,237)
Gross loss	毛損		<b>(43)</b>	(60)
Other gains and losses, net	其他收入及虧損淨額	7	<b>(15,471)</b>	1,697
Selling and distribution expenses	銷售及分銷開支		<b>(248)</b>	(1,258)
Administrative and other expenses	行政及其他開支		<b>(13,258)</b>	(17,490)
Expected credit loss on financial assets	金融資產之預期信貸虧損		<b>(767)</b>	(931)
<b>Loss from operations</b>	<b>經營虧損</b>		<b>(29,787)</b>	(18,042)
Impairment losses on various assets	多項資產減值虧損		<b>(218)</b>	(45)
Finance costs	財務成本	8	–	(1,409)
<b>Loss before tax</b>	<b>除稅前虧損</b>	9	<b>(30,005)</b>	(19,496)
Income tax	所得稅	11	–	–
<b>Loss and total comprehensive income for the year attributable to the owners of the Company</b>	<b>本公司擁有人應佔年內虧損 及全面收益總額</b>		<b>(30,005)</b>	(19,496)
<b>Loss per share</b>	<b>每股虧損</b>	13		
Basic (RMB per share)	基本(每股人民幣)		<b>(0.05)</b>	(0.03)
Diluted (RMB per share)	攤薄(每股人民幣)		<b>(0.05)</b>	(0.03)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		Notes	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	–	54,077
Prepaid land lease payments	預付土地租賃款項	15	–	9,615
			–	63,692
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	16	–	50
Trade receivables	應收貿易款項	17	–	–
Other receivables and prepayments	其他應收款項及預付款項	18	2,069	1,179
Prepaid land lease payments	預付土地租賃款項	15	–	236
Bank and cash balances	銀行及現金結餘	19	23,034	488
			25,103	1,953
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易款項	20	641	642
Other payables and accruals	其他應付款項及應計費用	21	11,126	6,528
Amount due to a fellow subsidiary	應付同系附屬公司款項	22	1,784	2,611
Amount due to an intermediate holding company	應付中介控股公司款項	22	–	323
Loan from a shareholder	來自一名股東之貸款	23	–	13,984
			13,551	24,088
<b>Net current assets/(liabilities)</b>	<b>流動資產/(負債)淨額</b>		<b>11,552</b>	(22,135)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>11,552</b>	41,557
<b>NET ASSETS</b>	<b>資產淨額</b>		<b>11,552</b>	41,557

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		Notes	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		附註		
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	24	<b>122,159</b>	122,159
Reserves	儲備	25	<b>(110,607)</b>	(80,602)
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>11,552</b>	41,557

The consolidated financial statements on pages 53 to 135 were approved and authorised for issue by the Board of Directors on 20 March 2020 and signed on its behalf by:

第53至135頁之綜合財務報表已於二零二零年三月二十日獲董事會批准及授權刊發，並由以下人士代表董事會簽署：

**Xu Haiying**

許海鷹

Director

董事

**Sit Hon Wing**

薛漢榮

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	122,159	320,811	22,940	(404,857)	61,053
Total comprehensive income for the year	年內全面收益總額	-	-	-	(19,496)	(19,496)
At 31 December 2018	於二零一八年十二月 三十一日	122,159	320,811	22,940	(424,353)	41,557
Initial application of IFRS 16	首次應用國際財務 報告準則第16號	-	-	-	-	-
<b>Restated at 1 January 2019</b>	<b>於二零一九年一月一日重列</b>	<b>122,159</b>	<b>320,811</b>	<b>22,940</b>	<b>(424,353)</b>	<b>41,557</b>
<b>Total comprehensive income for the year</b>	<b>年內全面收益總額</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,005)</b>	<b>(30,005)</b>
<b>At 31 December 2019</b>	<b>於二零一九年十二月 三十一日</b>	<b>122,159</b>	<b>320,811</b>	<b>22,940</b>	<b>(454,358)</b>	<b>11,552</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>		
Loss before tax	除稅前虧損	<b>(30,005)</b>	(19,496)
Adjustments for:	就以下各項調整：		
Finance costs	財務成本	-	1,409
Depreciation	折舊	<b>1,850</b>	4,010
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	236
Amortisation of right-of-use assets	使用權資產攤銷	<b>78</b>	-
Loss on disposal of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產之虧損	<b>13,932</b>	437
Interest income	利息收入	<b>(24)</b>	(195)
Expected credit loss on financial assets	金融資產之預期信貸虧損	<b>767</b>	931
Gain on disposal of a subsidiary	出售附屬公司之收益	-	(-*)
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	<b>218</b>	-
Written-down of inventories	撇減存貨	-	45
Reversal of impairment losses on trade and other receivables	應收貿易款項及其他應收款項減值虧損撥回	-	(98)
Operating cash flows before working capital changes	營運資金變動前的經營現金流量	<b>(13,184)</b>	(12,721)
Change in inventories	存貨變動	<b>50</b>	2,163
Change in trade receivables	應收貿易款項變動	-	166
Change in other receivables and prepayments	其他應收款項及預付款項變動	<b>(1,657)</b>	468
Change in trade payables	應付貿易款項變動	<b>(1)</b>	(21)
Change in other payables and accruals	其他應付款項及應計費用變動	<b>4,598</b>	4,789
<b>Cash used in operations</b>	<b>經營所用現金</b>	<b>(10,194)</b>	(5,156)
Interest paid	已付利息	-	(1,409)
<b>Net cash used in operating activities</b>	<b>經營活動所用現金淨額</b>	<b>(10,194)</b>	(6,565)

\* Less than RMB1,000

\* 少於人民幣1,000元

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	-	(2)
Proceed from disposals of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產所得款項	47,850	-
Interest received	已收利息	24	195
<b>Net cash generated from investing activities</b>	<b>投資活動所得現金淨額</b>	<b>47,874</b>	193
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
Repayment of borrowings	償還借款	-	(80,000)
(Repayment to)/advance from a fellow subsidiary	(向同系附屬公司還款)/來自同系附屬公司之墊款	(827)	2,295
(Repayment to)/advance from an intermediate holding company	(向中介控股公司還款)/來自中介控股公司之墊款	(323)	323
Repayment to a shareholder	向股東還款	(13,984)	(6,666)
Loan from a shareholder	來自一名股東之貸款	-	650
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>	<b>(15,134)</b>	(83,398)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>22,546</b>	(89,770)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	488	90,258
<b>Cash and cash equivalents at end of year</b>	<b>年末現金及現金等價物</b>	<b>23,034</b>	488

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") on 14 October 2004 as a domestic company with limited liability under the name of Quanzhou City Nuoqi Fashion Chain Sales Co., Ltd. (泉州市諾奇時裝連鎖銷售有限公司). On 22 January 2008, the Company was renamed Fujian Nuoqi Co., Ltd. (福建諾奇股份有限公司) and transformed into a joint stock company with limited liability. The Company's registered office is located at Room 2602, Block 5, Jialong Shangdu, Jitai Road, Economic and Technical Development Zone, Quanzhou, Fujian Province, the PRC.

The Company's immediate and ultimate holding company is Hao Tian Investment (China) Company Limited and Asia Link Capital Investment Holdings Limited, which are incorporated in the PRC and the British Virgin Islands, respectively.

The principal activities of the Company are investment holding and retailing of men's and women's casual apparels. There were no significant changes in the nature of the Group's principal activities during the year.

The Company's ordinary shares (the "H Shares") that are approved for listing and trading on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") were listed on the Stock Exchange on 9 January 2014 and have been suspended for trading since 23 July 2014. As at 5 September 2016, the Company became a subsidiary of Hao Tian Development Group Limited, whose shares were listed on the Stock Exchange (stock code: 474).

### 1. 一般資料

本公司於二零零四年十月十四日以泉州市諾奇時裝連鎖銷售有限公司的名義在中華人民共和國(「中國」)註冊成立為本地有限公司。於二零零八年一月二十二日，本公司改名為福建諾奇股份有限公司，並轉型為股份有限公司。本公司的註冊辦事處位於中國福建省泉州經濟技術開發區吉泰路嘉龍尚都5號樓2602室。

本公司之直接及最終控股公司為分別於中國及於英屬處女群島註冊成立的昊天投資(中國)有限公司及Asia Link Capital Investment Holdings Limited。

本公司的主營業務為投資控股及男士及女士休閒服飾零售業務。本集團的主營業務性質於年內概無重大變動。

本公司獲香港聯合交易所有限公司(「聯交所」)批准上市及買賣的普通股(「H股」)於二零一四年一月九日於聯交所上市及自二零一四年七月二十三日起暫停買賣。於二零一六年九月五日，本公司成為昊天發展集團有限公司(其股份於聯交所上市，股份代號：474)之附屬公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. BASIS OF PREPARATION

#### (a) Statement of compliance

The financial statements have been prepared in accordance with all applicable IFRSs, which collective term includes all applicable individual IFRSs, IASs and Interpretations issued by the International Accounting Standards Board (“IASB”) and the requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out in note 4.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the financial statements.

#### (b) Basis of measurement and going concern assumption

The financial statements have been prepared under the historical cost basis.

During the year, the Group has incurred a loss of approximately RMB30,005,000 (2018: approximately RMB19,496,000) and at the end of reporting period, the Group had net current assets of approximately RMB11,552,000 (2018: net current liabilities of approximately RMB22,135,000). In view of this circumstance, the Directors have given careful consideration to the performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

### 2. 編製基準

#### (a) 合規聲明

財務報表已根據國際會計準則理事會（「國際會計準則理事會」）頒佈的所有適用國際財務報告準則（所有適用個別國際財務報告準則、國際會計準則及詮釋之統稱）以及香港公司條例之規定編製。財務報表亦已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）的適用披露條文。本集團所採納主要會計政策概要載於附註4。

國際會計準則理事會已頒佈若干新訂和經修訂國際財務報告準則，並於本集團及本公司的本會計期間首次生效或可供提前採納。附註3提供有關首次應用該等發展所導致的任何會計政策變動的資料，該等變動與財務報表所反映本集團本會計期間及過往會計期間有關。

#### (b) 計量基準及持續經營假設

財務報表已根據歷史成本編製。

於本年度，本集團錄得虧損約人民幣30,005,000元（二零一八年：約人民幣19,496,000元），而於報告期末，本集團的流動資產淨值約為人民幣11,552,000元（二零一八年：流動負債淨額約人民幣22,135,000元）。鑑於此情況，董事於評估本集團是否有充足財務資源持續經營時，已審慎考慮本集團的表現以及其可用融資來源。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. BASIS OF PREPARATION (Continued)

#### (b) Basis of measurement and going concern assumption (Continued)

Based on the Group's 2020 business plan and cash flow forecast, the Directors believe the Group will generate sufficient cash flows to meet its liabilities as and when they fall due in the next twelve months. In preparing the cash flow forecast, the Directors also consider the Group's intermediate holding company, Hao Tian Development Group Limited will continue to support the Group to the extent necessary.

In view of the above, the Directors consider that the Group will generate sufficient financial resources for its working capital and capital expenditure requirements and that it will be able to meet its financial obligations as and when they fall due. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

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

### 2. 編製基準(續)

#### (b) 計量基準及持續經營假設(續)

根據本集團的二零二零年業務計劃及現金流量預測，董事相信本集團將產生足夠現金流量於其負債在未來十二個月到期時償付。編製現金流量預測時，董事亦已考慮本集團之中介控股公司昊天發展集團有限公司將於有需要時繼續支持本集團。

基於上述各項，董事認為，本集團將產生足夠財務資源應付其營運資金及資本開支所需，且本集團將可於其財務承擔到期時償付。因此，已按持續經營基準編製綜合財務報表。

管理層需在編製符合國際財務報告準則的綜合財務報表時作出對會計政策應用，以及資產、負債、收入及支出的報告數額構成影響的判斷、估計及假設。估計及相關假設是根據以往經驗及管理層因應當時情況認為合理的多項其他因素作出，其結果構成管理層在無法依循其他途徑即時得知資產與負債的賬面值時所作出判斷的基礎。實際結果可能有別於該等估計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. BASIS OF PREPARATION (Continued)

#### (b) Basis of measurement and going concern assumption (Continued)

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

Judgements made by management in the application of IFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in Note 5.

#### (c) Functional and presentation currency

The consolidated financial statements are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

#### (d) Suspension of trading in shares of the Company

The trading of the shares of the Company on the Stock Exchange has been suspended due to the unauthorised acts discovered of Mr. Ding Hui, the former Chairman, the former chief executive officer and executive director of the Company. Reference is made to the Company's announcement dated 23 July 2014.

Reference to the Company's announcement date 4 December 2017, the Company and Zhong Hong Holdings Group Limited (the "Vendor") entered into the sale and purchase agreement in relation to the acquisition of the entire issued share capital in Zhong Hong International Limited, (the "Target Company") which is a wholly-owned subsidiary of the Vendor with consideration of HK\$1,053,024,128 on 6 November 2017. The consideration shall be paid by the Company by allotting and issuing to Vendor 1,541,878,659 new H shares (the "Acquisition").

### 2. 編製基準(續)

#### (b) 計量基準及持續經營假設(續)

管理層會不斷審閱各項估計及相關假設。倘會計估計的修訂只是影響某一期間，其影響則在該期間內確認；倘修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

有關管理層在應用國際財務報告準則時所作出對綜合財務報表有重大影響的判斷以及估計不確定因素的主要來源的討論內容載列於附註5。

#### (c) 功能及呈列貨幣

綜合財務報表以人民幣(「人民幣」)呈列，人民幣亦為本公司的功能貨幣。除另有註明外，所有數值均捨入至最接近千位數。

#### (d) 本公司股份暫停買賣

由於發現本公司之前董事長、前行政總裁兼執行董事丁輝先生多項未經授權行為，故本公司股份已於聯交所暫停買賣。茲提述本公司日期為二零一四年七月二十三日之公告。

茲提述本公司日期為二零一七年十二月四日的公告，於二零一七年十一月六日，本公司與中宏控股集團有限公司(「賣方」)訂立買賣協議，內容有關收購賣方的全資附屬公司中宏國際有限公司(「目標公司」)的全部已發行股本，代價為1,053,024,128港元。代價由本公司透過向賣方配發及發行1,541,878,659股新股支付(「收購事項」)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 2. BASIS OF PREPARATION (Continued)

#### (d) Suspension of trading in shares of the Company (Continued)

The Target Company and its subsidiaries (the “Target Group”) are principally engaged in the provision of construction services, mainly as a general contractor for residential construction projects, commercial and public works construction projects, and industrial and other construction projects in the PRC.

The Acquisition constitutes a reverse takeover for the Company under Rule 14.06(6)(a) of the Listing Rules. Accordingly, the Company will be treated as if it were a new listing applicant. The Acquisition is therefore also subject to the approval by the Listing Committee of a new listing application to be made by the Company. The Company filed the new listing application with the Stock Exchange on 26 March 2018 and 26 July 2019.

Reference to the Company’s announcement dated 4 March 2020, the Company received a resignation letter from the sponsor on 27 February 2020. The previous listing application was submitted on 26 July 2019. The notice of the lapse of the listing application was issued by the Stock Exchange on 29 January 2020. Based on the Company’s understanding, the Stock Exchange has suspended the vetting on the listing application. The Stock Exchange will resume vetting once the newly appointed sponsor submits a new listing application. The Company will continue to liaise with the professional parties and prepare responses to the comments from the Stock Exchange and the Securities and Futures Commission on 28 August 2019, 21 October 2019 and 6 January 2020 in relation to the Application Proof, which will be submitted together with the new listing application after the appointment of a new sponsor.

### 2. 編製基準(續)

#### (d) 本公司股份暫停買賣(續)

目標公司及其附屬公司(「目標集團」)主要業務為在中國就住宅建築項目、商業及公共工程建築項目以及工業及其他建築項目提供建築服務(主要作為總承建商)。

收購事項構成上市規則第14.06(6)(a)條項下本公司的反向收購。因此，本公司將被視作新上市申請人，故收購事項亦須待上市委員會批准本公司將作出之新上市申請方可作實。本公司於二零一八年三月二十六日及二零一九年七月二十六日向聯交所提交新上市申請。

茲提述本公司日期為二零二零年三月四日的公告，本公司於二零二零年二月二十七日接獲保薦人的辭任函件。本公司早前於二零一九年七月二十六日提交上市申請。聯交所於二零二零年一月二十九日發出上市申請失效的通知。據本公司所知，聯交所已暫停審查上市申請。聯交所將於新獲委任保薦人提交新上市申請後恢復審查。本公司將繼續與專業人士聯絡，並籌備回覆聯交所及證券及期貨事務監察委員會於二零一九年八月二十八日、二零一九年十月二十一日及二零二零年一月六日涉及申請版本的意見，其將於委任新保薦人後與新上市申請一併提交。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019

The IASB has issued the following amendments to IFRSs that are first effective for the current accounting period of the Group and the Company:

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features and Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 included in Annual Improvements to IFRSs 2015-2017 Cycle	

The impact of the adoption of IFRS 16 Leases have been summarised in below. The other new or amended IFRSs that are effective from 1 January 2019 did not have any significant impact on the Group's accounting policies.

### 3. 應用新訂及經修訂國際財務報告準則

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效

國際會計準則理事會已頒佈下列於本集團及本公司本會計期間首次生效之國際財務報告準則之修訂：

國際財務報告準則第16號	租賃
國際財務報告詮釋委員會—詮釋第23號	所得稅處理之不確定性
國際財務報告準則第9號之修訂	具有負補償特性之提早還款
國際會計準則第19號之修訂	計劃修訂、縮減或結清
國際會計準則第28號之修訂	於聯營公司及合營企業之長期權益
計入國際財務報告準則二零一五年至二零一七年期之年度改進之國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號之修訂	

採納國際財務報告準則第16號租賃之影響已概述於下文。其他自二零一九年一月一日起生效之新訂或經修訂國際財務報告準則對本集團會計政策並無任何重大影響。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (i) Impact of the adoption of IFRS 16

IFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces IAS 17 Leases (“IAS 17”), IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases-Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee’s perspective, almost all leases are recognised in the statement of financial position as a right-of-use assets and a lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor’s perspective, the accounting treatment is substantially unchanged from IAS 17. For details of IFRS 16 regarding its new definition of a lease, its impact on the Group’s accounting policies and the transition method adopted by the Group as allowed under IFRS 16, please refer to section (ii) to (iv) of this note.

The Group has applied IFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of accumulated losses at the date of initial application. The comparative information presented in 2018 has not been restated and continues to be reported under IAS 17 and related interpretations as allowed by the transition provision in IFRS 16.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (i) 採納國際財務報告準則第16號之影響

國際財務報告準則第16號對租賃會計之會計處理作出重大變動，主要為承租人會計處理。其取代國際會計準則第17號租賃（「國際會計準則第17號」）、國際財務報告詮釋委員會－詮釋第4號釐定安排是否包括租賃、準則詮釋委員會－詮釋第15號經營租賃－優惠及準則詮釋委員會－詮釋第27號評估涉及租賃法律形式交易之內容。就承租人角度而言，絕大部分租賃於財務狀況表確認為使用權資產及租賃負債，惟相關資產價值較低或被釐定為短期租賃之租賃屬該原則之例外情況除外。就出租人角度而言，會計處理大致與國際會計準則第17號一致。有關國際財務報告準則第16號對租賃之新定義，其對本集團會計政策之影響以及國際財務報告準則第16號項下准許本集團採納之過渡方法之詳情，請參閱本附註第(ii)至(iv)節。

本集團已採用累計影響法應用國際財務報告準則第16號，並於初次應用日期確認首次應用國際財務報告準則第16號之所有累計影響為期初累計虧損結餘之調整。二零一八年呈列之比較資料概無予以重列並繼續根據國際會計準則第17號及國際財務報告準則第16號過渡條文准許之相關詮釋呈報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (i) Impact of the adoption of IFRS 16 (Continued)

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying IFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

The following tables summarised the impact of transition to IFRS 16 on statement of financial position as of 31 December 2018 to that of 1 January 2019 as follows (increase/(decrease)):

Statement of financial position as at 1 January 2019 於二零一九年一月一日之財務狀況表		RMB 人民幣元
Right-of-use assets presented in property, plant and equipment	於物業、廠房及設備呈列之 使用權資產	736,525
Right-of-use assets presented in prepaid land lease payments	於預付土地租賃款項呈列之 使用權資產	9,851,471
Lease liabilities (non-current)	租賃負債(非流動)	460,328
Lease liabilities (current)	租賃負債(流動)	276,197
Accumulated losses	累計虧損	—

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (i) 採納國際財務報告準則第16號之影響 (續)

於二零一九年一月一日，本集團透過應用國際財務報告準則第16.C8(b)(ii)號過渡確認額外租賃負債及使用權資產，金額相當於相關租賃負債。於首次應用日期之任何差額於期初累計虧損確認，而比較資料並無重列。

下表概述過渡至國際財務報告準則第16號對截至二零一八年十二月三十一日至二零一九年一月一日之財務狀況表之影響(增加／(減少))如下：

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (i) Impact of the adoption of IFRS 16 (Continued)

The following reconciliation explains how the operating lease commitments disclosed applying IAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as at 1 January 2019:

Reconciliation of operating lease commitment to lease liabilities	經營租賃承擔與租賃負債之對賬	RMB 人民幣元
Operating lease commitment at 31 December 2018	於二零一八年十二月三十一日之經營租賃承擔	800,000
Discounted using the incremental borrowing rate at 1 January 2019	使用於二零一九年一月一日之增量借貸利率貼現	(63,475)
Total lease liabilities as of 1 January 2019	於二零一九年一月一日之租賃負債總額	736,525

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position as at 1 January 2019 is 4.75%.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (i) 採納國際財務報告準則第16號之影響 (續)

以下對賬解釋於二零一八年十二月三十一日結束時應用國際會計準則第17號披露之經營租賃承擔如何與於二零一九年一月一日之財務狀況表確認於首次應用日期之租賃負債進行對賬：

於二零一九年一月一日之財務狀況表確認之租賃負債應用之加權平均承租人增量借貸利率為4.75%。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (ii) The new definition of a lease

Under IFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (ii) 租賃之新定義

根據國際財務報告準則第16號，租賃被定義為一項合約或合約之一部分於一段時間內獲得資產(相關資產)之使用權以換取代價。當客戶於整個使用期間同時：(a)有權獲取使用已識別資產帶來之絕大部分經濟利益及(b)有權指示已識別資產之用途時，合約附帶權利可於一段時間內控制已識別資產之用途。

就包含租賃部分以及一項或多項額外租賃或非租賃部分之合約而言，承租人須將合約代價分配至各租賃部分，基準是租賃部分之相對獨立價格及非租賃部分之總獨立價格，除非承租人應用實際權宜方法使承租人可按相關資產類別選擇不從租賃部分中區分非租賃部分，而是將各租賃部分及任何相關非租賃部分入賬列作單一租賃部分。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS *(Continued)*

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 *(Continued)*

##### (iii) Accounting as a lessee

Under IAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the statement of financial position of the lessee.

Under IFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but IFRS 16 provides accounting policy choices for an entity to choose not to capitalise leases which are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the commencement date of a lease.

### 3. 應用新訂及經修訂國際財務報告準則 *(續)*

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 *(續)*

##### (iii) 作為承租人之會計處理

根據國際會計準則第17號，承租人須根據租賃資產擁有權隨附風險及回報與出租人或承租人之相關程度，將租賃分類為經營租賃或融資租賃。倘租賃釐定為經營租賃，承租人將於租賃期內將經營租賃項下之租賃付款確認為開支。租賃項下資產將不會於承租人之財務狀況表內確認。

根據國際財務報告準則第16號，所有租賃（不論為經營租賃或融資租賃）均須於財務狀況表內資本化為使用權資產及租賃負債，惟國際財務報告準則第16號為一間實體提供會計政策選擇，可選擇不將屬短期租賃之租賃進行資本化。本集團已選取不就租賃期於開始日期少於12個月之租賃確認使用權資產及租賃負債。與該等租賃有關之租賃付款已於租賃期內按直線法支銷。

本集團於租賃開始日期確認使用權資產及租賃負債。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (iii) Accounting as a lessee (Continued)

###### *Right-of-use asset*

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease. The Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

###### *Lease liability*

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (iii) 作為承租人之會計處理 (續)

###### *使用權資產*

使用權資產應按成本確認，並包括：(i)租賃負債之初步計量金額(見下文將租賃負債入賬之會計政策)；(ii)於開始日期或之前作出之任何租賃付款扣除任何已收取之租賃優惠；(iii)承租人產生之任何初步直接成本；及(iv)承租人根據租賃條款及條件規定之情況下拆除及移除相關資產時將產生之估計成本。本集團按成本扣除任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債之任何重新計量進行調整。

###### *租賃負債*

租賃負債應以於租賃開始日期尚未支付之租賃付款之現值確認。倘利率可容易釐定，則租賃付款須使用租賃隱含之利率貼現。倘利率無法容易釐定，則本集團將使用本集團之增量借貸利率。

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### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (iii) Accounting as a lessee (Continued)

##### Lease liability (Continued)

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the substance fixed lease payments or a change in assessment to purchase the underlying asset.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (iii) 作為承租人之會計處理 (續)

##### 租賃負債 (續)

租賃期內，於租賃開始日期就相關資產使用權尚未支付之以下付款均被視為租賃付款：(i) 固定付款扣除任何應收租賃優惠；(ii) 基於指數或利率之可變租賃付款，初步按開始日期之指數或利率計量；(iii) 承租人預期根據剩餘價值擔保應付之金額；(iv) 購買選擇權之行使價（倘承租人合理確定將行使該購買權）；及(v) 終止租賃之罰金付款（倘租賃期反映承租人行使終止租賃之權利）。

於開始日期後，承租人將按以下方式計量租賃負債：(i) 提高賬面值以反映租賃負債利率；(ii) 減低賬面值以反映已作出之租賃付款；及(iii) 重新計量賬面值以反映任何重估或租賃調整（例如指數或利率變動產生之未來租賃付款變動、租賃期變動、實際固定租賃付款之變動或購買相關資產之評估變動）。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### (iv) Transition

As mentioned above, the Group has applied IFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of accumulated losses at the date of initial application (1 January 2019). The comparative information presented in 2018 has not been restated and continues to be reported under IAS 17 and related interpretations as allowed by the transition provision in IFRS 16.

The Group has recognised the lease liabilities at the date of 1 January 2019 for leases previously classified as operating leases applying IAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2019.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### (iv) 過渡

誠如上文所述，本集團已使用累計影響法應用國際財務報告準則第16號及於首次應用日期(二零一九年一月一日)確認首次應用國際財務報告準則第16號之所有累計影響為期初累計虧損結餘之調整。二零一八年呈列之比較資料概無予以重列並繼續根據國際會計準則第17號及國際財務報告準則第16號過渡條文准許之相關詮釋呈報。

本集團已於二零一九年一月一日就先前應用國際會計準則第17號分類為經營租賃之租賃確認租賃負債，並採用於二零一九年一月一日之承租人增量借貸利率貼現按餘下租賃付款之現值計量該等租賃負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### *IFRIC 23 — Uncertainty over Income Tax Treatments*

The Interpretation supports the requirements of IAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

##### *Amendments to IAS 19 — Plan amendments, curtailment or settlement*

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### *國際財務報告詮釋委員會－詮釋第23號 — 所得稅處理之不確定性*

該詮釋透過提供有關如何反映所得稅處理之不確定性之指引，為國際會計準則第12號所得稅之要求作出補充。根據該詮釋，實體須以可對不確定性結果作出較佳預測之方式，決定單獨或一併考慮各個不確定之稅務處理。實體亦須假設稅務機關將審查其有權審查之金額，且進行審查時充分掌握所有相關資料。倘實體認為稅務機關可能會接受不確定之稅務處理，則實體須按照其稅務登記文件計量即期及遞延稅項。倘實體認為上述情況不大可能發生，則釐定稅項時之不確定性須透過「最有可能的金額」或「預期價值」法反映，以可對不確定性結果作出較佳預測之方式為準。

##### *國際會計準則第19號之修訂 — 計劃修訂、縮減或結清*

有關修訂澄清，於修訂、縮減或結清界定福利計劃時，公司應使用最新精算假設以釐定其當期服務成本及期內淨利息。此外，在計算任何該計劃之結算收益或虧損時，不考慮資產上限之影響，並在其他全面收益中單獨處理。

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## 綜合財務報表附註

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### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### **Amendments to IFRS 9 — Prepayment Features with Negative Compensation**

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

##### **Amendments to IAS 28 — Long-term Interests in Associates and Joint Ventures**

The amendment clarifies that IFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that IFRS 9 is applied to these LTI before the impairment losses guidance within IAS 28.

##### **Annual Improvements to IFRSs 2015–2017 Cycle — Amendments to IFRS 3, Business Combinations**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### **國際財務報告準則第9號之修訂 — 具有負補償特性之提早還款**

有關修訂作出澄清，倘符合特定條件，具有負補償之可提前還款金融資產可按攤銷成本或按公平值計入其他全面收益，而非按公平值計入損益計量。

##### **國際會計準則第28號之修訂 — 於聯營公司及合營企業之長期權益**

有關修訂澄清國際財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分之於聯營公司或合營企業之長期權益（「長期權益」），並規定先就該等長期權益應用國際財務報告準則第9號始應用國際會計準則第28號減值虧損指引。

##### **國際財務報告準則二零一五年至二零一七年週期之年度改進 — 國際財務報告準則第3號業務合併之修訂**

根據年度改進過程頒佈之修訂對現時不明確之多項準則作出微細及不急切之修改。其中包括對國際財務報告準則第3號之修訂，釐清倘業務之合營者取得合營業務之控制權，該情況為分階段進行之業務合併，故過往所持股權將重新計量為收購日期公平值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of new/revised IFRSs — effective 1 January 2019 (Continued)

##### **Annual Improvements to IFRSs 2015–2017 Cycle — Amendments to IFRS 11, Joint Arrangements**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

##### **Annual Improvements to IFRSs 2015–2017 Cycle — Amendments to IFRS 12, Income Taxes**

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

##### **Annual Improvements to IFRSs 2015–2017 Cycle — Amendments to IFRS 23, Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (a) 採納新訂／經修訂國際財務報告準則 — 二零一九年一月一日起生效 (續)

##### **國際財務報告準則二零一五年至二零一七年週期之年度改進 — 國際財務報告準則第11號合營安排之修訂**

根據年度改進過程頒佈之修訂對現時不明確之多項準則作出微細及不急切之修改。其中包括對國際財務報告準則第11號之修訂，其闡明參與(但並非擁有共同控制權)屬一項業務之共同經營之一方倘隨後取得共同經營之共同控制權，則先前持有之股權不得重新計量至其收購日期之公平值。

##### **國際財務報告準則二零一五年至二零一七年週期之年度改進 — 國際財務報告準則第12號所得稅之修訂**

有關修訂澄清實體應根據其最初確認產生可分派溢利之交易，於損益、其他全面收益或權益確認股息產生之所得稅影響。不論已分派及未分派溢利是否適用不同稅率，均按上述方式確認。

##### **國際財務報告準則二零一五年至二零一七年週期之年度改進 — 國際財務報告準則第23號借貸成本之修訂**

有關修訂澄清，倘特定借貸於相關資產可用於其擬定用途或進行銷售後仍未償還，則於計算一般借貸之資本化率時，該借貸成為實體所借資金整體之一部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (b) New/revised IFRSs that have been issued but are not yet effective

The following new/revised IFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to IFRS 3	Definition of a business <sup>1</sup>
Amendments to IAS 1 and IAS 8	Definition of material <sup>1</sup>
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform <sup>1</sup>
IFRS 17	Insurance Contracts <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IFRS 1	Classification of Liabilities as Current or Non-current <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>3</sup> The amendments were originally intended to be effective for periods beginning on or after 1 January 2018. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2022.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (b) 已頒佈但尚未生效之新訂／經修訂國際財務報告準則

與本集團財務報表可能有關之以下新訂／經修訂國際財務報告準則已頒佈但尚未生效，且本集團並無提早採納。本集團目前有意於有關修訂生效日期時應用有關修訂。

國際財務報告準則 第3號之修訂	業務之定義 <sup>1</sup>
國際會計準則第1號 及國際會計準則 第8號之修訂	重大之定義 <sup>1</sup>
國際財務報告準則 第9號、國際會計 準則第39號及 國際財務報告準則 第7號之修訂	利率基準改革 <sup>1</sup>
國際財務報告準則 第17號	保險合約 <sup>2</sup>
國際財務報告準則 第10號及國際會計 準則第28號之修訂	投資者與其聯營公司或 合營企業間之資產出售 或注資 <sup>3</sup>
國際財務報告準則第1號 之修訂	負債分類為即期或非即期 <sup>4</sup>

<sup>1</sup> 於二零二零年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零二一年一月一日或之後開始之年度期間生效

<sup>3</sup> 該等修訂原訂於二零一八年一月一日或之後開始之期間生效。有關生效日期現已押後／刪除。繼續允許提前應用有關修訂。

<sup>4</sup> 於二零二二年一月一日或之後開始之年度期間生效。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (b) New/revised IFRSs that have been issued but are not yet effective (Continued)

##### **Amendments to IFRS 3 — Definition of a business**

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”. Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions. An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

##### **Amendments to IAS 1 and IAS 8 — Definition of material**

The amendments clarify the definition and explanation of “material”, aligning the definition across all IFRS Standards and the Conceptual Framework, and incorporating supporting requirements in IAS 1 into the definition.

##### **Amendments to IFRS 9, IAS 39 and IFRS 7 — Interest Rate Benchmark Reform**

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (b) 已頒佈但尚未生效之新訂／經修訂國際財務報告準則 (續)

##### **國際財務報告準則第3號之修訂 — 業務之定義**

有關修訂澄清一項業務必須包括至少一項投入及一個實質過程，有關過程對創造產出之能力有重大貢獻，並就「實質過程」之解釋提供廣泛指引。此外，有關修訂刪除市場參與者是否有能力取代任何缺失之投入或過程及持續產出之評估，同時收窄「產出」及「業務」之定義，將重點放在向客戶提供之商品及服務，而非成本縮減。有關修訂加入選擇性集中測試，允許簡化評估所收購一組活動及資產是否並非一項業務。

##### **國際會計準則第1號及國際會計準則第8號之修訂 — 重大之定義**

有關修訂澄清「重大」之定義及解釋，統一所有國際財務報告準則及概念框架之定義，並將國際會計準則第1號之承載規定納入定義。

##### **國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號之修訂 — 利率基準改革**

有關修訂修改若干特定對沖會計規定，以減輕利率基準改革所帶來不確定因素之潛在影響。此外，有關修訂要求公司向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。

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## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### (b) New/revised IFRSs that have been issued but are not yet effective (Continued)

##### **IFRS 17 — Insurance Contracts**

IFRS 17 will replace IFRS 4 as a single principle-based standard for the recognition, measurement, presentation and disclosure of insurance contracts in the financial statements of the issuers of those contracts.

##### **Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and financial statements.

##### **Amendments to IFRS 1 — Classification of Liabilities as Current or Non-current**

The amendments modify one of the criteria in IAS 1 that if an entity does not have 'the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period' then it must be classified as current.

### 3. 應用新訂及經修訂國際財務報告準則 (續)

#### (b) 已頒佈但尚未生效之新訂／經修訂國際財務報告準則 (續)

##### **國際財務報告準則第17號 — 保險合約**

國際財務報告準則第17號將取代國際財務報告準則第4號，作為在有關合約發行人財務報表中確認、計量、呈列及披露保險合約之單一原則準則。

##### **國際財務報告準則第10號及國際會計準則第28號之修訂 — 投資者與其聯營公司或合營企業間之資產出售或注資**

有關修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團尚未能說明該等新公佈會否導致本集團會計政策及財務報表出現重大變動。

##### **國際財務報告準則第1號之修訂 — 負債分類為即期或非即期**

有關修訂修改國際會計準則第1號中一項標準，即倘實體「在報告期末並無權利將負債之償還期限至少延遲至報告期後十二個月」，則必須將其分類為即期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary ("the Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiary or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by IFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

### 4. 主要會計政策

#### (a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司（「本集團」）之財務報表。本集團旗下公司之集團內公司間交易及結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦會對銷，除非交易提出所轉讓資產之減值證據，於有關情況下，虧損於損益中確認。

年內所收購或出售附屬公司之業績自收購日期起或截至出售日期止（視乎適用情況而定）計入綜合全面收益表。如有需要，附屬公司的財務報表會作出調整，以使其會計政策與本集團其他成員公司之會計政策一致。

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團（作為收購方）發行之股權於收購日期之公平值總額計量。所收購可辨別資產及所承擔負債則主要按收購日期之公平值計量。本集團先前所持收購對象之股權以收購日期公平值重新計量，而所產生之收益或虧損則於損益中確認。本集團可按每宗交易選擇以公平值或應佔收購對象之可識別資產淨值比例計算非控股權益（即現時於附屬公司之擁有權權益）。除非國際財務報告準則有規定另一計量基準，否則所有其他非控股權益均按公平值計量。所產生之收購相關成本列作支出，除非該等成本乃於發行股本工具時產生，在該情況下，有關成本乃自權益中扣除。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Business combination and basis of consolidation (Continued)

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

### 4. 主要會計政策(續)

#### (a) 業務合併及綜合基準(續)

收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起計十二個月)內所取得有關於收購日期之公平值之新資料時，方以商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益確認。

當本集團失去附屬公司控制權，出售之收益或虧損乃按以下兩者之差額計算：(i) 已收代價之公平值與任何保留權益之公平值之總額；與(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。先前於其他全面收益確認與附屬公司有關之金額以相同方式入賬，猶如有關資產或負債已經出售。

收購後，相當於現時於附屬公司之擁有權權益之非控股權益賬面值為該等權益於初步確認時之款額加有關非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀結餘，全面收益總額乃歸屬於非控股權益。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Subsidiary

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiary are stated at cost less impairment loss, if any. The results of subsidiary are accounted for by the Company on the basis of dividend received and receivable.

### 4. 主要會計政策(續)

#### (b) 附屬公司

附屬公司為本公司可對其行使控制權之投資對象。倘出現以下全部三個因素時，本公司即控制該投資對象：有權控制投資對象、承擔或享有來自投資對象可變回報之風險或權利，及可運用其權力影響該等可變回報。當事實及情況顯示任何該等控制因素可能出現變動時，將會重新評估控制權。

倘本公司擁有實際能力引導投資對象相關活動，而並無持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士的數量及分散情況，本公司投票權的數量多少；
- 本公司及其他持有投票權人士所持有的實際潛在投票權；
- 其他合約安排；及
- 參與投票的歷史模式。

於本公司之財務狀況表內，於附屬公司之投資乃按成本扣除減值虧損(如有)列賬。附屬公司之業績由本公司按已收及應收股息基準列賬。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs 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 recognised as an expense in profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Buildings	5%
Leasehold improvements	Over the shorter of lease terms and 25%
Furniture, fixtures and office equipment	10%–20%
Motor vehicles	12.5%

### 4. 主要會計政策(續)

#### (c) 物業、廠房及設備

物業、機器及設備指用作生產或提供貨物或服務或作行政用途而持有的有形資產。物業、廠房及設備於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

物業、廠房及設備之成本包括收購有關項目之購買價及直接相關之成本。

其後成本僅於可能有與該項目相關之未來經濟利益流入本集團且有關項目之成本能可靠計量時，方會計入資產之賬面值或確認為獨立資產(視乎適用情況而定)。重置部分之賬面值會取消確認。所有其他維修及保養於產生之財政期間內在損益中確認為開支。

物業、廠房及設備亦折舊以於其估計可使用年期內按直線法撇銷其成本或估值(扣除預期剩餘價值)。可使用年期、剩餘價值及折舊法於各報告期間結算日審閱及作出調整(如適用)。可使用年期如下：

樓宇	5%
租賃裝修	租賃期及25% 之較短者
家具、裝置及辦公室設備	10%–20%
汽車	12.5%

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment (Continued)

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

#### (d) Payments for leasehold land held for own use under operating leases

Payments for leasehold land held for own use under operating leases represent up-front payments to acquire long-term interests in lessee-occupied properties. These payments are stated at cost and are amortised over the period of the lease on a straight-line basis as an expense.

#### (e) (A) Leasing (accounting policies applied from 1 January 2019)

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

### 4. 主要會計政策(續)

#### (c) 物業、廠房及設備(續)

倘資產賬面值高於其估計可收回金額，則該資產即時撇減至其可收回金額。

出售物業、廠房及設備的收益或虧損乃銷售所得款項淨額及有關資產的賬面值之間的差額，並於出售時在損益中確認。

#### (d) 按經營租約持作自用之租賃土地付款

按經營租約持作自用之租賃土地付款指就取得承租人佔用物業長期權益之預付款。該等付款按成本列賬，並於租賃期內作為開支按直線法攤銷。

#### (e) (A) 租賃(自二零一九年一月一日起應用之會計政策)

所有租賃(不論為經營租賃或融資租賃)均須於財務狀況表內資本化為使用權資產及租賃負債，惟為一間實體提供會計政策選擇，可選擇不將(i)屬短期租賃之租賃及/或(ii)相關資產為低價值之租賃進行資本化。本集團已選取不就低價值資產及租賃期於開始日期少於12個月之租賃確認使用權資產及租賃負債。與該等租賃有關之租賃付款已於租賃期內按直線法支銷。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) (A) Leasing (accounting policies applied from 1 January 2019) (Continued)

##### **Right-of-use asset**

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

##### **Lease liability**

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

### 4. 主要會計政策(續)

#### (e) (A)租賃(自二零一九年一月一日起應用之會計政策)(續)

##### **使用權資產**

使用權資產應按成本確認，並包括：(i) 租賃負債之初步計量金額(見下文將租賃負債入賬之會計政策)；(ii) 於開始日期或之前作出之任何租賃付款扣除任何已收取之租賃優惠；(iii) 承租人產生之任何初步直接成本；及(iv) 承租人根據租賃條款及條件規定之情況下拆除及移除相關資產時將產生之估計成本，除非該等成本乃因生產存貨而產生則除外。本集團按成本扣除任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債之任何重新計量進行調整。

##### **租賃負債**

租賃負債應以於租賃開始日期尚未支付之租賃付款之現值確認。倘利率可容易釐定，則租賃付款須使用租賃隱含之利率貼現。倘利率無法容易釐定，則本集團將使用本集團之增量借貸利率。

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#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (e) (A) Leasing (accounting policies applied from 1 January 2019) (Continued)

###### *Lease liability (Continued)*

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

###### *Accounting as a lessor*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

#### 4. 主要會計政策(續)

##### (e) (A)租賃(自二零一九年一月一日起應用之會計政策)(續)

###### *租賃負債(續)*

租賃期內，於租賃開始日期就相關資產使用權尚未支付之以下付款均被視為租賃付款：(i)固定付款扣除任何應收租賃優惠；(ii)基於指數或利率之可變租賃付款，初步按開始日期之指數或利率計量；(iii)承租人預期根據剩餘價值擔保應付之金額；(iv)購買選擇權之行使價(倘承租人合理確定將行使該購買權)；及(v)終止租賃之罰金付款(倘租賃期反映承租人行使終止租賃之權利)。

於開始日期後，本集團將按以下方式計量租賃負債：(i)增加賬面值以反映租賃負債利率；(ii)減少賬面值以反映已作出之租賃付款；及(iii)重新計量賬面值以反映任何重估或租賃調整(例如指數或利率變動產生之未來租賃付款變動、租賃期變動、實際固定租賃付款之變動或購買相關資產之評估變動)。

###### *作為出租人之會計處理*

凡租約條款將所有權之絕大部分風險及回報轉移至承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) (B) Leasing (accounting policies applied until 31 December 2018)

##### *The Group as lessor*

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

##### *The Group as lessee*

Assets held under finance leases are initially recognised as assets at their fair value or, if lower, the present value of the minimum lease payments. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to profit or loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

The land and buildings elements of property leases are considered separately for the purposes of lease classification.

### 4. 主要會計政策(續)

#### (e) (B)租賃(於二零一八年十二月三十一日前應用之會計政策)

##### *本集團作為出租人*

融資租賃項下應收承租人款項按本集團於租賃之淨投資額列為應收款項。融資租賃收益會分配予會計期間，以反映本集團有關租賃未付淨投資額之定期回報率。

經營租賃之租金收入乃按有關租賃期以直線法於損益內確認。於磋商及安排經營租約產生之初步直接成本乃加於租賃資產之賬面值上，且該等成本按租賃期以直線法確認為開支。

##### *本集團作為承租人*

根據融資租賃持有之資產初步按其公平值或(倘較低)最低租賃付款之現值確認為資產。相應租賃承擔列作負債。租賃付款於資本與利息之間進行分析。利息部分於租賃期內計入損益，按此計算其於租賃負債中所佔固定比例。資本部分減少結欠承租人之結餘。

經營租賃項下之應付租金總額於租期內按直線法於損益確認。所收租賃優惠會作為總租金開支之整體部分在租賃期確認。

物業租賃之土地及樓宇部分就租賃分類而言被視作個別項目。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 4. 主要會計政策(續)

#### (f) Financial Instruments

#### (f) 金融工具

##### (i) Financial assets

##### (i) 金融資產

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

金融資產(除非為並無重大融資成分之應收貿易款項)初步按公平值加(就並非按公平值計入損益(「按公平值計入損益」)之項目)其收購或發行直接相關之交易成本計量。並無重大融資成分之應收貿易款項初步按交易價計量。

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

金融資產之所有常規購買及出售均於交易日(即本集團承諾購買或出售該資產的日期)進行確認。常規購買或出售是指要求於相關市場規例或慣例所約定之時間內交付資產之金融資產買賣。

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

具有嵌入式衍生工具之金融資產於釐定其現金流是否純粹支付本金及利息時乃作為整體考慮。

##### Debt instruments

##### 債務工具

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:

債務工具之其後計量視乎本集團管理該資產之業務模式及該資產的現金流量特徵而定。本集團按三個計量類別將其債務工具分類：

**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. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

**攤銷成本：**持作收回合約現金流(有關現金流量純粹為支付本金及利息)的資產按攤銷成本計量。按攤銷成本計量的資產其後按實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益中確認。終止確認的任何收益於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (i) Financial assets (Continued)

##### Debt instruments (Continued)

Fair value through other comprehensive income (“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 fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Fair value through profit or loss (“FVTPL”): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

### 4. 主要會計政策 (續)

#### (f) 金融工具 (續)

##### (i) 金融資產 (續)

##### 債務工具 (續)

按公平值計入其他全面收益 (「按公平值計入其他全面收益」): 持作收集合約現金流及出售金融資產 (該資產的現金流量純粹為支付本金及利息) 之資產按公平值計入其他全面收益計量。按公平值計入其他全面收益的債務投資其後按公平值計量。按實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益中確認。其他收益及虧損淨額於其他全面收益中確認。於終止確認時，於其他全面收益累計的收益及虧損重新分類至損益。

按公平值計入損益 (「按公平值計入損益」): 按公平值計入損益的金融資產包括持作買賣的金融資產、於初步確認時指定為按公平值計入損益的金融資產或強制須按公平值計量的金融資產。倘收購金融資產的目的為於短期內出售或購回，則該金融資產分類為持作買賣。衍生工具包括個別嵌入式衍生工具，亦分類為持作買賣，被指定作實際對沖工具則除外。現金流並非純粹支付本金及利息的金融資產分類為及按公平值計入損益，而不論其業務模式。倘債務工具初步確認時指定為按公平值計入損益可消除或大幅減少會計錯配，則債務工具可不論上文所述將債務工具分類為按攤銷成本或按公平值計入其他全面收益的準則而如此指定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (i) Financial assets (Continued)

###### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

### 4. 主要會計政策(續)

#### (f) 金融工具(續)

##### (i) 金融資產(續)

###### 股本工具

初步確認並非持作買賣的股本工具時，本集團可不可撤回地選擇於其他全面收益呈列該投資公平值的其後變動。有關選擇按個別投資作出。按公平值計入其他全面收益的股本工具按公平值計量。股息收入於損益中確認，除非有關股息收入明確代表收回部分投資成本。其他收益及虧損淨額於其他全面收益確認，且不會重新分類至損益。所有其他股本工具分類為按公平值計入損益，其中公平值變動、股息及利息收入於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss (“ECL”) on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### 4. 主要會計政策(續)

#### (f) 金融工具(續)

##### (ii) 金融資產減值虧損

本集團就應收貿易款項、合約資產、按攤銷成本計量的金融資產及按公平值計入其他全面收益的債務投資的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損按下列任一基準計量：(1) 12個月預期信貸虧損：即報告日期後12個月內之可能違約事件所產生預期信貸虧損；及(2) 全期預期信貸虧損：即金融工具預期年內所有可能違約事件所產生預期信貸虧損。估計預期信貸虧損所考慮最長期間為本集團承擔信貸風險的最長合約期間。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損按本集團根據合約應收的所有合約現金流量與本集團預期收取的所有現金流量的差額計量。差額其後按與資產原有實際利率相若之利率貼現。

本集團已選擇根據國際財務報告準則第9號簡化法計量應收貿易款項及合約資產之虧損撥備，並根據全期預期信貸虧損計算預期信貸虧損。本集團已設立基於本集團過往信貸虧損經驗之撥備矩陣，並按債務人及經濟環境的特定前瞻因素作出調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (f) Financial Instruments (Continued)

##### (ii) Impairment loss on financial assets (Continued)

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets interest income is calculated based on the gross carrying amount.

#### 4. 主要會計政策 (續)

##### (f) 金融工具 (續)

##### (ii) 金融資產減值虧損 (續)

就其他債務金融資產而言，預期信貸虧損以12個月預期信貸虧損為基準。然而，倘信貸風險自開始以來大幅增加，撥備將以全期預期信貸虧損為基準。

釐定金融資產之信貸風險是否自初步確認後大幅增加時以及估計預期信貸虧損時，本集團考慮相關及毋需付出過多成本或努力下即可獲得之合理及可靠資料。有關資料包括根據本集團之過往經驗及詳細信貸評估得出之定量及定性資料及分析，並包括前瞻性資料。

本集團於下列情況下認為金融資產出現信貸減值：(1)在本集團不採取追索行動(例如變現擔保(如持有))情況下，借款人不大可能向本集團全數償還其信貸責任；或(2)金融資產逾期超過90日。

信貸減值金融資產的利息收入根據金融資產的攤銷成本(即總面值減虧損撥備)計算。並無信貸減值的金融資產利息收入按總面值計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 4. 主要會計政策(續)

#### (f) 金融工具(續)

##### (iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。按公平值計入損益之金融負債初步按公平值計量，而按攤銷成本計量之金融負債則初步按公平值扣除直接應佔所產生之成本計量。

##### *按公平值計入損益的金融負債*

按公平值計入損益的金融負債包括持作買賣的金融負債及於初步確認時指定為按公平值計入損益的金融負債。

倘收購金融負債的目的為於短期內出售，則有關金融負債分類為持作買賣。衍生工具包括個別嵌入式衍生工具，亦分類為持作買賣，被指定作實際對沖工具則除外。持作買賣負債的收益或虧損於損益中確認。

倘合約包含一項或以上的嵌入式衍生工具，整個混合合約可指定為按公平值計入損益的金融負債，除非該嵌入式衍生工具不會大幅更改現金流或分離嵌入式衍生工具遭明確禁止則除外。

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

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (f) Financial Instruments (Continued)

##### (iii) Financial liabilities (Continued)

*Financial liabilities at fair value through profit or loss (Continued)*

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

#### 4. 主要會計政策 (續)

##### (f) 金融工具 (續)

##### (iii) 金融負債 (續)

*按公平值計入損益的金融負債 (續)*

倘符合以下條件，金融負債於初步確認時可被指定為透過按公平值計入損益：(i)該指定可抵銷或大幅減少按不同基準計量負債或確認收益或虧損所產生之不一致入賬方法；(ii)該金融負債為一組金融負債之一部分，該組金融負債根據一套規範之風險管理策略按公平值基準管理及評估表現；或(iii)該金融負債包含須獨立入賬之嵌入式衍生工具。

於初步確認後，按公平值計入損益的金融資產按公平值計量，公平值變動於變動產生期間的損益中確認，惟本集團本身的信貸風險所產生收益及虧損除外，該等收益及虧損於其他全面收益呈列，其後不會重新分類至損益。於損益表確認的公平值收益或虧損淨額不會計入就該等金融負債扣除的任何利息。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (iii) Financial liabilities (Continued)

###### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

##### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

### 4. 主要會計政策(續)

#### (f) 金融工具(續)

##### (iii) 金融負債(續)

###### *按攤銷成本列賬的金融負債*

按攤銷成本列賬的金融負債包括應付貿易款項及其他應付款項、借款、若干優先股及本集團所發行可換股貸款票據的債務部分，其後以實際利率法按攤銷成本計量。有關利息開支於損益確認。

終止確認負債及進行攤銷程序時會於損益中確認收益或虧損。

##### (iv) 實際利率法

實際利率法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃準確貼現金融資產或負債之預期存續期或較短期間(如適用)估計未來現金收款或付款之利率。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Financial Instruments (Continued)

##### (v) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

### 4. 主要會計政策(續)

#### (f) 金融工具(續)

##### (v) 終止確認

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已經按照符合國際財務報告準則第9號終止確認之條件轉讓，則本集團終止確認該項金融資產。

當於相關合約之特定責任被解除、取消或屆滿時，方會終止確認金融負債。

當本集團因重新磋商負債條款而向其債權人發出本身的股本工具以支付全部或部分金融負債，所發出股本工具為已付代價，並於金融負債或其中部分消除當日按公平值初步確認及計量。倘所發行股本工具的公平值不能可靠計量，則按反映所消除金融負債公平值的方式計量股本工具。所消除金融負債或其中部分的賬面值與已付代價的差額於年內損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents 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.

#### (h) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 4(f) (ii)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less ECL (see note 4(f) (ii)).

#### (i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

#### (j) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### 4. 主要會計政策(續)

#### (g) 存貨

存貨初步按成本及其後按出售成本與可變現淨值的較低者列賬。成本包括採購成本、兌換成本及將存貨送到目前地點或達至目前狀態所產生其他成本。成本按加權平均基準釐定。可變現淨值指一般業務過程中的估計售價減估計完工成本及估計銷售所須成本。

#### (h) 應收貿易款項及其他應收款項

應收貿易款項及其他應收款項初步按公平值確認，其後以實際利率法按攤銷成本減呆賬減值撥備列賬(見附註4(f)(ii))，除非該等應收款項乃向關連人士作出並無固定還款期或折現影響並不重大的不計息貸款。於該等情況，有關應收款項按成本減預期信貸虧損列賬(見附註4(f)(ii))。

#### (i) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構之活期存款及於購入後三個月內到期之短期高流通性投資(可轉換成已知金額之現金且價值變動風險不大)。

#### (j) 應付貿易款項及其他應付款項

應付貿易款項及其他應付款項初步按公平值確認，其後按攤銷成本列賬，除非有關折現影響並不重大則會按成本列賬。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (k) Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using an effective interest method.

#### (l) Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or 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.

### 4. 主要會計政策(續)

#### (k) 借款

借款初步按公平值扣除相關交易成本確認。於初步確認後，借款以實際利率法按攤銷成本列賬，而初步確認金額與贖回價值之任何差額連同任何應付利息及費用則於借款期內在損益中確認。

#### (l) 收益確認

客戶合約收益於貨品或服務控制權轉移至客戶時按反映本集團預期就交換該等貨品或服務享有的代價(不包括代表第三方收集的金額)的金額確認。收益不包括增值稅及其他銷售稅，且已扣除任何交易折扣。

視乎合約條款及合約適用的法例，貨品或服務控制權可於一段時間內或某時間點轉移。倘符合以下情況，則貨品或服務控制權於一段時間內轉移：

- 客戶於本集團履約時同時收取及利用本集團履約所提供的利益；
- 本集團的履約創造及提升客戶於本集團履約時控制的資產；或
- 本集團履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Revenue recognition (Continued)

If control of the goods or 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. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

##### (i) Sales of men's and women's casual apparels

The Group sells goods directly to retail customers within retail stores and wholesale customers from the warehouse. Revenue recognised from sale of goods to retail customers is recognised when the product is transferred to the customers upon sale. Payment of the transaction price is due immediately when the customers purchase the good. The payment is usually settled in cash or using credit cards, Wechat pay and Alipay online platform. For wholesale, customers obtain control of the casual apparels when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the casual apparels. There is generally only one performance obligation. Wholesale customers are required to pay in advance before delivery of goods.

##### (ii) Other income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

### 4. 主要會計政策(續)

#### (I) 收益確認(續)

倘貨品或服務控制權於一段時間內轉移，則收益參考履約責任的完成進度於合約期內確認。否則，收益於客戶取得貨品或服務控制權的時間點確認。

##### (i) 銷售男士及女士休閒服飾

本集團直接於零售店向零售客戶及自倉庫向批發客戶出售貨品。就向零售客戶出售貨品確認的收益於出售後在貨品轉讓予客戶時確認。交易價付款於客戶購買貨品時即時到期。有關付款通常以現金或使用信用卡、微信支付及支付寶線上平台支付。至於批發方面，客戶於貨品交付並獲接納時取得休閒服飾的控制權。因此，收益於客戶接納休閒服飾時確認。一般而言只存在一項履約責任。批發客戶須於貨品交付前預先付款。

##### (ii) 其他收入

利息收入以時間基準按適用利率就未償還本金累計。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (l) Revenue recognition (Continued)

##### **Contract assets and liabilities**

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

#### (m) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

### 4. 主要會計政策(續)

#### (l) 收益確認(續)

##### **合約資產及負債**

合約資產指本集團就向客戶換取本集團已轉讓服務收取代價的權利(尚未成為無條件)。相反，應收款項指本集團收取代價的無條件權利，即只要時間流逝即須到期支付代價。

合約負債指本集團就已自客戶收取代價(或到期收取代價)，而須向客戶轉讓服務的責任。

#### (m) 所得稅

年內所得稅指即期稅項及遞延稅項。

即期稅項以一般業務的溢利或虧損為基準，按就所得稅而言毋須課稅或不得扣稅之項目作出調整，按於報告期末已頒佈或實質頒佈之稅率計算。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Income taxes (Continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

### 4. 主要會計政策(續)

#### (m) 所得稅(續)

遞延稅項就財務申報用途所列資產及負債賬面值與就稅務用途所用相關金額之差額確認。除影響會計或應課稅溢利的商譽及已確認資產及負債外，就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產則僅於日後可能有應課稅溢利以用作扣減暫時差額時確認。遞延稅項按預期變現資產或償還債項期間適用且於報告期末已頒佈或實質頒佈稅率計算。

於附屬公司、聯營公司及共同控制實體投資產生之應課稅暫時差額會確認為遞延稅項負債，惟如本集團能控制有關暫時差額之撥回，且暫時差額不大可能於可見將來撥回則除外。

所得稅於損益中確認，惟倘所得稅與其他全面收益或直接於權益確認之項目有關，則有關稅項亦須於其他全面收益或直接於權益確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (n) Foreign currency

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

#### (o) Employee benefits

##### (i) Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

##### (ii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees. The employees of the Group are members of a state-managed retirement benefit plan operated by the government of the PRC. The Group are required to contribute specified percentage of payroll costs to the retirement benefit plan to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

### 4. 主要會計政策(續)

#### (n) 外幣

本集團實體以其經營所在主要經濟環境之貨幣(「功能貨幣」)以外之貨幣所進行交易，乃以進行交易時之現行匯率記錄。外幣貨幣資產及負債按報告期末之現行匯率換算。按公平值列賬以外幣計值之非貨幣項目按釐定公平值當日的現行匯率換算。按歷史成本以外幣計量之非貨幣項目不作重新換算。

結算及換算貨幣項目產生之匯兌差額於其產生期間於損益確認。

#### (o) 僱員福利

##### (i) 短期僱員福利

短期僱員福利為預期於僱員提供相關服務年度報告期末後12個月前結算的僱員福利(終止福利除外)。短期僱員福利於年內在僱員提供相關服務時確認。

##### (ii) 界定供款退休計劃

界定供款退休計劃的供款於僱員提供服務時於損益確認為開支。本集團僱員為中國政府所營辦國家管理退休福利計劃之成員。本集團須向退休福利計劃按工資成本規定百分比作出供款作為福利資金。本集團對退休福利計劃之唯一責任為作出規定供款。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (o) Employee benefits (Continued)

##### (iii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

#### (p) Impairment of assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- prepaid land lease payments; and
- interest in a subsidiary

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another IFRS, in which case the impairment loss is treated as a revaluation decrease under that IFRS.

### 4. 主要會計政策(續)

#### (o) 僱員福利(續)

##### (iii) 終止福利

終止福利乃於本集團不得撤銷提呈此等福利時，及本集團確認支付終止福利之重組成本兩者之較早時間確認。

#### (p) 金融資產以外資產減值

於報告期末，本集團檢討下列資產之賬面值，以釐定是否有跡象顯示該等資產出現減值虧損或過往確認之減值虧損不再存在或可能有所減少：

- 物業、廠房及設備；
- 預付土地租賃付款；及
- 於附屬公司之權益

倘估計資產之可收回金額(即公平值減出售成本與使用價值兩者之較高者)將少於其賬面值，則資產賬面值將調減至其可收回金額。減值虧損即時確認為開支，除非有關資產根據另一項國際財務報告準則按重估金額列賬，於該情況下，減值虧損根據該國際財務報告準則視作重估減少。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Impairment of assets (other than financial assets) (Continued)

##### Other than financial assets

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another IFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that IFRS.

Value in use is based on the estimated future cash flows expected to be derived from the asset, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

#### (q) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 4. 主要會計政策(續)

#### (p) 金融資產以外資產減值(續)

##### 金融資產以外

倘其後撥回減值虧損，則資產之賬面值將增至其可收回金額之經修訂估計數字，惟所增加賬面值不得於過往年度未有確認資產減值虧損時原應釐定之賬面值。減值虧損之撥回會即時確認為收入，除非有關資產根據另一項國際財務報告準則按重估金額列賬，於該情況下，減值虧損撥回根據該國際財務報告準則視作重估增加。

使用價值以預期資產將產生的估計未來現金流量為基準，按反映市場現時所評估之金錢時間值及該資產或現金產生單位的特定風險之稅前貼現率貼現至其現值。

#### (q) 撥備及或然負債

倘本集團因過去事件而可能出現法定或推定責任，且可能須流出經濟利益以履行該責任及流出金額能夠可靠估計，則就不確定時間或金額之負債確認撥備。

倘可能毋須流出經濟利益，或金額不能可靠估計，此責任則披露為或然負債，惟流出經濟利益之可能性甚微則除外。如潛在責任之存在因發生或不發生一項或以上日後事件方可確定，有關責任亦作為或然負債披露，惟流出經濟利益之可能性甚微則除外。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (r) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.

### 4. 主要會計政策(續)

#### (r) 關連人士

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本公司母公司主要管理人員的其中一名成員。
- (b) 倘符合下列任何條件，即該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
  - (ii) 一間實體為另一實體的聯營公司或合營公司(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營公司)。
  - (iii) 兩間實體均為同一第三方的合營公司。
  - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
  - (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (r) Related parties (Continued)

##### (b) (Continued)

- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 4. 主要會計政策 (續)

#### (r) 關連人士 (續)

##### (b) (續)

- (vi) 該實體受上文(a)所識別人士控制或受共同控制。
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
- (viii) 實體或其所屬集團之任何成員公司向本集團或本集團母公司提供主要管理層成員服務。

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (i) 該名人士之子女及配偶或同居伴侶；
- (ii) 該名人士之配偶或同居伴侶之子女；及
- (iii) 該名人士或其配偶或同居伴侶之受養人。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 4. 主要會計政策(續)

#### (s) 分部報告

經營分部及財務報表所呈報各經營分部的數額乃根據定期提供予本集團最高級管理層以供分配資源及評估本集團多個業務線及地區表現的財務資料識別。

個別重大的經營分部不會就財務申報目的綜合入賬，除非該等分部有相似的經濟特性且其產品及服務的性質、生產工序的性質、客戶類型或類別、分銷產品或提供服務所用方法以及監管環境的性質相若，則另作別論。個別不重大的經營分部倘符合以上大部分條件，則會綜合入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### (a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

#### (b) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is determined with reference to the fair value less costs of disposal. Where the fair value less costs of disposal are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of fair value less costs of disposal, a material impairment loss may arise.

### 5. 重要會計判斷及估計不確定因素之主要來源

以下為大有可能導致下一個財政年度的資產及負債賬面值須作重大調整的未來主要假設及報告期末估計不確定因素的其他主要來源。

#### (a) 物業、廠房及設備以及折舊

本集團就本集團之物業、廠房及設備釐定估計可使用年期、剩餘價值以及相關折舊開支。該估計乃根據性質及功能相近的物業、廠房及設備實際可使用年期及剩餘價值的過往經驗而作出。當可使用年期及剩餘價值與原先估計者不同時，本集團會對折舊開支進行調整，或將已報廢或出售之技術過時或非策略資產註銷或撇減。

#### (b) 物業、廠房及設備減值

當發生事件或情況變動表示資產賬面值超過其可收回金額時，則會檢討物業、廠房及設備是否減值。可收回金額乃參考公平值減出售成本釐定。倘公平值減出售成本低於預期或出現不利事件及事實和情況變動導致對公平值減出售成本作出修訂，則可能出現重大減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

#### (c) Going concern

The directors of the Company have given careful consideration to the future liquidity of the Group in light of the Group's recurring loss of approximately RMB30,005,000 (2018: approximately RMB19,496,000). The directors consider that it is appropriate to prepare the financial statements using a going concern basis. Further details are set out in notes 2(b) and 34(c). Should the Group be unable to continue as a going concern, all of the Group's assets and liabilities would have to be stated at net realisable value. In particular, the non-current assets and the non-current liabilities would have to be reclassified as current assets and current liabilities respectively and provision for contingent liabilities may be required as a result.

### 6. REVENUE AND SEGMENT REPORTING

The Group's primary operating segment is the retailing of men's and women's casual apparels. Since it is the only operating segment of the Group, no further analysis thereof is presented.

Besides, the Group's customers and non-current assets are solely in the PRC. No further analysis on the geographical information thereof is presented.

#### (i) Information about major customers

Revenue from one (2018: one) customer of the Group amounted to approximately RMB5,000 (2018: approximately RMB597,000), which represent 10% or more of the Group's revenue for the year ended 31 December 2019.

### 5. 重要會計判斷及估計不確定因素之主要來源(續)

#### (c) 持續經營

鑑於本集團的經常性虧損約為人民幣30,005,000元(二零一八年：約人民幣19,496,000元)，本公司董事已仔細考慮本集團的未來流動資金。董事認為，以持續經營為基礎編製財務報表乃屬適當。有關進一步詳情載於附註2(b)及34(c)。倘本集團無法繼續持續經營，本集團所有資產及負債須按可變現淨額列示。尤其是非流動資產及非流動負債會分別重新分類至流動資產及流動負債，並可能須就或然負債計提撥備。

### 6. 收益及分部呈報

本集團的主要經營分部是男女裝休閒服飾零售業務。由於此乃本集團唯一的經營分部，故並無呈列其進一步分析。

此外，本集團客戶及非流動資產均位於中國大陸。並無呈列其地理位置資料的進一步分析。

#### (i) 有關主要客戶的資料

來自本集團一名(二零一八年：一名)客戶的收益為數約人民幣5,000元(二零一八年：約人民幣597,000元)，佔本集團截至二零一九年十二月三十一日止年度的收益10%或以上。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. REVENUE AND SEGMENT REPORTING (Continued)

### 6. 收益及分部呈報 (續)

#### (ii) Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major products and timing of revenue recognition.

#### (ii) 收益劃分

下表按主要地區市場、主要產品及收益確認時間劃分收益。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Primary geographical markets</b>	<b>主要地區市場</b>		
The PRC	中國	8	2,177
<b>Major products</b>	<b>主要產品</b>		
Men's and women's casual apparels	男女裝休閒服飾	8	2,177
<b>Timing of revenue recognition</b>	<b>收益確認時間</b>		
Product transferred at a point in time	於指定時間點轉撥的產品	8	2,177

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 7. OTHER GAINS AND LOSSES, NET

### 7. 其他收入及虧損淨額

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註		
Government grants	政府補貼	1	–	1,286
Interest incomes	利息收入		24	195
Exchange gains	匯兌收益		214	–
Gain on disposal of a subsidiary	出售一間附屬公司的收益		–	–*
Reversal of impairment losses on trade receivables	撥回應收貿易款項減值虧損		–	98
Donation	捐款		(2,000)	–
Loss on disposal of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產的虧損	2	(13,932)	–
Compensation income	賠償收入		223	–
Others	其他		–	118
			<b>(15,471)</b>	<b>1,697</b>

\* Less than RMB1,000

- Government grants mainly comprised of subsidy related to the Group's incentive of business development. There are no unfulfilled conditions or contingencies attaching to these grants.
- In April 2019, the Group entered into the Sale and Purchase Agreements with the purchaser for the disposal of property, plant and equipment (Note 14) and right-of-use assets (Note 15) for an aggregate consideration of RMB50,000,000.

\* 少於人民幣1,000元

- 政府補貼主要包括有關獎勵本集團業務發展的補貼。該等補貼概無未履約情況或特殊狀況。
- 於二零一九年四月，本集團與買方訂立買賣協議，以總代價人民幣50,000,000元出售物業、廠房及設備(附註14)及使用權資產(附註15)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

**8. FINANCE COSTS****8. 財務成本**

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interests on other borrowings	其他借款利息	–	1,409

**9. LOSS BEFORE TAX****9. 除稅前虧損**

Loss before tax is arrived at after charging:

除稅前虧損乃經扣除下列各項後達致：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Carrying amount of inventories sold	已售存貨賬面值	50	2,152
Write-down of inventories	撇減存貨	–	45
Costs of inventories recognised as expenses	確認為開支的存貨成本	50	2,197
Auditor's remuneration	核數師酬金	247	245
Depreciation	折舊	1,850	4,010
Minimum lease payment	最低租賃付款	–	392
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	–	236
Amortisation of right-of-use assets	使用權資產攤銷	78	–
Staff costs (including directors' remuneration):	員工成本(包括董事酬金)：		
Salaries, bonus and allowances	薪金、花紅及津貼	2,311	2,887
Retirement benefits scheme contributions	退休福利計劃供款	39	78
		2,350	2,965
Loss on disposal of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產的虧損	13,932	437
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	218	–

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

The emoluments of each Director were as follows:

### 10. 董事及五名最高薪酬人士之酬金

各董事酬金如下：

		Fee	Salaries and	Retirement benefit	Total
			allowances	contributions	
		袍金	薪金及津貼	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
2019	二零一九年	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive Directors</i>	<i>執行董事</i>				
Mr. Xu Haiying	許海鷹先生	-	-	-	-
Mr. Sit Hon Wing	薛漢榮先生	-	-	-	-
<i>Non-Executive Director</i>	<i>非執行董事</i>				
Mr. Han Huiyuan	韓惠源先生	-	-	-	-
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>				
Mr. Chan Ming Sun Jonathan	陳銘樂先生	108	-	-	108
Mr. Lee Chi Hwa Joshua	李智華先生	108	-	-	108
Mr. Mak Yiu Tong	麥耀棠先生	108	-	-	108
Total for 2019	二零一九年總計	324	-	-	324

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (Continued)

### 10. 董事及五名最高薪酬人士之酬金(續)

		Fee	Salaries and allowances	Retirement benefit scheme contributions	Total
		袍金	薪金及津貼	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>2018</b>	<b>二零一八年</b>				
<i>Executive Directors</i>	<i>執行董事</i>				
Mr. Xu Haiying	許海鷹先生	-	-	-	-
Mr. Sit Hon Wing	薛漢榮先生	-	-	-	-
<i>Non-Executive Director</i>	<i>非執行董事</i>				
Mr. Han Huiyuan	韓惠源先生	-	-	-	-
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>				
Mr. Chan Ming Sun Jonathan	陳銘樂先生	105	-	-	105
Mr. Lee Chi Hwa Joshua	李智華先生	105	-	-	105
Mr. Mak Yiu Tong	麥耀棠先生	105	-	-	105
<b>Total for 2018</b>	<b>二零一八年總計</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>315</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (Continued)

The five highest paid individuals in the Group during the year included nil (2018: one) director whose emoluments is reflected in the analysis presented above. The emoluments of the five (2018: four) individuals are set out below:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	1,146	913
Retirement benefit scheme contributions	退休福利計劃供款	17	17
		<b>1,163</b>	930

The emoluments fell within the following band:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	5	4

During the year, no emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group or as compensation for loss of office.

### 10. 董事及五名最高薪酬人士之酬金(續)

年內本集團之五名最高薪酬人士包括零名(二零一八年：一名)董事，其酬金反映於上文呈列之分析內。五名(二零一八年：四名)人士之酬金載列如下：

酬金處於以下範圍：

本集團於年內概無向任何董事支付酬金，作為加入本集團或於加入本集團後之獎勵或作為離職補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 11. INCOME TAX

No provision for PRC enterprise income tax is required since the Group has no assessable profit for the years ended 31 December 2019 and 2018.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the Company and its subsidiary is 25%.

The reconciliation between the income tax and the loss before tax is as follows:

### 11. 所得稅

截至二零一九年及二零一八年十二月三十一日止年度，因本集團並無應課稅溢利，故毋須就中國企業所得稅作出撥備。

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，本公司及其附屬公司的稅率為25%。

所得稅與除稅前虧損之對賬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Loss before tax	除稅前虧損	(30,005)	(19,496)
Tax at the PRC statutory rate of 25%	按中國法定稅率25%計算之稅項	(7,501)	(4,874)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	3,682	2,377
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(107)	(38)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	3,926	2,535
Income tax for the year	年內所得稅	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 December 2019 (2018: nil).

### 13. LOSS PER SHARE

#### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately RMB30,005,000 (2018: approximately RMB19,496,000) and the weighted average number of 610,794,000 (2018: 610,794,000) ordinary shares in issue during the year.

#### Diluted loss per share

No diluted loss per share are presented as the Company did not have any dilutive potential ordinary shares for the years ended 31 December 2019 and 2018.

### 12. 股息

董事不建議就截至二零一九年十二月三十一日止年度派發任何股息(二零一八年：無)。

### 13. 每股虧損

#### 每股基本虧損

本公司擁有人應佔每股基本虧損乃根據本公司擁有人應佔年內虧損約人民幣30,005,000元(二零一八年：約人民幣19,496,000元)及年內已發行普通股之加權平均數610,794,000股(二零一八年：610,794,000股)計算。

#### 每股攤薄虧損

由於截至二零一九年及二零一八年十二月三十一日止年度，本公司並無擁有任何攤薄潛在普通股，故並無呈列每股攤薄虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

**14. PROPERTY, PLANT AND EQUIPMENT****14. 物業、廠房及設備**

		Buildings 樓宇 RMB'000 人民幣千元	Furniture, fixtures and office equipment 傢具、裝置及 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Leasehold improvement 租賃裝修 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>					
At 1 January 2018	於二零一八年一月一日	74,286	413	1,166	1,472	77,337
Additions	添置	-	-	-	2	2
Disposals/write off	出售/撤銷	-	(68)	-	(540)	(608)
At 31 December 2018 and 1 January 2019	於二零一八年十二月 三十一日及 二零一九年一月一日	<b>74,286</b>	<b>345</b>	<b>1,166</b>	<b>934</b>	<b>76,731</b>
Disposals/ write off	出售/撤銷	<b>(74,286)</b>	<b>(345)</b>	<b>(1,166)</b>	<b>(934)</b>	<b>(76,731)</b>
At 31 December 2019	於二零一九年 十二月三十一日	-	-	-	-	-
<b>Accumulated depreciation</b>	<b>累計折舊</b>					
At 1 January 2018	於二零一八年一月一日	17,644	79	869	223	18,815
Charge for the year	年度開支	3,531	81	119	279	4,010
Disposals/write off	出售/撤銷	-	(39)	-	(132)	(171)
At 31 December 2018 and 1 January 2019	於二零一八年十二月 三十一日及 二零一九年一月一日	<b>21,175</b>	<b>121</b>	<b>988</b>	<b>370</b>	<b>22,654</b>
Charge for the year	年度開支	<b>1,764</b>	<b>46</b>	<b>4</b>	<b>36</b>	<b>1,850</b>
Disposals/write off	出售/撤銷	<b>(22,939)</b>	<b>(167)</b>	<b>(992)</b>	<b>(406)</b>	<b>(24,504)</b>
At 31 December 2019	於二零一九年十二月 三十一日	-	-	-	-	-
<b>Net book value</b>	<b>賬面淨值</b>					
At 31 December 2019	於二零一九年十二月 三十一日	-	-	-	-	-
At 31 December 2018	於二零一八年十二月 三十一日	53,111	224	178	564	54,077

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

**15. PREPAID LAND LEASE PAYMENTS****15. 預付土地租賃款項**

		<b>Prepaid land lease payment</b>	<b>Right-of-use assets</b>	<b>Total</b>
		預付土地 租賃款項	使用權資產	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>			
At 1 January 2018 and 31 December 2018	於二零一八年一月一日及 二零一八年 十二月三十一日	11,772	-	11,772
Initial application of IFRS 16	首次應用國際財務報告準則 第16號	(11,772)	11,772	-
Disposals	出售	-	<b>(11,772)</b>	<b>(11,772)</b>
At 31 December 2019	於二零一九年十二月三十一日	-	-	-
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>			
At 1 January 2018	於二零一八年一月一日	1,685	-	1,685
Charge for the year	年內開支	236	-	236
At 31 December 2018	於二零一八年十二月三十一日	<b>1,921</b>	-	<b>1,921</b>
Initial application of IFRS 16	首次應用國際財務報告準則 第16號	<b>(1,921)</b>	<b>1,921</b>	-
Charge for the year	年內開支	-	<b>78</b>	<b>78</b>
Disposals	出售	-	<b>(1,999)</b>	<b>(1,999)</b>
At 31 December 2019	於二零一九年十二月三十一日	-	-	-
<b>Net book value:</b>	<b>賬面淨值：</b>			
At 31 December 2019	於二零一九年十二月三十一日	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	9,851	-	9,851

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## 綜合財務報表附註

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### 16. INVENTORIES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Finished goods	製成品	–	50

### 16. 存貨

### 17. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by the Directors. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

### 17. 應收貿易款項

本集團與其客戶的貿易條款以信貸為主，惟新客戶除外，新客戶通常須預先付款。信貸期通常為一個月，主要客戶則可延長至三個月。本集團擬對其未清償應收款項實行嚴格控制以將信貸風險減至最低。董事定期檢討逾期結餘。鑑於本集團應收貿易款項涉及大量多元化客戶，本集團並無重大信貸集中風險。本集團並無就其應收貿易款項結餘持有任何抵押品或推行其他加強信貸措施。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables	應收貿易款項	77	77
Less: Loss allowance	減：虧損撥備	(77)	(77)
		–	–

The Group recognised impairment loss based on the accounting policy stated in Note 4(f)(ii).

本集團根據附註4(f)(ii)所述會計政策確認減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. OTHER RECEIVABLES AND PREPAYMENTS

		Note	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		附註		
Prepayments	預付款項		2	50
Rental deposits	租金按金		158	188
Other receivables	其他應收款項	(i)	3,907	2,172
Less: Loss allowance	減：虧損撥備	29(b)	(1,998)	(1,231)
			<b>2,069</b>	<b>1,179</b>

(i) As at 31 December 2019, the balance mainly represented the remaining sale consideration of RMB2,000,000 receivable from the purchaser arising from disposal of property.

### 18. 其他應收款項及預付款項

(i) 於二零一九年十二月三十一日，結餘主要指出售物業所產生應收買方餘下銷售代價人民幣2,000,000元

### 19. BANK AND CASH BALANCES

Conversion of RMB into foreign currencies amounted to approximately RMB23,034,000 as at 31 December 2019 (2018: approximately RMB488,000) is subject to the PRC's Foreign Exchange Control Regulations.

### 19. 銀行及現金結餘

於二零一九年十二月三十一日，約人民幣23,034,000元(二零一八年：約人民幣488,000元)已遵照中國外匯管制條例限制由人民幣兌換為外幣。

### 20. TRADE PAYABLES

Trade payables	應付貿易款項		641	642
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The trade payables are non-interest-bearing and are normally settled on one month's term.

### 20. 應付貿易款項

應付貿易款項為不計息，一般於一個月之期限內結算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 20. TRADE PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	1個月以內	–	–
1 to 3 months	1至3個月	–	–
3 to 6 months	3至6個月	–	–
6 months to 1 year	6個月至1年	–	–
Over 1 year	超過1年	641	642
		<b>641</b>	642

### 20. 應付貿易款項(續)

以下為於報告期末按發票日期呈列之應付貿易款項之賬齡分析：

### 21. OTHER PAYABLES AND ACCRUALS

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Accruals	應計費用	944	697
Other payables	其他應付款項	10,182	5,831
		<b>11,126</b>	6,528

### 21. 其他應付款項及應計費用

### 22. AMOUNT DUE TO A FELLOW SUBSIDIARY/ AMOUNT DUE TO INTERMEDIATE HOLDING COMPANY

The amounts due to a fellow subsidiary and intermediate holding company are unsecured, interest-free and repayable on demand.

### 22. 應付一間同系附屬公司款項／應付一間中介控股公司款項

應付一間同系附屬公司及一間中介控股公司款項為無抵押、不計息及按要求償還。

### 23. LOAN FROM A SHAREHOLDER

The loan from a shareholder is unsecured, interest-free and repayable on demand.

### 23. 來自一名股東之貸款

來自一名股東之貸款為無抵押、不計息及按要求償還。

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## 綜合財務報表附註

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

### 24. SHARE CAPITAL

### 24. 股本

		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
<b>Registered:</b>	<b>註冊：</b>		
Ordinary shares at RMB0.20 (2018: RMB0.20) each	每股面值人民幣0.20元 (二零一八年：人民幣0.20元) 之普通股		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	610,794,000	122,159
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
Ordinary shares at RMB0.20 (2018: RMB0.20) each	每股面值人民幣0.20元 (二零一八年：人民幣0.20元) 之普通股		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	610,794,000	122,159

### 25. RESERVES

### 25. 儲備

(a) The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(a) 本集團儲備之金額及其變動乃於綜合損益及其他全面收益表及綜合權益變動表內呈列。

#### (b) Nature of the statutory reserve of the Group

#### (b) 本集團法定儲備之性質

##### (i) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

##### (i) 股份溢價

股份溢價乃指本公司股份面值與自發行本公司股份收取之所得款項兩者間之差額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 25. RESERVES (Continued)

#### (b) Nature of the statutory reserve of the Group (Continued)

##### (ii) Statutory surplus

Transfers from retained earnings to statutory reserve fund were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiary established in the PRC and were approved by the respective boards of directors.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserve fund after such conversion is not less than 25% of their registered capital.

The Company and its subsidiary in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this fund must be made before distribution of dividends to owners.

The statutory reserve, which is non-distributable, is appropriated from the profit after taxation of the Company and its subsidiary under the applicable laws and regulations in the PRC.

### 25. 儲備 (續)

#### (b) 本集團法定儲備之性質 (續)

##### (ii) 法定盈餘

自保留盈利轉撥至法定儲備金乃根據相關中國規則及法規及本公司於中國成立之附屬公司之組織章程細則而作出且已獲各自之董事會批准。

法定儲備金可用作填補往年虧損 (如有)，並可轉換為繳足股本，前提為於有關轉換後，法定儲備金結餘不少於其註冊資本之 25%。

根據中國會計規則及法規之規定，本公司及其於中國之附屬公司須向法定儲備金轉撥其純利之最少 10%，直至儲備金結餘達至註冊資本之 50% 為止。向該基金之轉撥須於向擁有人派發股息前作出。

法定儲備 (不可分派) 乃根據中國適用法律及法規調撥自本公司及其附屬公司之除稅後溢利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

**25. RESERVES** (Continued)**(c) Reserves of the Company****25. 儲備** (續)**(c) 本公司之儲備**

		Share premium	Statutory surplus reserve	Accumulated loss	Total
		法定盈餘 儲備	法定盈餘 儲備	累計虧損	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	320,811	22,940	(404,857)	(61,106)
Total comprehensive income for the year	年內全面收益總額	-	-	(19,496)	(19,496)
At 31 December 2018	於二零一八年十二月三十一日	320,811	22,940	(424,353)	(80,602)
Initial application of IFRS 16	首次應用國際財務報告準則第16號	-	-	-	-
Restated at 1 January 2019	於二零一九年一月一日，經重列	<b>320,811</b>	<b>22,940</b>	<b>(424,353)</b>	<b>(80,602)</b>
Total comprehensive income for the year	年內全面收益總額	-	-	<b>(30,005)</b>	<b>(30,005)</b>
At 31 December 2019	於二零一九年十二月三十一日	<b>320,811</b>	<b>22,940</b>	<b>(454,358)</b>	<b>(110,607)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. SUMMARISED FINANCIAL POSITION OF THE COMPANY

### 26. 本公司之財務狀況概要

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	–	54,077
Interest in a subsidiary	於一間附屬公司之權益	–	97
Prepaid land lease payments	預付土地租賃款項	–	9,615
		–	63,789
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	–	50
Trade receivables	應收貿易款項	–	–
Other receivables and prepayments	其他應收款項及預付款項	2,069	1,179
Prepaid land lease payments	預付土地租賃款項	–	236
Bank and cash balances	銀行及現金結餘	23,034	391
		25,103	1,856
<b>Current liabilities</b>	<b>流動負債</b>		
Trade payables	應付貿易款項	641	642
Other payables and accruals	其他應付款項及應計費用	11,126	6,528
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	1,784	2,611
Amount due to intermediate holding company	應付一間中介控股公司款項	–	323
Loan from a shareholder	來自一名股東之貸款	–	13,984
		13,551	24,088
<b>Net current assets/(liabilities)</b>	<b>流動資產/(負債)淨額</b>	<b>11,552</b>	<b>(22,232)</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>11,552</b>	<b>41,557</b>
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>11,552</b>	<b>41,557</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	122,159	122,159
Reserves	儲備	(110,607)	(80,602)
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>11,552</b>	<b>41,557</b>

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## 綜合財務報表附註

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

### 27. NOTES SUPPORTING CASH FLOW STATEMENT

### 27. 支持現金流量表附註

#### Reconciliation of liabilities arising from financing activities

The following table shows Group's changes in liabilities arising from financing activities during the year:

#### 融資活動產生之負債對賬

下表載列本集團年內融資活動產生之負債變動情況：

		Borrowings	Loan from a shareholder	Amount due to a fellow subsidiary	Amount due to intermediate holding company
		借款	來自一名 股東之貸款 (Note 23) (附註23)	應付一間同系 附屬公司款項 (Note 22) (附註22)	應付一間中介 控股公司款項 (Note 22) (附註22)
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	80,000	20,000	316	-
Changes in cash flows	現金流量變動	(80,000)	(6,016)	2,278	323
Non-cash changes	非現金變動				
— exchange adjustment	— 匯兌調整	-	-	17	-
At 31 December 2018 and 1 January 2019	於二零一八年 十二月三十一日及 二零一九年一月一日	-	13,984	2,611	323
Changes in cash flows	現金流量變動	-	(13,984)	(815)	(323)
Non-cash changes	非現金變動				
— exchange adjustment	— 匯兌調整	-	-	(12)	-
At 31 December 2019	於二零一九年 十二月三十一日	-	-	1,784	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 28. RELATED PARTY TRANSACTIONS

#### (a) Related party transactions

There were no other related party transactions and balances except for those disclosed elsewhere in the financial statements.

#### (b) Compensation of key management personnel

The emoluments of the Company's Directors, who are also identified as members of key management of the Group, are set out in note 10.

### 29. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities.

#### (b) Credit risk

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its trade and other receivables.

### 28. 關連方交易

#### (a) 關連方交易

除財務報表其他部分所披露者外，概無其他關連方交易及結餘。

#### (b) 主要管理人員酬金

本公司董事(亦確認為本集團之主要管理層成員)之薪酬載於附註10。

### 29. 財務風險管理

本集團業務使其面對多項財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃專注於金融市場無法預測之特性，以及尋求盡量減少對本集團財務表現可能造成之不利影響。

#### (a) 外幣風險

由於大部分業務交易、資產及負債主要以本集團實體之功能貨幣列值，故本集團所承受之外幣風險減至最低。

#### (b) 信貸風險

由於交易對方為國際信貸評級機構評定為具有高信貸評級之銀行，故現金及銀行結餘之信貸風險有限。

當交易對方未能於報告期末履行彼等有關各類已確認金融資產之義務時，本集團面臨之最大信貸風險為綜合財務狀況表所列該等資產之賬面值。本集團之信貸風險主要來自其應收貿易款項及其他應收款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (b) Credit risk (Continue)

The Group trade only with recognised and creditworthy customers with no requirement for collateral. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

In order to minimise credit risk, the Directors review the recoverable amount of each individual receivable regularly to ensure that adequate impairment losses are recognised for irrecoverable receivable. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

The Group applies the simplified and general approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for trade receivables.

The Group measures loss allowances for other receivables at a portion of lifetime ECLs unless there has been a significant increase in credit risk since origination, the allowance will there be based on the lifetime ECLs. As at 31 December 2019, loss allowances for all other receivables are measured an amount equal to 12-month ECLs.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

### 29. 財務風險管理(續)

#### (b) 信貸風險(續)

本集團僅與獲認可且信譽良好之客戶進行交易，毋需抵押品。本集團政策為所有擬按信用方式進行交易之客戶均須通過信用核實程序。此外，應收款項餘額持續被監控且本集團面臨之壞賬風險並不重大。

為減低信貸風險，董事定期檢討各個別應收款項之可收回金額，確保為不可收回應收款項確認充足減值虧損。就此，董事認為，本集團之信貸風險已大幅減少。

本集團並無重大集中之信貸風險，風險分佈於多名交易對方及客戶。

本集團應用簡化方式就國際財務報告準則第9號所指預期信貸虧損作出撥備，該準則容許就應收貿易款項使用全期預期信貸虧損撥備。

本集團按全期預期信貸虧損之部分計量其他應收款項之虧損撥備，除非信貸虧損自產生以來大幅增加，否則撥備將按全期預期信貸虧損計提。於二零一九年十二月三十一日，所有其他應收款項之虧損撥備以相等於12個月預期信貸虧損之金額計量。

本集團以相等於全期預期信貸虧損之金額計量應收貿易款項之虧損撥備，而全期預期信貸虧損乃使用撥備陣矩計算。由於本集團之過往信貸虧損經驗並無顯示不同客戶分部具有重大差異之虧損型態，故按逾期狀態計算之虧損撥備並無於本集團不同客戶群間進一步區分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (b) Credit risk (Continue)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and other receivables as at 31 December 2019:

		Expected loss rate 預期虧損率 (%) (%)	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
<b>Trade receivables</b>	<b>應收貿易款項</b>			
More than 90 days past due	逾期超過90天	100%	77	(77)
<b>Other receivables</b>	<b>其他應收款項</b>			
Rental deposits	租金按金	100%	158	(158)
Other receivables	其他應收款項	47.09%	3,907	(1,840)
			4,065	(1,998)

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the receivables.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 90 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

### 29. 財務風險管理(續)

#### (b) 信貸風險(續)

下表提供有關二零一九年十二月三十一日本集團所面對信貸風險及應收貿易款項及其他應收款項之預期信貸虧損之資料：

預期虧損率按過往三年之實際虧損經驗計算。此等比率為反映期內(期內已收集歷史數據)經濟狀況差異、目前狀況及本集團對應收款項預期存續期之經濟狀況之意見而加以調整。

應收貿易款項於合理預期未能收回時撇銷(即終止確認)。倘(其中包括)無法自發票日期起90天內付款及未能與本集團執行其他付款安排,將被視為無合理收回預期的跡象。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (b) Credit risk (Continue)

Prior to 1 January 2019, an impairment loss was recognised only when there was objective evidence of impairment (see note 4(g)(ii)). At 31 December 2018, trade receivables of RMB77,000 was determined to be credit impaired. The ageing analysis of trade debtors that were not considered to be credit impaired was as follows:

Neither past due nor impaired

未逾期亦無減值

2018  
二零一八年  
RMB'000  
人民幣千元

–

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

未逾期亦無減值的應收款項與多名近期並無拖欠記錄的客戶有關。

Movement in the loss allowance account in respect of trade and other receivables during the year is as follows:

應收貿易款項及其他應收款項之減值撥備賬年內變動如下：

		Trade receivables 應收貿易款項 RMB'000 人民幣千元	Other receivables 其他應收款項 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	175	300	475
Reversal of impairment loss during the year	年內減值虧損撥回	(98)	–	(98)
Impairment losses recognised during the year	年內確認減值虧損	–	931	931
At 31 December 2018	於二零一八年十二月三十一日	77	1,231	1,308
Reversal of impairment loss during the year	年內減值虧損撥回	–	–	–
Impairment losses recognised during the year	年內確認減值虧損	–	767	767
At 31 December 2019	於二零一九年十二月三十一日	77	1,998	2,075

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The management of the Group receives rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The following tables show the remaining contractual maturities at the end of the reporting period of the Company's financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Company can be required to pay.

### 29. 財務風險管理(續)

#### (c) 流動資金風險

本集團的政策是定期監控現時及預期流動資金需求，確保維持足夠現金儲備，滿足其短期及長期之流動資金需求。

本集團管理層每月接獲12個月現金流量預測以及有關現金結餘之資料。於財務年度結束時，該等預測反映本集團預期擁有充足流動資源應付所有合理預計情況所帶來責任。

下表顯示報告期末本公司金融負債的餘下合約到期情況，乃根據未貼現現金流量(包括利用合約利率或(如為浮動利率)報告日期當前利率計量的利息付款)及本公司需要還款之最早日期計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (c) Liquidity risk (Continue)

The maturity analysis of the Group's financial liabilities is as follows:

		Carrying amount	Total contractual undiscounted cash flow	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
		賬面值	合約未貼現現金流量總額	一年以內	一至兩年	兩至五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>					
Trade payables	應付貿易款項	641	641	641	-	-
Other payables and accruals	其他應付款項及應計費用	11,126	11,126	11,126	-	-
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	1,784	1,784	1,784	-	-
		<b>13,551</b>	<b>13,551</b>	<b>13,551</b>	-	-
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>					
Trade payables	應付貿易款項	642	642	642	-	-
Other payables and accruals	其他應付款項及應計費用	6,528	6,528	6,528	-	-
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	2,611	2,611	2,611	-	-
Amount due to intermediate holding company	應付一間中介控股公司款項	323	323	323	-	-
Loan from a shareholder	來自一名股東之貸款	13,984	13,984	13,984	-	-
		<b>24,088</b>	<b>24,088</b>	<b>24,088</b>	-	-

### 29. 財務風險管理(續)

#### (c) 流動資金風險(續)

本集團金融負債的到期分析如下：

#### (d) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates.

#### (d) 利率風險

由於本集團並無重大計息資產及負債，故本集團之經營現金流量實質上獨立於市場利率之變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. FINANCIAL RISK MANAGEMENT (Continue)

#### (e) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

#### (f) Categories of financial instruments

### 29. 財務風險管理(續)

#### (e) 公平值

於綜合財務狀況表所反映本集團金融資產及金融負債的賬面值與彼等各自的公平值相若。

#### (f) 金融工具類別

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables:	貸款及應收款項：		
Trade receivables	應收貿易款項	-	-
Other receivables	其他應收款項	2,067	1,129
Bank and cash balances	銀行及現金結餘	23,034	488
		<b>25,101</b>	1,617
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities at amortised cost:	按攤銷成本列賬的金融負債：		
Trade payables	應付貿易款項	641	642
Other payables and accruals	其他應付款項及應計費用	11,126	6,528
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	1,784	2,611
Amount due to intermediate holding company	應付一間中介控股公司款項	-	323
Loan from a shareholder	來自一名股東之貸款	-	13,984
		<b>13,551</b>	24,088

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 30. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's objective of managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

The capital structure of the Group consists of debts disclosed in Notes 22 and 23, cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and reserves as disclosed in Notes 24 and 25 respectively. The Group's risk management reviews the capital structure on a semi-annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

The Group monitors capital using a gearing ratio, which is total borrowings divided by total assets. Total borrowings include loan from a shareholder and borrowings.

### 30. 資本管理政策及程序

本集團之資本管理目標乃保障本集團能持續營運，從而為股東提供回報，同時兼顧其他利益相關者之利益，並維持最佳之資本架構以減低資本成本。

為維持或調整資本結構，本集團可能調整向股東支付之股息金額、向股東發還資本、發行新股或出售資產以減輕債務。

本集團之資本架構包括附註22及23所披露債務、現金及現金等價物以及本公司擁有人應佔權益，包括分別披露於附註24及25之股本及儲備。本集團之風險管理部門每半年審閱資本結構。作為是次審閱的一部分，管理層考慮資本成本及與各類資本有關之風險。

本集團使用資產負債比率（即總借款除以總資產）監控資本。總借款包括股東貸款及借款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 30. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (Continued)

The gearing ratios as at the end of the reporting periods were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Loan from a shareholder Borrowings	來自一名股東之貸款 借款	–	13,984
		–	–
Total borrowings	總借款	–	13,984
Total assets	總資產	25,103	65,645
Gearing ratio	資產負債比率	N/A 不適用	21.3%

### 30. 資本管理政策及程序(續)

報告期末的資產負債比率如下：

### 31. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, there are certain updates in respect of the status of suspension of trading in shares of the Company, and further details of which are stated in note 2 to the consolidated financial statements.

### 32. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 20 March 2020.

### 31. 報告期後事項

於報告期末後，有關本公司股份暫停買賣狀況之資料有若干更新，有關其進一步詳情載於綜合財務報表附註2。

### 32. 核准綜合財務報表

財務報表已於二零二零年三月二十日經董事會批准並授權刊發。

# SUMMARY FINANCIAL INFORMATION

## 財務資料概要

31 December 2019 二零一九年十二月三十一日

A summary of the published results and of the assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below:

本集團過去五個財政年度的已刊發業績以及資產及負債的概要乃根據下文附註所載基準編製：

### RESULTS

### 業績

		Year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
REVENUE	收入	8	2,177	39,098	4,430	21,541
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	(30,005)	(19,496)	(5,893)	406,195	(355,285)
IN COME TAX EXPENSE	所得稅開支	-	-	-	-	-
(LOSS)/PROFIT FOR THE YEAR	年度(虧損)/溢利	(30,005)	(19,496)	(5,893)	406,195	(355,285)
(Loss)/profit attributable to:	以下人士應佔(虧損)/溢利:					
Owners of the Company	本公司擁有人	(30,005)	(19,496)	(5,893)	406,195	(355,285)

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31 December 於十二月三十一日				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
TOTAL ASSETS	資產總值	25,103	65,645	163,965	78,226	165,413
TOTAL LIABILITIES	負債總額	(13,551)	(24,088)	(102,718)	(11,086)	(535,008)
NET ASSETS/(LIABILITIES)	資產/(負債)淨額	11,552	41,557	61,247	67,140	(369,595)

Notes:

附註：

The consolidated results of the Group for the year ended 31 December 2019 and the consolidated assets and liabilities of the Group as at 31 December 2019 are those set out on pages 54 to 55 of this annual report.

本集團截至二零一九年十二月三十一日止年度的綜合業績及於二零一九年十二月三十一日的綜合資產及負債為本年報第54至第55頁所載者。

The above summary does not form a part of the audited financial statements.

上述概要並不構成經審核財務報表的一部分。



**N&Q**

福建諾奇股份有限公司

Fujian Nuoqi Co., Ltd.