



北控醫療健康產業集團有限公司

Beijing Enterprises Medical And Health Industry Group Limited

Incorporated in the Cayman Islands with limited liability

於開曼群島註冊成立之有限公司

Stock Code 股份代號：2389



REALIZE THE DREAM OF
HEALTH RESTORATION

讓 健 康 回 歸

Annual Report 2019 年報

CONTENTS 目錄

2	Corporate Information 公司資料	68	Independent Auditor's Report 獨立核數師報告
4	Corporate Structure 公司架構	75	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
5	Financial Summary 財務摘要	78	Consolidated Statement of Financial Position 綜合財務狀況表
6	Chairman's Statement 主席報告	80	Consolidated Statement of Changes in Equity 綜合權益變動表
9	Management Discussion and Analysis 管理層討論與分析	82	Consolidated Statement of Cash Flows 綜合現金流量表
25	Corporate Governance Report 企業管治報告	85	Notes to Financial Statements 財務報表附註
42	Directors and Senior Management 董事及高級管理層	216	Particulars of Properties 物業詳情
47	Directors' Report 董事會報告		



Corporate Information

公司資料

As at 31 December 2019

截至二零一九年十二月三十一日

BOARD OF DIRECTORS

Executive Directors

Mr. Zhu Shi Xing (*Chairman*)
Mr. Liu Xue Heng (*Joint Chief Executive Officer*)
Mr. Zhang Jing Ming (*Joint Chief Executive Officer*)
Mr. Siu Kin Wai
Mr. Gu Shan Chao
Mr. Hu Shiang Chi
Mr. Wang Zheng Chun

Independent Non-executive Directors

Mr. Gary Zhao
Mr. Robert Winslow Koepp
Mr. Tse Man Kit, Keith
Mr. Wu Yong Xin
Mr. Zhang Yun Zhou

AUTHORISED REPRESENTATIVES

Mr. Lam Ka Tak
Mr. Liu Xue Heng

COMPANY SECRETARY

Mr. Lam Ka Tak

AUDIT COMMITTEE

Mr. Tse Man Kit, Keith (*Chairman of the committee*)
Mr. Gary Zhao
Mr. Wu Yong Xin

REMUNERATION COMMITTEE

Mr. Gary Zhao (*Chairman of the committee*)
Mr. Tse Man Kit, Keith
Mr. Wu Yong Xin

NOMINATION COMMITTEE

Mr. Wu Yong Xin (*Chairman of the committee*)
Mr. Gary Zhao
Mr. Tse Man Kit, Keith
Mr. Zhu Shi Xing

INVESTMENT AND RISK MANAGEMENT COMMITTEE

Mr. Gu Shan Chao (*Chairman of the committee*)
Mr. Liu Xue Heng
Mr. Zhu Shi Xing
Mr. Lam Ka Tak

董事會

執行董事

祝仕興先生(*主席*)
劉學恒先生(*聯席行政總裁*)
張景明先生(*聯席行政總裁*)
蕭健偉先生
顧善超先生
胡湘麒先生
王正春先生

獨立非執行董事

趙剛先生
康仕學先生
謝文傑先生
吳永新先生
張運周先生

授權代表

林嘉德先生
劉學恒先生

公司秘書

林嘉德先生

審核委員會

謝文傑先生(*委員會主席*)
趙剛先生
吳永新先生

薪酬委員會

趙剛先生(*委員會主席*)
謝文傑先生
吳永新先生

提名委員會

吳永新先生(*委員會主席*)
趙剛先生
謝文傑先生
祝仕興先生

投資及風險管理委員會

顧善超先生(*委員會主席*)
劉學恒先生
祝仕興先生
林嘉德先生

AUDITORS

Ernst & Young
Certified Public Accountants

LEGAL ADVISER

Sidley Austin

STOCK CODE

2389

WEBSITE

www.bemh.com.hk

PRINCIPAL BANKERS

Bank of Beijing
China Citic Bank International
Shanghai Pudong Development Bank
Bank of Jinzhou

REGISTERED OFFICE

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman
British West Indies

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 2108, 21/F
Greenfield Tower, Concordia Plaza
1 Science Museum Road
Tsim Sha Tsui East
Kowloon, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

核數師

安永會計師事務所
執業會計師

法律顧問

盛德律師事務所

股份代號

2389

網址

www.bemh.com.hk

主要往來銀行

北京銀行
中信銀行(國際)
上海浦東發展銀行
錦州銀行

註冊辦事處

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman
British West Indies

總辦事處及主要營業地點

香港九龍
尖沙咀東
科學館道1號
康宏廣場南座
21樓2108室

香港股份過戶登記分處

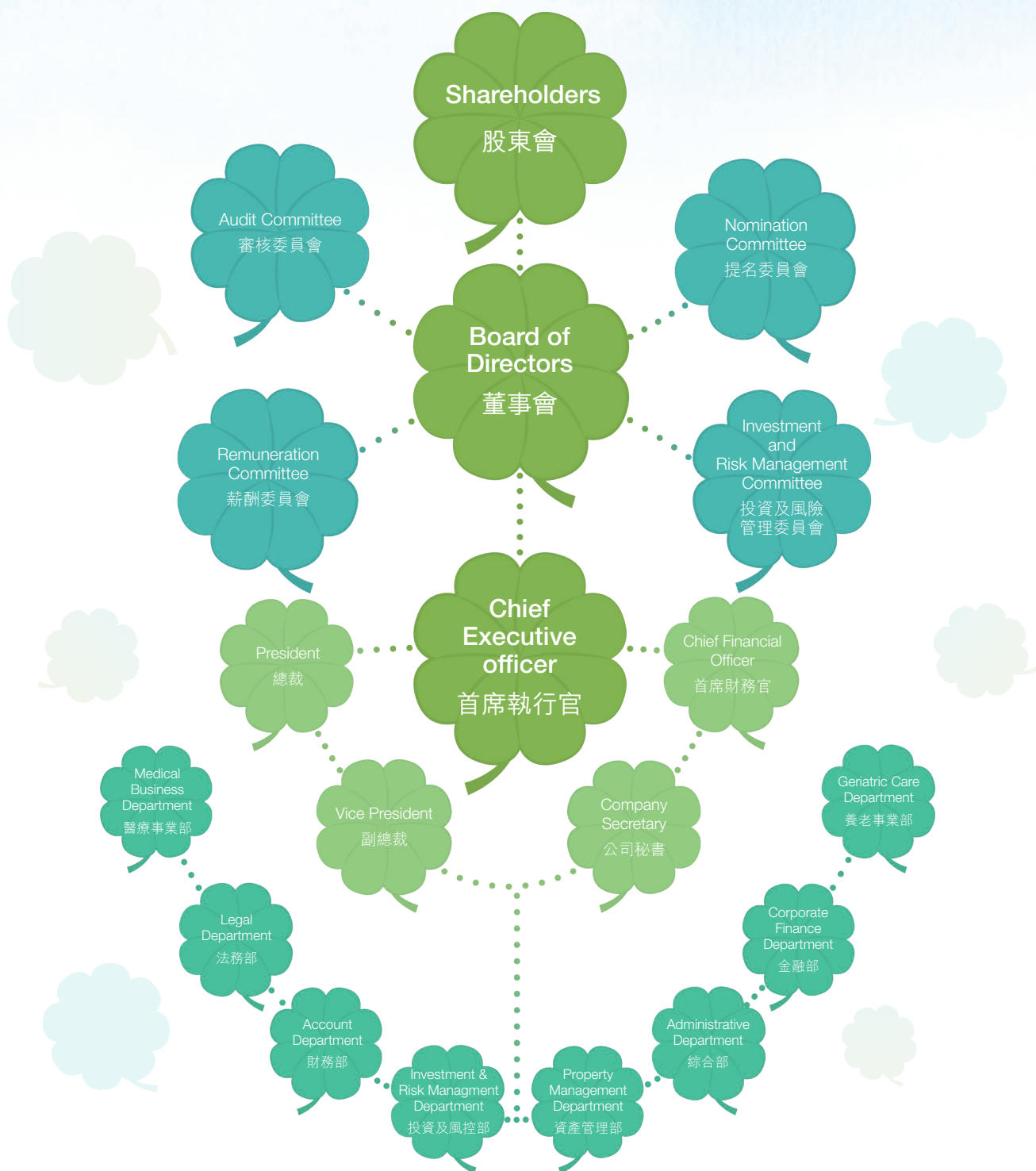
聯合證券登記有限公司
香港
北角
英皇道338號
華懋交易廣場2期
33樓3301-04室

Corporate Structure

公司架構

BEIJING ENTERPRISES MEDICAL AND HEALTH INDUSTRY GROUP LIMITED

北控醫療健康產業集團有限公司



Financial Summary

財務摘要

For the year ended 31 December

截至十二月三十一日止年度

		2015*	2016	2017	2018	2019
		二零一五年*	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	145,944	163,856	130,625	178,885	200,755
Profit/(Loss) for the year attributable to the owners of the parent	母公司擁有人應佔年度溢利/(虧損)	(56,480)	(68,015)	213,675	43,450	(422,394)

At 31 December

於十二月三十一日

		2015*	2016	2017	2018	2019
		二零一五年*	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債					
Total assets	總資產	3,226,035	3,298,589	3,890,963	3,752,718	3,064,568
Total liabilities	總負債	(429,272)	(597,123)	(720,950)	(619,673)	(489,452)
		1,932,691	2,796,763	3,170,013	3,133,045	2,575,116
Equity attributable to owners of the parent	母公司擁有人應佔權益	2,711,373	2,564,405	2,888,193	2,847,967	2,366,031
Non-controlling interests	非控股權益	85,390	137,061	281,820	285,078	209,085
		2,796,763	2,701,466	3,170,013	3,133,045	2,575,116

* Revenue for the year ended 31 December 2015 included the revenue generated from the discontinued operations.

* 截至二零一五年十二月三十一日止年度之收入包括來自已終止經營業務之收入。



Chairman's Statement

主席報告



Dear Shareholders,

I am pleased to present the results for the year ended 31 December 2019 of Beijing Enterprises Medical and Health Industry Group Limited (the "Company") and its subsidiaries (collectively, the "Group") to the shareholders (the "Shareholders") of the Company.

The Group, as an investment and financing platform of Beijing Enterprises Group Company Limited principally engaged in general health business, has adhered to the principle of "making health more intelligent, making lives more honorable" with the mission of "Beijing Enterprises as a pilot for healthy China". It is committed to exploring and developing the health industry in the direction of the national policy development, which is driven by financial capital and supported by quality resources, to promptly occupy resources of all large cities, expand the market size and build up a leading brand in a bid to establish a top-notch comprehensive health industrial and investment group.

In 2019, under the context of slowdown in China's economic growth, Sino-American trade friction and outbreak of novel coronavirus, we upheld the corporate culture of moving ahead in a stable manner while slowing down the pace of investment and selling mature assets to lock-in profits, so as to prepare for the next year.

尊敬的各位股東：

本人欣然呈報北控醫療健康產業集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度之業績予本公司股東（「股東」）。

本集團作為北京控股集團有限公司主力從事大健康板塊的投融資平台，一直秉承「讓健康更智慧、讓生命更被尊重」的宗旨，以「健康中國，北控先行」為使命，致力於健康產業的開拓和發展，契合國家政策發展方向，以金融資本為驅動，優質資源為支撐，迅速佔領各大城市資源，擴大市場規模，樹立領先品牌，打造一流的綜合型健康產業投資集團。

二零一九年，在中國經濟增長放緩、中美經貿摩擦及新型冠狀病毒疫情爆發的環境下，我們保持著穩健發展的企業文化，減慢投資的步伐，優先退出成熟的資產鎖定利潤，為下年度作好準備。

BUSINESS REVIEW

Intelligent geriatric care business

As of the end of 2019, the Group operated 13 geriatric care institutions and 16 community care centers. The number of bed spaces for the geriatric care services was 3,673, and members of which has reached 560,000. During the year, in order to recover part of the investment cost, the Group completed the disposal of 20% equity interest in Fujian Fu Ling Golden Sun Health and Geriatric Company Limited* (福建省福齡金太陽健康養老股份有限公司) ("Golden Sun") to the chairwoman of the board of Golden Sun.

Medical and geriatric furniture business

It has experienced rapid growth with its sales for 2019 rising up to HK\$186,401,000, representing an increase of 14.4%. During the year, the Group and Shanghai New Qumun Furniture Co. Ltd. (上海新冠美傢具有限公司), a leading enterprise in furniture industry, have reached a strategic cooperation intention to establish a brand-new healthcare furniture flagship enterprise specialised in the areas of professional medical and geriatric care furniture, covering scientific research, design, production, sales and data management.

Medical care and health care business

During the year, the Group has identified excellent medical operation team to be the cooperator of the Xuancheng Hospital to restart the reconstruction of Xuancheng Hospital, which is expected to commence business at the end of 2020.

Health industrial park business

During the year, the Group sold the Beijing Changping Project and obtained RMB185 million. Other industrial park projects are developing steadily and will be disposed when appropriate, so as to generate cash flow to the Group to boost the development of other business segments.

Sports and entertainments business

In 2018, the Group invited Chinese Athletic Association to be a partner. After several meetings and communication, the operation mode for cooperation in various athletic fields has been established during the year.

業務回顧

智慧養老業務

截止二零一九年底，本集團經營養老機構13家、照料中心16家、養老床位3,673張，會員已達56萬。本年度，本集團完成出售福建省福齡金太陽健康養老股份有限公司(「金太陽」)20%股本權益予金太陽的董事會主席，收回部分投資成本。

醫養家具業務

二零一九年繼續高速增長，銷售額已突破港幣186,401,000元，增長14.4%。本年度，本集團更與家具行業之龍頭企業上海新冠美傢具有限公司達成戰略合作意向，共同於醫療及養老專業家具領域建立涵蓋科研、設計、生產、銷售及數據管理的新型健康家具旗艦企業。

醫療健康業務

本年度，本集團物色優秀的醫療營運團隊成為宣城醫院的合作方，重新啟動宣城醫院的重建，宣城醫院預計將於二零二零年底正式開始營業。

健康產業園業務

本年度，本集團成功出售北京昌平項目，為集團取得人民幣1.85億元資金。其他產業園項目亦正在穩步進展，待適當時機處置項目，為本集團持續帶來現金流反哺其他業務版塊之發展。

體育文化業務

二零一八年，本集團引入中國田徑協會為合作夥伴，雙方經多次會面溝通後，於本年度已落實展開田徑多產業領域合作的運營模式。

OUTLOOK

The Group continues to be optimistic to the future development of the health industry and carries out timely refinement on its development strategies in accordance with the changes in the market environment and the industry. Despite the outbreak of novel coronavirus in 2020, since the Group's business mainly focuses in general health sector with balanced development in different businesses, thus forming a complementary operation model which constitutes a concrete foundation for the Group. Currently, the impact of the epidemic on the Group is relatively low. Instead, it gives the Group a chance to discover quality investment during the crisis. The Group's overall strategy remains as "advance with a steady pace, innovate while progressing" in the future.

Taking the institutional geriatric care as the core, the Group's intelligent geriatric care business will focus on the development of general and economical geriatric care institutions while increasing the number of its institutional geriatric care projects in Yangtze River Delta region. Medical and geriatric furniture business will speed up its development through mergers and acquisitions. With regard to the medical care and health care business, we will further advance the reconstruction and operation of Xuancheng Hospital so as to achieve constant growth of this core business. As for the health industrial park business, the planning, positioning and pre-construction developing procedures for the Shanghai Hongmei Road project will be underway to build a health care and commercial complex basing on health as the core conception. Joining hands with Chinese Athletic Association, our sports and entertainments business sector will strive to create a comprehensive industry chain by building up different segments such as athletic event organization, training, sports agency, sports finance, big data's application in sports, etc..

APPRECIATION

Under the negative atmosphere of global economic plight and spread of novel coronavirus, the prospect of global economy is rather uncertain in 2020. The Group and all stakeholders will encourage each other to tide over the current difficulties and challenges.

I would like to take this opportunity to thank my fellow Directors, the management and all staff, and to express heartfelt gratitude to all colleagues for their hard work and contribution to the development of the Group in the past year. Meanwhile, I would also like to express appreciation to all shareholders, the banking sector, the investment community and business partners for their full confidence and strong support to the Group.

**CONVERGENCE TO EMPOWER,
COLLABORATING FOR PROMISING FUTURE**

展望

本集團繼續看好健康產業未來的發展，也適時根據市場環境及行業變化調整集團的發展策略。二零二零年雖然爆發新型冠狀病毒疫情，但由於本集團的業務主要集中於大健康領域，多業務均衡發展，形成「互補不足」的營運模式，為本集團提供穩固基礎。目前，疫情對本集團的影響尚算輕微，相反給予本集團在危機之中發掘優良投資的機遇。未來，本集團的整體戰略繼續為「穩中求進、進中求新」。

本集團之智慧養老業務將繼續以機構養老為核心，專心做普惠經濟型養老機構，於長三角地區增持機構養老項目。醫養家具業務將通過併購方式加快發展。醫療健康業務將進一步推進宣城醫院之重建及營運，實現核心業務穩步增長。健康產業園業務將全面推動上海虹梅路項目的規劃定位與前期開發工作，打造以健康為核心理念的健康商業綜合體。體育文化業務將與中國田徑協會聯手打造賽事運營、培訓、體育經紀、體育金融及體育大數據應用等產業板塊，構建完整產業鏈。

鳴謝

在環球經濟逆境及新型冠狀病毒擴散的負面氛圍籠罩下，二零二零年的環球經濟前景未見明朗，本集團將與各持份者保持互勵互勉精神，共渡時艱。

本人藉此機會向各位董事、管理層及全體員工致謝，感謝全體同仁在過去一年中的辛勤工作，及為本集團發展作出的貢獻。同時本人亦感謝所有股東、銀行界和投資界的朋友及商業夥伴一直以來對本集團的充分信任和鼎力支持。

聚合賦能，共創未來



Management Discussion and Analysis

管理層討論與分析



BUSINESS REVIEW

Geriatric care business

In 2019, Chinese government implemented a series of favorable policies, such as “Opinions on Promoting the Development of Geriatric Care” (《推進養老服務發展的意見》) and “National Mid-to-long-term Planning on Aging Population” (《國家積極應對人口老齡化中長期規劃》), which has explicitly stated that China is becoming an aging society with the number of elderly population growing rapidly. It has also proposed policy support initiatives to, among others, encourage the development of “silver-haired economy” to stimulate domestic demand, improve the effectiveness and efficiency of approvals for geriatric care institutions, reduce the tax burden for geriatric care services, support of the marketisation of geriatric care institutions, expand their scale of operation and develop into chain operations, focus on the development of integration between medical and geriatric care, and broaden the investment and financing channels for geriatric care services. It is estimated that there will be an addition of over ten million bed spaces for the geriatric care institutions as a whole in China in the future. Meanwhile, the long-term healthcare insurance system has been officially implemented in several provinces and cities such as Shanghai and Jiangsu, which will significantly enhance the profitability of geriatric care services.

Closely aligned with the national development direction of the geriatric care industry, the Group endeavor to develop under the geriatric care services brand names “Golden Sun” and “Hongtai”, the intelligent, ecologically chained geriatric care system that mainly focuses on geriatric care institutions and the integration of medical and geriatric care, and incorporates an intelligent geriatric care platform, home care and community care,. The system delivers one-stop geriatric care services to cities and contributes to the continued increase of the profitability of the geriatric care industry. Currently, the Group has developed its geriatric care industry in several cities, including Fuzhou, Shanghai, Nanping, Shijiazhuang, Wuhu, Wuxi, Changzhou.

For home and community care business, the Group focused on promoting its cooperation with enterprise entities by developing the peer-to-peer “RMB365 per year +N” residential service, and has contracted with more than 10 organizations in total for the implementation of direct settlement of service fees with the units. This significantly shortened the settlement cycle and effectively improved our profitability.

業務回顧

養老業務

二零一九年，中國政府推出《推進養老服務發展的意見》、《國家積極應對人口老齡化中長期規劃》等一系列利好政策，明確提出中國正進入老齡化社會，老年人數快速增加，鼓勵發展「銀髮經濟」拉動內需，提高養老機構審批效能，減輕養老服務稅費負擔，支持養老機構市場化、規模化、連鎖化發展，重點以醫養結合模式發展，拓寬養老服務投融資渠道等政策性支持舉措。預計未來中國整體養老機構床位將新增一千萬張以上。同時，長期護理保險制度已在上海、江蘇等多個省市正式實施，該制度將顯著提升養老服務的盈利能力。

本集團透過旗下「金太陽」、「宏泰」養老服務品牌，緊密契合國家養老產業發展方向，以養老機構和醫養結合發展為主，智慧養老平台、居家社區照護相結合的全生態鏈城市智慧養老系統，為城市提供一站式養老服務，養老產業盈利能力不斷提升。目前，本集團養老產業已發展至福州、上海、南平、石家莊、蕪湖、無錫、常州等城市。

在居家社區照護業務上，重點推進與企業單位的合作，發展點對點的「365元／年+N」的「院民」服務，共計與十多家團體單位簽約合作，實行服務費直接與單位進行費用結算，大幅縮短了結算周期，盈利能力得到有效提升。

Geriatric care business (continued)

As of 31 December 2019, the number of elderly members served by the Group reached 560,000; the number of community service centers reached 351; and the number of bed spaces in the geriatric care institutions reached 3,673. The occupancy rate of geriatric care institutions remained stable at a high level. In particular, the occupancy rate of well-established institutions, such as Gulou Senior Apartment (鼓樓老年公寓), Hongru Senior Apartment (鴻儒老年樂園) and Guangyi Geriatric Care Centre (廣益養老中心), remained at over 95% for a long period of time, while the average occupancy rate of new geriatric care institutions reached over 60%. The average occupancy rate of bed spaces of elderly care centers reached over 85%.

In 2019, the Group added 1,575 bed spaces for geriatric care institutions (in Jiangsu Province, Jiangxi Province, Ningxia Autonomous Region), representing a growth of approximately 75% as compared to that of last year. Meanwhile, the Group has newly established or upgraded three nursing homes that incorporate medical and geriatric care (with medical licenses and settlement permit for medical insurance), and planned to closely cooperate with insurance companies with respect to the long-term healthcare insurance system, which in turn will improve our profitability.

The geriatric care business of “Golden Sun” under the Group has been focusing on high-potential but low-income home-based geriatric care sector, and has deployed to build a big data platform solely for geriatric care by increasing the number of the home-based elderly and then to conduct the sales of elderly-friendly products. The Group’s geriatric care services are mainly operated by providing loan to a number of private non-enterprise entities (collectively referred to as “private non-enterprise entities”, the entities excluded from the Group’s financial consolidation), which were founded by Golden Sun. Under structural problems such as the absence of large-scale capital inputs by investors and low fees for home-based geriatric care services, the financial performance of the Group’s home-based geriatric care services has not been satisfactory and realized as planned to make a profit. Therefore, the Group prudently impaired HK\$56,661,000 and HK\$70,568,000 of other receivables, goodwill and other intangible assets of the geriatric care business segment for the current year, respectively.

In order to recover part of the investment cost, the Group and Ms. Huang Xiaorong (黃小蓉), the chairwoman of the board of Golden Sun, entered into the equity transfer agreement in 16 December 2019, in relation to the sale of 20% equity interest in Fujian Fu Ling Golden Sun Health and Geriatric Company Limited* (福建省福齡金太陽健康養老股份有限公司) (“Golden Sun”) to Ms. Huang Xiaorong.

養老業務(續)

截至二零一九年十二月三十一日，本集團之服務老人會員人數達56萬人；社區站點達351個；養老機構床位達3,673張。養老機構入住率穩定處於高位，其中鼓樓老年公寓、鴻儒老年樂園、廣益養老中心等成熟機構入住率長期保持在95%以上，新投入運營養老機構項目平均入住率已達到60%以上，長者照護中心床位平均入住率達85%以上。

二零一九年，本集團新增養老機構床位1,575張（位於江蘇省、江西省、寧夏自治區），較去年增長約75%。同時，新增或提升3家醫養結合護理院（擁有醫療牌照和醫療保險結算許可），後續將與保險公司就長期護理險制度緊密集合，提升盈利能力。

本集團旗下之「金太陽」養老業務過往偏重於高潛力但低收入之居家養老範疇，部署通過擴大居家老人用戶數量打造養老專屬之大數據平台繼而進行適老產品銷售。本集團之養老服務主要通過借款予金太陽發起的多間民辦非企業單位（統稱「民非」，不包括於本集團之財務合併範圍內）經營，在缺乏投資者大規模的資本投入及居家養老服務收費低廉之結構性問題下，本集團之居家養老業務財務表現並未如理想，一直未能如計劃中實現轉虧為盈。因此，本集團以慎重態度於本年度對養老業務版塊之其他應收賬款、商譽及其他無形資產分別進行減值56,661,000港元及70,568,000港元。

二零一九年十二月十六日，本集團與金太陽的董事會主席黃小蓉女士簽署股權轉讓協議，向其出售福建省福齡金太陽健康養老股份有限公司（「金太陽」）20%股本權益，收回部分投資成本。

Sale of medical and geriatric products

Beijing Vissam Prosperity Furniture Limited* (北京偉森盛業家具有限公司) (“Vissam Prosperity”), a company under the Group engaging in medical and geriatric product business, has become a leading furniture company specialized in areas such as geriatric care, medical and education, which provides top geriatric care institutions, hospitals and schools in the country with environmentally friendly, green and specialized furniture that meets ergonomic principles.

During the year, Vissam Prosperity maintained a rapid growth for its business. Key projects delivered include: the Taikang Rehabilitation Hospital project, the Run Jia Geriatric Care Project (潤家養老專案) of Shenyang China Resources, the geriatric care service center project of Guizhou China Railway International Eco City, the geriatric care project of Jinan Zhonghai International, the school project of Hainan Ecological Wisdom New City, the geriatric care project of Zhonghai and the decoration works and furniture project of Beijing Badachu. During the year, newly contracted key projects included the Baihe Baile Chaohu international healthcare general hospital of China Railway No. 4 Engineering, the elderly-friendly furniture project of Shanghai Greenland, the upgrade and reconstruction project for the second academic building of Tsinghua University and the academic building of Shanghai Jiao Tong University. It has also entered into long term strategic cooperation agreement with Taikang Insurance Group, Tianan Life, Beijing Lebai Education and Chengdu Jinwanhui Education.

As of 31 December 2019, the contracted sales amount of Vissam Prosperity was approximately RMB201,779,000, representing a year-on-year growth of 20% as compared to that of 2018. It recorded sales revenue of RMB162,648,000 in 2019, representing a year-on-year growth of 15% as compared to that of 2018.

In January 2020, the Group and Shanghai Qumun Furniture Co. Ltd. entered into a cooperation agreement to establish a brand-new healthcare furniture flagship enterprise specialised in the areas of professional medical and geriatric care furniture, covering scientific research, design, production, sales and data management. The Group expected that the cooperation would rapidly expand the Group’s professional medical and geriatric care furniture business, striving to become a leading enterprise in medical and geriatric care professional furniture industry.

醫養產品銷售

本集團下屬的醫養產品公司北京偉森盛業家具有限公司(「偉森盛業」)已成為養老、醫療、教育專業家具的領軍企業，為國內頂尖養老機構、醫院及學校提供環保、綠色及符合人體健康的專業家具。

本年度，偉森盛業業務保持高速增長，已交付重點項目包括：泰康康復醫院專案、瀋陽華潤潤家養老專案、貴州中鐵國際生態城養老服務中心專案、濟南中海國際養老專案、海南生態智慧新城學校項目、中海養老專案及北京八大處裝飾工程家具專案等。同年，新簽重點項目包括中鐵四局佰和佰樂巢湖國際健康部落全科醫院、上海綠地適老化家具項目、清華大學二教、上海交大教學樓升級改造項目等。並與泰康保險集團、天安人壽、北京樂柏教育、成都金萬匯教育等簽訂長期戰略合作協議。

截至二零一九年十二月三十一日止，偉森盛業已簽定銷售之合同金額約人民幣201,779,000元，較二零一八年同比增長20%。二零一九年完成銷售收入人民幣162,648,000元，較二零一八年同比增長15%。

二零二零年一月，本集團與上海冠美家具有限公司簽定合作協議，共同於醫療及養老專業家具領域建立涵蓋科研、設計、生產、銷售及數據管理的新型健康家具旗艦企業。本集團預計通過本次合作，可快速擴張本集團之專業醫養家具業務，力爭成為醫療及養老專業家具行業龍頭企業。

Healthcare industrial park business

The Group purchased high-quality lands mainly in first-tier cities such as Beijing, Shanghai based on the policies and directions on land planning adjustments of central and local governments. Leveraging on the transformation and upgrading, it introduced advanced industrial construction philosophy to fully satisfy the needs of the government and market users and the focus has been placed on developing new modes of business operations such as corporate headquarters and healthcare industrial parks.

As of 31 December 2019, the Group is involved in 7 projects in Beijing, Shanghai, Dali and Canada, with a total site area of 449,200 square meters. The implementation plans of each of the projects have obtained support from the governments where the projects are located. As the positioning of the projects are in line with market demand, they are expected to have considerable potential in commercial value enhancement.

On 26 December 2019, the Group sold the Changping, Beijing Project at a total cash receivable of approximately RMB185,184,000.

As of 31 December 2019, the progress of the Group's projects under development is as follows:

健康產業園業務

本集團根據國家和各地方政府對土地規劃調整的政策和方向，主要在北京、上海等一線城市獲取優質土地，通過轉型升級，引入先進的產業建設理念，全面滿足政府、市場用戶的需求，重點建設企業總部及健康產業園等新型業態。

截至二零一九年十二月三十一日止，集團在北京、上海、大理及加拿大共參與7個項目，總佔地44.92萬平方米，各項目實施方案已取得項目所在地之政府支持，項目定位符合市場需求，商業價值提升潛力巨大。

於二零一九年十二月二十六日，本集團成功以總應收現金約人民幣185,184,000元出售北京昌平項目。

截至二零一九年十二月三十一日止，本集團之開發項目進展如下：

Location 地點	Project Name 項目名稱	Land Area 土地面積 (m ²) (平方米)	Shareholding Percentage 股權佔比	Future Planning of the Project 項目未來規劃	Project Status 項目進展
Beijing 北京	Chaoyang Port Project 朝陽口岸項目	87,607	82.24%	Conform to the global development trend, meet Beijing's urban planning to set up a secondary distribution center and build a "green, innovative and intelligent integrated cluster in Beijing City Centre" 順應國際發展趨勢，滿足北京城市規劃二級配送中心，打造「北京城市中心綠色創新智慧綜合集群」	- The consolidated planning for Chaoyang was submitted and pending approval from the Chaoyang District Beijing Municipal Commission of Planning and Natural Resources 完成朝陽規劃多規合一提報，朝陽區北京市規劃和自然資源委員會審批中。

Management Discussion and Analysis • 管理層討論與分析

Healthcare industrial park business (continued)

健康產業園業務(續)

Location 地點	Project Name 項目名稱	Land Area 土地面積 (m ²) (平方米)	Shareholding Percentage 股權佔比	Future Planning of the Project 項目未來規劃	Project Status 項目進展
Beijing 北京	Changping Project 昌平項目	13,490	70%	Office and commercial complex 辦公、商業綜合體	– The project is sold in January 2020. 項目於二零二零年一月完成出售。
Shanghai 上海	Sanlu Road Project 三魯路項目	20,480	20%	Office and commercial complex 辦公、商業綜合體	– Properties are recruiting tenants. 物業招商運營中。
Shanghai 上海	Hongmei Road Project 紅梅路項目	39,448	100%	This project is located at the Zhongxin Industrial Park in Minxing, Shanghai and is in line with the policy of transforming industrial lands in Shanghai into commercial lands. It aims to build a new landmark for the district to serve residents by satisfying their needs for quality lifestyle, become a place for community gathering, and develop a “healthy and green commercial complex for the community and family” 本項目位於上海閔行眾欣產業園區內，符合上海工業用地轉型商業用地之政策，計劃打造成該區建築新地標，服務及滿足周邊居民對品質生活的需求，成為社區聚集空間，打造「健康、綠色、社區、家庭的商業綜合體」	– The analysis of peripheral markets and positioning of the project and the overall planning and design were completed. 完成項目周邊市場分析、確定項目定位及整體規劃設計。 – A globally renowned store was introduced as one of the flagship stores. 引入全球知名店舖作為主力店之一。 – The major consumer base of the project in the future was determined by combining big data and qualitative and quantitative research and completing the analysis of consumers. 結合大數據及定性定量研究，完成消費者分析，確定項目未來主力消費客群。 – The Plan for planning and design was submitted to the government and pre-construction planning procedures are in progress. 完成向政府提報規劃設計方案，前期規劃手續辦理中。

Healthcare industrial park business (continued)

健康產業園業務(續)

Location 地點	Project Name 項目名稱	Land Area 土地面積 (m ²) (平方米)	Shareholding Percentage 股權佔比	Future Planning of the Project 項目未來規劃	Project Status 項目進展
Dali 大理	Haidong New District Project 海東新區項目	275,181	60%	Greater health industrial park complex including lands for residential, commercial and medical purposes 大健康產業園綜合體，包括住宅、商業及醫衛用地	– As the Yunnan provincial government suspended its approval process for the development and construction in Haidong New District, this project has been temporarily terminated. The Group is currently negotiating with the local government for the refund of land grant premium and compensation matters. 由於雲南省政府暫停審批海東新區開發建設，本項目經已暫時終止。本集團正與當地政府商討退回土地出讓金及補償事宜。
Canada 加拿大	Ovation	2,425	N/A ⁽¹⁾ 不適用 ⁽¹⁾	Artistic health apartments 藝術健康公寓	– The pre-sale of this project began in April 2019, and over half of the saleable units were sold currently. The project began construction at the beginning of 2020. 本項目自二零一九年四月起預售，目前已售出可售單位數量逾半。項目亦於二零二零年初開始施工。
Canada 加拿大	Royal Tower	10,588	N/A ⁽¹⁾ 不適用 ⁽¹⁾	Urban health apartments 都市健康公寓	– Pre-construction planning procedures are under process for approval. The Group plans to build a commercial and residential project with 900 units. It is expected that the permit will be obtained by the end of 2020. 前期規劃手續報批中，計劃興建900個單位的商住項目。預計二零二零年底前取得開發許可證。

Note (1): Involvement in the Project by debt investment

註(1)：本項目以債權投資方式參與

SPORTS AND ENTERTAINMENT BUSINESS

Beijing Sports and Entertainment Industry Group Limited (“Beijing Sports”, a company listed on Hong Kong Main Board, stock code:1803 and an associate of the Company) engages in sports related business and positioned at the construction and operation of stadiums and the construction and operation of winter theme parks. MetaSpace (Beijing) Air Dome Corp. (“MetaSpace”), the subsidiary of Beijing Sports, is a leading integrated service provider for the construction and management of air dome facilities in the PRC. These air domes are widely adapted in multi-functional facilities such as sports and recreational facilities, logistic and warehousing centers, industrial storage facilities as well as commercial exhibition spaces. Due to difference in structure from the traditional ones, the construction and operation of air dome structure are low in cost with high efficiency and require short period of time for construction, which enable easy relocation and expansion in open areas.

As at the end of 2019, MetaSpace had constructed over 200 air dome facilities throughout the PRC. Currently, the major customers of MetaSpace include sports & event organizers, government departments, real estate developers and warehouse operators. Beijing Sports will continue to invest in the research and development for the design technology for the planning and construction of high-performance air dome facilities and commit to synergise the advantages in areas such as aerodynamics, new materials, ergonomics and energy saving and environmental protection and leave room for multi-functional facilities so as to cater for and meet the needs of customers from different industries and departments. MetaSpace has obtained more than 100 intellectual property rights (including invention patents, patented air flight and insulation system, software rights, copyrights & trademarks, etc.) covering all key technologies in the construction and installation of air dome structure.

For the year ended 31 December 2019, the revenue of Beijing Sports generated from construction services of air dome facilities was approximately HK\$155 million, of which approximately 63% was used in sports facilities, approximately 22% was used in warehouse facilities and 5% was used in agricultural facilities, while the remaining approximately 10% was used for other functional purposes.

At the end of 2018, the strategic cooperation agreement and between the Group and the Chinese Athletic Association was signed, and an agreement of intent was reached. During the year, both parties proactively planned for commercializing the operation of the track and field industry and to remodel the commercial value system of the track and field industry basing on marathon and promote favorable interactions between mass sports, competitive sports and the sports industry in order to drive a prosperous development for public sports, create a unicorn for the Chinese sports industry and play the positive role as industry leader.

體育文化業務

北京體育文化產業集團有限公司(「北京體育」, 香港主板上市公司, 股票代碼: 1803, 本公司之聯營公司)於中國從事體育相關業務, 定位於體育場館建設及冰雪樂園之建造及營運。北京體育之附屬公司北京約頓氣膜建築技術股份有限公司(「約頓」)為中國氣膜設施建造及管理的綜合服務供應商的引領者。該等氣膜於體育及娛樂設施、物流及倉庫中心、工業儲存設施及商業展覽區等多功能設施中有廣泛應用。與傳統結構不同, 氣膜結構的建造及操作的成本低、能效高且建設期短, 在空地易於遷移及擴充。

截至二零一九年底, 約頓已在全中國搭建超過200個氣膜設施。目前, 約頓的主要客戶包括體育賽事組織方、政府部門、房地產開發商及倉庫營運商。北京體育將繼續投資研發部署打造高性能氣膜設施中的設計技術, 致力融合于空氣力學、新材料、人機工程、節能環保方面的優勢, 為多功能設施打造空間, 以滿足及符合不同行業部門的客戶需求。約頓已取得超過100項知識產權(包括發明權、空運隔離系統專利、軟件權、著作權及商標等), 涵蓋氣膜結構建造及安裝的所有關鍵技術。

截至二零一九年十二月三十一日止年度, 北京體育來自氣膜設施建造服務之收益約155百萬港元, 其中約63%用於運動設施及約22%用於倉儲設施, 5%用於農業設施, 餘下約10%用作其他功能性用途。

本集團與中國田徑協會在二零一八年底簽訂戰略合作協議達成合作意向。本年度, 雙方積極策劃對田徑產業進行商業化運營的方案, 以馬拉松為基礎, 重塑田徑產業商業價值體系, 推動群眾體育、競技體育、體育產業的良性互動, 引領大眾體育的蓬勃發展, 打造中國體育產業獨角獸, 發揮行業先行者的積極作用。

FUTURE PROSPECTS

Beijing Enterprises Medical and Health Industry Group will take “Healthy China” as our mission and continue to grasp and fully utilize the favorable external environment of China’s geriatric, medical and health industry and consider the greater health industry as the development direction, actively explore in the field and seek premium cooperative partners and consolidate social resources in order to speed up deployment in the market.

As the policy for geriatric industry in the PRC become more concrete, together with the gradual enhancement of marketisation of the industry, the general geriatric care institutions and the integration of medical and geriatric services will become the major development direction for the geriatric industry in the PRC in the future. The Group plans to grasp the opportunity created by policy and market, and vigorously develop the scale of bed spaces of geriatric institutions in advantageous regions and integrated medical and geriatric industry generating higher profitability by striving to increase the number of bed spaces for geriatric care institutions to over 10,000 in three years and endeavor to build an operation mode with more innovative ideas, personalized services and highly efficient profitability.

As for the sales of medical and geriatric products, we seek to speed up growth in business through the merging with industry peers, expansion of production capabilities, distribution network as well as the brand effect.

As for the healthcare industrial park business, we will use all effort to push forward the pre-construction developing procedures Shanghai Hongmei Road Project and negotiate with the local government for a land premium adjustment amount at a competitive level, so as to build a commercial complex with space for social gathering that suits people’s demand for living quality.

As for the sports and entertainment business sector, we will continue to negotiate with the Chinese Athletic Association based on the strategic co-operation agreement signed in November 2018 by both parties and adopt a corporate operation mode for the track and field industry. By creating different product sectors such as the organization and operation of sport events, training, sports agency, sports finance and application of big data in sports, we strive to build a comprehensive industry chain.

The outbreak of novel coronavirus pandemic in early 2020 has spread across the world. Given the increasingly difficult environment for businesses, the outbreak may lead to a global economic downturn and depression. Our business mainly focuses on providing geriatric and medical industry related products and services to meet the rigid demand within the industry, which, however, may encounter fluctuation as a result of the pandemic and the economic growth in China, and the influence depends on the time required to get the pandemic under control. In the light of current challenges, the management will closely monitor the development and formulate relevant strategies when necessary.

未來展望

北控醫療健康產業集團將以「健康中國」為使命，繼續把握和充分利用中國養老、醫療和健康產業的良好外部環境，以大健康產業為發展方向，在大健康領域積極探索，尋求優質合作夥伴，整合社會資源，加快市場佈局。

中國養老產業政策逐漸明朗、市場化程度逐步提升，未來普惠型養老機構和醫養結合服務將成為中國養老行業的重要發展方向。本集團計劃抓緊政策和市場的機遇，大力發展優勢區域養老機構床位規模及盈利能力較高的醫養結合業務，力爭在三年內養老機構床位數達到萬張以上，並努力打造更具創新理念、個性化服務和高效盈利的營運模式。

醫養產品銷售業務方面，將通過併同業，擴大生產能力、經銷網絡及品牌效應，加快業務增長。

健康產業園業務方面，將全面推動上海虹梅路項目的前期開發工作，爭取與當地政府洽商具競爭力的土地出讓補繳金額，打造以對品質生活有需求的社區聚集空間商業綜合體。

體育文化業務方面，將繼續與中國田徑協會洽商，以雙方於二零一八年十一月簽署的戰略合作協議為基礎上，將田徑事業進行公司化運營，全力打造賽事運營、培訓、體育經紀、體育金融、體育大數據應用等產業板塊，構建完整產業鏈。

二零二零年初爆發新冠狀病毒疫情並已在全球範圍內擴散，當前營商環境愈加艱巨，此或會導致全球經濟下滑及蕭條。我們的業務主力在於提供養老及醫療行業的相關產品及服務，滿足行業內的剛性需求，但亦可能會因疫情以及中國經濟增長而出現波動，影響程度則視乎疫情得到控制的時間。面對當前挑戰，管理層將密切監控形勢並按需要制定相關策略。

MATERIAL INVESTMENTS

As at 31 December 2019, the Company did not hold any significant investments in an investee company with a value of 5% or more of the Company's total assets.

There were no new material investments other than the daily business of the Group for the year ended 31 December 2019.

MAJOR ACQUISITIONS AND DISPOSALS

On 16 December 2019, the Group entered into an equity sale and purchase agreement with Ms Huang Xiaorong, to transfer 20% of the equity interest of Fujian Fu Ling Golden Sun Health and Geriatric Company Limited for a consideration of RMB40,000,000 (equivalent to approximately HK\$44,653,000) and the disposal was completed on 17 December 2019. Details of the disposal were disclosed in Note 37 "Disposal of Subsidiaries".

On 26 December 2019, the Group entered into an equity sales and purchase agreement with Beijing Haidian District Huiyuan Agriculture Industry and Commerce Company Limited* (北京市海澱區匯苑農工商公司) and transferred 70 % of the equity interests in Beijing Dragon Ground Arts & Crafts Limited* (北京龍地工藝美術品有限責任公司) at the consideration of RMB77,000,000 (equivalent to approximately HK\$85,955,000) and the disposal was completed in early 2020. Details of the disposal are disclosed in the Note 11 "Asset and disposal group held for sale and associated liabilities".

The Group did not have any major acquisitions for the year ended 31 December 2019.

重大投資

於二零一九年十二月三十一日，本公司並無於投資對象公司持有任何價值佔本公司資產總值5%或以上的重大投資。

截止二零一九年十二月三十一日止年度，除本集團的日常業務外，並無新增任何重大投資。

主要收購及出售

於二零一九年十二月十六日，本集團與黃小蓉女士訂立股權買賣協議，以代價人民幣40,000,000元(相當於約44,653,000港元)轉讓福建省福齡金太陽健康養老股份有限公司之20%股權，並於二零一九年十二月十七日完成出售。出售詳情於附註37「出售附屬公司」中披露。

於二零一九年十二月二十六日，本集團與北京市海澱區匯苑農工商公司訂立股權買賣協議，以代價人民幣77,000,000元(相當於約85,955,000港元)轉讓北京龍地工藝美術品有限責任公司之70%股權，並於二零二零年初完成出售。出售詳情於附註11「持作出售的資產及出售集團以及有關負債」中披露。

截至二零一九年十二月三十一日止年度，本集團並無作出任何主要收購。

GUARANTEED PROFITS

On 20 August 2015, United Win International Corporation (“United Win”), a wholly owned subsidiary of the Company, entered into an acquisition agreement as purchaser with Mr. Guo Xiaofei (郭曉飛) (“Mr. Guo”) as vendor pursuant to which United Win conditionally agreed to purchase and Mr. Guo conditionally agreed to sell the entire issued share capital of Beijing Sprit Commerce & Trading Limited, the ultimate holding company of 60% interest of Beijing Vissam Prosperity Furniture Limited (“Beijing Vissam”), for a consideration of RMB39,000,000 which would be satisfied partly by cash and partly by the issue of an aggregate of 43,862,500 shares of the Company (the “Beijing Spirit Consideration Shares”) in three tranches, subject to among others, the terms and conditions and the profit guarantee contemplated under the acquisition agreement. Mr. Guo has provided guarantee to United Win that the net profit of Beijing Vissam and its subsidiaries (the “Operating Group”) for the financial year ended 31 December 2018 (the “Third Relevant Financial Period”) shall be no less than RMB11,332,500. In the event that the net profit of the Operating Group for the Third Relevant Financial Period is less than RMB11,332,500, Mr. Guo shall make a compensation payment to United Win by way of either cash or set off from the respective Beijing Spirit Consideration Shares to be issued, at the option of Mr. Guo. Accordingly, the Operating Group for the Third Relevant Financial Period is more than RMB11,332,500. Mr. Guo has fulfilled his obligation in relation to the profit guarantee and thus 17,545,000 Beijing Spirit Consideration Shares were allotted and issued to Mr. Guo accordingly on 21 June 2019. For details, please refer to the announcements of the Company dated 20 August 2015, 4 January 2016, 26 April 2017, 26 April 2018 and 21 June 2019.

FINANCIAL REVIEW

Revenue and gross profit

As of 31 December 2019, revenue of the Group was approximately HK\$200,755,000 (2018: HK\$178,885,000), representing an increase of 12.2% as compared to that of 2018, which was mainly due to growth in revenue generated from the sale of geriatric and medical furniture by 15%.

溢利保證

於二零一五年八月二十日，United Win International Corporation (「United Win」) (本公司全資附屬公司) (作為買方) 與郭曉飛先生 (「郭先生」) (作為賣方) 訂立一項收購協議。據此，United Win 有條件同意購買，而郭先生有條件同意出售北京思義商貿有限公司 (擁有北京偉森盛業家具有限公司 (「北京偉森」) 60% 股權之最終控股公司) 的全部已發行股本，代價為人民幣 39,000,000 元，其部分以現金及部分通過三批發行本公司合共 43,862,500 股股份 (「北京思義代價股份」) 支付，且受限於 (其中包括) 有關收購協議條款及條件以及擬進行溢利保證。郭先生已向 United Win 保證，北京偉森及其附屬公司 (「經營集團」) 截至二零一八年十二月三十一日止財政年度 (「第三個相關財政期間」) 的純利將不少於人民幣 11,332,500 元。倘經營集團於第三個相關財政期間的純利少於人民幣 11,332,500 元，則郭先生可自行選擇以現金或以將予發行的相關北京思義代價股份抵銷而向 United Win 支付補償。因此，經營集團於第三個相關財政期間的純利超過人民幣 11,332,500 元。由於郭先生已履行有關溢利保證的責任，故郭先生因而於二零一九年六月二十一日獲配發及發行 17,545,000 股北京思義代價股份。有關詳情，請參閱本公司日期為二零一五年八月二十日、二零一六年一月四日、二零一七年四月二十六日、二零一八年四月二十六日及二零一九年六月二十一日之公告。

財務回顧

收入及毛利

截至二零一九年十二月三十一日，本集團收入約為 200,755,000 港元 (二零一八年：178,885,000 港元)，比二零一八年增加 12.2%，主要由銷售養老及醫療適用家具收入增長 15% 所產生。

Revenue and gross profit (continued)

The subsidiary of the Group, which engaged in sale of the medical and geriatric furniture, experiencing rapid growth in 2019. Key projects delivered include: the Taikang Rehabilitation Hospital project, the Run Jia Geriatric Care Project of Shenyang China Resources, the geriatric care service center project of Guizhou China Railway International Eco City, the geriatric care project of Jinan Zhonghai International, the school project of Hainan Ecological Wisdom New City, the geriatric care project of Zhonghai and the decoration works and furniture project of Beijing Badachu. During the year, newly contracted key projects included the Baihe Baile Chaohu international healthcare general hospital of China Railway No. 4 Engineering, the elderly-friendly furniture project of Shanghai Greenland, the upgrade and reconstruction project for the second academic building of Tsinghua University and the academic building of Shanghai Jiao Tong University. It has also entered into long term strategic cooperation agreement with Taikang Insurance Group, Tianan Life, Beijing Lebai Education and Chengdu Jinwanhui Education.

The gross profit of the Group was approximately HK\$63,387,000 (2018: HK\$57,246,000) and the gross profit margin was 31.6% (2018: 32%).

Other income and gains, net

As of 31 December 2019, other income and gains was approximately HK\$64,547,000, representing a decrease of 82.4% as compared with HK\$367,138,000 in 2018.

Other income and gains was mainly the gains of HK\$48,876,000 generated from the disposal of subsidiaries, representing a decrease of 78.2% as compared to HK\$223,899,000 in 2018. Excluding the gain from the disposal of subsidiaries, other gains was approximately HK\$15,671,000, representing a decrease of 89.1% as compared to HK\$143,239,000 in 2018, which was mainly attributable to the investment properties located in Shanghai and Beijing with the decreasing fair value of approximately HK\$41,747,000 in 2019 (2018: fair value gain of HK\$76,991,000).

Remaining other income and gains was mainly interest income of HK\$31,188,000 (2018: HK\$41,861,000) generated from the loans we lent as a strategic plan for idle funds and the rental income of HK\$24,370,000 (2018: HK\$22,539,000).

收入及毛利(續)

本集團屬下從事銷售醫養家具的公司於二零一九年保持高速增長，已交付重點項目包括：泰康康復醫院專案、瀋陽華潤潤家養老專案、貴州中鐵國際生態城養老服務中心專案、濟南中海國際養老專案、海南生態智慧新城學校項目、中海養老專案及北京八大處裝飾工程家具專案等。同年，新簽重點項目包括中鐵四局佰和佰樂巢湖國際健康部落全科醫院、上海綠地適老化家具項目、清華大學二教、上海交大教學樓升級改造項目等，並與泰康保險集團、天安人壽、北京樂柏教育、成都金萬匯教育等簽訂長期戰略合作協議。

本集團之毛利約為63,387,000港元(二零一八年：57,246,000港元)，毛利率31.6%(二零一八年：32%)。

其他收入及收益淨額

截至二零一九年十二月三十一日，其他收入及收益約為64,547,000港元，比二零一八年367,138,000港元減少82.4%。

其他收入及收益主要為出售子公司所帶來的收益48,876,000港元，比二零一八年223,899,000港元減少78.2%。除去出售子公司所帶來的收益，其他收益約為15,671,000港元，比二零一八年143,239,000港元減少89.1%。減少主要為集團位於上海及北京之投資性物業於二零一九年公允價值減少約41,747,000港元所致(二零一八年：公允價值增加76,991,000港元)。

其餘其他收入及收益主要為因策略性規劃閒置資金而借出之貸款所產生的利息收入31,188,000港元(二零一八年：41,861,000港元)及租金收入24,370,000港元(二零一八年：22,539,000港元)。

Selling and distribution expenses

As of 31 December 2019, the selling and distribution expenses of the Group was approximately HK\$25,393,000 (2018: HK\$43,571,000), representing 12.6% (2018: 24.4%) of the total sales amount. The selling and distribution expenses mainly comprise of remuneration of HK\$5,651,000 (2018: HK\$10,809,000), transportation costs of HK\$12,134,000 (2018: HK\$9,386,000), promotion fee of HK\$2,521,000 (2018: HK\$3,121,000) and intermediary expense HK\$ Nil (2018: HK\$15,368,000) for the disposal of the subsidiary project.

Administrative expenses

As of 31 December 2019, the administrative expenses were HK\$147,816,000, representing a decrease of 22.8% of the expenses as compared to HK\$191,557,000 in 2018. The administrative expenses mainly include staff costs (excluding Directors' remuneration) of HK\$52,577,000 (2018: HK\$60,641,000), professional advisory fees of HK\$10,102,000 (2018: HK\$20,350,000), depreciation and amortization costs of HK\$31,915,000 (2018: HK\$25,578,000) and share option expenses of HK\$297,000 (2018: HK\$5,689,000), business entertainment expenses of HK\$7,476,000 (2018: HK\$9,806,000), travelling expenses of HK\$5,849,000 (2018: HK\$8,974,000) and lease expenses of HK\$4,357,000 (2018: HK\$8,155,000).

The decrease in administrative expenses was mainly due to the implementation of cost-control measures. During the year, the Group reviewed the necessity of various administrative expenses and cut down unnecessary expenses, which effectively reduced most of the administrative expenses including travelling expenses, office expenses and business entertainment expenses, by 32% compared to last year.

Net impairment of financial and contract assets and other expenses

Net impairment of financial and contract assets and other expenses were mainly attributable to the one-off impairment of asset and exchange loss without cash outflow, which includes impairment loss of financial assets of approximately HK\$63,284,000 (2018: HK\$15,820,000), impairment of goodwill and intangible assets of approximately HK\$70,568,000 (2018: HK\$34,465,000) and impairment of investment in associates of approximately HK\$254,775,000 (2018: Nil).

銷售及分銷開支

截至二零一九年十二月三十一日，本集團之銷售及分銷開支約為25,393,000港元(二零一八年：43,571,000港元)，佔總銷售金額12.6%(二零一八年：24.4%)。銷售及分銷開支主要包括薪酬5,651,000港元(二零一八年：10,809,000港元)、運輸費用12,134,000港元(二零一八年：9,386,000港元)、推廣費用2,521,000港元(二零一八年：3,121,000港元)及出售子公司項目之中介費零港元(二零一八年：15,368,000港元)。

行政開支

截至二零一九年十二月三十一日，行政開支為147,816,000港元，較二零一八年191,557,000港元的開支減少22.8%。行政開支主要包括員工成本(不包括董事薪酬)52,577,000港元(二零一八年：60,641,000港元)、專業諮詢費10,102,000港元(二零一八年：20,350,000港元)、折舊及攤銷費用31,915,000港元(二零一八年：25,578,000港元)、購股權開支297,000港元(二零一八年：5,689,000港元)、業務招待費7,476,000港元(二零一八年：9,806,000港元)、差旅費5,849,000港元(二零一八年：8,974,000港元)及租賃費用4,357,000港元(二零一八年：8,155,000港元)等。

行政開支下降主要是由於年內落實成本控制措施所致，年內本集團審視各項行政開支的必要性，減少非必要費用，有效達至大部份行政開支包括差旅費、辦公費及業務招待費等費用比去年減少32%。

金融和合同資產減值淨額及其他開支

金融和合同資產減值淨額及其他開支主要為一次性非現金支出的資產減值及匯兌損失，其中包括金融資產減值損失約63,284,000港元(二零一八年：15,820,000港元)、商譽與無形資產減值約70,568,000港元(二零一八年：34,465,000港元)及於聯營公司之投資減值約254,775,000港元(二零一八年：無)。

Finance cost

As of 31 December 2019, the finance cost of non-lease liability interest was HK\$8,968,000 (2018: HK\$12,850,000), and there was no interest capitalised (2018: HK\$3,465,000). The finance cost of non-lease liability interest was mainly attributable to the interests of the bank loans, and the decrease in finance cost of non-lease interest was mainly due to the decrease in weighted average principal of loans. The weighted average principal of the bank loan amounted to RMB118,033,000 (equivalent to approximately HK\$131,763,000) and the weighted average annual interest rate was approximately 6.32%.

Net assets

As at 31 December 2019, the net assets of the Group was approximately HK\$2,575,116,000, representing a decrease of approximately HK\$557,929,000 as compared to the total net assets of approximately HK\$3,133,045,000 in 2018. Excluding the generation of loss of approximately HK\$476,082,000 during the year, the net assets decreased by HK\$81,847,000 as compared to 2018, which was mainly due to the exchange rate of RMB against Hong Kong dollar depreciated by approximately 2.2% during 2019, the recognised exchange losses of HK\$40,703,000 in other comprehensive income of the Group and equity investments designated at FVOCI were recognised as fair value loss of approximately HK\$31,285,000 as of 31 December 2019.

Liquidity and financial resources

As at 31 December 2019, the Group's cash in hand was HK\$442,371,000 (2018: HK\$764,118,000); the Group had no restricted bank balances (2018: HK\$11,755,000). The Group's long-term and short-term loan was HK\$109,843,000 in total (2018: HK\$187,148,000). Total debt decreased by approximately HK\$77,305,000, mainly due net of the repayment of total working capital of approximating HK\$64,291,000 for the year ended 31 December 2019.

The Group agreed that meticulous management on cash flow is the key to success. To ensure that there is sufficient capital to satisfy the need of the Group's rapid growth, the Group remains good relationships with each of the banks from time to time, so that the Group gains easy access to application for loans.

Capital expenditure

As of 31 December 2019, the Group's capital expenditure was approximately HK\$56,091,000 (2018: HK\$49,674,000), including the purchase of properties, plants and equipment, property under development and investment properties.

融資成本

截至二零一九年十二月三十一日，非租賃負債利息之融資成本為8,968,000港元(二零一八年：12,850,000港元)，無已資本化之利息(二零一八年：3,465,000港元)，非租賃負債利息之融資成本主要來自銀行貸款之利息，非租賃利息之融資成本減少主要因為貸款之加權平均本金減少所致。銀行貸款之加權平均本金為人民幣118,033,000元(約131,763,000港元)，加權平均年利率約6.32%。

資產淨值

於二零一九年十二月三十一日，本集團資產淨值約為2,575,116,000港元，較二零一八年約3,133,045,000港元資產淨值總額減少約557,929,000港元。除去年內產生虧損約476,082,000港元，資產淨值較二零一八年減少81,847,000港元，主要因為人民幣兌港元匯率於二零一九年間貶值約2.2%，集團於其他全面收益虧損確認匯兌虧損40,703,000港元，另外截至二零一九年十二月三十一日，指定為透過其他全面收益以公平值列賬之權益投資確認公平值虧損約31,285,000港元所致。

流動資金及財務資源

於二零一九年十二月三十一日，本集團之手頭現金為442,371,000港元(二零一八年：764,118,000港元)，無受限制銀行結餘(二零一八年：11,755,000港元)。本集團之長期及短期貸款合共為109,843,000港元(二零一八年：187,148,000港元)。債務總額減少約77,305,000港元，主要由於截至二零一九年十二月三十一日年間合共償還營運資金貸款約64,291,000港元所致。

本集團認為審慎之現金流管理乃成功之關鍵。為確保資金足以應付本集團之快速增長，本集團不時與各銀行保持良好業務關係，以便本集團日後易於提出借貸申請。

資本開支

截至二零一九年十二月三十一日，本集團資本開支為約56,091,000港元(二零一八年：49,674,000港元)，其中包括購置物業、廠房及設備、發展中物業及投資物業。

Capital structure

The Group took full advantage of the financing platform as a listed company by striving for a constant optimisation of the capital and financing structure, so as to obtain sufficient funds to finance the future projects of health and geriatric care. During the year, the Group's operations were mainly financed by internal resources and bank loans.

Pledge of assets

The Group's bank loans at 31 December 2019 are secured by mortgages over a land use right included in right-of-use assets with an aggregate carrying amount at the end of the reporting period of HK\$209,735,000 (31 December 2018: HK\$239,545,000).

In addition, certain of the Group's bank loans at 31 December 2018 were secured by:

- (i) mortgages over investment properties situated in the PRC with an aggregate carrying amount at 31 December 2018 of HK\$367,838,000;
- (ii) a mortgage over a building situated in the PRC with an aggregate carrying amount at 31 December 2018 of HK\$57,394,000; and
- (iii) the pledge of certain of the Group's time deposits amounting to HK\$5,706,000.

Contingent liabilities

As at 31 December 2019, the Group did not have any significant contingent liabilities.

資本結構

本集團充分利用作為上市公司的融資平台優勢，力求不斷優化資本及融資結構，以為未來健康及養老產業項目取得充足資金。年內，本集團的業務運作主要透過內部資源及銀行貸款提供資金。

資產抵押

截至二零一九年十二月三十一日，本集團的銀行貸款由包含在使用權資產中之土地使用權抵押擔保，其於報告期末之總賬面價值為209,735,000港元(二零一八年十二月三十一日：239,545,000港元)。

此外，本集團截至二零一八年十二月三十一日的部分銀行貸款由以下資產擔保：

- (i) 由位於中國之投資物業抵押，其於二零一八年十二月三十一日之總賬面價值為367,838,000港元；
- (ii) 由位於中國之物業抵押，其於二零一八年十二月三十一日之總賬面價值為57,394,000港元；以及
- (iii) 質押本集團部分定期存款，數額為5,706,000港元。

或然負債

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。

Litigations

As stated in the announcement dated 11 March 2019, the Yunnan provincial government has announced the temporary suspension of the development and construction in Haidong New District for the purpose of protecting the ecological environment of Erhai Lake in Dali City. On 12 October 2019, Dali Guangchen Real Estate Development Co., Ltd.* (大理廣晨基業房地產開發有限公司), a non-wholly owned subsidiary of the Company ("Guangchen") initiated an administrative proceedings to the local court against the relevant authority of the Dali municipal government in respect of the suspension on development and construction. After the bill of indictment and associated evidence have been delivered to relevant governmental authority by the local court, the relevant governmental authority immediately contacted and commenced negotiation with Guangchen. Guangchen has submitted opinions for settlement and withdrawal twice based on the negotiation, but both party were not yet able to enter into a settlement agreement. In March 2020, our Group received the administrative judgement dated 3 March 2020 from the Intermediate People's Court of Dali Bai Autonomous Prefecture, Yunan Province, which ruled that the indictment made by Guangchen did not meet the conditions as acceptable administrative case, such that the prosecution by Guangchen was dismissed.

In February 2020, Dali Haidong Development and Management Commission published the adjusted opinions for the controlling and detailed planning of the land involved, where the usage of 4 parcels of land owned by Guangchen were adjusted from residence and commercial service to healthcare. In view of the current evidence, the Group adjusted its tactics for the proceedings in time and sought reliefs by cancellation of Land Transfer Contracts, refund of the land-transferring fees and compensation for loss, and submitted filing materials to the court and is now awaiting the court's filing review. The Group expects the local court will give the judgement of the first-instance within six months from the date of filing.

Foreign exchange risk

The Group's exposure to foreign exchange risks was primarily related to other receivables and amounts due from related parties denominated in CAD. In respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

訴訟

誠如本公司日期為二零一九年三月十一日的公告所示，雲南省政府為保護大理洱海生態環境，宣佈暫時停止海東新區開發建設。於二零一九年十月十二日，本集團下屬之非全資控股子公司大理廣晨基業房地產開發有限公司（「廣晨基業」）向大理市政府有關部門就停止開發建設的行為於當地法院提出行政訴訟。法院將起訴狀以及有關證據送達給有關政府部門後，有關政府部門立即與廣晨基業取得聯繫，並開展了談判，廣晨基業基於談判情況提交了兩次和解撤訴意見，但是各方仍未能最終簽署和解協議。於二零二零年三月，本集團收到雲南省大理白族自治州中級人民法院日期為二零二零年三月三日的行政裁定書，裁定廣晨基業的訴狀不符合行政案件的受理條件，駁回廣晨基業的起訴。

於二零二零年二月，大理海東開發管理委員會公示了涉案地塊的控制性詳細規劃調整意見，當中廣晨基業公司的四塊地塊由住宅用地和商服用地調整為康養用地。鑒於目前的證據情況，本集團及時調整了訴訟策略，並以解除土地出讓合同及返還土地出讓金、賠償損失為訴訟請求，向法院提交了立案材料，目前正等待法院的立案審查。本集團預計當地法院將於立案之日起六個月之內作出第一審判決。

外匯風險

本集團所承受的外匯風險主要來自於以加拿大元結算的其他應收款項及應收關連方款項。本集團面對貨幣匯率波動所產生之潛在外匯風險，並無作出任何安排或利用任何財務工具對沖潛在外匯風險，然而，管理層將繼續監察外匯風險，並在需要時採取對沖措施。

Relationships with employees, suppliers and customers

The Group endeavours to maintain sustainable development in the long term, continuously create value for its employees and customers, and foster good relationships with its suppliers. The Group understands that employees are its valuable assets, and the realisation and enhancement of employees' values will facilitate the achievement of the Group's overall goals. For the year ended 31 December 2019, the Group provided generous social security benefits to its employees to motivate their proactivity at work while heightening their sense of belonging. The Group also understands the importance of maintaining good relationships with its suppliers and customers to the overall development of the Group. The Group places emphasis on supplier selection and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. To maintain the competitiveness of its brand and products, the Group abides by the principles of honesty and trustworthiness and commits itself to consistently providing quality products to establish a reliable service environment for its customers. For the year ended 31 December 2019, there was no significant and material dispute between the Group and its suppliers and/or customers.

Employee benefits and training

As at 31 December 2019, the Group had approximately 240 (2018: 1,044) employees. Total staff cost (excluding Directors' remuneration) as of 31 December 2019 amounted to approximately HK\$58,228,000 (2018: HK\$79,573,000). The Group made great efforts to enhance the quality of staff. During the year under review, the Group organised internal training courses for staff at all levels. Topics of the training courses included accounting and finance, risk management and PRC's tax laws.

The Group's overall remuneration system is adhered to the principle of market orientation, offering competitive salary to retain and attract high caliber persons. The salaries of the Group's senior management are determined with reference to market level as well as the Group's overall operating results.

INVESTOR RELATIONS

The Group strives to offer investors access to updated and accurate information on the Group's latest major development. The Group believes that effective communication is built on a two-way basis, and therefore welcomes feedbacks from investors to the Group. To facilitate an easy access to information on the Company's latest major development, a number of measures have been taken to ensure all necessary information and appropriate updates are made available to investors in a timely manner through the Company's website at www.bemh.com.hk, under the column of the "Investor Relations".

與僱員、供應商及客戶之關係

本集團致力於保持長期的可持續發展，為僱員和客戶持續創造價值，並與供貨商維持良好關係。本集團深明僱員為寶貴資產，僱員價值的實現與提升，會有助於本集團整體目標的實現。截至二零一九年十二月三十一日止年度，本集團為僱員提供豐富的社保福利，在激發僱員工作積極性的同時亦加強了僱員的歸屬感。本集團亦明白與供貨商及客戶維持良好關係，對本集團之整體發展十分重要。本集團十分重視對供貨商的選擇，鼓勵公平及公開競爭，本著互信與優質供貨商建立長遠的合作關係。為維持本集團品牌及產品之競爭力，本集團秉承誠實守信之原則，致力向客戶提供一貫之優質產品，為客戶營造一個可信賴的服務環境。截至二零一九年十二月三十一日止年度，本集團與其供貨商及／或客戶之間概無重要及重大之糾紛。

僱員福利及培訓

於二零一九年十二月三十一日，本集團有員工約240名（二零一八年：1,044名），而截至二零一九年十二月三十一日之總員工成本（不包括董事薪酬）約為58,228,000港元（二零一八年：79,573,000港元）。本集團致力提升員工的素質，回顧年內，本集團為不同職級之員工舉辦內部培訓課程，培訓課程之題材包括會計財務、風險管理及中國稅法。

本集團整體薪酬體系繼續貫徹按照市場化原則，提供業內富有競爭力的薪酬，保留和吸納優秀人才的理念。本集團高級管理人員的薪酬，更是在市場調查的基礎上，根據本集團整體經營業績情況確定。

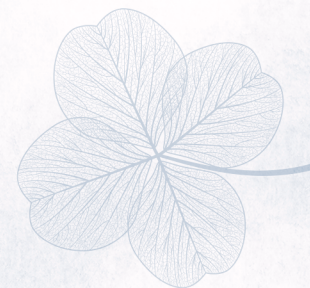
投資者關係

本集團努力向投資者提供有關本集團最新重大發展之最新資訊及準確資料。本集團認為，雙向溝通方為有效，故亦鼓勵投資者向本集團提供反饋。為使有關本公司最新重大發展之資料易於查閱，本公司已採取若干措施，將所有必要資料及適當最新資訊登載於本公司網站 www.bemh.com.hk 「投資者關係」欄目內，確保投資者可及時查閱有關資料。



Corporate Governance Report

企業管治報告



The Board of Directors (the “Board”) of the Company is pleased to present this Corporate Governance Report in the Group’s Annual Report for the year ended 31 December 2019.

The manner in which the principles and code provisions in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) are applied and implemented is explained below.

CORPORATE GOVERNANCE PRACTICES

The Group acknowledges the vital importance of good corporate governance to the Group’s success and sustainability. We are committed to achieving a high standard of corporate governance as an essential component of quality and have introduced corporate governance practices appropriate to the conduct and growth of our business.

The Company has applied most of the principles set out in the CG Code.

The Company has adopted different measures to ensure a high standard of corporate governance and has put in place corporate governance practices that are considered to be relevant to the Group, to meet the CG Code.

Throughout the year ended 31 December 2019, the Company has complied with the code provisions as set out in the CG Code, except for the deviation from code provision A.6.7.

Code Provision A.6.7

Code provision A.6.7 provides that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Three independent non-executive directors of the Company namely, Mr. Gary Zhao, Mr. Wu Yong Xin and Mr. Zhang Yun Zhou, were unable to attend the annual general meeting held on 24 May 2019 due to their other business commitments.

The Company has reviewed its corporate governance practices and has taken appropriate actions to comply with the CG Code which are explained in the relevant paragraphs of the Report.

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.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2019.

本公司董事會(「董事會」)欣然提呈載於本集團截至二零一九年十二月三十一日止年度之年報內企業管治報告。

有關香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企業管治守則」)之原則及守則條文之應用及實行方式說明如下。

企業管治常規

本集團明白良好企業管治對本集團的成功及持續能力至關重要。本集團致力維持高水平企業管治，作為必不可少的質量元素，亦引入適合本集團營運及增長的企業管治常規。

本公司已應用企業管治守則列載的大部分原則。

本公司已採納不同措施，以確保高水準企業管治，並採用被視為與本集團有關的企業管治常規，以符合企業管治守則之規定。

於截至二零一九年十二月三十一日止年度，除與守則條文第A.6.7條有所偏離外，本公司已遵守企業管治守則所載的守則條文。

守則條文A.6.7條

守則條文A.6.7條規定獨立非執行董事及其他非執行董事應出席股東大會及對股東之意見有公正的了解。因有其他業務承諾，本公司三名獨立非執行董事，即趙剛先生、吳永新先生及張運周先生未能出席於二零一九年五月二十四日舉行之股東週年大會。

本公司將檢討其企業管治常規，並已採取適當行動，以遵守企業管治守則，有關行動於本報告相關段落中闡釋。

進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)。

經向全體董事作出特定查詢後，各董事均確認，彼等於截至二零一九年十二月三十一日止年度一直遵守標準守則。

The Company has applied the Model Code to the relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

CHANGE IN INFORMATION OF DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the Company was informed that:

Mr. Tse Man Kit, Keith, an Independent Non-executive Director of the Company, has been appointed as the chief financial officer and executive director of China Technology Solar Power Holdings Limited (HKEX stock code: 8111) since 1 May 2019 and 12 July 2019 respectively.

BOARD OF DIRECTORS Board Composition

The Board currently comprises 12 members, consisting of 7 Executive Directors and 5 Independent Non-executive Directors.

The list of all Directors (by category) is set out under “Corporate Information” on page 2 and all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The Independent Non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

During the year ended 31 December 2019, there have been changes in the composition of the Board of the Company, details of which are set out in the Directors’ Report. The Board currently comprises the following Directors:

Executive Directors

Mr. Zhu Shi Xing (*Chairman*)
Mr. Liu Xue Heng (*Joint Chief Executive Officer*)
Mr. Zhang Jing Ming (*Joint Chief Executive Officer*)
Mr. Siu Kin Wai
Mr. Gu Shan Chao
Mr. Hu Shiang Chi
Mr. Wang Zheng Chun

Independent Non-executive Directors

Mr. Gary Zhao
Mr. Robert Winslow Koepf
Mr. Tse Man Kit, Keith
Mr. Wu Yong Xin
Mr. Zhang Yun Zhou

None of the members of the Board is related to one another.

本公司已就很可能有本公司非公開股價敏感資料之相關僱員採用標準守則。本公司並不知悉相關僱員並無遵守標準守則之情況。

根據上市規則第13.51B(1)條的董事資料變動

根據上市規則第13.51B(1)條，本公司獲知會：

謝文傑先生(本公司獨立非執行董事)分別自二零一九年五月一日及二零一九年七月十二日起獲委任為中科光電控股有限公司(香港交易所股份代號：8111)之首席財務官及執行董事。

董事會 董事會組成

董事會現時由十二名成員組成，包括七名執行董事及五名獨立非執行董事。

全體董事的名單(按類別劃分)載於第2頁「公司資料」內，亦載於本公司不時根據上市規則發出的全部公司通訊。本公司根據上市規則，於所有公司通訊中明確列明獨立非執行董事之身分。

截至二零一九年十二月三十一日止年度，本公司董事會組成有所變動，詳情載於董事會報告。董事會目前由以下董事組成：

執行董事

祝仕興先生(主席)
劉學恒先生(聯席行政總裁)
張景明先生(聯席行政總裁)
蕭健偉先生
顧善超先生
胡湘麒先生
王正春先生

獨立非執行董事

趙剛先生
康仕學先生
謝文傑先生
吳永新先生
張運周先生

所有董事會成員之間概無任何關係。

During the year ended 31 December 2019, the Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules regarding the appointment of at least three independent non-executive directors (representing at least one-third of the board) including at least one independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board reserves for its decision all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expenses, upon making request to the Board.

Currently, the Chairman of the Board is Mr. Zhu Shi Xing and the Joint Chief Executive Officers of the Group are Mr. Liu Xue Heng and Mr. Zhang Jing Ming. The roles of Chairman on the one hand and the Joint Chief Executive Officers on the other hand are segregated and their respective responsibilities are clearly defined and set out in writing.

The Chairman's principal role is to provide leadership for the Board on corporate and strategic planning, ensure proper proceedings of the Board and encourage all Directors to have active contributions to the Board's affairs.

The day-to-day management, administration and operation of the Company are delegated to the Joint Chief Executive Officers and the senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the aforesaid officers.

截至二零一九年十二月三十一日止年度，本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條有關委任最少三名獨立非執行董事(佔董事會人數最少三分之一)(包括最少一名具有合適之專業資格或會計或相關財務管理專業知識的獨立非執行董事)之規定。

董事會及管理層之責任、問責性及貢獻

董事會保留其對本公司所有重大事宜之決策權，包括審批及監督所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易(尤為可能涉及利益衝突者)、財務資料、委任董事及其他重大營運事宜。

所有董事均可全面且及時查閱所有相關資料，以及獲公司秘書提供意見與服務，以確保遵守董事會程序及所有適用法律及法規。各董事一般可於適當情況下，向董事會提出要求後徵求獨立專業意見，而費用由本公司承擔。

目前，董事會主席為祝仕興先生，本集團聯席行政總裁為劉學恒先生及張景明先生。而主席及聯席行政總裁的角色有所區分，彼等各自的職責乃明確界定，並以書面形式列出。

主席的主要職責為領導董事會進行企業及策略規劃、確保董事會按恰當的議事程序運作，並鼓勵全體董事積極參與董事會事務。

本公司之日常管理、行政及營運由聯席行政總裁及高級管理層負責，並定期檢討所指派之職能及職責。前述高級職員進行任何重大交易前須事先獲得董事會批准。

Independent Non-executive Directors

Every Independent Non-executive Director is appointed for a specific term of 3 years under his letter of appointment. All Directors including Independent Non-executive Directors are subject to retirement by rotation and eligible for re-election at the annual general meeting of the Company at least once every three years in accordance with the Articles of Association of the Company. The Company has issued formal letter of appointments to its Independent Non-executive Directors setting out key terms of their appointments.

The Company has received written annual confirmation from each Independent Non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmation, the Company considers all of the Independent Non-executive Directors to be independent.

Continuous Professional Development of Directors

Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company.

Every newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for Directors will be arranged where necessary.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

獨立非執行董事

每名獨立非執行董事乃根據其委任函按三年的特定任期獲委任。根據本公司組織章程細則，包括獨立非執行董事在內之全體董事須至少每三年輪值退任一次，並於本公司股東週年大會合資格重選連任。本公司已向其獨立非執行董事發出正式委任函，當中載有董事委任之主要條款。

本公司已根據上市規則第3.13條接收各獨立非執行董事就其獨立性所作的年度書面確認函。根據該確認函之內容，本公司認為全體獨立非執行董事均為獨立人士。

董事的持續專業發展

董事須了解作為本公司董事之責任及本公司經營方針、業務活動及發展之最新資訊。

每名新委任的董事於履新首日獲給予正式、全面及度身編撰的入職簡介，以確保彼妥為瞭解本公司的業務及營運，並且充分認識上市規則及相關法定規定項下董事之責任及義務。

董事持續獲得有關法定及監管制度以及業務環境之最新資料，以助彼等履行職責。如有需要，本公司將為董事安排持續簡報及專業發展。

董事應參與適當持續專業發展，發展並更新彼等之知識及技能，以確保繼續於具備全面資訊及切合所需的情況下對董事會作出貢獻。

Corporate Governance Report • 企業管治報告

During the year ended 31 December 2019, the Directors participated the trainings as follows:

於截至二零一九年十二月三十一日止年度，董事參與培訓的記錄如下：

Directors	董事	Topic 議題
<i>Executive Directors</i>	<i>執行董事</i>	
Mr. Zhu Shi Xing	祝仕興先生	A, B
Mr. Liu Xue Heng	劉學恒先生	B
Mr. Zhang Jing Ming	張景明先生	B
Mr. Qian Xu (resigned on 27 February 2019)	錢旭先生(於二零一九年二月二十七日辭任)	B
Mr. Siu Kin Wai	蕭健偉先生	B
Mr. Gu Shan Chao	顧善超先生	A, B
Mr. Hu Shiang Chi	胡湘麒先生	A, B
Mr. Wang Zheng Chun	王正春先生	B
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>	
Mr. Gary Zhao	趙剛先生	A, B
Mr. Robert Winslow Koepp	康仕學先生	A, B
Mr. Tse Man Kit, Keith	謝文傑先生	B
Mr. Wu Yong Xin	吳永新先生	A, B
Mr. Zhang Yun Zhou	張運周先生	B
A: attending seminars relating to Listing Rules update, insider information, Director dealing in securities and share repurchase		A: 出席有關上市規則更新、內幕消息、董事買賣證券及股份購回相關主題之研討會
B: reading journals relating to the corporate governance, directors' and officers' duties, anti-money laundering, accounting standard and loan financing, etc.		B: 閱讀有關企業管治、董事及職員職責、反洗錢、會計準則以及貸款融資之刊物

During the year ended 31 December 2019, the Board has reviewed and monitored the training and continuous professional development of Directors and senior management. The Board has also reviewed and ensured compliance of the relevant legal and regulatory requirements, the code of conducts, the CG Code and the disclosure in this Corporate Governance Report.

截至二零一九年十二月三十一日止年度，董事會已檢討及監督董事及高級管理層之培訓及持續專業發展。董事會亦檢討及確保遵守有關法律及監管規定、行為守則、企業管治守則及於本企業管治報告中作出披露。

In addition, relevant reading materials including directors' manual/legal and regulatory update/seminar handouts have been provided to the Directors for their reference and studying.

此外，包括董事手冊／最新法律及監管資訊／研討會講義等相關閱讀材料均已提供予董事，供彼等參閱及研習。

Pursuant to the requirements of the code provisions set out in the CG Code, all Directors are required to provide to the Company with records of the training they received to ensure that their contributions to the Board remains informed and relevant.

根據企業管治守則所載的守則條文規定，所有董事須向本公司提供彼等所接受培訓之記錄，以確保彼等仍對董事會作出知情及相關的貢獻。

BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Investment and Risk Management Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are Independent Non-executive Directors (except for the Investment and Risk Management Committee) and the current list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2.

Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

Audit Committee

The Audit Committee currently comprises three members, namely, Mr. Tse Man Kit, Keith (Chairman of the Committee), Mr. Gary Zhao and Mr. Wu Yong Xin. All of them are Independent Non-executive Directors (including one Independent Non-executive Director with the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the internal auditor or external auditors before submission to the Board
- To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditors
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures

董事委員會

董事會已成立四個委員會，即審核委員會、薪酬委員會、提名委員會以及投資及風險管理委員會，以監察本公司指定範疇之事務。本公司所有董事委員會皆已成立，並訂有書面職權範圍。董事委員會的職權範圍已登載於本公司及聯交所網站，亦可應要求供股東查閱。

除投資及風險管理委員會外，各董事委員會的大部分成員均為獨立非執行董事，而各董事委員會主席及成員之現行名單列載於第2頁之「公司資料」內。

董事委員會均獲提供充足資源履行職務，於適當情況下，經提出合理要求後，亦可尋求獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會目前由三名成員組成，即謝文傑先生（委員會主席）、趙剛先生及吳永新先生。彼等全為獨立非執行董事（包括一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事）。概無審核委員會成員為本公司現任外聘核數師之前任合夥人。

審核委員會之主要職責包括以下各項：

- 審閱財務報表及報告並考慮內部核數師或外聘核數師提出之任何重大或特殊項目，然後方提交董事會
- 參照外聘核數師之工作、費用及委聘條款，以檢討與核數師之關係，並就委任、續聘及辭退外聘核數師向董事會提出推薦建議
- 檢討本公司財務申報制度、內部監控制度及風險管理制度以及相關程序是否足夠及有效

The Audit Committee held three meetings during the year to review the financial results and reports, financial reporting and compliance procedures, the report of the internal auditor on the Company's internal control and risk management systems and processes, the reappointment of the external auditors and arrangements for employees to raise concerns about possible improprieties.

The Company's annual results for the year ended 31 December 2019 have been reviewed by the Audit Committee.

The Audit Committee also met the external auditors three times without the presence of the Management.

Remuneration Committee

The Remuneration Committee currently comprises three members, namely, Mr. Gary Zhao (Chairman of the Committee), Mr. Tse Man Kit, Keith and Mr. Wu Yong Xin. All of them are Independent Non-executive Directors.

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

The Company adopted Code Provision B.1.2(c)(i) out of the two models suggested by the CG Code. As a result, the Board as a whole is responsible for determining the remuneration of Non-executive Directors whereas the Remuneration Committee has the authority to approve the remuneration of the individual Executive Directors and senior management of the Company and its subsidiaries as well as share options related matters.

During the year ended 31 December 2019, the Remuneration Committee met once to review the remuneration policy and structure of the Company, and the remuneration packages of the Directors and senior management and other related matters.

The details of the remuneration of the Directors and senior management of the Company are set out in notes 8 and 9 to the consolidated audited financial statements.

年內，審核委員會已舉行三次會議，檢討財務業績及報告、財務申報及合規程序、內部核數師就本公司內部監控及風險管理制度及程序之報告、續聘外聘核數師，以及供僱員就可能不當行為提出關注的安排。

本公司截至二零一九年十二月三十一日止年度的全年業績已經由審核委員會審閱。

審核委員會亦與外聘核數師會面三次，期間並無管理層列席。

薪酬委員會

薪酬委員會目前由三名成員組成，即趙剛先生（委員會主席）、謝文傑先生及吳永新先生。彼等全為獨立非執行董事。

薪酬委員會之主要宗旨為負責建議及審批董事及高級管理層的薪酬政策及架構以及薪酬待遇。薪酬委員會亦負責制訂具透明度之程序，以發展該等薪酬政策及架構，確保概無董事或彼任何聯繫人可參與決定自身之薪酬。彼等之薪酬將參考個別人士及本公司表現以及市場慣例與狀況而定。

本公司採納企業管治守則建議的兩個模型中的守則條文第B.1.2(c)(i)條。因此，董事會整體負責釐定非執行董事之薪酬，而薪酬委員會有權批准本公司及其附屬公司的個別執行董事及高級管理層之薪酬以及購股權相關事宜。

截至二零一九年十二月三十一日止年度，薪酬委員會已舉行一次會議，以檢討本公司之薪酬政策及架構、董事及高級管理層之薪酬待遇以及其他相關事宜。

本公司董事及高級管理層之薪酬詳情載於綜合經審核財務報表附註8及9。

Nomination Committee

The Nomination Committee currently comprises four members, namely, Mr. Wu Yong Xin (Chairman of the Committee), Mr. Zhu Shi Xing, Mr. Tse Man Kit, Keith and Mr. Gary Zhao. The majority of them are Independent Non-executive Directors.

Principal duties of the Nomination Committee include reviewing the Board composition, identifying suitable candidates for appointment as Directors and making recommendations to the Board on the appointment and succession planning of Directors.

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and ethnicity, in addition to educational background, professional experience, skills, knowledge and length of service. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

During the year ended 31 December 2019, the Nomination Committee met once to review the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

In accordance with Article 108 of the Articles of Association, Mr. Zhang Jing Ming, Mr. Hu Shiang Chi, Mr. Siu Kin Wai and Mr. Gary Zhao shall retire by rotation at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company.

The Company's circular dated 28 April 2020 contains detailed information of the Directors standing for re-election.

提名委員會

提名委員會目前由四名成員組成，即吳永新先生（委員會主席）、祝仕興先生、謝文傑先生及趙剛先生，大部分成員為獨立非執行董事。

提名委員會的主要職責包括檢討董事會的組成、物色出任董事的適合人選，以及就委任董事及董事繼任計劃向董事會提出推薦建議。

於評估董事會組成時，提名委員會會考慮董事會多元化政策列載之各個方面，包括但不限於性別、年齡、文化及種族，加上教育背景、專業經驗、技能、知識及服務年期。提名委員會將於有需要時商討及議定達致董事會多元化之可量度目標，並向董事會推薦採納。

截至二零一九年十二月三十一日止年度，提名委員會已舉行一次會議，檢討董事會的架構、規模及組成，以確保其具備平衡有致且切合本公司業務要求之專業知識、技能及經驗。

根據組織章程細則第108條，張景明先生、胡湘麒先生、蕭健偉先生及趙剛先生將於股東週年大會上輪值退任。上述所有退任董事均合資格並將願意在股東週年大會上重選連任。

提名委員會建議續聘於本公司應屆股東週年大會上待重選的董事。

本公司日期為二零二零年四月二十八日之通函載有待重選董事之詳細資料。

Board Diversity Policy

The Company has adopted a board diversity policy (the “Board Diversity Policy”) setting out the approach to achieve diversity on the Board.

The Company recognizes the importance of having a diverse team of Board members, which is an essential element in maintaining an effective Board and enhancing corporate governance standard. The Nomination Committee of the Company is delegated the authority (amongst other things) to review and assess the diversity of the Board, with the objective of maintaining an appropriate mix and balance of skills, knowledge, experience and diversity of perspectives on the Board which are appropriate to the requirements of the Company’s business.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to skills, knowledge, industry and professional experience, cultural and educational background, gender, age and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee shall discuss and where necessary, agree on the measurable objectives for achieving diversity on the Board and make recommendation to the Board. The Board may adopt and/or amend from time to time (as applicable) such diversity perspectives and/or measurable objectives that are appropriate to the Company’s business and Board succession planning, as applicable.

Director Nomination Policy

The Company has adopted a director nomination policy (the “Director Nomination Policy”) setting out the procedures and criteria to be used by the Company in relation to the selection, appointment and re-appointment of Directors to ensure that the Board maintains an appropriate mix and balance of skills, knowledge, experience and diversity of perspectives to the requirements of the Company’s business.

The Nomination Committee shall make reference to this Director Nomination Policy and the Board Diversity Policy to nominate suitably qualified candidates to the Board for it to consider and make recommendations to shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies or as an addition to the Board.

董事會多元化政策

本公司已採納董事會多元化政策(「董事會多元化政策」)中所載達致董事會多元化的方法。

本公司認同擁有多元化董事會成員團隊的重要性，此乃維持有效董事會及提升企業管治標準的重要因素。本公司提名委員會獲授權(其中包括)審閱及評估董事會之多元化，目的為維持董事會之技能、知識、經驗及多元化觀點的合適組合與平衡，符合本公司業務的需要。

甄選人選將按一系列多元化範疇為基準，包括但不限於技能、知識、行業及專業經驗、文化及教育背景、性別、年齡及服務年期。最終將根據所選定人選將為董事會所帶來的益處及貢獻而決定。提名委員會須討論並於必要時協定就達致董事會多元化的可計量目標，並向董事會提出推薦建議。董事會可不時採納及/或修訂(如適用)適用於本公司業務及董事會繼任計劃的多元化觀點及/或可計量目標(如適用)。

董事提名政策

本公司已採納董事提名政策(「董事提名政策」)中所載本公司就甄選、委任及續聘董事所使用之程序及準則，以確保董事會維持對本公司業務所要求的技能、知識、經驗及多樣性之合適組合以及平衡。

提名委員會應參考此董事提名政策及董事會多元化政策，向董事會提名合適的合資格人選以作考慮，並向股東提出推薦建議，以於股東大會中選出董事或委任填補臨時空缺董事或擴大董事會之董事。

Investment and Risk Management Committee

The Investment and Risk Management Committee currently comprised Mr. Gu Shan Chao (Chairman of the Committee), Mr. Liu Xue Heng, Mr. Zhu Shi Xing (all being Executive Directors) and Mr. Lam Ka Tak (the Chief Financial Officer and Company Secretary).

Principal duties of the Investment and Risk Management Committee include overseeing the risk management and evaluating the major investment and funding projects of the Group.

There are two meetings held by the Investment and Risk Management Committee during the year.

Corporate Governance Functions

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

The Board reviewed 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 the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

Company Secretary

Mr. Lam Ka Tak has been the company secretary of the Company since 30 September 2010. Mr. Lam Ka Tak is the Chief Financial Officer of the Company. During the year ended 31 December 2019, Mr. Lam has received no less than 15 hours of relevant professional training to refresh his skills and knowledge.

投資及風險管理委員會

投資及風險管理委員會現由顧善超先生(委員會主席)、劉學恒先生、祝仕興先生(全為執行董事)及林嘉德先生(首席財務官兼公司秘書)組成。

投資及風險管理委員會之主要職務包括監管風險管理，並評估本集團主要投資及資金項目。

年內，投資及風險管理委員會舉行兩次會議。

企業管治職能

董事會負責履行企業管治守則之守則條文第D.3.1條所載之職能。

董事會已檢視本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司遵守法律及監管規定之政策及常規、遵守標準守則，以及本公司遵守企業管治守則及於本企業管治報告中作出披露。

公司秘書

林嘉德先生自二零一零年九月三十日起出任本公司之公司秘書。林嘉德先生為本公司之首席財務官。截至二零一九年十二月三十一日止年度，林先生已接受不少於15小時之相關專業培訓，以更新其技能及知識。

ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The attendance record of each Director at the Board and Board Committee meetings and the general meetings of the Company held during the year ended 31 December 2019 is set out in the table below:

董事及委員會成員之出席記錄

截至二零一九年十二月三十一日止年度，各董事於董事會及董事委員會以及本公司股東大會之出席記錄列於下表：

Name of Directors	董事姓名	Attendance/Number of Meetings 出席情況/會議次數					Investment and Risk Management Committee 投資及風險 管理委員會	Annual General Meeting 股東週年大會
		Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會			
Mr. Zhu Shi Xing	祝仕興先生	3/8	1/1	-	-	1/2	1/1	
Mr. Liu Xue Heng	劉學恒先生	7/8	-	-	-	2/2	0/1	
Mr. Gu Shan Chao	顧善超先生	6/8	-	-	-	1/2	0/1	
Mr. Siu Kin Wai	蕭健偉先生	6/8	-	-	-	-	0/1	
Mr. Hu Shiang Chi	胡湘麒先生	7/8	-	-	-	-	0/1	
Mr. Wang Zheng Chun	王正春先生	5/8	-	-	-	-	0/1	
Mr. Zhang Jing Ming	張景明先生	0/8	-	-	-	-	0/1	
Mr. Robert Winslow Koepp	康仕學先生	8/8	-	-	-	-	1/1	
Mr. Tse Man Kit, Keith	謝文傑先生	8/8	1/1	1/1	3/3	-	1/1	
Mr. Wu Yong Xin	吳永新先生	7/8	1/1	1/1	3/3	-	0/1	
Mr. Zhang Yun Zhou	張運周先生	7/8	-	-	-	-	0/1	
Mr. Gary Zhao	趙剛先生	8/8	1/1	1/1	3/3	-	0/1	
Mr. Qian Xu (Resigned on 27 February 2019)	錢旭先生 (於二零一九年二月二十七日辭任)	0/0	-	-	-	-	0/0	
Name of Committee Member	委員會成員姓名							
Mr. Lam Ka Tak	林嘉德先生	-	-	-	-	2/2	-	

Apart from regular Board meetings, the Chairman also held meetings with the Independent Non-executive Directors without the presence of Executive Directors during the year.

除董事會例會外，主席亦於年內與獨立非執行董事舉行會議(並無執行董事列席)。

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2019.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive information announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements. The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and that relevant statutory and regulatory requirements and applicable accounting standards are complied with.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

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 "Independent Auditor's Report" on pages 68 to 74.

董事對財務報表之責任

董事知悉彼等須負責編製本公司截至二零一九年十二月三十一日止年度之財務報表。

董事會負責呈報均衡、清晰及易於理解之年報及中期報告評估、價格敏感資料公佈及其他根據上市規則及其他法定及監管規定所規定之披露。董事負責監察本公司財務報表之編製，以確保該等財務報表真實而公平地反映本集團事務之狀況，並符合相關法定及監管要求及適用會計準則。

管理層向董事會提供該等所需說明及資料，讓董事會可以就提呈董事會批准之本公司財務報表，作出知情的評估。

董事並不知悉有關任何事件或情況的任何重大不明朗因素，而該等事件或情況可能對本公司之持續經營能力構成重大疑問。

本公司獨立核數師有關財務報表的申報責任聲明載於第68至74頁「獨立核數師報告」。

AUDITORS' REMUNERATION

The remuneration paid to the Company's external auditors of the Company in respect of audit services and non-audit services for the year ended 31 December 2019 is set out below:

Service Category	服務分類	Fees Paid/Payable 已付／應付費用 HK\$ 港元
Audit Services	核數服務	
– Statutory audit services	– 法定審核服務	1,650,000
Non-audit Services	非核數服務	
– Review of interim report	– 審閱中期報告	400,000
		2,050,000

The Board agreed with the Audit Committee's proposal for the re-appointment of Ernst & Young as the Company's external auditor for the year 2020. The recommendation will put forward for shareholders' approval at the forthcoming annual general meeting of the Company.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of the Group is responsible for evaluating and determining the nature and extent of the risks that the Group is willing to take in achieving its strategic objectives, and ensuring that an appropriate and effective risk management and internal control system is established and maintained by the Group. The Board of the Group has overseen the management in the design, implementation and monitoring the risk management and internal control system. The Board has confirmed that it is its duty to establish a risk management and internal control system, and that it will constantly oversee the system and ensure a regular review of the effectiveness of the system will be conducted at least once a year.

The Board and the Audit Committee of the Company have also confirmed that during the reporting period, they have reviewed the effectiveness of the risk management and internal control systems of the Group and its subsidiaries, covering all important control aspects including financial control, operational control and compliance control.

核數師酬金

截至二零一九年十二月三十一日止年度就核數服務及非核數服務已付本公司外聘核數師之酬金列載如下：

Service Category	服務分類	Fees Paid/Payable 已付／應付費用 HK\$ 港元
Audit Services	核數服務	
– Statutory audit services	– 法定審核服務	1,650,000
Non-audit Services	非核數服務	
– Review of interim report	– 審閱中期報告	400,000
		2,050,000

董事會同意審核委員會建議續聘安永會計師事務所為本公司於二零二零年的核數師。推薦建議將於本公司應屆股東週年大會上提呈以供股東批准。

風險管理及內部監控

本集團董事會負責評估及釐定本集團達成策略目標時所願意承受的風險性質及程度，並確保本集團設立及維持合適及有效的風險管理及內部監控系統。本集團董事會已監督管理層對風險管理及內部監控系統的設計、實施及監察。董事會確認，其有責任建立風險管理及內部監控系統，並會持續監督有關系統，並確保最少每年定期檢討一次有關系統的有效性。

本公司董事會及審核委員會亦確認其在本報告期內已檢討本集團及其附屬公司的風險管理及內部監控系統的有效性，有關檢討涵蓋所有重要的監控方面，包括財務監控、營運監控及合規監控。

RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

During the reporting period, the Board and the Audit Committee of the Company have evaluated the effectiveness of the risk management and internal control system, the procedures of which include:

- (1) To determine the extent of the system, identify risks and prepare risk checklists;
- (2) To assess and prioritize the impacts of the risks based on their impacts on the operational efficiency, sustainable development capability and reputation in accordance with the generally accepted risk management framework, with reference to the probability of various types of potential risks, the extent of the management's concerns and the possible financial loss arising from the risks;
- (3) To ensure risk management measures are in place to identify significant risks, to conduct internal control evaluation on the design and implementation of such risk management measures and to take actions to rectify the control gaps;
- (4) To conduct a regular review and summary on the effectiveness of the risk management and internal control system through evaluation on the significant risks and implementation of rectification measures carried out by the management, so as to maximize and continuously enhance the risk management;
- (5) To prepare a risk management manual that determines the duties and responsibilities of management, board of directors and Audit Committee in risk management, and to provide guideline for constantly monitoring the risk management and internal control system;
- (6) The management has reported to the Audit Committee on the results of regular review and evaluation on the risk management, internal control systems, significant risk factors and corresponding measures during the reporting period.

Nevertheless, the risk management and internal control system is designed to manage rather than eliminate the risks that arising from unsuccessful business objectives, and only to make reasonable, but not absolute assurances for the non-material misrepresentation or losses.

風險管理及內部監控(續)

在本報告期內，本公司董事會及審核委員會已對風險管理及內部監控系統之有效性作出評估，其程序包括：

- (1) 釐定系統的範圍、識別風險及編製風險清單；
- (2) 根據一般公認的風險管理框架，依據各類潛在風險發生的可能性以及管理層關注度，加上風險可能造成的財務損失，對運營效率、持續發展能力和聲譽的影響開展風險評估工作，並進行優次排序；
- (3) 確保風險管理措施正在生效以識別重大風險，對設計及實行有關風險管理措施進行內部監控評估，並對監控方面的不足之處採取補救措施；
- (4) 通過對重大風險開展評估和管理層落實整改措施等，定期對風險管理和內部監控系統進行檢討和總結，實現風險管理的功效極致發揮和持續提升；
- (5) 就風險管理編製風險管理手冊，釐定管理層、董事會及審核委員會在風險管理工作的職責，並提供指引以持續監察風險管理和內部監控系統；
- (6) 管理層已就報告期內對風險管理和內部監控系統的定期檢討及評估結果、重大風險因素及相關應對措施向審核委員會報告。

然而，風險管理和內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會出現重大的失實陳述或損失作出合理而非絕對的保證。

As to the procedures and internal controls for handling and disseminating the inside information, the Company:

- is aware of its obligations under the Securities and Futures Ordinance and the Listing Rules, and the overriding principle of dealing with the inside information is to make announcement immediately after such information comes to its attention and/or a relevant decision has been made, unless such information falling within the provision of “Safe Harbours” as provided in the Securities and Futures Ordinance;
- conducts its affairs in strict compliance with the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission in June 2012;
- has established and implemented procedures for responding to external enquiries about the Group’s affairs. Senior executives of the Group are designated and authorised to act as the Company’s spokespersons and respond to specific enquiries;
- has implemented and disclosed its own Code of Conduct for share transaction by relevant employee and Inside information disclosure policy.

The Company has set up an internal audit function and engaged professional consultants to assist in the risk identification and evaluation so as to formulate its risk management measure. The Company has evaluated the design and implementation of internal control measures for significant risks. The Board has reviewed the effectiveness of the risk management and internal control system and considered it is effective and adequate and will continue to enhance the effectiveness in the coming future.

SHAREHOLDERS’ RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors. All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

以下列出本公司對於有關處理及發放內幕消息的程序和內部監控措施：

- 本公司明白其根據《證券及期貨條例》及上市規則所須履行的責任，首要原則是本公司一旦知悉內幕消息及／或在作出有關決定後須即時公佈，除非該等內幕消息屬於《證券及期貨條例》下的「安全港」條文範圍；
- 於處理有關事務時恪守證券及期貨事務監察委員會於二零一二年六月頒佈的「內幕消息披露指引」；
- 就外界對本集團事務作出的查詢訂立及落實回應程序，並指定及授權本集團內高級行政人員擔任本公司發言人，回應特定的查詢；
- 已實施並披露其自訂的相關僱員進行股份交易之行為守則及內幕消息披露政策。

本公司已設立內部審核功能及聘請專業顧問公司協助進行風險識別和評估，制定風險管理措施。本公司已對重大風險的內部監控措施的設計和執行方面進行評估。董事會已檢討風險管理和內部監控系統的有效性，認為該等系統有效和足夠。董事會日後將持續改善其有效性。

股東權利

為保障股東的利益及權利，本公司會於股東大會上就每項實質獨立事項(包括選舉個別董事)提呈獨立決議案。於股東大會上提呈之所有決議案將根據上市規則投票表決，投票結果將於各股東大會結束後於本公司及聯交所網站刊登。

Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 64 of the Company's Articles of Association, an extraordinary general meeting shall be called by the Board on the written requisition of any one or more shareholders of the Company, provided that such shareholders held at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company. Such meeting shall be called for the transaction of any business specified in the written requisition to the Board or the Secretary of the Company; and shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

Putting Forward Proposals at General Meetings

Shareholders who wish to move resolutions at general meetings may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Room 2108, 21/F, Greenfield Tower, Concordia Plaza,
1 Science Museum Road,
Tsim Sha Tsui East, Kowloon
(For the attention of the Company Secretary)
Fax: 2681-2789
Email: enquiry@bemh.com.hk

股東召開股東特別大會

根據本公司組織章程細則第64條，董事會須應一名或多名本公司股東之書面要求召開股東特別大會，惟該等股東於提交要求之日，須持有有權於本公司股東大會上投票之本公司實繳股本不少於十分之一。該大會應予召開，以處理董事會或公司秘書接獲之書面要求列明之任何業務，並應於提交該項要求起計兩個月內舉行。倘於該項要求經已提交二十一日，而董事會未能著手召開該大會，則提出要求者本人(彼等)可以相同方式召開大會，而本公司須向提出要求者償付提出要求者因董事會未能召開股東大會而產生之所有合理開支。

於股東大會上提呈建議

倘股東擬於股東大會提出決議案，可循前段列載之程序要求本公司召開股東大會。

向董事會提出查詢

倘股東擬向本公司董事會提出任何查詢，可將書面查詢發送予本公司。

附註：本公司一般不會處理口頭或匿名查詢。

聯絡詳情

股東可發送上述查詢或要求至以下地址：

地址：九龍尖沙咀東
科學館道1號
康宏廣場南座21樓2108室
(註明公司秘書收)
傳真：2681-2789
電郵：enquiry@bemh.com.hk

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

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

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

To promote effective communication, the Company maintains a website at <http://www.bemh.com.hk>, where up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information are posted.

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee, Audit Committee and Investment and Risk Management Committee or, in their absence, other members of the respective committees and, where applicable, are available to answer questions at shareholder meetings.

The 2019 Annual General Meeting ("AGM") was held on 24 May 2019. The notice of AGM was sent to shareholders at least 20 clear business days before the AGM.

During the year, the Company has not made any changes to its Articles of Association. An up to date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

為免生疑問，除本公司之註冊辦事處外，股東必須寄存及發送妥為簽署之書面要求、通知或聲明，或查詢之正本（視情況而定）至上述地址，並提供全名、聯絡詳情及身份證明，以使前述者生效。股東資料可按法律要求披露。

與股東及投資者的通訊

本公司重視與股東的有效通訊，可藉此提高與投資者的關係及投資者對本集團業務表現及策略的了解。本公司亦認同透明度及適時披露公司資料的重要性，以便股東及投資者作出最佳投資決定。

為促進有效溝通，本公司營運一個網站 (<http://www.bemh.com.hk>)，當中登載本公司業務營運及發展、財務資料、企業管治常規的最新資料及最新訊息及其他資料。

本公司的股東大會為董事會與股東溝通提供一個平台。董事會主席及提名委員會、薪酬委員會、審核委員會以及投資及風險管理委員會主席（如未能出席，則為各委員會之其他成員）將於可行情況下將於股東大會上回答股東提問。

二零一九年股東週年大會（「股東週年大會」）已於二零一九年五月二十四日舉行。股東週年大會通告已於股東週年大會舉行前最少20個完整營業日向股東寄出。

年內，本公司並無對組織章程細則作出任何修改。本公司組織章程細則之最新版本亦載於本公司網站及聯交所網站。

Directors and Senior Management

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Zhu Shi Xing

Mr. Zhu Shi Xing, aged 49, was appointed as an Executive Director of the Company in September 2014. He is currently the Chairman of the Board and a member of the Nomination Committee and the Investment and Risk Management Committee of the Company. Mr. Zhu graduated from Central University of Finance and Economics with a bachelor's degree in finance and obtained his master's degree in software engineering from Beihang University. In addition, Mr. Zhu obtained a bachelor's degree in sport management from Beijing Sport University in July 1994. Mr. Zhu started his career as an assistant in the investment department of China Xinxing Corporation (Group) Ltd. in 1994. During the period from 2004 to 2015, Mr. Zhu joined Beijing Holdings Limited ("BHL"), an affiliate of Beijing Properties (Holdings) Limited ("BPHL", HKEX Stock Code: 925), and had been nominated as the vice general manager of various subsidiaries of BHL involving in industries such as tourism, logistics and property development, and the executive vice president of BPHL. Since December 2015, Mr. Zhu is also an Executive Director of Beijing Sports and Entertainment Industry Group Limited ("Beijing Sports and Entertainment", HKEX Stock Code: 1803), an associate of the Company. Mr. Zhu has extensive experience in investment, financial management and property development.

Mr. Liu Xue Heng

Mr. Liu Xue Heng, aged 46, was appointed as an Executive Director and Joint Chief Executive Officer of the Company in September 2014 and April 2015 respectively. He is currently a member of the Investment and Risk Management Committee of the Company. Before joining the Company, Mr. Liu served as an Executive Director and the Chairman of the Investment and Risk Management Committee of BPHL during the period from 1 January 2011 to 23 December 2015, an Executive Director and the Chief Executive Officer of Tai United Holdings Limited (HKEX stock code: 718) during the period from 11 July 2014 to 19 January 2016, as well as an Independent Non-executive Director of Guangshen Railway Co., Limited (HKEX stock code: 525) during the period from 2 June 2011 to 29 May 2014 respectively. Mr. Liu is also an Executive Director of Beijing Sports and Entertainment since January 2016 and the Chairman of the Board and the Chief Executive Officer of Beijing Sports and Entertainment since April 2016. Mr. Liu obtained a master's degree of Business Administration from Cambridge University in the United Kingdom. Mr. Liu has extensive experience in equity investment, corporate finance, initial public offer and mergers and acquisitions.

執行董事

祝仕興先生

祝仕興先生，49歲，於二零一四年九月獲委任為本公司之執行董事，彼目前為董事會主席以及本公司提名委員會以及投資及風險管理委員會成員。祝先生畢業於中央財經大學並取得金融學士學位及於北京航空航天大學取得軟件工程碩士學位。此外，祝先生於一九九四年七月取得北京體育大學體育管理學士學位。祝先生於一九九四年於中國新興集團有限公司投資部擔任助理，開始其事業發展。自二零零四年至二零一五年期間，祝先生加入北京建設(控股)有限公司(「北京建設」，香港交易所股份代號：925)之聯屬公司京泰實業(集團)有限公司(「京泰集團」)，並獲委派為京泰集團多家涉及旅遊、物流及物業開發業務的附屬公司副總經理之職務，以及擔任北京建設之執行副總裁。自二零一五年十二月起，祝先生擔任本公司之聯營公司北京體育文化產業集團有限公司(「北京體育文化」，香港交易所股份代號：1803)之執行董事。祝先生於投資財務管理及物業開發方面擁有豐富經驗。

劉學恒先生

劉學恒先生，46歲，分別於二零一四年九月及二零一五年四月獲委任為本公司之執行董事及聯席行政總裁，彼目前為本公司投資及風險管理委員會成員。於加入本公司以前，劉先生於二零一一年一月一日至二零一五年十二月二十三日期間，擔任北京建設之執行董事兼投資及風險管理委員會主席，於二零一四年七月十一日至二零一六年一月十九日期間，擔任太和控股有限公司(香港交易所股份代號：718)之執行董事兼行政總裁，於二零一一年六月二日至二零一四年五月二十九日期間，擔任廣深鐵路股份有限公司(香港交易所股份代號：525)之獨立非執行董事。自二零一六年一月起，劉先生亦擔任北京體育文化之執行董事及自二零一六年四月起擔任北京體育文化之董事會主席及行政總裁。劉先生於英國劍橋大學取得工商管理碩士學位。劉先生於股本投資、企業融資、首次公開發售及併購方面擁有豐富經驗。

Mr. Siu Kin Wai

Mr. Siu Kin Wai, aged 51, was appointed as an Executive Director of the Company on 22 May 2017. He is an Executive Director of BPHL since July 2009 and the Chief Executive Officer of BPHL since July 2017. Mr. Siu was also appointed as the Non-executive Director of CAQ Holdings Limited (a company listed on the Australian Stock Exchange with a Listing Corporation Code of CAQ) in April 2015, an Independent Non-executive Director of Agritrade Resources Limited (HKEX Stock Code: 1131) in August 2010 and an Independent Non-executive Director of Orient Securities International Holdings Limited (HKEX Stock Code: 8001) in September 2017 and an Executive Director and the Chief Executive Officer of MillanMin Ventures Inc. ("MVM") (a company listed on the Toronto Stock Exchange with a Listing Stock Code of MVM) in January 2017, and resigned as the Chief Executive Officer of MVM in April 2018. Mr. Siu graduated from City University of Hong Kong with a bachelor's degree in accountancy and is a fellow members of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in England and Wales. Mr. Siu has extensive experience in financial management and corporate advisory.

Mr. Zhang Jing Ming

Mr. Zhang Jing Ming, aged 56, was appointed as an Executive Director and Joint Chief Executive Officer of the Company in September 2014. Mr. Zhang graduated with a master's degree in international finance and trade in the University of International Business and Economics. Mr. Zhang started his property related business since 1996 being the General Manager and the Chairman of the Board of Beijing Wanqi Holdings Ltd., a property developer in Beijing. In 2009, he was also appointed as the General Manager of the Beijing Badachu Real Estate Development Group Co., Ltd.. Mr. Zhang has over twenty years' experience in property development business.

蕭健偉先生

蕭健偉先生，51歲，於二零一七年五月二十二日獲委任為本公司之執行董事。彼自二零零九年七月起為北京建設之執行董事及自二零一七年七月起為北京建設之首席執行官。蕭先生亦於二零一五年四月獲委任為CAQ Holdings Limited(於澳洲證券交易所上市之公司。上市公司代碼：CAQ)之非執行董事；於二零一零年八月獲委任為鴻寶資源有限公司(香港交易所股份代號：1131)之獨立非執行董事；於二零一七年九月獲委任為東方滙財證券國際控股有限公司(香港交易所股份代號：8001)之獨立非執行董事；於二零一七年一月獲委任為MillanMin Ventures Inc.(於多倫多證券交易所上市之公司，上市公司代碼：MVM)之執行董事兼行政總裁及於二零一八年四月辭任MVM之行政總裁。蕭先生畢業於香港城市大學，取得會計學士學位，並為英國特許公認會計師公會及香港會計師公會資深會員以及英格蘭及威爾斯特許會計師公會會員。蕭先生在財務管理及企業顧問方面擁有豐富經驗。

張景明先生

張景明先生，56歲，於二零一四年九月獲委任為本公司之執行董事兼聯席行政總裁。張先生畢業於對外經濟貿易大學並取得國際金融與貿易的碩士資格。張先生於一九九六年開始展開其房產相關業務，擔任萬企控股集團有限公司(一家北京的房產開發商)的總經理及董事長。於二零零九年，彼同時被任命為北京八大處房地產開發集團有限公司的總經理。張先生於房地產開發方面擁有超過20年的經驗。

Mr. Gu Shan Chao

Mr. Gu Shan Chao, aged 50, was appointed as an Executive Director of the Company in September 2014. He is currently the Chairman of the Investment and Risk Management Committee of the Company and the President of the Group. Mr. Gu obtained his bachelor's degree in electronic engineering from the Beijing Institute of Technology and master's degree in property from Tsinghua University. Mr. Gu participated in the property industry since 1999, and had been the Sales Director and General Manager of various property developers in Beijing.

Mr. Hu Shiang Chi

Mr. Hu Shiang Chi, aged 59, was appointed as an Executive Director of the Company in May 2015. Mr. Hu obtained his master's degree in International Business and bachelor's degree in Electrical Engineering from National Taiwan University. Mr. Hu has extensive experience in operation management and company acquisition. Mr. Hu is now the Chairman of the Board of Abico-Fs Co., Ltd (stock code in GreTai Securities Market: 8071) and Transystem Inc. (stock code in GreTai Securities Market: 5348), and the Managing Director of AVY Precision Technology Inc. (stock code in GreTai Securities Market: 5392).

Mr. Wang Zheng Chun

Mr. Wang Zheng Chun, aged 55, was appointed as an Executive Director of the Company in June 2008. He was the Chairman of the Company during the period from October 2008 to February 2015. Mr. Wang has over twenty years of experience in property development and management. He has substantial experience in developing and constructing villas, residential units and commercial buildings in the mainland China.

顧善超先生

顧善超先生，50歲，於二零一四年九月獲委任為本公司之執行董事。彼目前為本公司投資及風險管理委員會主席及本集團總裁。顧先生於北京理工大學取得電子工程學士學位及於清華大學取得房地產專業碩士學位。顧先生自一九九九年參與房地產行業並曾擔任多家北京房地產開發商的銷售總監及總經理之職務。

胡湘麒先生

胡湘麒先生，59歲，於二零一五年五月獲委任為本公司之執行董事。胡先生於國立臺灣大學取得國際企業學碩士學位及電機工程學士學位。胡先生於經營管理與公司合併方面擁有豐富經驗。胡先生現為能率豐聲股份有限公司(證券櫃檯買賣中心股份代號：8071)、及系通科技股份有限公司(證券櫃檯買賣中心股份代號：5348)之董事長，及應華精密科技股份有限公司(證券櫃檯買賣中心股份代號：5392)之董事總經理。

王正春先生

王正春先生，55歲，於二零零八年六月獲委任為本公司之執行董事，彼於二零零八年十月至二零一五年二月期間為本公司之主席。王先生於地產發展及管理已有逾二十年經驗，彼對於在中國內地建設別墅、住宅及商業樓宇方面具豐富經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Robert Winslow Koepf

Mr. Robert Winslow Koepf, aged 53, was appointed as a Non-executive Director of the Company in May 2015 and re-designated as an Independent Non-executive Director in May 2017. Mr. Koepf obtained his bachelor's degree in Asian Studies from Pomona College, USA, and Master of Business Administration from Cambridge University in the United Kingdom. Mr. Koepf has in-depth professional experience in public and private equity financing, real estate, economics and business strategies, particularly for those Chinese companies which are listed overseas.

Mr. Wu Yong Xin

Mr. Wu Yong Xin, aged 56, was appointed as an Independent Non-executive Director of the Company in September 2014. He is currently the Chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Wu is currently the Executive Vice President, Chief Government Affairs Officer and General Manager of Regional Organization of Siemens Ltd., China. Mr. Wu obtained his bachelor's degree in economics from Capital University of Economics and Trade in Beijing and master's degree in business administration from China Europe International Business School.

Mr. Tse Man Kit, Keith

Mr. Tse Man Kit, Keith, aged 46, was appointed as an Independent Non-executive Director of the Company in September 2014. He is currently the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee of the Company. Mr. Tse has been appointed as the Chief Financial Officer and an Executive Director of China Technology Solar Power Holdings Limited (HKEX Stock Code: 8111) since 1 May 2019 and 12 July 2019 respectively. Mr. Tse was also appointed as the Chief Financial Officer and Company Secretary of Shunfeng International Clean Energy Limited (HKEX stock code: 1165) from September 2010 to November 2018, and was appointed as an Independent Non-executive Director of Beijing Sports and Entertainment since January 2016. Mr. Tse has around 20 years of working experience in accounting and financial management. Mr. Tse is a fellow Certified Practising Accountant of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Tse obtained a bachelor's degree in commerce from University of Wollongong, New South Wales, Australia in July 1997, majoring in accountancy and finance.

獨立非執行董事

康仕學先生

康仕學先生，53歲，於二零一五年五月獲委任為本公司之非執行董事並於二零一七年五月起調任為本公司之獨立非執行董事。康先生獲得美國波莫納學院亞洲研究學士學位及英國劍橋大學工商管理碩士學位。康先生於公募和私募股權融資、房地產、經濟學和商業戰略擁有深入專業經驗，尤其是涉及海外上市的中國企業。

吳永新先生

吳永新先生，56歲，於二零一四年九月獲委任為本公司之獨立非執行董事，彼目前為本公司提名委員會主席以及審核委員會及薪酬委員會成員。吳先生現任西門子(中國)有限公司執行副總裁、首席政府事務官及區域組織總經理。吳先生持有北京首都經濟貿易大學經濟學學士資格及中歐國際工商學院工商管理碩士學位。

謝文傑先生

謝文傑先生，46歲，於二零一四年九月獲委任為本公司之獨立非執行董事，彼目前為本公司審核委員會主席以及薪酬委員會及提名委員會成員。謝先生自二零一九年五月一日及二零一九年七月十二日起分別獲委任為中科光電控股有限公司(香港交易所股份代號：8111)之首席財務官兼執行董事。謝先生自二零一零年九月至二零一八年十一月期間獲委任為順風清潔能源國際有限公司(香港交易所股份代號：1165)之首席財務官兼公司秘書及自二零一六年一月起獲委任為北京體育文化之獨立非執行董事。謝先生於會計及財務管理方面擁有約二十年工作經驗。謝先生為澳洲會計師公會資深註冊執業會計師及香港會計師公會會員。謝先生於一九九七年七月獲得澳洲新南威爾斯臥龍崗大學商學士學位，主修會計及金融。

Mr. Gary Zhao

Mr. Gary Zhao, aged 59, was appointed as an Independent Non-executive Director of the Company in February 2016. He is currently the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Zhao obtained a bachelor's degree in English literature from Northeast Normal University and a master's degree in education from Hebei University in 1984 and 1986 respectively. Mr. Zhao worked in the State Education Commission of the People's Republic of China since 1986 and was re-designated to work in the Department of Foreign Investment of Beijing Foreign Trade and Economic Relations Commission in 1989. From 1992 to 2005, Mr. Zhao successively served as the General Manager for several enterprises, and has subsequently become a fulltime freelance investor since 2005. Mr. Zhao has extensive experience in the Chinese economic development, Chinese financial market, project investment and corporate management.

Mr. Zhang Yun Zhou

Mr. Zhang Yun Zhou, aged 53, was appointed as an Independent Non-executive Director of the Company in May 2015. Mr. Zhang has engaged in clinical work of internal medicine and neurology for over 20 years. He possesses knowledge in relation to neuroanatomy, neuropathology, electroneurophysiology, neuroimaging and other disciplines. After finishing his first doctorate degree in Nanfang Hospital of First Military Medical University in Guangzhou and second doctorate degree in Xuanwu Hospital of Capital Medical University in Beijing, Mr. Zhang obtained his qualification of PhD candidate in Neurology from PLA Military Medical School (PLA General Hospital) (解放軍醫進修學院(解放軍總醫院)) in Beijing, a master candidate in Neurology from Zhujiang Hospital of First Military Medical University in Guangzhou and a bachelor's degree in Clinical Medicine from The Fourth Military Medical University in Xian, respectively. Mr. Zhang obtained the professional qualification of chief physician in Neurology (神經內科主任醫師) in 2016. He is currently the medical group leader of emergency Neurology (神經內科重症病房), and an chief physician, associate professor and postgraduate tutor in Xuanwu Hospital of Capital Medical University in Beijing.

SENIOR MANAGEMENT

Mr. Lam Ka Tak

Mr. Lam Ka Tak, aged 38, is the Chief Financial Officer and Company Secretary of the Group, he joined the Group in September 2010. Mr. Lam received his master's degree of Business Administration from The University of Hong Kong and bachelor's degree of Arts (Honours) in Accountancy from The Hong Kong Polytechnic University. He is currently a member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Business Accountants Association. He has over 16 years of working experience in financial management and corporate finance. Before joining the Group, Mr. Lam had worked for KPMG as an audit manager. He is also an Executive Director of Beijing Sports and Entertainment and an Independent Non-executive Director of U Banquet Group Holding Limited (HKEX Stock code: 1483).

趙剛先生

趙剛先生，59歲，於二零一六年二月獲委任為本公司之獨立非執行董事，彼目前為本公司之薪酬委員會主席以及審核委員會及提名委員會成員。趙先生分別於一九八四年取得東北師範大學英語文學學士學位及於一九八六年取得河北大學教育學碩士學位。趙先生自一九八六年起於中華人民共和國國家教育委員會工作，一九八九年調任北京市外經貿委外資處工作。自一九九二年至二零零五年期間，趙先生先後擔任多間企業之總經理職務，及後於二零零五年起至今為全職自由投資者。趙先生對中國經濟發展、中國金融市場、項目投資及企業管理方面擁有豐富經驗。

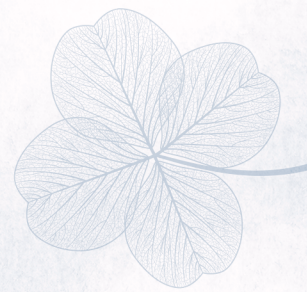
張運周先生

張運周先生，53歲，於二零一五年五月獲委任為本公司之獨立非執行董事。張先生從事內科及神經內科臨床工作超過20年，具有神經解剖、神經病理、神經電生理、神經影像及其它學科知識。張先生於分別於廣州市第一軍醫大學南方醫院完成第一站博士後及北京市首都醫科大學宣武醫院完成第二站博士後，及於北京市解放軍軍醫進修學院(解放軍總醫院)神經病學臨床取得博士研究生資格、廣州市第一軍醫大學珠江醫院神經內科取得碩士研究生資格及西安市第四軍醫大學取得臨床醫療系學士學位。張先生於二零一六年取得神經內科主任醫師專業資格，彼目前為北京市首都醫科大學宣武醫院神經內科重症病房主任，主任醫師、副教授及研究生導師。

高級管理層

林嘉德先生

林嘉德先生，38歲，為本集團首席財務官兼公司秘書，彼於二零一零年九月加盟本集團。林先生持有香港大學工商管理碩士學位及香港理工大學會計學(榮譽)文學士學位，現時為香港會計師公會及香港商界會計師協會的會員，擁有逾16年的財務管理及企業財務經驗。加入本集團之前，林先生曾於畢馬威會計師事務所任職審計經理。彼亦擔任北京體育文化的執行董事及譽寰集團控股有限公司(香港交易所股份代號：1483)的獨立非執行董事。



The Directors present their annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 1 to the consolidated financial statements.

Further discussion and analysis of the business review as required by Schedule 5 to the Hong Kong Companies Ordinance, including future development in the Group's business, can be found in the "Management Discussion and Analysis" section of this annual report. The above section forms part of this "Directors' Report".

POSSIBLE RISK EXPOSURE

The Directors are aware that the Group is exposed to various risks, including some which are specific to the Group or the industries in which the Group operates as well as others that are common to most businesses. The Directors have established a procedure to ensure that significant risks may adversely affect the Group's performance and ability to deliver on its strategies, as well as those which may present positive opportunities, are identified, reported, monitored, and managed on a continuous basis.

Risk of Investment Decisions

Risk analysis: According to the Group's development strategies, we will continue to acquire new projects in the future, whether high quality projects will be selected and investment decisions to be made scientifically will have far-reaching effects on the Group's development.

Tackling measures: Subject to corporate strategies, the Group will determine the investment decision indicators and the information required for analysis, and maintain close communication with the relevant assessment agencies and collaborative authorities; combine preliminary investment research with project progress conditions and influencing factors, such as socio-economic policies, to predict possible external factors which may arise in later stages; select the right timing of entry for the project and formulate the corresponding investment strategies, and make timely adjustments to achieve the best result.

董事謹此提呈本公司截至二零一九年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務及業務回顧

本公司為一家投資控股公司，其主要附屬公司之業務載於綜合財務報表附註1。

香港公司條例附表5所要求對業務回顧的進一步討論及分析(包括本集團業務的未來發展)載於本年報的「管理層討論及分析」一節。上述章節構成「董事會報告」一部分。

可能面對的風險

董事留意到，本集團面對多種風險，包括部分本集團獨有或本集團經營所處行業的風險，以及大部分其他業務的其他風險。董事已制定程序，以確保可能對本集團表現、實踐其策略的能力及可能出現的正面機會有不利影響的重大風險加以持續識別、報告、監控及管理。

投資決策風險

風險分析：根據本集團發展戰略，未來將繼續收購新項目，能否選擇優質的項目，作出科學的投資決策對本集團發展影響深遠。

應對措施：遵循公司戰略的前提下，本集團將會明確投資決策的指標及所需分析資料，與相關評估機構、協辦部門保持緊密溝通；投資前期研究結合項目進展狀況及社會經濟政策等影響因素，並預估後期可能產生的外在因素；選擇項目適當的進入時機，並據此制訂相應的投資策略，適時調整以達至最佳結果。

Risk of Financing Costs

Risk analysis: As the Group's borrowings gradually increase, there are higher requirements for budgeting, management and control of funds. Currently a regular reporting system has been established for funding conditions and financing plans, but the capabilities on assessing actual requirement of funds and the funding terms have to be strengthened. At the same time, the Group will monitor closely the relationship between exchange rate changes and changes in interest rate spreads, further enhance supervision and control capabilities, take action in advance to avoid risk of exchange rate changes and structural risk of financing arrangements.

Tackling measures: the Group will keep on strengthening the tracking analysis on national currency policies and capital market conditions and trends and closely monitor exchange rate and interest rate changes; enhance joint collaborations with domestic and foreign financial institutions to obtain information on exchange rate and interest rate momentum to further improve supervision and control capabilities.

Risk of Sectoral and Economic Policies

Risk analysis: Changes in sectoral and economic policies in China will have impact on medical and geriatric business. Currently, policies for the sector remained stable and favourable.

Tackling measures: the Group will monitor simultaneously the conditions of the province where the subsidiaries operate, including industry policies, regional economic policies and macroeconomic changes, collect and arrange the relevant information regularly to establish a database for carrying out analysis and research to formulate tackling measures; strengthen interaction between peer entities and superior authorities to understand the changing direction of the industry, exchange management experience and enable good communication.

RESULTS AND APPROPRIATIONS

The results of the Company and its subsidiaries (collectively known as the "Group") for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 75 to 77.

The Directors do not recommend the payment of any dividend for the year. The Board believes in balancing returns to shareholders with investment to support future growth and has decided that it would be in the Group's best interests to reserve sufficient financial resources for future business developments.

融資成本風險

風險分析：隨著本集團借款逐步增加，對資金預算和資金管控工作提出更高的要求，目前本集團已建立資金條件及籌資計劃的定期匯報制度，但仍需要加強評估資金的實際需要以及條款的能力，同時，本集團將會密切關注匯率變動和利率差變動的關係，進一步提升監控能力，提前採取措施，以防範匯率變動的風險、籌資安排的結構性風險。

應對措施：本集團將會繼續加強國家貨幣政策和資本市場形勢走勢的跟蹤分析，密切關注匯率和利率變動；加強與境內外財務機構的聯動，獲取關於匯率、利率對沖方面的資訊，進一步提升監控能力。

行業及經濟政策風險

風險分析：中國的行業經濟政策變化對醫療及養老業務將會產生影響。目前，醫療及養老業務行業政策保持平穩向好。

應對措施：本集團將會實時關注附屬公司所在省份的行業政策、地區經濟政策、宏觀經濟變化等情況，並定期對相關資訊進行收集、整理，建立資料庫，並作分析、研究應對方案；加強與同行業單位以及上級主管部門之間的互動，及時了解當前行業動向，交流管理經驗，建立良好溝通。

業績及分配

本公司及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度之業績載於第75至77頁之綜合損益及其他全面收益表內。

董事並不建議就本年度派付任何股息。董事會相信我們必須在股東回報和投資未來增長之間作出平衡，並已決定保留足夠財務資源供未來業務發展符合本集團的最佳利益。

Dividend Policy

The Board adopted a dividend policy on 29 March 2019 (the “**Dividend Policy**”). According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- the Group’s actual and expected financial results;
- the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company;
- the Company’s business operation strategy, including expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Company’s liquidity position;
- retained earnings and distributable profit reserves of the Company;
- the contractual restrictions on the payment of dividends imposed by the Company’s lenders and other institutions; and
- any other factors that the Board considers to be applicable from time to time.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio, the declaration, payment and amount of dividends will be subject to the Board’s discretion.

The Board will review the Dividend Policy on a regular basis.

股息政策

董事會於二零一九年三月二十九日採納一項股息政策(「**股息政策**」)。根據股息政策，當未來決定是否宣派任何股息及宣佈股息金額時，本公司將考慮多項因素，包括但不限於：

- 本集團之實際及預期財務業績；
- 可能影響本公司業務或財務表現及財務狀況之整體經濟狀況及其他內在或外在因素；
- 本公司之業務經營策略，包括預期營運資金需求、資本開支需求及未來擴展計劃；
- 本公司之流動資金狀況；
- 本公司之留存收益和可分配利潤儲備；
- 由本公司貸款人及其他機構施加有關派發股息的合約規限；及
- 董事會不時認為適用之任何其他因素。

本公司沒有任何預定的股息分配比例或分配比率，股息之宣派、派付及金額將由董事會酌情決定。

董事會將定期檢討股息政策。

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Company and the Group during the year are set out in notes 14 and 15 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Articles of Association and provided that immediately following the distribution of dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. As at 31 December 2019, the Company's reserves available for distribution amounted to HK\$861,912,000 which consisted of share premium of HK\$1,771,142,000 net of accumulated losses of HK\$909,230,000.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's share capital and share options are set out in notes 32 and 33 to the consolidated financial statements.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the year ended 31 December 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

物業、廠房及設備以及投資物業

本公司及本集團於年內之物業、廠房及設備以及投資物業之變動詳情分別載於綜合財務報表附註14及15。

可供分派儲備

根據開曼群島法例第22章公司法(經修訂),本公司之股份溢價可供向股東支付分派或股息,惟須受本公司之組織章程細則條文規限,並且緊隨股息分派後,本公司須能夠支付日常業務過程中到期之債項。於二零一九年十二月三十一日,本公司可供分派儲備為861,912,000港元,其中包括股份溢價1,771,142,000港元(扣除累計虧損909,230,000港元)。

股本及購股權

本公司股本及購股權之變動詳情載於綜合財務報表附註32及33。

購買、贖回或出售上市證券

截至二零一九年十二月三十一日止年度,本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

SHARE OPTION SCHEME

The Company has a share option scheme which was adopted on 26 April 2002 (the "2002 Scheme") and replaced by the share option scheme adopted on 24 May 2013 (the "2013 Scheme"). Further details of the 2002 Scheme and 2013 Scheme are disclosed in note 33 to the consolidated financial statements.

The following table discloses the number of outstanding share options granted to the Directors of the Company at the beginning of the period and at 31 December 2019:

	Number of share options at 1/1/2019 and 31/12/2019
	於二零一九年 一月一日及 二零一九年 十二月三十一日之 購股權數目
Mr. Wang Zheng Chun 王正春先生	30,000,000
Mr. Zhu Shi Xing 祝仕興先生	30,000,000
Mr. Liu Xue Heng 劉學恒先生	30,000,000
Mr. Gu Shan Chao 顧善超先生	30,000,000
Mr. Siu Kin Wai 蕭健偉先生	10,000,000
Mr. Zhang Jing Ming 張景明先生	20,000,000
Mr. Hu Shiang Chi 胡湘麒先生	15,000,000
Mr. Robert Winslow Koepp 康仕學先生	7,000,000
Mr. Wu Yong Xin 吳永新先生	4,000,000
Mr. Tse Man Kit, Keith 謝文傑先生	4,000,000
Mr. Zhang Yun Zhou 張運周先生	2,000,000

As at 31 December 2019, the Company had 338,000,000 share options outstanding under the 2013 Scheme. Should they be fully exercised, the Company will receive HK\$192,460,000 (before issue expenses). The fair value of these unexercised options measured in accordance with the Group's accounting policy (note 2.4 to the consolidated financial statements) amounted to HK\$92,706,000.

Save as disclosed above, 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, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

購股權計劃

本公司於二零零二年四月二十六日採納購股權計劃(「二零零二年計劃」)，並由在二零一三年五月二十四日採納之購股權計劃(「二零一三年計劃」)取代。二零零二年計劃及二零一三年計劃的進一步詳情披露於綜合財務報表附註33。

下表披露本公司於期初及截至二零一九年十二月三十一日授予本公司董事尚未行使購股權數目之變動：

	Number of share options at 1/1/2019 and 31/12/2019
	於二零一九年 一月一日及 二零一九年 十二月三十一日之 購股權數目
於二零一九年十二月三十一日，本公司於二零一三年計劃項下有338,000,000份尚未行使的購股權。倘其獲悉數行使，本公司將收取192,460,000港元(未計發行開支)。該等尚未行使購股權根據本集團會計政策(綜合財務報表附註2.4)計量的公平值為92,706,000港元。	

除上文披露者外，於年內任何時間概無任何董事或彼等各自之配偶或未成年子女獲授予或行使可透過購入本公司股份或債權證而獲益之權利，而本公司、其控股公司、其任何附屬公司或同系附屬公司概無訂立任何安排，致令本公司董事可購入任何其他法人團體之該等權利。

DIRECTORS

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

Executive Directors

Mr. Zhu Shi Xing (*Chairman*)
Mr. Liu Xue Heng (*Joint Chief Executive Officer*)
Mr. Zhang Jing Ming (*Joint Chief Executive Officer*)
Mr. Qian Xu (*resigned on 27 February 2019*)
Mr. Siu Kin Wai
Mr. Gu Shan Chao
Mr. Hu Shiang Chi
Mr. Wang Zheng Chun

Independent Non-executive Directors

Mr. Gary Zhao
Mr. Robert Winslow Koeppe
Mr. Tse Man Kit, Keith
Mr. Wu Yong Xin
Mr. Zhang Yun Zhou

In accordance with Article 108 of the Articles of Association, Mr. Zhang Jing Ming, Mr. Hu Shiang Chi, Mr. Siu Kin Wai and Mr. Gary Zhao shall retire by rotation at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Company and each Director have entered into a letter of appointment for a term of 3 years, subject to retirement by rotation in accordance with the Articles of Association of the Company.

DIRECTORS' SERVICE CONTRACTS

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

INDEMNITY OF DIRECTORS

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the company is currently in force and was in force throughout this year.

董事

本年度及截至本報告日期止本公司之董事如下：

執行董事

祝仕興先生(主席)
劉學恒先生(聯席行政總裁)
張景明先生(聯席行政總裁)
錢旭先生(於二零一九年二月二十七日辭任)
蕭健偉先生
顧善超先生
胡湘麟先生
王正春先生

獨立非執行董事

趙剛先生
康仕學先生
謝文傑先生
吳永新先生
張運周先生

根據組織章程細則第108條，張景明先生、胡湘麟先生、蕭健偉先生及趙剛先生將於股東週年大會上輪值退任。上述所有退任董事均合資格並將願意在股東週年大會上重選連任。

本公司與各董事已訂立為期三年之委聘書，須遵守本公司組織章程細則之規定輪值退任。

董事之服務合約

擬將於應屆股東週年大會上重選連任之董事概無訂有本集團不可於一年內不給予補償(法定補償除外)而終止之服務合約。

董事彌償

基於本公司董事利益的獲准許彌償條文(定義見香港公司條例第469條)現已生效且於本年度一直有效。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance, to which the Company, its holding company or any of its subsidiaries was a party and in which a Director of the Company or any entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 December 2019, the interests of the Directors and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Long positions

Ordinary shares of HK\$0.20 each of the Company

Name of Director 董事姓名	Capacity 身份	Interest in shares 股份權益	Interest in underlying shares 相關股份權益	Total interest in shares 股份總權益	Approx. percentage of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
Mr. Wang Zheng Chun 王正春先生	Beneficial owner 實益擁有人	5,468,750	30,000,000 (Note 3) (附註3)	35,468,750	0.58%
	Interest held by spouse 由配偶持有之權益	35,074,000 (Note 1) (附註1)	–	35,074,000	0.58%
	Interest held by controlled corporation 由受控制法團持有之權益	64,811,000 (Note 2) (附註2)	–	64,811,000	1.07%
		105,353,750	30,000,000	135,353,750	2.23%

董事於重大合約之權益

於本年底或年內任何時間，並無任何本公司、其控股公司或其任何附屬公司為訂約方，且本公司董事或任何與董事有關連的實體直接或間接擁有重大權益之重大合約生效。

董事於股份及相關股份之權益

於二零一九年十二月三十一日，董事及彼等各自之聯繫人士於本公司及其相聯法團之股份及相關股份中擁有按本公司根據證券及期貨條例（「證券及期貨條例」）第352條規定存置之登記冊所記錄或根據標準守則已另行知會本公司及聯交所之權益如下：

(i) 好倉

本公司每股面值0.20港元之普通股

Name of Director 董事姓名	Capacity 身份	Interest in shares 股份權益	Interest in underlying shares 相關股份權益	Total interest in shares 股份總權益	Approx. percentage of the issued share capital of the Company 佔本公司 已發行股本 概約百分比
Mr. Zhu Shi Xing 祝仕興先生	Beneficial owner 實益擁有人	–	30,000,000 (Note 3) (附註3)	30,000,000	0.49%
Mr. Liu Xue Heng 劉學恒先生	Beneficial owner 實益擁有人	–	30,000,000 (Note 3) (附註3)	30,000,000	0.49%
Mr. Gu Shan Chao 顧善超先生	Beneficial owner 實益擁有人	–	30,000,000 (Note 3) (附註3)	30,000,000	0.49%
Mr. Zhang Jing Ming 張景明先生	Beneficial owner 實益擁有人	–	20,000,000 (Note 3) (附註3)	20,000,000	0.33%
Mr. Hu Shiang Chi 胡湘麒先生	Beneficial owner 實益擁有人	–	15,000,000 (Note 3) (附註3)	15,000,000	0.25%
Mr. Siu Kin Wai 蕭健偉先生	Beneficial owner 實益擁有人	–	10,000,000 (Note 3) (附註3)	10,000,000	0.16%
Mr. Robert Winslow Koepf 康仕學先生	Beneficial owner 實益擁有人	–	7,000,000 (Note 3) (附註3)	7,000,000	0.12%
Mr. Wu Yong Xin 吳永新先生	Beneficial owner 實益擁有人	–	4,000,000 (Note 3) (附註3)	4,000,000	0.07%
Mr. Tse Man Kit, Keith 謝文傑先生	Beneficial owner 實益擁有人	–	4,000,000 (Note 3) (附註3)	4,000,000	0.07%
Mr. Zhang Yun Zhou 張運周先生	Beneficial owner 實益擁有人	–	2,000,000 (Note 3) (附註3)	2,000,000	0.03%

Notes:

1. Mr. Wang Zheng Chun ("Mr. Wang") is deemed to be interested in 35,074,000 shares, being the interests beneficially held by his spouse, Madam Shen Ling Zhao.
2. The 64,811,000 shares are held by Hillfame Holdings Limited, a company incorporated in the British Virgin Islands and the entire issued share capital of which is beneficially owned by Mr. Wang.
3. The interests were derived from share options granted by the Company on 2 April 2015 and 28 January 2016 which entitled the holders thereof to subscribe for Shares at an exercise price of HK\$0.61 and HK\$ 0.53 per Share. First 30% of the share options granted will be vested in one year after 2 April 2015 and 28 January 2016 (as the case may be), second 30% of the share options granted will be vested in two years after 2 April 2015 and 28 January 2016 (as the case may be) and remaining 40% of the share options granted will be vested in three years after 2 April 2015 and 28 January 2016 (as the case may be). The share options are exercisable from the vesting date until 1 April 2025 and 27 January 2026 (as the case may be).

Other than as disclosed above, none of the Directors, nor their associates had any interests or short positions in any shares or underlying shares of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Share options

The interests of the Directors and chief executive in the share options of the Company are separately disclosed in the section "SHARE OPTION SCHEME" above.

Save as disclosed above, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

附註：

1. 王正春先生(「王先生」)被視為於35,074,000股股份中擁有權益，而該等權益由彼之配偶沈領招女士實益持有。
2. 64,811,000股股份由 Hillfame Holdings Limited持有，該公司為於英屬維爾京群島註冊成立之公司及其全部已發行股本由王先生實益擁有。
3. 該等權益乃產生自本公司於二零一五年四月二日及二零一六年一月二十八日授出的購股權，該等購股權分別賦予其持有人權利以行使價每股股份0.61港元及每股股份0.53港元認購股份。已授出第一批30%購股權將於二零一五年四月二日及二零一六年一月二十八日(視乎情況而定)後一年期滿時歸屬；已授出第二批30%購股權將於二零一五年四月二日及二零一六年一月二十八日(視乎情況而定)後兩年期滿時歸屬；已授出餘下40%購股權將於二零一五年四月二日及二零一六年一月二十八日(視乎情況而定)後三年期滿時歸屬。購股權可由歸屬日期起至二零二五年四月一日及二零二六年一月二十七日(視乎情況而定)行使。

除上文披露者外，概無董事或彼等之聯繫人士於本公司或其任何相聯法團之任何股份及相關股份中持有根據證券及期貨條例第352條規定存置之登記冊所記錄或根據標準守則已另行知會本公司及聯交所之任何權益或淡倉。

(ii) 購股權

董事及主要行政人員於本公司購股權的權益個別於上文「購股權計劃」一節披露。

除上文披露者外，本公司、其控股公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事可透過收購本公司或任何其他法人團體之股份或債權證而從中獲益。

MANAGEMENT CONTRACT

During the year, no contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered or existed.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2019, none of the directors of the Company had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

SUBSTANTIAL SHAREHOLDERS

Other than as disclosed above in the section headed "Directors' interests in shares and underlying shares", as at 31 December 2019, the shareholders (other than Directors or chief executives of the Company) who had interests of 5% or more or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or had otherwise notified to the Company were as follows:

Long positions

Ordinary shares of HK\$0.20 each of the Company

Name of shareholder 股東姓名／名稱	Capacity 身份	Number of shares beneficially held 實益持有股份數目	Percentage of holding 持股百分比
Cosmic Stand International Limited	Beneficial owner 實益擁有人	945,000,000	15.55%
Beijing Properties (Holdings) Limited 北京建設(控股)有限公司	Interest held by controlled corporation (Note 1) 由受控制法團持有之權益(附註1)	945,000,000	15.55%
Beijing Enterprises Real Estate (HK) Limited 北控置業(香港)有限公司	Interest held by controlled corporation (Note 1) 由受控制法團持有之權益(附註1)	945,000,000	15.55%
Beijing Enterprises Group Company Limited 北京控股集團有限公司	Interest held by controlled corporation (Note 1) 由受控制法團持有之權益(附註1)	945,000,000	15.55%

管理合約

年內，本公司並無訂立且並無存在關於本公司業務整體或任何重要部分之管理及行政合約。

董事於競爭性業務之權益

於截至二零一九年十二月三十一日止年度內，本公司之董事概無於與本集團經營的業務構成競爭或可能直接或間接構成競爭的任何業務中擁有任何權益。

主要股東

除於上文「董事於股份及相關股份之權益」一節披露者外，於二零一九年十二月三十一日，於本公司股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露或記載於本公司按證券及期貨條例第336條存置的登記冊內或已另行知會本公司的5%或以上權益或淡倉之股東(本公司董事或最高行政人員除外)如下：

好倉

本公司每股面值0.20港元之普通股

Directors' Report • 董事會報告

Name of shareholder 股東姓名／名稱	Capacity 身份	Number of shares beneficially held 實益持有股份數目	Percentage of holding 持股百分比
北京北控置業集團有限公司	Interest held by controlled corporation (Note 1) 由受控制法團持有之權益(附註1)	945,000,000	15.55%
Beijing Financial Holdings Group Limited 北京金融控股集團有限公司	Interest held by controlled corporation (Note 2) 由受控制法團持有之權益(附註2)	548,409,806	9.02%
Beijing Financial Investment Holdings Limited 北京金融投資控股有限公司	Interest held by controlled corporation (Note 2) 由受控制法團持有之權益(附註2)	548,409,806	9.02%
Beijing Investment Co., Limited 北京投資有限公司	Beneficial owner (Note 2) 實益擁有人(附註2)	548,409,806	9.02%
Ng Kin Nam 吳健南	Beneficial owner 實益擁有人	401,300,000	6.60%
江河創建集團股份有限公司	Interest held by controlled corporation (Note 3) 由受控制法團持有之權益(附註3)	324,684,000	5.34%

Notes:

- These Shares were beneficially owned by Cosmic Stand International Limited. Cosmic Stand International Limited is wholly owned by Beijing Properties (Holdings) Limited. Beijing Properties (Holdings) Limited is owned as to 35.72% by Beijing Enterprises Real Estate (HK) Limited, 22.73% by Brilliant Bright Holdings Limited, 7.11% by Beijing Holdings Limited and 1.28% by Illumination Holdings Limited (a wholly owned subsidiary of Beijing Holdings Limited which is in turn a wholly owned subsidiary of Beijing Enterprises Group Company Limited). Beijing Enterprises Real Estate (HK) Limited is wholly owned by 北京北控置業集團有限公司 which is in turn wholly owned by Beijing Enterprises Group Company Limited. Accordingly, Beijing Properties (Holdings) Limited, Beijing Enterprises Real Estate (HK) Limited, 北京北控置業集團有限公司 and Beijing Enterprises Group Company Limited are deemed to be interested in the 945,000,000 Shares beneficially owned by Cosmic Stand International Limited under the SFO.
- These Shares were beneficially owned by Beijing Investment Co., Limited. Beijing Investment Co., Limited is wholly owned by Beijing Financial Holdings Group Limited which is in turn wholly owned by Beijing Financial Investment Holdings Limited. Accordingly, these companies are deemed to be interested in the 548,409,806 Shares beneficially owned by Beijing Investment Co., Limited under the SFO.

附註：

- 該等股份由Cosmic Stand International Limited實益擁有。Cosmic Stand International Limited由北京建設(控股)有限公司全資擁有。北京建設(控股)有限公司由北控置業(香港)有限公司擁有35.72%、皓明控股有限公司擁有22.73%、京泰實業(集團)有限公司擁有7.11%及Illumination Holdings Limited(京泰實業(集團)有限公司之全資附屬公司，而京泰實業(集團)有限公司則為北京控股集團有限公司之全資附屬公司)擁有1.28%。北控置業(香港)有限公司由北京北控置業有限公司全資擁有，而北京北控置業集團有限公司由北京控股集團有限公司全資擁有。因此，根據證券及期貨條例，北京建設(控股)有限公司、北控置業(香港)有限公司、北京北控置業集團有限公司及北京控股集團有限公司均被視為於Cosmic Stand International Limited實益擁有之945,000,000股股份中擁有權益。
- 該等股份由北京投資有限公司實益擁有。北京投資有限公司由北京金融控股集團有限公司全資擁有，而北京金融控股集團有限公司則由北京金融投資控股有限公司全資擁有。因此，根據證券及期貨條例，該等公司被視為於北京投資有限公司實益擁有之548,409,806股股份中擁有權益。

3. 200,400,000 Shares were beneficially owned by Easy Glory Holding Limited, which is in turn wholly-owned by Gloryeild Enterprises Limited (“Gloryeild”). Gloryeild is wholly-owned by Sundart Holdings Limited and is indirectly wholly-owned by Jangho Curtain Wall Hong Kong Limited (“Jangho”). Jangho is wholly-owned by 江河創建集團股份有限公司(“江河”). 124,284,000 Shares were beneficially owned by Advance Finding Investments Limited, which is in turn wholly-owned by Peacemark Enterprises Limited (“Peacemark”). Peacemark is wholly-owned by Jangho and is indirectly wholly-owned by 江河. Accordingly, 江河 is deemed to be interested in 324,684,000 Shares under the SFO.

Other than as disclosed above and in the section headed “Directors’ interests in shares and underlying shares”, as at 31 December 2019, the Company has not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, having regard to the Company’s operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees. Details of the scheme is set out in note 33 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2019.

3. 200,400,000股股份由Easy Glory Holding Limited 實益擁有，而 Easy Glory Holding Limited 由 Gloryeild Enterprises Limited (「Gloryeild」) 全資擁有。Gloryeild由承達集團有限公司全資擁有並由江河幕牆香港有限公司(「江河幕牆」)間接全資擁有。江河幕牆由江河創建集團股份有限公司(「江河」)全資擁有。124,284,000股股份由 Advance Finding Investments Limited 實益擁有，而 Advance Finding Investments Limited 由 Peacemark Enterprises Limited (「Peacemark」) 全資擁有。Peacemark由江河幕牆全資擁有並由江河間接全資擁有。因此，根據證券及期貨條例，江河被視為於324,684,000股股份中擁有權益。

除上文及「董事於股份及相關股份之權益」一節披露者外，於二零一九年十二月三十一日，概無任何人士(本公司董事或最高行政人員除外)曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向於本公司披露或記載於本公司按證券及期貨條例第336條存置之登記冊內的本公司股份或相關股份之權益或淡倉。

酬金政策

本集團僱員之薪酬政策由薪酬委員會按彼等之業績、資歷及能力設定。

本公司董事之酬金由薪酬委員會經參考本公司經營業績、董事個人表現及可比較市場數據後建議。

本公司已採納一項購股權計劃，作為對董事及合資格僱員之獎勵。有關計劃之詳情載於綜合財務報表附註33。

優先購買權

本公司之組織章程細則或開曼群島法律均無有關本公司須按比例向現有股東發售新股份之優先購買權規定。

足夠公眾持股量

本公司於截至二零一九年十二月三十一日止年度一直維持足夠公眾持股量。

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken during the year ended 31 December 2019 are disclosed in Note 42 to the financial statements.

During the year ended 31 December 2019, the Group entered into the following connected transactions, details of which are disclosed in compliance with the requirements of Chapter 14 and Chapter 14A of the Listing Rules.

On 16 December 2019, the Group entered into an equity sale and purchase agreement with Ms. Huang Xiaorong (黃小蓉), to transfer 20% of the equity interest of Fujian Fu Ling Golden Sun Health and Geriatric Company Limited* (福建省福齡金太陽健康養老股份有限公司) ("Golden Sun") for a consideration of RMB40,000,000 (equivalent to approximately HK\$44,653,000). As at the date of the transaction, Golden Sun is a non-wholly owned subsidiary of the Company and Ms. Huang Xiaorong owned 31.65% equity interest in Golden Sun and is therefore a connected person of the Company at subsidiary level and the transaction constitutes a connected transaction of the Company. Upon completion, the Company's interest in Golden Sun decreased from 51% to 31%. Golden Sun and its subsidiaries ceased to be subsidiaries of the Company, and their financial results ceased to be consolidated with the financial results of the Group. The disposal was completed on 17 December 2019. For details, please refer to the announcements of the Company dated 16 December 2019 and 17 December 2019.

On 26 December 2019, the Group entered into an equity sales and purchase agreement with Beijing Haidian District Huiyuan Agriculture Industry and Commerce Company Limited* (北京市海澱區匯苑農工商公司) (the "Purchaser") and transferred 70% of the equity interests in Beijing Dragon Ground Arts & Crafts Limited* (北京龍地工藝美術品有限責任公司) (the "Target"), a non-wholly owned subsidiary of the Company, at the consideration of RMB77,000,000 (equivalent to approximately HK\$85,955,000) and the disposal was completed in early 2020. On the same date, the Purchaser, among others, entered into the second equity sales and purchase agreement with Shenzhen Xinrunxiang Information Development Co., Ltd.* (深圳新潤祥信息發展有限公司) ("Shenzhen Xinrunxiang"), pursuant to which the Purchaser conditionally agreed to purchase and Shenzhen Xinrunxiang, a substantial shareholder of the Target, conditionally agreed to sell 30% of the equity interests in the Target for a consideration of RMB33,000,000 (equivalent to approximately HK\$36,839,000). As at the date of the transaction, Shenzhen Xinrunxiang is a substantial shareholder of the Target and is a connected person of the Company at the subsidiary level. The disposal was completed on 10 January 2020. For details, please refer to the announcements of the Company dated 27 December 2019 and 31 December 2019.

關連方交易

截至二零一九年十二月三十一日止年度進行的關連方交易詳情披露於財務報表附註42。

截至二零一九年十二月三十一日止年度，本集團已訂立以下關連交易，其詳情已遵照上市規則第14章及第14A章所規定而作出披露。

於二零一九年十二月十六日，本集團與黃小蓉女士訂立一項股權買賣協議，以轉讓福建省福齡金太陽健康養老股份有限公司(「金太陽」)之20%股權，代價為人民幣40,000,000元(相當於約44,653,000港元)。於交易日期，金太陽為本公司非全資附屬公司，而黃小蓉女士擁有金太陽之31.65%股權，因此於附屬公司層面上為本公司關連人士，且有關交易構成本公司之關連交易。於完成後，本公司於金太陽的權益由51%減少至31%。金太陽及其附屬公司將不再為本公司的附屬公司，而其財務業績將不再於本集團的財務業績綜合入賬。出售事項於二零一九年十二月十七日完成。有關詳情，請參閱本公司日期為二零一九年十二月十六日及二零一九年十二月十七日之公告。

於二零一九年十二月二十六日，本集團與北京市海澱區匯苑農工商公司(「買方」)訂立一項股權買賣協議，並轉讓北京龍地工藝美術品有限責任公司(「目標公司」)(本公司非全資附屬公司)之70%股權，代價為人民幣77,000,000元(相當於約85,955,000港元)，且出售事項於二零二零年初完成。同日，買方(其中包括)與深圳新潤祥信息發展有限公司(「深圳新潤祥」)訂立第二份股權買賣協議，據此，買方有條件同意購買，而深圳新潤祥(目標公司的一名主要股東)有條件同意出售目標公司的30%股權，代價為人民幣33,000,000元(相當於約36,839,000港元)。於交易日期，深圳新潤祥為目標公司的一名主要股東，因此於附屬公司層面上為本公司關連人士。出售事項於二零二零年一月十日完成。有關詳情，請參閱本公司日期為二零一九年十二月二十七日及二零一九年十二月三十一日之公告。

For those related party transactions that constituted connected transactions or continuing connected transactions (as the case may be) under the Listing Rules, these transactions are exempt from circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

* For identification purpose only

ENVIRONMENTAL POLICIES AND PERFORMANCE

The environmental policies and performance of the Company for the year ended 31 December 2019 containing the information required under Appendix 27 to the Listing Rules are set out in the Environmental, Social and Governance Report which will be published on the Stock Exchange's website and the Company's website within three months after publication of this annual report.

COMPLIANCE WITH REGULATIONS

The Group is not aware of any instances of material breach of or non-compliance with the applicable laws and regulations such as the Hong Kong Companies Ordinance (Cap. 622), Listing Rules, and other applicable local laws and regulations in various jurisdictions during the year ended 31 December 2019 and up to the date of this annual report.

STRUCTURAL CONTRACTS

Background

According to the Administrative Rules for Foreign Investments in Telecommunications Enterprises, which were issued on 11 December 2001 by the State Council and became effective on 1 January 2002, a foreign investor is currently prohibited from owning more than 50% of the equity interest in a PRC entity that provides value-added telecommunications services. Internet content provision ("ICP") services are classified as value-added telecommunications businesses, and a commercial operator of such services must obtain an ICP license from the appropriate telecommunications authorities to carry on any commercial Internet content provision operation in China. In July 2006, PRC Ministry of Information Industry issued a notice (the "Notice") which prohibits ICP license holders from leasing, transferring or selling a telecommunications business operating license to any foreign investors in any form, or providing any resource, sites or facilities to any foreign investors for their illegal operation of telecommunications businesses in China. The notice also requires that ICP license holders and their shareholders directly own the domain names and trademarks used by such ICP license holders in their daily operation.

就根據上市規則所構成的關連交易或持續關連交易(視情況而定)的關連方交易而言，該等交易根據上市規則第14A章中獲豁免通函、獨立財務意見及獨立股東批准規定。

* 僅供識別

環境政策及表現

本公司截至二零一九年十二月三十一日止年度的環境政策及表現載有根據上市規則附錄27所規定的資料，其載於環境、社會及管治報告，該報告將於本年度報告發佈後三個月內刊載於聯交所網站及本公司網站。

遵守法規

於截至二零一九年十二月三十一日止年度及直至本年報日期，本集團並不知悉任何事件嚴重違反或不遵守適用之法律及法規，例如香港公司條例(第622章)、上市規則以及於不同司法管轄區適用之其他當地法律及法規。

架構合約

背景

根據國務院於二零零一年十二月十一日頒佈並於二零零二年一月一日生效的外商投資電信企業管理規定，外國投資者目前被禁止於提供增值電信服務的中國公司擁有超過50%股本權益。互聯網內容供應(「互聯網內容供應」)服務乃分類為增值電信業務，而有關服務的商業營辦商必須向適當電信機關取得互聯網內容供應商許可證，以於中國進行任何提供商業互聯網內容業務。於二零零六年七月，中國信息產業部發出通知(「該通知」)，禁止互聯網內容供應商許可證持有人以任何形式向任何外國投資者出租、轉讓或出售電信業務經營許可證，或向任何外國投資者提供任何資源、網址或設施供彼等於中國非法經營電信業務。該通知亦規定，互聯網內容供應商許可證持有人及彼等的股東直接持有由該互聯網內容供應商許可證持有人於彼等日常業務中使用的網域名稱及商標。

Reasons for the Contractual Arrangement

On 21 October 2015, the Group acquired 35% of interest in 北京良醫聯盟科技有限公司 (Beijing Top-Doctors Technology Co., Ltd.*) ("Top-Doctors") by way of capital injection at a cash consideration of HK\$17,430,000, which was then stated as an associate of the Group. On 5 August 2016, the Group acquired another 30% of interest in Top-Doctors from its certain existing shareholders through a series of share transfer agreements at a cash consideration of HK\$5,382,000. Since then, Top-Doctors has become a non-wholly owned subsidiary of the Group.

As such, to enable Top-Doctors to continuously obtain the ICP license and conduct "Internet + Medication" business in China in 2017, on 7 February 2017, the Group transferred its 65% of equity interest in Top-Doctors to 上海觀康企業管理有限公司 (Shanghai Jinkang Corporate Management Limited*) ("Shanghai Jinkang"), a PRC entity. Subsequently, 北京愈泰健康管理有限公司 (Beijing Yutai Health Management Company Limited*) ("Beijing Yutai"), a subsidiary of the Group, Shanghai Jinkang and its shareholders Ms. Liu Xinfeng (劉新豐) and Ms. Chu Muyin (褚慕殷) (the "Registered Shareholder(s)") and Top-Doctors entered into a series of structural agreements to enable the Group to exercise control over Shanghai Jinkang and Top-Doctors, among which Top-Doctors (wholly-owned by Shanghai Jinkang as to 65%, which is in turn owned as to 50% and 50% by Ms. Liu Xinfeng and Ms. Chu Muyin respectively) holds the requisite ICP license. As such, Top-Doctors is still deemed to be a subsidiary of the Group with its financial statements consolidated into the Group.

The Directors (including the independent non-executive Directors) are of the view that: (i) the contractual arrangement is essential to the legal structure of the Group and business operation of Top-Doctors; and (ii) the contractual arrangement was entered in the ordinary and usual course of business of the Group and in normal commercial terms or terms that are favourable to the Group, was fair and reasonable or favourable to the Group, and was in the interests of shareholders as a whole.

Assets subject to the Structural Agreements under the Contractual Arrangement

As at 31 December 2019, total assets of Top-Doctors amounted to approximately HK\$3,844,000, representing 0.13% of total assets of the Group. The Directors are of the view that the Group maintains its "Internet + Medication" development in China via the structural agreements of Top-Doctors, but its business and operation are not dependent on Top-Doctors or the structural agreements. Below is a brief description on the structural agreements.

合約安排的原因

於二零一五年十月二十一日，本集團透過注資收購北京良醫聯盟科技有限公司(「良醫聯盟」)35%權益，現金代價為17,430,000港元，而良醫聯盟當時列作為本集團之聯營公司。於二零一六年八月五日，本集團透過一系列股份轉讓協議自若干現有股東收購良醫聯盟額外30%權益，現金代價為5,382,000港元。自此，良醫聯盟成為本集團之非全資附屬公司。

因此，為使良醫聯盟於二零一七年繼續取得互聯網內容供應商許可證並於中國進行「互聯網+醫療」的業務，於二零一七年二月七日，本集團向一間中國實體上海觀康企業管理有限公司(「上海觀康」)轉讓其於良醫聯盟的65%股權，其後本集團之子公司北京愈泰健康管理有限公司(「北京愈泰」)與上海觀康、其股東劉新豐女士及褚慕殷女士(「登記股東」)以及良醫聯盟訂立一系列架構合約，令本集團可對上海觀康及良醫聯盟行使控制權，而良醫聯盟(其由上海觀康全資擁有65%，其由劉新豐女士及褚慕殷女士分別擁有50%及50%)持有必要的互聯網內容供應商許可證。因此，良醫聯盟仍被視為本集團的附屬公司，其財務報表已由本集團綜合處理。

董事(包括獨立非執行董事)認為：(i)合約安排對本集團的法律架構及良醫聯盟的業務營運相當重要；及(ii)合約安排是在本集團正常及一般業務過程中按正常商業條款或對本集團較為有利的條款訂立，屬公平合理或對本集團有利，且符合股東整體利益。

於合約安排下結構合約規限下的資產

於二零一九年十二月三十一日，良醫聯盟的資產總值約為3,844,000港元，佔本集團總資產0.13%。董事認為，本集團以結構合約維持良醫聯盟的「互聯網+醫療」在中國的發展，但本集團的業務及營運則並無依賴良醫聯盟或結構合約，下述將對結構協議之情況作簡略匯報。

Information on Beijing Yutai, Shanghai Jinkang and Top-Doctors

Beijing Yutai is a company incorporated in the PRC with limited liability. The entire interests in Beijing Yutai are indirectly wholly owned by the Group, and its scope of business includes health management (excluding diagnosis and treatment services); health information consultation (excluding diagnosis and treatment services) and corporate management consultation.

Shanghai Jinkang is a company incorporated in the PRC with limited liability. The Registered Shareholders of Shanghai Jinkang are Ms. Liu Xinfeng and Ms. Chu Muyin.

Ms. Liu Xinfeng is a PRC citizen and a Registered Shareholder of Shanghai Jinkang, who holds 50% of equity interest in Shanghai Jinkang as at the date of this annual report and is currently an employee of the Group.

Ms. Chu Muyin is a PRC citizen and a Registered Shareholder of Shanghai Jinkang, who holds 50% of equity interest in Shanghai Jinkang as at the date of this annual report and is currently an employee of the Group.

Top-Doctors is a company incorporated in the PRC with limited liability. 65% interests in Top-Doctors are owned by Shanghai Jinkang, and its scope of business includes the provision of intellectual medical services in cities, family doctors contracting services and health management services.

Summary of the Major Terms of the Structural Agreements

Beijing Yutai has entered into a series of structural agreements with Shanghai Jinkang, Top-Doctors and the Registered Shareholders for obtaining the control over the finance and business operation of Shanghai Jinkang, Top-Doctors and its subsidiaries (the "Shanghai Jinkang Group") as well as sharing the economic benefits and interests of the Shanghai Jinkang Group. The series of structural agreements included (i) Loan Agreement; (ii) Exclusive Share Option Agreement; (iii) Equity Pledge Agreement; (iv) Entrusted Agreement and Power of Attorney; (v) Business Co-operation Agreement; (vi) Master Exclusive Service Agreement; (vii) Confirmation and Commitment Letters; and (viii) Spouse Consent Letters. The major terms of the structural agreements are summarized as follows:

關於北京愈泰、上海觀康及良醫聯盟的資料

北京愈泰為一間在中國註冊成立的有限責任公司。北京愈泰的全部權益由本集團間接全資擁有，其業務範圍包括健康管理(不含診療服務)；健康信息諮詢(不含診療服務)及企業管理諮詢。

上海觀康為一間在中國註冊成立的有限責任公司。上海觀康的登記股東為劉新豐女士及褚慕殷女士。

劉新豐女士為中國公民。彼為上海觀康的登記股東，於本年報日期持有上海觀康50%股本權益，現為本集團的僱員。

褚慕殷女士為中國公民。彼為上海觀康的登記股東，於本年報日期持有上海觀康50%股本權益，現為本集團的僱員。

良醫聯盟為一間在中國註冊成立的有限責任公司。良醫聯盟的65%權益由上海觀康擁有，其業務範圍包括為城市提供智慧醫療服務、家庭醫生簽約服務及健康管理服務。

結構性協議的主要條款概要

北京愈泰與上海觀康、良醫聯盟及登記股東訂立一系列結構協議，以獲取上海觀康、良醫聯盟及其附屬公司(「上海觀康集團」)在財務及業務營運上的控制權，以及享受上海觀康集團的經濟權益及利益。一系列結構性協議包括(i)貸款協議；(ii)獨家購股權協議；(iii)股權質押協議；(iv)委託協議及授權委託書；(v)業務合作協議；(vi)獨家服務總協議；(vii)確認及承諾函；及(viii)配偶同意函，結構協議之主要條款概要載列如下：

- (i) Loan Agreement: Beijing Yutai and Shanghai Jinkang entered into the Loan Agreement on 7 February 2017, pursuant to which, Beijing Yutai will provide a loan in an amount of RMB19,615,300 to Shanghai Jinkang to acquire 65% of equity interest in Top-Doctors from the Group. The term for the loan is 20 years from the date of signing the Loan Agreement, bearing an interest rate of 0% per annum. The loan can be extended by written confirmation of Beijing Yutai, and the term for the extension is subject to the confirmation by Beijing Yutai.
- (ii) Exclusive Share Option Agreement: Beijing Yutai, Shanghai Jinkang and the Registered Shareholders have entered into the Exclusive Share Option Agreement on 7 February 2017, pursuant to which, the Registered Shareholders have irrevocably granted an exclusive right to Beijing Yutai, which can request the Registered Shareholders to transfer their equity interest in Shanghai Jinkang to Beijing Yutai or the third party designated by Beijing Yutai.
- (iii) Equity Pledge Agreement (1): Beijing Yutai and the Registered Shareholders entered into the Equity Pledge Agreement (1) on 7 February 2017, pursuant to which, Beijing Yutai is entitled to exercise its right to sell the pledged interest in the registered capital of Shanghai Jinkang held by the Registered Shareholders upon the occurrence of certain specific events.
- (iv) Equity Pledge Agreement (2): Beijing Yutai, Shanghai Jinkang and Top-Doctors entered into the Equity Pledge Agreement (2) on 7 February 2017, pursuant to which, Beijing Yutai is entitled to exercise its right to sell the pledged interest in the registered capital of Top-Doctors held by Shanghai Jinkang upon the occurrence of certain specific events.
- (v) Entrusted Agreement and Power of Attorney: Beijing Yutai, Shanghai Jinkang and the Registered Shareholders entered into the Entrusted Agreement and Power of Attorney on 7 February 2017, pursuant to which, the Registered Shareholders have authorized Beijing Yutai to exercise all shareholders' rights in Shanghai Jinkang held by the Registered Shareholders.
- (vi) Business Co-operation Agreement: Beijing Yutai, Shanghai Jinkang and the Registered Shareholders entered into the Business Co-operation Agreement on 7 February 2017, pursuant to which, Shanghai Jinkang and the Registered Shareholders appointed Beijing Yutai as their exclusive service provider to offer comprehensive support on business operation and staff arrangement.
- (i) 貸款協議：北京愈泰與上海觀康於二零一七年二月七日訂立貸款協議，據此北京愈泰向上海觀康提供貸款金額人民幣19,615,300元用以向本集團收購良醫聯盟65%股權。貸款期限為自貸款協議簽定日起20年，年息率為0%，經北京愈泰書面確認借款即可延期，延期期限由北京愈泰確認。
- (ii) 獨家購股權協議：北京愈泰與上海觀康及登記股東於二零一七年二月七日訂立獨家購股權協議，據此登記股東不可撤回地授予北京愈泰獨家權利，可要求登記股東將彼等於上海觀康的股權轉讓予北京愈泰或北京愈泰指定之第三方。
- (iii) 股權質押協議(1)：北京愈泰與登記股東於二零一七年二月七日訂立股權質押協議(1)，據此北京愈泰有權在發生若干特定事件時行使其權利，出售登記股東於上海觀康註冊資本中的已質押權益。
- (iv) 股權質押協議(2)：北京愈泰與上海觀康及良醫聯盟於二零一七年二月七日訂立股權質押協議(2)，據此北京愈泰有權在發生若干特定事件時行使其權利，出售上海觀康於良醫聯盟註冊資本中的已質押權益。
- (v) 委託協議及授權委託書：北京愈泰與上海觀康及登記股東於二零一七年二月七日訂立委託協議及授權委託書，據此登記股東授權北京愈泰行使登記股東分別於上海觀康的所有股東權利。
- (vi) 業務合作協議：北京愈泰與上海觀康及登記股東於二零一七年二月七日訂立業務合作協議，據此上海觀康及登記股東委任北京愈泰為其獨家服務供應商，提供全面業務經營及人員安排支援。

- (vii) Master Exclusive Service Agreement: Beijing Yutai and Shanghai Jinkang entered into the Master Exclusive Service Agreement on 7 February 2017, pursuant to which, Beijing Yutai will provide technical support and consultation services to Shanghai Jinkang in consideration of a service fee equivalent to 100% of the audited consolidated total profit of Shanghai Jinkang.
- (viii) Confirmation and Commitment Letters: The Registered Shareholders entered into the Confirmation and Commitment Letters in favour of Beijing Yutai on 7 February 2017, where each of the Registered Shareholders confirmed, among others, (i) in any event, the structural agreements signed by the Registered Shareholders shall not be affected; (ii) when Beijing Yutai is permitted to directly hold the equity interest in Top- Doctors pursuant to the PRC law, the Registered Shareholders shall co-operate with Beijing Yutai for share transfer; and (iii) the Registered Shareholder shall not, directly or indirectly, involve or engage in business in competition with Shanghai Jinkang Group.
- (ix) Spouse Consent Letters: The spouses of the Registered Shareholders entered in the Spouse Confirmation and Consent Letter in favour of Beijing Yutai on 7 February 2017, where the spouse of each of the Registered Shareholders confirmed, among others, (i) he was not interested in the equity interest in Shanghai Jinkang held by his spouse, and committed not to make any claim on such interests in Shanghai Jinkang; (ii) confirmed that the Structural Agreements as well as any amendments to or termination of such documents entered into by each shareholder of Shanghai Jinkang shall not be subject to his consent; (iii) committed to sign all requisite documents and make all requisite actions to guarantee the proper performance of the above documents; and (iv) committed that if he is, by any reason, entitled to acquire any equity interest in Shanghai Jinkang held by his spouse, he will be bound by the obligations as a shareholder under the above documents (as amended from time to time); and if such documents are breached or if there is any material change in Shanghai Jinkang, he shall immediately notify Beijing Yutai and assist Beijing Yutai in safeguarding its legal interests and obligations under such documents.
- (vii) 獨家服務總協議：北京愈泰與上海觀康於二零一七年二月七日訂立獨家服務總協議，據此北京愈泰將向上海觀康提供技術支援及諮詢服務，代價是上海觀康100%的經審計合併利潤總額的服務費。
- (viii) 確認及承諾函：登記股東於二零一七年二月七日簽訂確認及同意函予北京愈泰，登記股東各自確認（其中包括）(i)任何情況下，登記股東所簽署之結構協議均不會受影響；(ii)當中國法律允許北京愈泰直接持有良醫聯盟股權時，登記股東將配合北京愈泰作股份轉讓；及(iii)登記股東將不會直接或間接參與或從事與上海觀康集團有競爭之業務。
- (ix) 配偶同意函：登記股東之配偶於二零一七年二月七日簽訂配偶確認及同意函予北京愈泰，登記股東各自的配偶確認（其中包括）(i)彼並不擁有其配偶於上海觀康所持股權中的任何權益，並承諾不會就該等於上海觀康的權益作出任何申索；(ii)確認上海觀康股東各自訂立之結構協議及就該等文件作出之任何修訂或終止，均不須經彼同意；(iii)承諾簽署所有必須文件及作出所有必須行動以保證妥善履行上述文件；及(iv)承諾倘彼因任何原因而有權獲得其配偶於上海觀康所持之任何股權，彼將受上述文件（經不時修訂）下作為其股東之責任所約束；而倘該等文件遭任何違反，或上海觀康出現任何重大變動，將立刻通知北京愈泰，並協助北京愈泰保障其在該等文件下之合法權利及責任。

The Directors confirms that, as at the date of this report, relevant PRC authorities have casted no doubt over the structural agreements, and the Group has not encountered any interruption or obstruction imposed by any PRC regulatory authorities for operating its business via Shanghai Jinkang in accordance with the structural agreements. Meanwhile, the Group has obtained the opinion of its PRC legal advisor that the contractual arrangement is currently not in breach of the relevant PRC regulations.

董事確認，於本報告日期，結構合約並無遭到中國有關部門的任何質疑，且本集團在根據結構合約透過上海觀康經營其業務方面並無遭到任何中國監管機構的任何干預或阻礙。同時，本集團已獲取中國法律顧問之意見，合約安排目前並無違反相關中國法規。

Risks Relating to the Contractual Arrangement

The Directors is in the opinion that the following risks are related to the contractual arrangement.

- If the PRC government recognized the contractual arrangement that established our business operation structure does not comply with the PRC laws and regulations, or if there is any change on those regulations or their interpretations in the future, the Group may be subject to stringent punishment or forced to waive the interest in those business operations.
- On March 15, 2019, the Foreign Investment Law was formally passed by the thirteenth National People's Congress and will take effect on January 1, 2020. The Foreign Investment Law does not explicitly stipulate the contractual arrangements as a form of foreign investment. As advised by our PRC Legal Advisor, since contractual arrangements are not specified as investments under the Foreign Investment Law, and if future laws, administrative regulations or provisions prescribed by the State Council do not incorporate contractual arrangements as a form of foreign investment, our Structured Contracts as a whole and each of the agreements comprising the Structured Contracts will not be affected. Notwithstanding this, the Foreign Investment Law stipulates that foreign investment includes "foreign investors invest through any other methods under laws, administrative regulations or provisions prescribed by the State Council". Therefore, there are possibilities that future laws, administrative regulations or provisions prescribed by the State Council may regard contractual arrangements as a way of foreign investment, and then whether our Structured Contracts will be recognized as foreign investment, whether our Structured Contracts will be deemed to be in violation of the foreign investment access requirements and how the above-mentioned Structured Contracts will be handled are uncertain. Therefore, there is no guarantee that our Structured Contracts and the business of our PRC Operating Entities will not be materially and adversely affected in the future.
- The contractual arrangement of the Group may not be as effective in providing operational control as direct ownership and Shanghai Jinkang or its shareholders may fail to perform their obligations under the contractual arrangement.
- The Group may lose the ability to use and enjoy assets and licenses held by Shanghai Jinkang and its subsidiaries that are important to the operation of our business if Shanghai Jinkang or any of its subsidiaries declares bankruptcy or is subject to a dissolution or liquidation proceeding.
- The contractual arrangement of the Group may be subject to scrutiny by the PRC tax authorities and additional taxes may be imposed. A finding that the Group owes additional taxes could reduce our consolidated profit.

與合約安排有關的風險

董事認為以下風險與合約安排有關。

- 倘中國政府認定確立我們業務營運架構的合約安排不符合中國法律及法規，或倘該等法規或其解釋於未來發生變動，本集團可能受到嚴厲懲罰或被迫放棄於該等業務營運中的利益。
- 於二零一九年三月十五日，外商投資法由第十三屆全國人民代表大會正式通過並將於二零二零年一月一日生效。外商投資法並未明確規定合約安排屬外商投資形式。誠如我們的中國法律顧問所告知，由於根據外商投資法合約安排不被列作投資，且倘合約安排並未作為一種外商投資形式納入未來的法律、行政法規或國務院的規定條文，則我們的架構合約整體及構成架構合約的各份協議均將不受影響。儘管有上述情況，但外商投資法規定外商投資包括「外國投資者通過法律、行政法規或者國務院規定的任何其他方式進行的投資」。因此，未來的法律、行政法規或國務院的規定條文可能將合約安排視為一種外商投資方式，而我們的架構合約是否會被認定為外商投資、是否會被視為違反外商投資進入規定及上述架構合約將如何處理均不確定。因此，無法保證我們的架構合約及中國經營實體的業務在未來不會受到重大不利影響。
- 本集團的合約安排可能無法如直接所有權一樣有效提供營運控制，且上海觀康或其股東可能無法履行其於合約安排下的責任。
- 倘上海觀康或其任何附屬公司宣佈破產或受限於解散或清盤法律程序，本集團可能失去使用及享有上海觀康及其附屬公司所持對本集團的業務營運重要的資產及牌照的能力。
- 中國稅務機構可能會詳細審查本集團的合約安排並可能徵收額外稅款。如本集團被認定欠付額外稅款，則可能導致本集團的合併利潤降低。

- Shareholders of Shanghai Jinkang may potentially have a conflict of interest with the Group, and they may breach their contracts with the Group or cause such contracts to be amended in a manner contrary to our interests.
- The Group conducts business operation in the PRC through Shanghai Jinkang and its subsidiaries by way of the contractual arrangement, but certain terms of the contractual arrangement may not be enforceable under the PRC laws.
- If the Group exercises the option to acquire the equity interest in Shanghai Jinkang or Top-Doctors, the ownership transfer may subject us to certain limitations and incur additional costs.

To ensure the effective operation of the Group and the implementation of structural agreements, the Group has adopted the following measures:

- To ensure the operation of the structural agreements, the Group confirms that it has reviewed the overall performance and the compliance of the structural agreements for the year ended 31 December 2019.
- The Board will review the structural agreements annually, and confirms that (i) the transactions conducted in the aforesaid year have been entered into in accordance with the relevant terms of the structural agreements, thus all the revenue generated by Shanghai Jinkang Group, net of all relevant expenses, costs and taxes payable, has been retained by the Group; (ii) each of Shanghai Jinkang and its subsidiaries has not paid any dividend or other distribution to its equity holders; and (iii) no new contract or renewed contract has been entered into in accordance with the same terms of the existing structural agreements.
- Shanghai Jinkang Group has provided the Group with a complete accounts for the auditor to carry out audit procedures of the consolidated results of Shanghai Jinkang Group to the Group.

* For identification purposes only

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2019 are set out in note 30 to the consolidated financial statements.

FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 5 of the annual report. This summary does not form part of the audited financial statements.

- 上海觀康的股東可能會與本集團存在潛在利益衝突，且她們可能違反與本集團訂立的合約或促使該等合約以對本集團不利的方式修改。
- 本集團以合約安排的方式通過上海觀康及其附屬公司在中國開展業務營運，但該等合約安排的若干條款可能無法根據中國法律強制執行。
- 倘本集團行使購股權購買上海觀康或良醫聯盟的股權，則所有權轉讓可能令本集團遭受若干限制並產生額外成本。

本集團已採取下列措施，以確保本集團的有效運作及結構合約的實施：

- 本集團確認，為確保結構性合約運作，本集團已檢討截至二零一九年十二月三十一日止年度的結構合約整體表現及合規狀況。
- 董事會將每年檢討結構合約，並確認(i)於上述年度進行的交易已根據結構合約的相關條款訂立，因此上海觀康集團產生的所有收入經扣除其應付的一切有關開支、成本及稅項後已由本集團保留；(ii)上海觀康及其附屬公司分別並無向其權益持有人分派股息或其他分派；及(iii)概無按照與現有結構合約相同的條款訂立新合約或續訂合約。
- 上海觀康集團已向本集團提供完整的會計賬目，以供核數師對本集團合併上海觀康集團的業績進行審計程序。

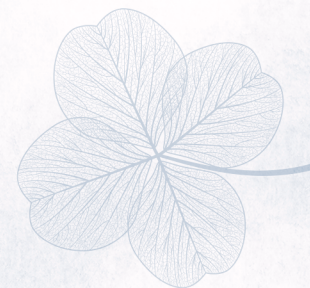
* 僅供識別

銀行貸款及其他借款

本集團於二零一九年十二月三十一日之銀行貸款及其他借款詳情載列於綜合財務報表附註30。

五年概要

本集團過往五個財政年度之業績、資產及負債概要載於本年報第5頁。該概要並不構成經審核財務報表的一部分。



MAJOR CUSTOMERS AND SUPPLIERS

During the year, 53.2% of the Group's purchase were attributed by the Group's five largest suppliers and approximately 16.8% of the Group's purchase were attributed by the largest supplier; and 40.1% of the Group's turnover were attributed by the Group's five largest customers and approximately 20.4% of the Group's turnover were attributed by the largest customer.

To the knowledge of the directors, none of the directors, their close associates or any shareholders who owned more than 5% of the number of issued shares had interest in any of the five largest customers of the Group.

On behalf of the Board

Zhu Shi Xing

Chairman

Hong Kong, 31 March 2020

主要客戶及供應商

年內，本集團53.2%採購額來自五大供應商而本集團採購額約16.8%來自最大供應商；及本集團40.1%之營業額來自本集團五大客戶，而本集團營業額約20.4%來自最大客戶。

就董事所知，董事、彼等之緊密聯繫人士或擁有已發行股份數目5%或以上之任何股東概無擁有本集團五大客戶任何權益。

代表董事會

主席

祝仕興

香港，二零二零年三月三十一日

Independent Auditor's Report

獨立核數師報告



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Independent Auditor's Report To the shareholders of Beijing Enterprises Medical and Health Industry Group Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Beijing Enterprises Medical and Health Industry Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 75 to 215, 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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

獨立核數師報告 致北控醫療健康產業集團有限公司各股東

(於開曼群島註冊成立之有限公司)

意見

吾等已審核列載於第75至215頁北控醫療健康產業集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表之附註(包括主要會計政策概要)。

吾等認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而中肯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，並已遵照香港公司條例之披露規定妥為編製。

意見的基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。吾等在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已履行守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter 關鍵審計事項

Goodwill impairment 商譽減值

In accordance with Hong Kong Accounting Standard ("HKAS") 36 *Impairment of Assets*, the Group is required to annually test the amount of goodwill for impairment. Based on the result of this annual impairment test, an impairment of approximately HK\$63 million was recognised during the year ended 31 December 2019. The net carrying amount of goodwill of approximately HK\$80 million as of 31 December 2019 and the impairment charge for the current year were material to the consolidated financial statements. The recoverable amount has been determined by reference to the value in use of each relevant cash-generating unit. When assessing the recoverable amount, significant judgement and estimation are involved, such as future cash flow and discount rate.

根據香港會計準則(「香港會計準則」)第36號資產減值，貴集團須每年就商譽減值之金額作出測試。根據本年度減值測試結果，截至二零一九年十二月三十一日止年度期間，已確認減值約為63,000,000港元。截至二零一九年十二月三十一日的商譽之賬面淨值約80,000,000港元以及本年度之減值費用對綜合財務報表而言均屬重大。可收回金額乃參考各相關現金產生單位之使用價值釐定。當評估可收回金額時，需要作出重大的判斷及估計，例如未來現金流量及貼現率。

Relevant disclosures are included in notes 3 and 17 to the consolidated financial statements.
相關披露載於綜合財務報表附註3及17。

關鍵審計事項

關鍵審計事項為根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項為在對綜合財務報表整體進行審計並形成意見的背景處理，吾等不對該等事項提供單獨的意見。吾等對下述每一事項在審計中如何應對的描述也以此為背景。

吾等已履行本報告核數師就審計綜合財務報表須承擔的責任一節闡述的責任，包括與該等關鍵審計事項相關的責任。相應地，吾等的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。吾等執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供基礎。

How our audit addressed the key audit matter 吾等之審計如何處理審計事項

We assessed key assumptions including budgeted gross margins and growth rates by comparison to the historical performance of the related cash-generating units. We involved our internal valuation specialists to assist in evaluating the methodologies and assumptions such as discount rates, and terminal growth rate of each relevant cash-generating unit of the Group. We also performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and increase of discount rates.

吾等透過比較相關現金產生單位的過往表現評估主要假設，包括預估毛利率及增長率。吾等已委聘內部估值專家協助吾等評估貴集團就各相關現金產生單位的方法及假設，如貼現率及永久增長率。吾等亦已進行敏感度分析，其中包括評估可能的增長率合理減少及貼現率提高之影響。

We also reviewed the disclosures in relation to the Group's goodwill impairment.
吾等亦審閱與貴集團商譽減值有關之披露。

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等之審計如何處理審計事項

Valuation of investment properties

投資物業估值

The Group adopted the fair value model for their investment properties in accordance with HKAS 40 *Investment Property*. Changes in fair values were recorded in profit or loss. The Group engaged an independent appraiser to perform valuation on the investment properties of the Group as at 31 December 2019. Both the fair values of investment properties of approximately HK\$420 million, of which approximately HK\$319 million was included in assets of a disposed group classified as held for sale, at 31 December 2019 and their changes of approximately HK\$42 million for the year ended 31 December 2019 were material to the consolidated financial statements. In addition, the valuation involved management judgment and estimates based on projections of estimated rental value, capitalisation rate and adjustment on market unit price which would affect the fair values of the investment properties.

根據香港會計準則第40號投資物業，貴集團就投資物業採用公平值模式。公平值變動計入損益。貴集團委聘獨立評估師就貴集團於二零一九年十二月三十一日之投資物業進行估值。投資物業於二零一九年十二月三十一日之公平值約420,000,000港元（其中約319,000,000港元為分類為持作出售之處置組資產）及其於截至二零一九年十二月三十一日止年度之變動約42,000,000港元對綜合財務報表而言均屬重大。此外，估值牽涉管理層根據將影響投資物業公平值之估計租金價值預測、資本化比率及市場單位價格之調整作出判斷及估計。

Relevant disclosures are included in notes 3, 11 and 15 to the consolidated financial statements.

相關披露載於綜合財務報表附註3、11及15。

We assessed the objectivity, independence and expertise of the external appraiser engaged by the Group. We involved our internal valuation specialists to assist in performing independence market research on the prevailing prices of comparable properties with certain adjustments to reflect specific factors to get the range of unit prices for the relevant investment properties and assessing the valuation model and the parameters used. We collected information and discussed the characteristics of the investment properties with the management and the independent appraiser. We assessed the adequacy of the disclosures on investment properties, including fair value hierarchy. 吾等已評估由貴集團委聘之外部評估師之客觀性、獨立性及專業技能。吾等透過內部估值專家協助對可比較物業的現行價格進行獨立市場研究，並作出若干調整以反映特定因素，以獲取相關投資物業的單價範圍，以及評估估值模式及所用參數。吾等收集資料並與管理層及獨立評估師討論投資物業的特性。吾等已評估有關投資物業之披露是否足夠，包括公平值層級。

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等之審計如何處理審計事項

Valuation of unlisted investments

對非上市投資之估值

The Group accounted for its unlisted investments as financial assets at fair value through other comprehensive income or financial assets at fair value through profit or loss in accordance with HKFRS 9 *Financial instruments*. The fair value measurement of such unlisted investments was significant to our audit because their fair value balances of approximately HK\$226 million as of 31 December 2019 was material to the consolidated financial statements. These financial assets are categorised as Level 2 or Level 3 in the fair value valuation hierarchy. The measurement of fair value involved assessment made by using different valuation techniques and assumptions.

貴集團根據香港財務報告準則第9號金融工具將其非上市投資列為透過其他全面收益以公平值列賬之金融資產或透過損益以公平值列賬之金融資產。該等非上市投資的公平值計量對吾等之審計屬重大，原因為於二零一九年十二月三十一日，該等非上市投資之公平值結餘約226,000,000港元對綜合財務報表而言屬重大。該等金融資產於公平值評估層級中分類為第二級或第三級。公平值之計量涉及使用不同估值技術及假設所作的評估。

Relevant disclosures are included in notes 3 and 44 to the consolidated financial statements.

相關披露載於綜合財務報表附註3及44。

We involved our internal valuation specialists to assist in evaluating the methods and assumptions used for fair value measurement of these unlisted investments when no market value is available. We assessed the methods in the valuation models in accordance with valuation guidelines and industry practice. We compared the assumptions made with relevant benchmarks and price sources and examined any significant deviations. We reviewed the related disclosures in the consolidated financial statements.

當並無市值可供參考時，吾等之內部估值專家協助評估該等非上市投資所使用之公平值計量方法及假設。吾等根據估值指引及行業慣例評估估值模型之方法。吾等將相關基準及價格來源之假設進行比較，並已審查任何重大偏差。吾等已審閱綜合財務報表之相關披露。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

刊載於年報內之其他資料

貴公司董事須對其他資料負責。其他資料包括刊載於年報內的資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

結合吾等對綜合財務報表的審計，吾等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吾等在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於吾等已執行的工作，倘吾等認為其他資料存在重大錯誤陳述，則吾等需要報告該事實。在此方面，吾等並無任何報告。

董事對綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，貴公司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，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行彼等監督貴集團的財務報告過程之責任。

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表須承擔的責任

吾等的目標為對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。吾等僅向閣下(作為整體)報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

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

作為根據香港審計準則進行審計其中一項，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或倘有關的披露不足，則修訂吾等的意見。吾等的結論乃基於直至核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。

Independent Auditor's Report • 獨立核數師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露事項)，以及綜合財務報表是否公平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足適當的審計憑證，以便對綜合財務報表發表意見。吾等負責 貴集團審計的方向、監督及執行。吾等為審計意見承擔全部責任。

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Siu Ki Ricky.

吾等與審核委員會溝通(其中包括)審計的計劃範圍及時間以及重大審計發現等，包括吾等在審計中識別出內部控制的任何重大不足之處。

吾等亦向審核委員會提交聲明，表明吾等已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響吾等獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

從與審核委員會溝通的事項中，吾等確定該等對本期綜合財務報表的審計為最重要的事項，因而構成關鍵審計事項。吾等在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於吾等之報告中註明某事項造成的負面後果超過產生的公眾利益，則吾等決定不應在報告中註明該事項。

出具獨立核數師報告的審計項目合夥人為吳紹祺。

Ernst & Young
Certified Public Accountants
Hong Kong
31 March 2020

安永會計師事務所
執業會計師
香港
二零二零年三月三十一日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
REVENUE	收入	5	200,755	178,885
Cost of sales	銷售成本		(137,368)	(121,639)
Gross profit	毛利		63,387	57,246
Other income and gains, net	其他收入及收益淨額	5	64,547	367,138
Selling and distribution expenses	銷售及分銷開支		(25,393)	(43,571)
Administrative expenses	行政開支		(147,816)	(191,557)
Impairment losses of financial assets	金融資產減值虧損		(63,284)	(15,820)
Other expenses and losses	其他開支及虧損		(343,430)	(52,226)
Finance costs	融資成本	7	(10,213)	(12,850)
Share of profits and losses of:	分佔以下之溢利及虧損：			
joint ventures	合營公司		(5,843)	91
associates	聯營公司		(12,073)	(17,294)
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	6	(480,118)	91,157
Income tax credit/(expense)	所得稅抵免/(開支)	10	4,036	(60,244)
(LOSS)/PROFIT FOR THE YEAR	年度(虧損)/溢利		(476,082)	30,913

Consolidated Statement of Profit or Loss and Other Comprehensive Income • 綜合損益及其他全面收益表
Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(LOSS)/PROFIT FOR THE YEAR	年度(虧損)/溢利	(476,082)	30,913
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	其後期間可能重新分類至損益的其他全面虧損：		
Exchange differences:	匯兌差額：		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	(40,703)	(89,514)
Reclassification adjustments for foreign operations disposed of during the year	對年內出售的海外業務之重新分類調整	(4,943)	2,084
		(45,646)	(87,430)
Share of other comprehensive income/(loss) of associates	分佔聯營公司其他全面收益/(虧損)	936	(1,551)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	其後期間可能重新分類至損益的其他全面虧損淨額	(44,710)	(88,981)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	其後期間將不會重新分類至損益的其他全面虧損：		
Change in fair value of equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資公平值變動	(31,285)	(26,429)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	其後期間將不會重新分類至損益之其他全面虧損淨額	(31,285)	(26,429)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	年度其他全面虧損，扣除稅項	(75,995)	(115,410)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	年度全面虧損總額	(552,077)	(84,497)

Consolidated Statement of Profit or Loss and Other Comprehensive Income • 綜合損益及其他全面收益表
 Year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(Loss)/profit attributable to:	下列人士應佔(虧損)/溢利：			
Owners of the parent	母公司擁有人		(422,394)	43,450
Non-controlling interests	非控股權益		(53,688)	(12,537)
			(476,082)	30,913
Total comprehensive loss attributable to:	下列人士應佔全面虧損總額：			
Owners of the parent	母公司擁有人		(487,399)	(54,498)
Non-controlling interests	非控股權益		(64,678)	(29,999)
			(552,077)	(84,497)
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益持有人 應佔每股(虧損)/盈利	13		
Basic and diluted	基本及攤薄		HK(6.96) cents (6.96)港元	HK0.72 cents 0.72港元

Consolidated Statement of Financial Position

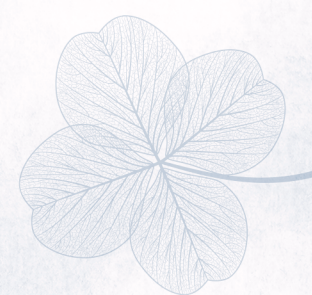
綜合財務狀況表

31 December 2019 二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	107,740	78,500
Investment properties	投資物業	15	101,362	471,239
Right-of-use assets	使用權資產	16(b)	462,024	–
Prepaid land lease payments	預付土地租金	16(a)	–	511,233
Properties under development	發展中物業	23	426,488	391,184
Goodwill	商譽	17	79,979	183,949
Other intangible assets	其他無形資產	18	–	7,929
Investments in joint ventures	於合營公司之投資	19	9,464	9,374
Investments in associates	於聯營公司之投資	20	222,209	500,897
Equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資	21	213,108	225,494
Prepayments and other receivables	預付款項及其他應收款項	25	224,258	36,155
Deferred tax assets	遞延稅項資產	31	986	–
Total non-current assets	非流動資產總值		1,847,618	2,415,954
CURRENT ASSETS	流動資產			
Inventories	存貨	22	33,866	29,190
Trade receivables	應收貿易賬款	24	41,427	37,565
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	25	150,869	340,393
Due from a related party	應收一名關連方款項	42	99,549	88,435
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	26	65,934	65,308
Restricted bank balances	受限制銀行存款	27	–	11,755
Cash and cash equivalents	現金及現金等值物	27	442,371	764,118
			834,016	1,336,764
Assets and disposal group classified as held for sale	分類為持作出售之資產及出售集團	11	382,934	–
Total current assets	流動資產總值		1,216,950	1,336,764
CURRENT LIABILITIES	流動負債			
Trade payables	應付貿易賬款	28	35,369	19,338
Other payables and accruals	其他應付款項及應計費用	29	114,563	196,369
Interest-bearing bank and other borrowings	計息銀行及其他借款	30	109,843	69,595
Lease liabilities	租賃負債	16	6,224	–
Due to a related party	應付一名關連方款項	42	–	28,998
Tax payable	應付稅款		1,757	36,337
			267,756	350,637
Liabilities directly associated with the assets classified as held for sale	直接與分類為持作出售之資產有關的負債	11	126,168	–
Total current liabilities	流動負債總額		393,924	350,637

Consolidated Statement of Financial Position • 綜合財務狀況表

31 December 2019 二零一九年十二月三十一日



		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NET CURRENT ASSETS	流動資產淨值		823,026	986,127
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		2,670,644	3,402,081
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行借款	30	-	117,553
Lease liabilities	租賃負債	16	5,887	-
Deferred tax liabilities	遞延稅項負債	31	82,517	147,436
Other payables	其他應付款項	29	7,124	4,047
Total non-current liabilities	非流動負債總額		95,528	269,036
Net assets	資產淨值		2,575,116	3,133,045
EQUITY	權益			
Equity attributable to the owners of the parent	母公司擁有人應佔權益			
Share capital	股本	32	1,215,789	1,212,280
Reserves	儲備	34	1,150,242	1,635,687
			2,366,031	2,847,967
Non-controlling interests	非控股權益		209,085	285,078
Total equity	總權益		2,575,116	3,133,045

Zhu Shi Xing

祝仕興
Director
董事

Gu Shan Chao

顧善超
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the parent 母公司擁有人應佔												
		Share capital	Share premium account	Statutory surplus reserve	Share option reserve	Merger reserve	Exchange fluctuation reserve	Asset revaluation reserve	Capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total	Non-controlling interests	Total equity
Notes		股本	股份溢價賬	法定盈餘儲備	購股權儲備	合併儲備	匯兌波動儲備	資產重估儲備	資本儲備	透過其他全面收益以公平值列賬之金融資產公平值儲備	累計虧損	總計	非控股權益	權益總計
附註		HK\$'000 千港元 (note 32) (附註32)	HK\$'000 千港元 (note 32) (附註32)	HK\$'000 千港元 (note 34) (附註34)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note 34) (附註34)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	1,209,648	1,767,756	11,365	99,634	800	(16,860)	9,106	3,757	51,967	(250,112)	2,887,061	281,820	3,168,881
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	43,450	43,450	(12,537)	30,913
Other comprehensive income/(loss) for the year:	年內其他全面收益/(虧損):													
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	(74,792)	-	-	-	-	(74,792)	(14,722)	(89,514)
Reclassification adjustments for foreign operations disposed of during the year	於年內出售的海外業務之重新分類調整	37	-	-	-	-	2,084	-	-	-	-	2,084	-	2,084
Share of other comprehensive loss of an associate	分佔一間聯營公司的其他全面虧損	-	-	-	-	-	(1,551)	-	-	-	-	(1,551)	-	(1,551)
Changes in fair value of equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資之公平值變動	-	-	-	-	-	-	-	-	(23,689)	-	(23,689)	(2,740)	(26,429)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	(74,259)	-	-	(23,689)	43,450	(54,498)	(29,999)	(84,497)
Issue of consideration shares	發行代價股份	32	2,632	-	-	-	-	-	-	-	-	5,264	-	5,264
Equity-settled share-based payment arrangements	股權結算以股份為基礎付款安排	33	-	-	5,689	-	-	-	-	-	-	5,689	-	5,689
Transfer of share option reserve upon the expiry or forfeiture of the share options	於購股權屆滿/被沒收時轉撥購股權儲備	-	-	-	(7,106)	-	-	-	-	-	7,106	-	-	-
Disposal of a subsidiary	出售一家附屬公司	37	-	-	-	-	-	-	1,117	-	-	1,117	7,391	8,508
Non-controlling interest recognised in disposal of a subsidiary	於出售一家附屬公司確認為非控股權益	-	-	-	-	-	-	-	-	-	-	-	1,147	1,147
Capital contribution from non-controlling shareholders	來自非控股股東的資本注資	-	-	-	-	-	-	-	-	-	-	-	24,719	24,719
Share of reserves of an associate	分佔一間聯營公司儲備	-	-	-	-	-	-	-	3,334	-	-	3,334	-	3,334
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	2,231	-	-	-	-	-	-	(2,231)	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	1,212,280	1,770,388*	13,596*	98,217*	800*	(91,119)*	9,106*	8,208*	28,278*	(201,787)*	2,847,967	285,078	3,133,045

Consolidated Statement of Changes in Changes in Equity • 綜合權益變動表

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

		Attributable to owners of the parent 母公司擁有人應佔												
		Share capital	Share premium account	Statutory surplus reserve	Share option reserve	Merger reserve	Exchange fluctuation reserve	Asset revaluation reserve	Capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total	Non-controlling interests	Total equity
Notes		股本	股份溢價賬	法定盈餘儲備	購股權儲備	合併儲備	匯兌波動儲備	資產重估儲備	資本儲備	透過其他全面收益以公平值列賬之金融資產公平值儲備	累計虧損	總計	非控股權益	權益總計
附註		千港元 (note 32) (附註32)	千港元 (note 32) (附註32)	千港元 (note 34) (附註34)	千港元	千港元	千港元	千港元 (note 34) (附註34)	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於二零一九年一月一日	1,212,280	1,770,388	13,596	98,217	800	(91,119)	9,106	8,208	28,278	(201,787)	2,847,967	285,078	3,133,045
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	(422,394)	(422,394)	(53,688)	(476,082)
Other comprehensive income/(loss) for the year:	年內其他全面收益/(虧損):													
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	(35,621)	-	-	-	-	(35,621)	(5,082)	(40,703)
Reclassification adjustments for foreign operations disposed of during the year	於年內出售的海外業務之重新分類調整	37	-	-	-	-	(4,943)	-	-	-	-	(4,943)	-	(4,943)
Share of other comprehensive income of an associate	分佔一間聯營公司的其他全面收益	-	-	-	-	-	936	-	-	-	-	936	-	936
Change in fair value of equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資之公平值變動	-	-	-	-	-	-	-	-	(25,377)	-	(25,377)	(5,908)	(31,285)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	(39,628)	-	-	(25,377)	(422,394)	(487,399)	(64,678)	(552,077)
Issue of consideration shares	發行代價股份	32	3,509	754	-	-	-	-	-	-	-	4,263	-	4,263
Equity-settled share based payment arrangements	股權結算以股份為基礎的付款安排	33	-	-	297	-	-	-	-	-	-	297	-	297
Acquisition of subsidiaries	收購附屬公司	36	-	-	-	-	-	-	-	-	-	-	3,280	3,280
Disposal of subsidiaries	出售附屬公司	37	-	-	-	-	-	-	-	-	-	-	(15,722)	(15,722)
Capital contribution from a non-controlling shareholder	來自非控股股東之資本注資	-	-	-	-	-	-	-	-	-	-	-	1,141	1,141
Dividends paid to non-controlling shareholders	已付非控股股東之股息	-	-	-	-	-	-	-	-	-	-	-	(14)	(14)
Share of reserves of an associate	分佔一間聯營公司儲備	-	-	-	-	-	-	-	903	-	-	903	-	903
Transfer to statutory surplus reserve	轉撥法定盈餘儲備	-	-	2,806	-	-	-	-	-	-	(2,806)	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	1,215,789	1,771,142*	16,402*	98,514*	800*	(130,747)*	9,106*	9,111*	2,901*	(626,987)*	2,366,031	209,085	2,575,116

* These reserve accounts comprise the consolidated reserves of HK\$1,150,242,000 (2018: HK\$1,635,687,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表之綜合儲備 1,150,242,000 港元 (二零一八年: 1,635,687,000 港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES 經營活動所得現金流量				
(Loss)/profit before tax: 除稅前(虧損)/溢利:			(480,118)	91,157
Adjustments for: 就以下各項作出調整:				
Finance costs 融資成本		7	10,213	12,850
Share of profits and losses of joint ventures and associates 分佔合營公司及聯營公司之溢利及虧損			17,916	17,203
Interest income 利息收入		5	(31,188)	(41,861)
Depreciation of property, plant and equipment 物業、廠房及設備折舊		6,14	10,953	11,902
Depreciation of right-of-use assets/ amortisation of prepaid land lease payments 使用權資產折舊/預付土地租金攤銷		6,16	22,328	17,596
Amortisation of other intangible assets 其他無形資產攤銷		6,18	139	1,009
(Gain)/loss on disposal of property, plant and equipment 出售物業、廠房及設備之(收益)/虧損		5,14	(234)	110
Fair value losses/(gains) on investment properties, net 投資物業之公平值虧損/(收益)淨額		5,15	41,747	(76,991)
Impairment of goodwill 商譽減值		6,17	63,236	28,925
Impairment of other intangible assets 其他無形資產減值		6,18	7,332	5,540
Impairment of a property under development 發展中物業之減值		6,23	18,087	-
Impairment of an investment in an associate 於聯營公司投資之減值		6,20	254,775	-
Impairment of financial assets 金融資產減值		6	63,284	15,820
Equity-settled share-based payment expense 股權結算以股份為基礎付款開支		33	297	5,689
Fair value losses on financial assets at fair value through profit or loss 透過損益以公平值列賬之金融資產之公平值虧損		5	9,631	2,575
Fair value losses/(gains) on financial liabilities, net 金融負債之公平值虧損/(收益)淨額		5	210	(2,631)
Gain on disposal of subsidiaries 出售附屬公司之收益		5,37	(48,876)	(223,899)
Gain on bargain purchase 議價收購之收益		5	(1,314)	-
Dividend income 股息收入		5	(1,076)	(574)
			(42,658)	(135,580)
Increase in inventories 存貨增加			(5,134)	(488)
Increase in trade receivables 應收貿易賬款增加			(11,845)	(9,465)
Increase in prepayments, other receivables and other assets 預付款項、其他應收款項及其他資產增加			(10,771)	(17,952)
Increase in trade payables 應付貿易賬款增加			17,242	3,278
Increase in other payables and accruals 其他應付款項及應計費用增加			11,822	48,219
Decrease/(increase) in restricted bank balances 受限制銀行存款減少/(增加)			5,962	(6,049)
Increase in properties under development 發展中物業增加			(10,387)	(246,523)
Effect of foreign exchange rate changes, net 匯率變動影響淨額			(21,103)	17,791

Consolidated Statement of Cash Flows • 綜合現金流量表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash used in operations	經營所用現金		(66,872)	(346,769)
PRC corporate income tax paid	已付中國企業所得稅		(3,046)	(5,299)
Net cash flow used in operating activities	經營活動所用現金流量淨額		(69,918)	(352,068)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量			
Interest received	已收利息		10,231	39,866
Purchases of property, plant and equipment	購買物業、廠房及設備		(31,087)	(38,042)
Disposal of subsidiaries	出售附屬公司	37	(13,054)	306,081
Proceeds from disposal of an associate received in advance	出售一間聯營公司的預收所得款項		7,144	-
Purchases of equity investments designated at fair value through other comprehensive income	購買指定為透過其他全面收益以公平值列賬之權益投資		(20,307)	(120,095)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		640	53
Addition to an investment property	添置投資物業		-	(1,695)
Proceeds from withdrawal of prepayments for an investment	撤銷一項投資的預付款項之所得款項		19,973	-
Acquisition of subsidiaries	收購附屬公司	36	3,546	-
Additional investment in an associate	於一間聯營公司之額外投資		(1,559)	(37,178)
Purchases of financial assets designated at fair value through profit or loss	購買透過損益以公平值列賬之金融資產		-	(17,877)
Proceeds from disposal of financial assets at fair value through profit or loss	出售透過損益以公平值列賬之金融資產之所得款項		-	3,539
Advances of loans to third parties	向第三方墊付貸款		(93,020)	(5,546)
Repayment of loans to third parties	償還第三方貸款		5,538	522,331
Increase in non-pledged time deposits with original maturity of over three months when acquired	於取得時原到期日超過三個月之無抵押定期存款增加		-	250
Additional investment in a joint venture	於一間合營公司之額外投資		(6,000)	-
Purchases of shareholdings in a joint venture	購買一間合營公司之股權		-	(9,368)
Proceeds from deregistration of an associate	註銷一間聯營公司之所得款項		868	-
Dividend received from a listed investment	已收取上市投資之股息		1,076	574
Dividend received from an associate	已收取一間聯營公司之股息		503	338
PRC corporate income tax paid on investing activities	就投資活動已付之中國企業所得稅		(34,688)	(98,179)
Repayment of a loan to a director	收回授予一名董事之貸款		-	62,000
Net cash flows (used in)/from investing activities	投資活動(所用)/所得現金流量淨額		(150,196)	607,052

Consolidated Statement of Cash Flows • 綜合現金流量表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash flows (used in)/from investing activities	投資活動(所用)/所得現金流量淨額		(150,196)	607,052
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量			
Capital contributions from non-controlling shareholders	非控股股東注資		1,141	24,719
Principal portion of lease payments	租賃付款本金部分	16	(8,972)	–
New bank loans	新銀行貸款		–	116,982
Repayment of bank loans	償還銀行貸款		(64,291)	(39,581)
Interest paid	已付利息		(39,125)	(21,565)
Repayment of other loans	償還其他貸款		–	(3,905)
Advances from non-controlling shareholders	非控股股東的墊款		–	4,565
Repayment of advances from non-controlling shareholders	償還非控股股東的墊款		(3,984)	–
Decrease/(increase) in restricted bank balances	受限制銀行存款減少/(增加)	27	5,793	(5,706)
Dividends paid to non-controlling shareholders	已付非控股股東之股息		(14)	–
Net cash flows (used in)/from financing activities	融資活動(所用)/所得現金流量淨額		(109,452)	75,509
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物(減少)/增加淨額		(329,566)	330,493
Cash and cash equivalents at beginning of year	年初現金及現金等值物		764,118	471,175
Effect of foreign exchange rate changes, net	匯率變動影響淨額		10,467	(37,550)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等值物		445,019	764,118
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值物結餘分析			
Cash and bank balances	現金及銀行結餘	27	258,513	363,182
Time deposits	定期存款	27	183,858	400,936
Cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況表所示之現金及現金等值物		442,371	764,118
Cash and short term deposits attributable to a disposal group	分類為持作出售之方案集團應佔現金及短期存款	11	2,648	–
Cash and cash equivalents as stated in the consolidated statement of cash flows	綜合現金流量表所示之現金及現金等值物		445,019	764,118

Notes to Financial Statements

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

Beijing Enterprises Medical and Health Industry Group Limited (the "Company") is a limited liability company incorporated in the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 26 April 2002. The registered address of the Company is Century Yard, Cricket Square, Hutchins Drives, P.O. Box 2681 GT, Grand Cayman, British West Indies.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were involved in the provision of medical care, health care and geriatric care related services and products in the People's Republic of China (the "PRC").

In the opinion of the directors, the major shareholder of the Company is Beijing Properties (Holdings) Limited ("BPHL"), which was incorporated in Bermuda, ultimately held by Beijing Enterprises Group Company Limited and the shares of which are listed on the Stock Exchange.

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營運地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
United Win International Corporation	British Virgin Islands/ Hong Kong 英屬處女群島/香港	Ordinary US\$100 普通股 100美元	100%	-	Investment holding 投資控股
BE Fortune (HK) Investment Management Limited 北控金富(香港)投資管理有限公司	Hong Kong/Hong Kong 香港/香港	Ordinary HK\$600,000 普通股 600,000港元	-	100%	Provision for asset management services 提供資產管理服務
Rosy River International Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	Ordinary US\$1,000 普通股 1,000美元	-	100%	Investment holding 投資控股

1. 公司及集團資料

北控醫療健康產業集團有限公司(「本公司」)為於開曼群島註冊成立之有限公司，其股份自二零零二年四月二十六日起在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊地址為Century Yard, Cricket Square, Hutchins Drives, P.O. Box 2681 GT, Grand Cayman, British West Indies。

年內，本公司及其附屬公司(統稱「本集團」)於中華人民共和國(「中國」)提供醫療、健康及養老相關服務及產品。

董事認為，本公司主要股東為北京建設(控股)有限公司(「北京建設」)，北京建設於百慕達註冊成立，由北京控股集團有限公司最終持有，其股份於聯交所上市。

有關附屬公司之資料

本公司主要附屬公司之資料如下：

1. CORPORATE AND GROUP INFORMATION
(continued)

Information about subsidiaries (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營運地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
北京眾成互聯投資諮詢有限公司 (Beijing Zhong Cheng Hu Lian Investment Advisory Co., Ltd.*)	PRC/Mainland China 中國/中國內地	Registered capital RMB30,000,000 註冊資本人民幣 30,000,000元	-	100%	Investment management consulting 投資管理諮詢
上海翀遠投資管理有限公司 (Shanghai Chongyuan Investment Management Company Limited*)	PRC/Mainland China 中國/中國內地	Registered capital RMB20,000,000 註冊資本人民幣 20,000,000元	-	100%	Investment holding 投資控股
北京龍地工藝美術品有限責任公司 (Beijing Dragon Ground Arts & Crafts Limited*)	PRC/Mainland China 中國/中國內地	Registered capital RMB90,000,000 註冊資本人民幣 90,000,000元	-	70%	Property investment 物業投資
北京陸港國際物流有限公司 (Beijing Inland Port International Logistics Co., Ltd.*)	PRC/Mainland China 中國/中國內地	Registered capital RMB199,095,322 註冊資本人民幣 199,095,322元	-	82.24%	Medical and logistic related property development 醫療及物流相關物業發展
北京偉森盛業家具有限公司 (Beijing Vissam Prosperity Furniture Limited*)	PRC/Mainland China 中國/中國內地	Registered capital RMB50,000,000 註冊資本人民幣 50,000,000元	-	60%	Trading of geriatric care related furniture 買賣養老傢俬
北京康愛醫養家具有限公司 (Beijing Kangai Geriatric Furniture Co., Ltd.*)	PRC/Mainland China 中國/中國內地	Registered capital RMB20,000,000 註冊資本人民幣 20,000,000元	-	60%	Trading of geriatric care related furniture 買賣養老傢俬
蕪湖市福齡金太陽健康養老服務有限公司 (Wuhu Fuling Golden Sun Health Care Service Company Limited*)	PRC/Mainland China 中國/中國內地	Registered capital RMB2,000,000 註冊資本人民幣 2,000,000元	-	100%	Provision of geriatric care services 提供養老服務

1. 公司及集團資料(續)

有關附屬公司之資料(續)

Notes to Financial Statements • 財務報表附註

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

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營運地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
大理廣晨基業房地產開發有限公司 (Dali Guangchen Real Estate Development Co., Ltd.*)	PRC/Mainland China 中國/中國內地	Registered capital RMB30,000,000 註冊資本人民幣 30,000,000元	-	60%	Property development 物業開發
上海啟悅健康科技有限公司 (Shanghai Qiyue Health Technology Co., Ltd*)	PRC/Mainland China 中國/中國內地	Registered capital USD20,000,000 註冊資本 20,000,000美元	-	100%	Property development 物業開發
上海啟悅養老服務有限公司 (Shanghai Qiyue Geriatric Service Limited*)	PRC/Mainland China 中國/中國內地	Registered capital RMB24,000,000 註冊資本人民幣 24,000,000元	-	100%	Provision of geriatric care services 提供養老服務

* For identification purpose only

Other than United Win International Corporation, BE Fortune (HK) Investment Management Limited and Rosy River International Limited, all the above subsidiaries are limited liabilities companies registered in PRC.

Other than BE Fortune (HK) Investment Management Limited, all the above subsidiaries are not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

1. 公司及集團資料(續)

有關附屬公司之資料(續)

Principal activities 主要業務	Percentage of equity attributable to the Company 本公司應佔權益百分比	
	Direct 直接	Indirect 間接

Property development 物業開發	-	60%
Property development 物業開發	-	100%
Provision of geriatric care services 提供養老服務	-	100%

* 僅供識別

除United Win International Corporation、北控金富(香港)投資管理有限公司及Rosy River International Limited外，所有上述附屬公司均為於中國註冊的有限責任公司。

除北控金富(香港)投資管理有限公司外，所有上述附屬公司並非由香港安永會計師事務所或其他安永會計師事務所全球網絡成員公司審核。

上表列出董事認為主要影響本集團本年度業績或組成資產淨值重大部分之本公司附屬公司。董事認為，如列出其他附屬公司之詳情將導致資料過於冗長。

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss ("FVPL"), equity investments designated at fair value through other comprehensive income ("FVOCI") and contingent consideration payables included in other payables and accruals which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

2.1 編製基準

該等綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）（當中亦包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例之披露規定編製。該等財務報表已根據歷史成本常規編製，惟按公平值計量的投資物業、透過損益以公平值列賬（「透過損益以公平值列賬」）之金融資產、指定為透過其他全面收益以公平值列賬（「透過其他全面收益以公平值列賬」）之權益投資及計入其他應付款項及應計費用或然應付代價則除外。該等綜合財務報表以港元（「港元」）呈列，而除另有指明外，所有數值均調整至最接近的千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一九年十二月三十一日止年度的財務報表。附屬公司為本公司直接或間接控制的實體（包括結構性實體）。當本集團因參與投資對象的業務而可或有權獲得可變回報，並有能力透過對投資對象的權力（即賦予本集團目前主導投資對象相關業務的能力的現有權利）影響該等回報時，則視為擁有控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive loss is reclassified to profit or loss or accumulated losses, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

附屬公司的財務報表乃按與本公司一致的報告期及會計政策編製。附屬公司的業績由本集團取得控制權當日起綜合計算，並繼續綜合計算，直至該控制權終止之日為止。

即使會導致非控制權益出現虧損結餘，損益及其他全面收益的各個組成部分仍會歸屬於本集團母公司擁有人及非控制權益。所有與本集團成員公司間交易有關的集團內公司間資產及負債、權益、收入、開支及現金流量於綜合賬目時全數抵銷。

倘事實及情況顯示上述三項控制權元素中的一項或多項元素出現變動，則本集團會重新評估其是否擁有投資對象的控制權。於附屬公司擁有權權益的變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去對附屬公司的控制權，則應終止確認(i)附屬公司的資產(包括商譽)及負債；(ii)任何非控制權益的賬面值；及(iii)計入權益的累計匯兌差額；並確認(i)已收代價的公平值；(ii)任何留存投資的公平值；及(iii)因而產生並計入損益的任何盈虧。先前於其他全面虧損已確認的本集團應佔部分會視乎適當情況，按倘本集團直接出售相關資產或負債所要求的相同基準重新分類至損益或累計虧損。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements to HKFRSs 2015-2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Except for the amendments to HKFRS 9, HKAS 19 and *Annual Improvements to HKFRSs 2015-2017 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

- (a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17.

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of accumulated losses at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretations.

2.2 會計政策及披露變動

本集團於本年度之財務報表首次採用下列新訂及經修訂之香港財務報告準則。

香港財務報告準則第9號之修訂	具有負補償的提前還款特性
香港財務報告準則第16號	租賃
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營公司的長期權益
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性
二零一五年至二零一七年週期香港財務報告準則的年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂

除香港財務報告準則第9號、香港會計準則第19號之修訂以及二零一五年至二零一七年週期香港財務報告準則的年度改進(與編製本集團財務報表並不相關)以外，新訂及經修訂香港財務報告準則的性質及影響於下文載述：

- (a) 香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定安排是否包括租賃、香港(常務詮釋委員會)–詮釋第15號經營租賃—優惠及香港(常務詮釋委員會)–詮釋第27號評估涉及租賃法律形式交易的內容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人在單一資產負債表模式中計算所有租賃，以確認及計量使用權資產及租賃負債，若干確認豁免除外。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相似的原則對租賃進行分類，並將之分為經營租賃或融資租賃。

本集團使用經修訂追溯應用法採納香港財務報告準則第16號，初始應用日期為二零一九年一月一日。根據該方法，該準則已獲追溯應用，並將首次採納之累計影響作為對於二零一九年一月一日之期初累計虧損結餘之調整，惟二零一八年比較資料並無重列，並繼續根據香港會計準則第17號及相關詮釋呈報。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of land use rights and buildings. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less (“short-term leases”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

2.2 會計政策及披露變動(續)

(a) (續)

租賃之新定義

根據香港財務報告準則第16號，倘合約為換取代價而給予在若干時段內控制使用已識別資產之權利，則該合約為租賃或包含租賃。當客戶有權從使用已識別資產獲得絕大部分經濟利益以及有權指示已識別資產的使用時，即有控制權。本集團選擇使用過渡性實際權宜方法，以令該準則僅適用於先前已於初始應用日期根據香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號識別為租賃之合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號尚未識別為租賃之合約並無重新評估。因此，香港財務報告準則第16號項下之租賃定義已僅應用於在二零一九年一月一日或之後訂立或更改之合約。

作為承租人 – 先前分類為經營租賃之租賃

採納香港財務報告準則第16號之影響性質

本集團就土地使用權及樓宇等多個項目訂立租賃合約。作為承租人，本集團先前根據有關租賃是否將資產所有權之絕大部分回報及風險轉移至本集團之評估，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團採用單一方法確認及計量所有租賃之使用權資產及租賃負債，惟低價值資產租賃(按個別租賃基準選擇)及租期為12個月或以下的租賃(「短期租賃」)(按相關資產類別選擇)之兩項選擇性豁免除外。本集團確認使用權資產折舊(及減值，如有)及尚未償還租賃負債(作為融資成本)的應計利息以取代以直線法確認租賃期由二零一九年一月一日開始的經營租賃項下之租金開支。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

As a lessee – Leases previously classified as operating leases (continued)

Impact on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019.

All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

The Group has applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application when applying HKFRS 16 at 1 January 2019:

2.2 會計政策及披露變動(續)

(a) (續)

作為承租人 – 先前分類為經營租賃之租賃(續)

過渡影響

於二零一九年一月一日之租賃負債按餘下租賃付款現值確認，使用二零一九年一月一日之增量借款利率貼現。使用權資產按租賃負債金額計量，並就與緊接二零一九年一月一日前於財務狀況表確認之租賃相關之任何預付或應計租賃付款金額作出調整。

所有該等資產於當日均已根據香港會計準則第36號就任何減值作出評估。本集團選擇於財務狀況表中分開呈列使用權資產。

就先前計入投資物業及按公平值計量之租賃土地及樓宇(持作賺取租金收入及/或資本增值)而言，於二零一九年一月一日，本集團已繼續將其計入投資物業列賬。其繼續應用香港會計準則第40號按公平值計量。

於二零一九年一月一日應用香港財務報告準則第16號時，本集團已將租期於初始應用日期起計十二個月內屆滿的租賃應用短期租賃豁免。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Financial impact at 1 January 2019

The impact arising from the adoption of HKFRS 16 as at 1 January 2019 was as follows:

		Increase/ (decrease) 增加/(減少) HK\$'000 千港元
Assets	資產	
Increase in right-of-use assets	使用權資產增加	547,896
Decrease in prepaid land lease payments	預付土地租金減少	(511,233)
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少	(17,130)
Increase in total assets	資產總值增加	19,533
Liabilities	負債	
Increase in lease liabilities	租賃負債增加	19,533
Increase in total liabilities	負債總額增加	19,533

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 is as follows:

於二零一九年一月一日的租賃負債與於二零一八年十二月三十一日的經營租賃承擔對賬如下：

		HK\$'000 千港元
Operating lease commitments as at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	26,703
Less: Commitments relating to short-term leases and those leases with a remaining lease term ended on or before 31 December 2019	減：與短期租賃及餘下租賃期將在二零一九年十二月三十一日或之前結束的租賃相關的承擔	(2,877)
		23,826
Weighted average incremental borrowing rate as at 1 January 2019	於二零一九年一月一日的加權平均增量借款利率	4.41%
Discounted operating lease commitments and lease liabilities as at 1 January 2019	於二零一九年一月一日的經貼現經營租賃承擔及租賃負債	19,533

2.2 會計政策及披露變動(續)

(a) (續)

二零一九年一月一日的財務影響

於二零一九年一月一日採納香港財務報告準則第16號所產生的影響如下：

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continue to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of Group.
- (c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Based on the Group’s assessment, the interpretation did not have any significant impact on the financial position or performance of the Group.

2.2 會計政策及披露變動(續)

- (b) 香港會計準則第28號之修訂釐清，香港財務報告準則第9號之範圍豁免僅包括應用權益法之聯營公司或合營企業權益，而不包括實質上構成於聯營公司或合營企業之淨投資一部分之長期權益(尚未就此應用權益法)。因此，將該等長期權益入賬時，實體應用香港財務報告準則第9號(包括香港財務報告準則第9號下之減值規定)，而非香港會計準則第28號。只有在確認聯營公司或合營企業之虧損及於聯營公司或合營企業之淨投資減值之情況下，香港會計準則第28號方適用於該投資淨額(包括長期權益)。本集團於二零一九年一月一日採納該等修訂時評估其於聯營公司及合營企業之長期權益業務的模式，並認為於聯營公司及合營企業之長期權益繼續根據香港財務報告準則第9號按攤銷成本計量。因此，該等修訂並無對本集團的財務狀況或表現造成任何影響。
- (c) 香港(國際財務報告詮釋委員會)－詮釋第23號處理於稅項處理方法及影響應用香港會計準則第12號的不確定性(普遍稱為「不確定稅務狀況」)時所得稅(即期及遞延)的會計處理。該項詮釋不適用於香港會計準則第12號範圍外的稅項或徵稅，亦尤其不包括與不確定稅項處理方法相關的權益及處罰的規定。該項詮釋具體處理(i)實體是否單獨考慮不確定稅項處理方法；(ii)實體對稅務機關審視稅項處理方法時作出的假設；(iii)實體如何釐定應課稅溢利或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率；及(iv)實體如何考慮事實及情況變動。根據本集團評估，詮釋並無對本集團財務狀況或表現造成任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 17	<i>Insurance Contracts</i> ²
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> ³
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ Effective for annual periods beginning on or after 1 January 2022

⁴ No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於該等財務報表內應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	<i>業務的釋義</i> ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	<i>利率基準改革</i> ¹
香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂	<i>投資者與其聯營公司或合營公司之間的資產出售或注資</i> ⁴
香港財務報告準則第17號	<i>保險合約</i> ²
香港會計準則第1號之修訂	<i>將負債分類為流動或非流動</i> ³
香港會計準則第1號及香港會計準則第8號之修訂	<i>重要性的釋義</i> ¹

¹ 於二零二零年一月一日或之後開始的年度期間生效

² 於二零二一年一月一日或之後開始的年度期間生效

³ 於二零二二年一月一日或之後開始的年度期間生效

⁴ 尚未釐定強制生效日期，惟可供應用

預期適用於本集團的該等香港財務報告準則的進一步資料如下。

香港財務報告準則第3號之修訂澄清業務的定義，並提供額外指引。該修訂本訂明可視為業務的一組整合活動及資產，必須至少包括一項投入及一項重要過程，而兩者必須對形成產出的能力有重大貢獻。業務毋須包括形成產出所需的所有投入或過程。該等修訂取消了評估市場參與者是否有能力收購業務並能持續獲得產出的規定，轉為重點關注所取得的投入和重要過程共同對形成產出的能力有否重大貢獻。該等修訂亦已收窄產出的定義範圍，重點關注為客戶提供的商品或服務、投資收益或日常活動產生的其他收益。此外，該等修訂亦提供有關評估所取得過程是否重大的指引，並新增公平值集中度測試選項，允許對所取得的一組活動及資產是否不屬於業務進行簡化評估。本集團預期自二零二零年一月一日起採用該等修訂。由於該等修訂預期適用於首次應用日期或之後發生之交易或其他事件，故本集團於過渡日期將不受該等修訂影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 clarify the criteria for determining whether to classify a liability as current or non-current. The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments clarify the situations that are considered settlement of a liability. The amendments to HKAS 1 are required to be applied for annual periods beginning on or after 1 January 2022. The amendments must be applied retrospectively in accordance with HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂旨在解決銀行同業拆息改革對財務申報之影響。該等修訂提供可在替換現有利率基準前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規定公司須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。該等修訂於二零二零年一月一日或之後開始的年度期間生效，惟獲准提早應用。預期該等修訂將不會對本集團財務報表造成任何重大影響。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂針對香港財務報告準則第10號及香港會計準則第28號(二零一一年)之間有關投資者與其聯營企業或合營公司之間的資產出售或注資兩者規定的不一致性作出修改。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂將按未來適用基準應用。香港會計師公會已於二零一六年一月廢除香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂前的強制生效日期，而新強制生效日期將於完成對聯營公司及合營公司會計處理作更廣泛覆核後釐定。然而，該等修訂現時可提前採用。

香港會計準則第1號之修訂釐清釐定將負債分類為流動或非流動的標準。該修訂列明於報告期末存在的條件為用於釐定是否延遲結清負債的權利。該修訂釐清視為結清負債的情況。香港會計準則第1號須要於二零二二年一月一日或之後開始的年度期間應用。該修訂須根據香港會計準則第8號會計政策、會計估計變更及錯誤追溯應用。提早應用獲得批准。該修訂預期將不會對本集團財務報表造成任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and a joint venture is included in profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint ventures, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint venture is included as part of the Group's investments in associates or joint ventures.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號之修訂重新界定重要性。根據新定義，倘可合理預期漏報、錯報或掩蓋個別信息將可影響使用財務報表作一般目的的主要使用者基於相關財務報表作出的決定，則該信息為重要。該等修訂指明，重要性取決於信息的性質或牽涉範圍。倘可合理預期信息錯報會影響主要使用者的決定，則有關錯誤為重大。本集團預期自二零二零年一月一日起按未來適用基準採用該等修訂。該等修訂預期不會對本集團財務報表有任何重大影響。

2.4 主要會計政策概要

於聯營公司及合營公司之投資

聯營公司指本集團長期擁有合共不少於20%股本投票權且可對其行使重大影響力之實體。重大影響力指的是參與投資對象之財務及經營決策之權力，但並非控制或共同控制該等決策之權力。

合營公司指一種合營安排，對安排擁有共同控制權的訂約方據此對合營公司的資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有的控制，共同控制僅在有關活動要求享有控制權的訂約方作出一致同意的決定時存在。

本集團於聯營公司及合營公司之投資根據權益會計法按本集團應佔淨資產減任何減值虧損於綜合財務狀況表列賬。

倘若會計政策存在任何不一致，則會作出相應調整。

本集團於損益及其他全面收益分別計入其分佔聯營公司及一間合營公司收購後業績及其他全面收益。此外，當直接確認聯營公司及合營公司之權益有變動時，則本集團於綜合權益變動表確認其適用之任何應佔變動。本集團與其聯營公司或合營公司之交易產生之未變現盈虧會對銷，對銷金額以本集團對聯營公司或合營公司之投資為限，除非未變現虧損能證明被轉移資產出現減值。收購聯營公司或合營公司產生之商譽被納入為本集團於聯營公司或合營公司投資之一部分。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss. When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

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

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 主要會計政策概要(續)

於聯營公司及合營公司之投資(續)

倘於聯營公司的投資變為於一間合營公司的投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，對於失去對聯營公司的重大影響力或對合營公司的共同控制權後，本集團按其公平值計量及確認任何保留投資。於失去重大影響力或共同控制權後聯營公司或合營公司的賬面值與保留投資及出售所得款項的公平值之間的任何差額於損益內確認。當於聯營公司的投資分類為持作出售，其根據香港財務報告準則第5號持作出售的非流動資產及已終止經營業務入賬。

業務合併及商譽

業務合併按收購法列賬。轉讓代價乃按收購日期之公平值計量，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方的前擁有人承擔的負債及本集團發行以換取被收購方控股權的股本權益的總和。就各項業務合併而言，本集團選擇以公平值或被收購方可識別資產淨值的應佔比例，計算屬現時擁有人權益並賦予擁有人權利在清盤時按比例應佔淨資產之於被收購方之非控股權益。非控股權益之一切其他部分乃按公平值計量。收購相關成本於產生時列為開支。

本集團收購一項業務時會根據合約條款、收購日之經濟狀況及有關條件評估取得的金融資產及承擔的金融負債，以進行適當分類及指定。此包括分離被收購方主合同中的嵌入式衍生工具。

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

收購方轉讓的任何或然代價將以收購日的公平值確認。或然代價被分類為資產或負債乃按公平值確認，其公平值的變化於損益確認。或然代價被分類為權益，則不再對其重新計量，後續的結算會計入權益中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

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

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

2.4 主要會計政策概要(續)

業務合併及商譽(續)

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

初步確認後，商譽按成本減任何累計減值虧損計量。如有任何事件或情況變動表明賬面值可能減值，則每年或更頻繁地對商譽進行減值測試。本集團每年於十二月三十一日對商譽進行減值測試。就減值測試而言，於業務合併時收購的商譽自收購日起分配至預期將從合併協同效應受益之本集團各現金產生單位或現金產生單位組別，而不論本集團之其他資產或負債是否已被分配至該等單位或單位組別。

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

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

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

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

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

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

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

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

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

2.4 主要會計政策概要(續)

公平值計量

本集團於各報告期末按公平值計量其投資物業、透過損益以公平值列賬之金融資產及透過其他全面收益以公平值列賬之權益投資。公平值為於計量日期市場參與者間進行的有序交易中出售資產所收取或轉移負債所支付的價格。公平值計量乃基於出售資產或轉移負債的交易於資產或負債的主要市場進行，或在未有主要市場的情況下，則於資產或負債的最有利市場進行的假設。主要或最有利市場必須為本集團可進入的市場。資產或負債的公平值乃基於市場參與者為資產或負債定價時所用的假設計量(假設市場參與者以符合彼等最佳經濟利益的方式行事)。

非金融資產的公平值計量會計及一名市場參與者透過以最大限度使用該資產達致最佳用途，或透過將資產出售予將以最大限度使用該資產達致最佳用途的另一名市場參與者而產生經濟利益的能力。

本集團使用適用於不同情況且具備足夠可用數據以計量公平值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於綜合財務報表計量或披露公平值的所有資產及負債，均根據對公平值計量整體而言屬重大的最低級別輸入數據在下列公平值等級內進行分類：

- 第一級— 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級— 基於對公平值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值方法
- 第三級— 基於對公平值計量而言屬重大的不可觀察最低級別輸入數據的估值方法

就經常於綜合財務報表確認的資產及負債而言，本集團於各報告期末透過(按對公平值計量整體而言屬重大的最低級別輸入數據)重新評估分類，釐定等級中各個級別間是否出現轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties, and a disposed group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

2.4 主要會計政策概要(續)

非金融資產減值

倘有跡象顯示出現減值，或需要每年進行資產(除存貨、遞延稅項資產、金融資產、投資物業及分類為持作出售的出售集團外)減值測試，則會估計資產之可收回數額。獨立資產可收回金額之計算方法以資產或現金產生單位之使用價值與其公平值減出售成本兩者之較高者為準。倘資產未能產生很大程度上獨立於其他資產或資產組合之現金流入，在此情況下則釐定資產所屬現金產生單位之可收回金額。

減值虧損僅可在資產賬面值超過其可收回金額時方獲確認。在評估使用價值時，估計未來現金流量會以可反映現時市場對金錢時間值及該資產特有風險評估之稅前貼現率貼現至現值。減值虧損乃在其產生期間自損益內與減值資產功能相符之費用類別扣除。

於各報告期末均會作出評估，以確認是否有跡象顯示過往確認之減值虧損不再出現或可能已經減少。如有任何該等跡象，則會估計可收回金額。先前確認之資產(不包括商譽)減值虧損僅於釐定該資產之可收回金額所使用之估計方法出現改變時方會撥回，然而撥回後之數額不可超逾有關資產未有於過往年度確認減值虧損時可釐定之賬面值(扣除任何折舊/攤銷)。撥回之減值虧損於產生期間記入損益內。

關連方

以下人士於下列情況將被視為與本集團有關聯：

- (a) 倘為以下人士或其近親
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

2.4 主要會計政策概要(續)

關連方(續)

- (b) 該名人士為符合下列任何條件的實體：
- (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營公司；
 - (iii) 該實體與本集團為同一第三方的合營公司；
 - (iv) 實體為一名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聯的實體就僱員利益設立的離職後福利計劃；
 - (vi) 該實體由(a)項所列人士控制或共同控制；
 - (vii) (a)(i)項所列人士對該實體具有重大影響力或為該實體(或該實體的母公司)的主要管理層成員；及
 - (viii) 該實體或其任何集團成員公司提供主要管理人員服務予本集團或本集團之母公司。

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。當一項物業、廠房及設備項目獲分類為持作出售或其為獲分類為持作出售的出售集團的一部分，則不作折舊處理並根據香港財務報告準則第5號入賬，如「持作出售的非流動資產及出售集團」之會計政策所進一步闡述。物業、廠房及設備項目成本包括其購買價及將該資產達至運作狀況及地點以作擬定用途之任何直接應佔費用。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

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

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

Buildings	4% to 5%
Leasehold improvements	Over the shorter of the lease terms and 20%
Furniture and fixtures	10% to 33%
Computer equipment	19% to 32%
Motor vehicles	6% to 19%

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

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

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

物業、廠房及設備項目投入運作後所產生維修保養等支出，一般於其產生期間自損益扣除。倘達到確認標準，重大視察的開支資本化到該作為重置資產的賬面值。倘物業、廠房及設備的重大部分須定期替換，則本集團將該等部分確認為獨立資產，並賦予特定可使用年期及按此折舊。

折舊按直線法於其估計可用年期撇銷各物業、廠房及設備項目的成本至其剩餘價值計算。按此採用的主要年率如下：

樓宇	4%至5%
租賃物業裝修	按租期及20%之較短者
傢俬及裝置	10%至33%
電腦設備	19%至32%
汽車	6%至19%

倘某項物業、廠房及設備項目其中部分的可使用年期不同，該項目的成本會按合理基準分配至有關部分，而各部分均分開計提折舊。剩餘價值、可使用年期及折舊方法將至少於各財政年度末檢討及進行調整(如適用)。

物業、廠房及設備項目(包括任何初次確認的重大部分)於出售或預期使用或出售有關項目不會產生未來經濟利益時終止確認。於終止確認資產年度在損益確認的出售或報廢資產的收益或虧損，為出售有關資產所得款項淨額與其賬面值兩者間的差額。

在建工程指興建中的樓宇，按成本減任何減值虧損列賬，且不予折舊。成本包括興建期間的直接建築成本及就相關借款經撥充資本的借款成本。在建工程於落成及可供使用時重新分類為適當類別的物業、廠房及設備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings, (including the leasehold property held as a right-of-use asset (2018: leasehold property under an operating lease) which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation and recorded in the asset revaluation reserve. The relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to accumulated losses as a movement of reserves upon disposal of a revalued asset.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

2.4 主要會計政策概要(續)

投資物業

投資物業乃持作賺取租金收入及／或作資本增值之土地及樓宇權益(包括持作使用權資產的租賃物業(二零一八年：經營租賃項下的租賃物業)，其或可能符合投資物業的定義)，而非用於生產或供應貨品或服務；或非用作行政用途；或非作日常業務中之銷售。該等物業初始按成本計量(包括交易成本)。於初始確認後，投資物業以反映於報告期末市況之公平值入賬。

投資物業公平值變動產生之損益於其產生年度之損益中入賬。

因投資物業報廢或出售而產生之任何損益於報廢或出售年度之損益內確認。

倘本集團佔用作為業主自用物業的物業成為投資物業，本集團將根據「物業、廠房及設備以及折舊」項下所列政策將有關自有物業入賬及／或根據「使用權資產」項下所列政策將有關持作使用權資產的物業入賬，直至改變用途之日，且物業的賬面值與公平值於該日的任何差額會作為重估入賬，且記錄於資產重估儲備。就先前估值的已變現資產重估儲備之相關部份將於出售經重估資產後轉移至為累計虧損以作為儲備變動。

持作出售的非流動資產及出售集團

倘非流動資產及出售集團之賬面值將主要透過一項出售交易而非透過持續使用而取回，則其將分類為持作出售。資產或出售集團必須可於現況下即時出售且僅受制於銷售有關資產或出售集團的一般及慣常條款，且銷售極可能成交，方合資格作此分類。所有分類為出售集團的附屬公司資產及負債乃重新分類為持作出售，而不論本集團於出售前附屬公司後是否保留非控股權益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale (continued)

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

Intangible assets (other than goodwill)

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

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Brand name

Brand name acquired as part of a business combination is valued at fair value based on the royalty relief method. Brand name with a indefinite useful life is tested for impairment annually.

Computer software

Computer software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

2.4 主要會計政策概要(續)

持作出售的非流動資產及出售集團(續)

分類為持作出售之非流動資產及出售集團(投資物業及金融資產除外)按其賬面值與公平值減出售成本兩者中之較低者計量。分類為持作出售之物業、廠房及設備以及無形資產毋須計算折舊或攤銷。

無形資產(商譽除外)

單獨購入之無形資產於初步確認時以成本計量。於業務合併中所購入無形資產的成本為其於收購日期之公平值。無形資產的可使用年期可被評估為有限或無限。年期有限的無形資產於後續使用經濟壽命內攤銷，並於有跡象顯示無形資產可能出現減值時作減值評估。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度末審查一次。

擁有無限可使用年期之無形資產每年個別或按現金產生單位之水平進行減值測試。該等無形資產不會攤銷。擁有無限可使用年期之無形資產之可使用年期將會每年檢討，以釐定無限可使用年期之評估是否仍可繼續採用。倘發現不可繼續採用，則可使用年期評估由無限改變為有限將按前瞻基準入賬。

品牌名稱

作為業務合併一部分所收購之品牌名稱根據特許權費減免法按公平值進行估值。具有無限可使用年期之品牌名稱每年測試減值。

電腦軟件

電腦軟件乃按成本減任何減值虧損列賬，並於10年之預計可使用年期內以直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (applicable from 1 January 2019)

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	47 to 51 years
Buildings	2 to 3 years

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2.4 主要會計政策概要(續)

租賃(自二零一九年一月一日起適用)

本集團於合約開始時評估合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)應用單一確認及計量方法。本集團確認租賃負債以作出租賃付款，而使用權資產指使用相關資產的權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用當日)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債的款額、已產生初始直接成本及於開始日期或之前作出的租賃付款減任何已收租賃獎勵。使用權資產按直線法於租期及資產估計可使用年期(以較短者為準)折舊，如下：

租賃土地	47至51年
樓宇	2至3年

(b) 租賃負債

於租賃開始日期，租賃負債按租期內作出的租賃付款現值予以確認。租賃款項包括定額付款(含實質定額款項)減任何應收租賃獎勵、取決於指數或利率的可變租賃付款以及預期根據剩餘價值擔保下支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及倘在租期內反映本集團正行使終止選擇權時，有關終止租賃支付的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為支出。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (applicable from 1 January 2019) (continued)

Group as a lessee (continued)

(b) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are separately presented in the consolidated statement of financial position.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and computer equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessees, are accounted for as finance leases.

2.4 主要會計政策概要(續)

租賃(自二零一九年一月一日起適用) (續)

本集團作為承租人(續)

(b) 租賃負債(續)

於計算租賃款項的現值時，由於租賃內所含利率不易釐定，故本集團應用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額有所增加以反映利息的增加，並因作出租賃付款而減少。此外，倘有任何修改、租期變更、租賃付款變更(例如指數或比率的變更導致未來租賃付款發生變化)或購買相關資產的選擇權評估的變更，則重新計量租賃負債的賬面值。

本集團的租賃負債於綜合財務狀況表中單獨呈列。

(c) 短期租賃

本集團將短期租賃確認豁免應用於樓宇及電腦設備的短期租賃(即自開始日期起計租期為十二個月或以下，並且不包含購買選擇權的租賃)。

短期租賃的租賃付款在租期內按直線法確認為支出。

本集團作為出租人

倘本集團作為出租人，則於租賃開始時(或於租賃修訂時)將各租賃分類為經營租賃或融資租賃。

本集團並未轉讓資產擁有權所附帶的絕大部分風險及回報的租賃均歸類為經營租賃。倘合約包括租賃及非租賃部分，本集團根據相對獨立的售價基準將合約代價分配予各部分。基於其經營性質，租金收入於租期內按直線法列賬並計入損益之收益。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值，並於租期內按相同基準確認為租金收入。或然租金乃於所賺取的期間內確認為收益。

相關資產擁有權所附帶的絕大部分風險及回報均轉嫁予承租人之租約按融資租賃入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (applicable before 1 January 2019)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

2.4 主要會計政策概要(續)

租賃(於二零一九年一月一日前適用)

將資產擁有權之大部份回報與風險保留於承租人之租賃按經營租賃入賬。倘本集團為承租人，經營租賃項下由本集團租賃之資產計入非流動資產，且經營租賃項下租金應收款項於租賃期內以直線法於損益入賬。倘本集團為承租人，經營租賃項下租金應付款項減任何已收取承租人的優惠於租賃年期以直線法於損益入賬。

經營租賃項下的預付土地租金初始以成本入賬，隨後於租賃期以直線法確認。

投資及其他金融資產

初步確認及計量

金融資產於初始確認時分類為其後按攤銷成本、透過其他全面收益以公平值列賬及透過損益以公平值列賬之金融資產計量。

於初始確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已應用可行權宜方法並無調整重大融資成分影響的應收貿易賬款外，本集團初步按公平值加上(倘金融資產並非透過損益以公平值列賬)交易成本計量金融資產。並無重大融資成分或本集團已應用可行權宜方法的應收貿易賬款根據下文「收入確認」所載的政策按香港財務報告準則第15號釐定的交易價格計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

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

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初步確認及計量(續)

按攤銷成本或公平值透過其他全面收益列賬之金融資產產生的現金流量應純粹為支付本金及未償還的本金產生的利息(「純粹為支付本金及利息」)。現金流量不只是純粹為支付本金及利息之金融資產，其以公平值計入損益進行分類及計量，不論其業務模式如何。

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產乃於旨在持有金融資產收取合約現金流量之業務模式內持有，而按公平值計入其他全面收益分類及計量的金融資產則於旨在持有金融資產以收取合約現金流量及出售金融資產的業務模式中持有。並非以上述業務模式持有的金融資產按公平值計入損益分類及計量。

所有定期買賣的金融資產概於交易日(即本集團承諾購買或出售該資產的日期)確認。定期買賣指於市場規定或慣例一般規定的期間內交付資產的金融資產買賣。

後續計量

金融資產之後續計量取決於以下分類：

按攤銷成本計量之金融資產(債務工具)

按攤銷成本計量之金融資產其後以實際利息法計量，並進行減值。資產終止確認、作出修改或減值時，於損益確認收益及虧損。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

指定為透過其他全面收益以公平值列賬之金融資產(權益投資)

於初步確認時，本集團可選擇於權益投資符合香港會計準則第32號金融工具：呈列項下權益的定義且並非持作買賣時，將其權益投資不可撤回地分類為指定透過其他全面收益以公平值列賬之權益投資。分類乃按個別工具基準釐定。

該等金融資產的收益及虧損概不會被重新計入損益。當確立支付權時，股息於損益中確認為其他收益，與股息有關的經濟利益可能流入本集團及股息金額能夠可靠地計量，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外。於此等情況下，該等收益於其他全面收益入賬。指定透過損益以公平值列賬之權益投資不受減值評估影響。

透過損益以公平值列賬之金融資產

透過損益以公平值列賬之金融資產按公平值於財務狀況表列賬，而公平值變動淨額於損益中確認。

該類別包括本集團並無不可撤銷地選擇按公平值計入其他全面收益進行分類的衍生工具及股本投資。分類為透過損益以公平值列賬之金融資產之股本投資之股息在支付權確立時亦於損益中確認為其他收益，而與股息有關的經濟利益可能流入本集團及股息金額能夠可靠地計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

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

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition of financial assets

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

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

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

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

透過損益以公平值列賬之金融資產(續)

當嵌入混合合約(包含金融負債或非金融主體)的衍生工具具備與主體不緊密相關的經濟特徵及風險;具備與嵌入式衍生工具相同條款的單獨工具符合衍生工具的定義;且混合合約並非按透過損益以公平值列賬,則該衍生工具與主體分開並作為單獨衍生工具列賬。嵌入式衍生工具按公平值計量,且公平值變動於損益確認。僅當合約條款出現變動,大幅改變其他情況下所需現金流量時;或當原分類至透過損益以公平列賬之金融資產獲重新分類時,方進行重新評估。

嵌入混合合約(包含金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為透過損益以公平值列賬。

終止確認金融資產

金融資產(或(如適用)一項金融資產的一部分或一組類似金融資產的一部分)在下列情況下將被終止確認(即自本集團綜合財務狀況表中移除):

- 收取該項資產所得現金流量的權利已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或已根據一項「轉付」安排,在並無嚴重延遲的情況下,負責向第三方全數支付所收取現金流量,以及(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報,惟已轉讓該項資產的控制權。

當本集團已轉讓其收取一項資產所得現金流量的權利或已訂立一項轉付安排,則其將評估其是否保留資產所有權的風險及回報,以及保留程度。倘其並無轉讓或保留該項資產的絕大部分風險及回報,且並無轉讓該項資產的控制權,本集團繼續按本集團的持續參與程度確認該轉讓資產。在此情況下,本集團亦確認相關負債。已轉讓的資產及相關負債按反映本集團已保留的權利及責任的基準計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

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

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

終止確認金融資產(續)

持續參與指就已轉讓資產作出的保證，並按該項資產的原賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

金融資產減值

本集團確認對並非透過損益以公平值列賬之所有債務工具預期信貸虧損(「預期信貸虧損」)的撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他提升信貸措施。

一般方法

預期信貸虧損分兩個階段進行確認。就自初始確認起未有顯著增加的信貸風險而言，預期信貸虧損乃撥備作由未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)。就自初始確認起經已顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的預期信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

本集團於各報告日期評估金融工具信貸風險自初始確認後有否大幅增加。進行評估時，本集團將於初始確認日期金融工具發生違約的風險比較，並考慮毋需付出不必要成本或努力而可得的合理且有證據支持的資料，包括歷史經驗及前瞻性資料。

本集團認為，倘合約付款逾期90天，則為發生金融資產違約事件。然而，在若干情況下，倘內部或外部資料顯示本集團在計及任何本集團持有的信貸增級前不可能悉數收取未收取合約金額，則本集團亦可認為發生金融資產違約事件。於並無合理預期能收回合約現金流量時撇銷金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

除應收貿易賬款採用下述簡化方法外，按公平值計入其他全面收益的債權投資及按攤銷成本計量的金融資產按一般方法進行減值，並按下列預期信貸虧損計量階段分類。

第一階段 – 信貸風險自初始確認後並無顯著增加的金融工具，虧損撥備按等同12個月預期信貸虧損的金額計量

第二階段 – 信貸風險自初始確認後顯著增加但並無信貸減值的金融工具，虧損撥備按等同存續期預期信貸虧損的金額計量

第三階段 – 於報告日期為信貸減值的金融資產(但於購買或發起時並無信貸減值)，虧損撥備按等同存續期預期信貸虧損的金額計量

簡化方法

對於並無包含重大融資部分的應收貿易賬款，或本集團採用毋須調整重大融資部分影響的可行權宜方式時，本集團採用簡化方法計量預期信貸虧損。根據簡化方法，本集團不會追蹤信貸風險的變化，而是根據各個報告日期的全期預期信貸虧損確認虧損撥備。本集團已根據歷史信貸虧損經驗建立撥備矩陣，並因應有關債務人及經濟環境的特定前瞻因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at amortised cost (loans and borrowings)

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

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

2.4 主要會計政策概要(續)

金融負債

初步確認及計量

金融負債於初步確認時分類為透過損益以公平值列賬之金融負債、貸款及借款以及應付款項。

所有金融負債初步按公平值確認，貸款及借款以及應付款項則扣除直接應佔交易成本。

後續計量

金融負債之後續計量取決於以下分類：

按攤銷成本計量的金融負債(貸款及借款)

於初步確認後，計息貸款及借款其後以實際利率法按攤銷成本計量，倘貼現的影響並不重大，於此情況下，則按成本列賬。收益及虧損會於負債終止確認時透過實際利率攤銷程序於損益確認。

攤銷成本經計及任何收購折扣或溢價及組成實際利率整體部分的費用或成本計算得出。實際利率攤銷計入損益中的融資成本內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Properties under development

Properties under development are stated at the lower of cost and net realisable value and comprise construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

Properties under development which have been pre-sold or intended for sale and are expected to be completed within one year from the end of the reporting period are classified under current assets. On completion, the properties are transferred to properties held for sale.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 主要會計政策概要(續)

終止確認金融負債

當負債的責任被解除或取消或屆滿，金融負債將被終止確認。

如現有金融負債由條款有重大差異的相同放款人負債所取代，或現有負債的條款有重大修訂，此類交換或修訂將被視為終止確認原負債及確認新負債處理，有關賬面值的差額於損益確認。

抵銷金融工具

倘目前擁有可強制執行的法律權力以抵銷已確認金額且有意按淨額基準結算或同時變現資產及結清負債時，金融資產與金融負債可以抵銷，而淨額在財務狀況表呈報。

存貨

存貨以成本及可變現淨值兩者中的較低者列賬。成本按先入先出基準釐定。可變現淨值根據估計售價減直至完成及出售時產生的估計成本計算。

發展中物業

發展中物業按成本與可變現淨值之較低者列賬，並包括於發展期間內產生之建築成本、借款成本、專業費用及直接歸屬於該等物業的其他成本。

經已預售或擬作銷售且預期將於報告期末起計一年內完成之發展中物業會在流動資產項下分類。於完成時，該等物業會轉移至持作銷售物業。

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金與活期存款，以及可隨時兌換為已知金額現金、所涉價值變動風險不高而一般自取得起計三個月內到期的短期高流通性投資，減按要求償還並構成本集團的現金管理一部分的銀行透支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents (continued)

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

The Group provides for warranties in relation to the sale of furniture for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 主要會計政策概要(續)

現金及現金等值物(續)

就綜合財務狀況表而言，現金及現金等值物包括手頭現金及銀行存款，包括用途不受限制的定期存款及性質與現金相似之資產。

撥備

當由於過往事件導致現時須承擔(法律或推定)責任，而未來可能須流失資源以履行責任，且能可靠估計責任的數額，則會確認撥備。

如貼現影響重大，則所確認的撥備數額是預計履行責任所需的未來開支在報告期末的現值。隨時間而增加的已貼現現值，計入損益的融資成本。

就銷售傢俬而言，本集團為於保養期間出現的瑕疵就一般維修提供保養。本集團就該等保證類保養作出的撥備乃根據銷量以及保養及退貨程度的過往經驗確認，並貼現至其現值(如適用)。

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認項目相關的所得稅於損益以外(其他全面收益或直接於權益)確認。

即期稅項資產及負債乃按預期可自稅務機關收回或須支付予稅務機關的金額，根據於報告期末已實施或大致實施的稅率(及稅法)，以及考慮本集團經營所在國家當時的詮釋及慣例計量。

遞延稅項根據報告期末的資產及負債的稅基與其就財務申報而呈列的賬面值之間的所有暫時差額按負債法計提撥備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項負債就所有應課稅暫時差額確認，惟下列情況除外：

- 因業務合併以外的交易(交易當時並無影響會計溢利或應課稅損益)而初步確認商譽或資產或負債所產生的遞延稅項負債；及
- 就於與附屬公司、聯營公司及合營公司的投資相關的應課稅暫時差額而言，如暫時差額的撥回時間可予控制，且暫時差額不大可能在可預見將來撥回。

遞延稅項資產根據所有可扣稅暫時差額、未動用稅項抵免結轉及任何未動用稅項虧損確認。遞延稅項資產乃確認至可能取得應課稅溢利以動用可扣稅暫時差額、未動用稅項抵免結轉及未動用稅項虧損為止，惟下列情況除外：

- 遞延稅項資產涉及因業務合併以外的交易(交易當時並無影響會計溢利或應課稅損益)而初步確認資產或負債所產生的可扣稅暫時差額；及
- 就於附屬公司、聯營公司及一間合營公司的投資相關的可扣稅暫時差額而言，僅於暫時差額可能在可預見將來撥回及有可能取得應課稅溢利以動用暫時差額的情況下，方確認遞延稅項資產。

遞延稅項資產的賬面值於各報告期末檢討，如不再可能取得足夠應課稅溢利以動用全部或部分遞延稅項資產，則會作出相應調減。尚未確認的遞延稅項資產在各報告期末進行重估，並於有可能取得足夠應課稅溢利以收回全部或部分遞延稅項資產時確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

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.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產及負債根據預期在變現資產或清償負債期間適用的稅率計算，而該稅率乃基於報告期末正式實施或實質採用的稅率(及稅法)釐定。

當及僅當本集團存在可依法強制執行的權利，可將即期稅項資產抵銷即期稅項負債，而遞延稅項資產及遞延稅項負債乃關於相同稅務機關就相同應課稅實體或擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債時，遞延稅項資產及遞延稅項負債方可於預期將結算或收回巨額遞延稅項負債或資產的各未來期間互相抵銷。

政府補助

政府補助於可合理確定將會收取補助及將符合所有附帶條件時按公平值確認。如補助涉及開支項目，則於其擬補助的成本產生期間內有系統地確認為收入。

倘補助乃與資產有關，公平值會計入遞延收入賬，並於相關資產的預期可使用年期內按相等年度分期發還至損益，或自資產賬面值扣減並以經扣減折舊支出方式發還至損益。

收入確認

來自客戶合約之收入

來自客戶合約的收入乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收入金額極有可能不會發生重大收入回撥。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

(a) Sale of furniture

Revenue from the sale of furniture is recognised at the point in time when control of the asset is transferred to the customer, generally upon completion of the installation services.

Warranty obligations

The Group provides warranties that are either solely assurance-type warranties or extended warranties, which are service-type warranties, to a customer. The service-type warranties can be obtained from other providers and do not significantly customise or modify the products.

Contracts for bundled sales of furniture and service-type warranties are comprised of two performance obligations because the promise to transfer the furniture and provide service-type warranties are capable of being distinct and separately identifiable. Accordingly, the transaction price is allocated based on the relative stand-alone selling prices of the furniture and service-type warranties.

Revenue from service-type warranties is recognised over time, using a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

2.4 主要會計政策概要(續)

收入確認(續)

來自客戶合約之收入(續)

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收入按應收賬款的現值計量，使用貼現率貼現，該貼現率將反映在本集團與客戶在合約開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為在本集團提供一年以上的重大財務利益時，合約項下確認的收入包括按實際利息法在合約負債上加算的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用香港財務報告準則第15號中實際權宜之計，不會對重大融資部分的影響作出調整。

(a) 銷售傢俬

銷售傢俬產品的收入於資產控制權已轉移予客戶的時間點(一般為於安裝服務完成時)確認。

保養責任

本集團向客戶提供僅為保證類保養或延長保養(為服務類保養)的保養。服務類保養可自其他供應商取得，並不會大幅定製或修改產品。

一併提供銷售傢俬及服務類保養的合約構成兩項履約責任，原因為轉移傢俬及提供服務類保養的承諾能夠獨立及單獨識別。因此，交易價格乃根據傢俬及服務類保養的相關獨立售價分配。

服務類保養的收入乃使用直線法隨時間確認，乃由於客戶同時收取及耗用本集團提供的利益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(b) Rendering of services

The Group provides medical care, health care and geriatric care related services. These services are rendered on their own contracts with customers. Revenue from the rendering of services is recognised over the time because the customer simultaneously receives and consumes the benefits provided by the Group.

Other income

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates several share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby employees and consultants render services as consideration for equity instruments ("equity-settled transactions").

2.4 主要會計政策概要(續)

收入確認(續)

來自客戶合約之收入(續)

(b) 提供服務

本集團提供醫療、健康及養老相關服務。該等服務乃按與客戶的自身合約而提供。提供服務的收入乃隨時間確認，乃由於客戶同時收取及耗用本集團提供的利益。

其他收入

租金收入乃按時間比例基準隨租期確認。不取決於任何指數或比率的可變租賃付款在發生時的會計期間確認為收入。

利息收入按實際基準以實際利率法確認，透過應用於金融工具的預期期限或較短期間(如適用)其已估算未來現金流量的利率準確變現至金融資產的賬面淨值。

股息收入於確立股東收取款項的權利時確認，並在股息相關經濟利益可能會流入本集團及股息收入之金額能可靠地計量時予以確認。

合約負債

合約負債於本集團轉讓相關商品或服務前自客戶收取付款或付款到期時(以較早者為準)確認。合約負債於本集團履行合約時確認為收入(即有關商品及服務的控制權轉移至客戶時)。

以股份為基礎付款

本公司設有多項購股權計劃，為所有對本集團業務作出貢獻的合資格參與者提供鼓勵及獎賞。本集團的僱員(包括董事)及顧問收取以股份為基礎付款的酬金，而僱員及顧問則提供服務作為股本工具的代價(「股權結算交易」)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 33 to the consolidated financial statements.

The cost of equity-settled transactions is recognised in equity-settled share-based payment expenses together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 主要會計政策概要(續)

以股份為基礎付款(續)

與僱員進行股權結算交易的成本乃參照授出日期的公平值計算。公平值乃由外聘估價師採用購股權的二項式模型釐定。進一步詳情載於綜合財務報表附註33。

以股權結算交易的成本連同權益相應增加部分於達成表現及／或服務條件之期間內於股權結算以股份為基礎之付款開支確認。在歸屬日期前，每個報告期末確認的股權結算交易的累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬的股權工具數目的最佳估計。在某一期間內在損益內扣除或進賬，乃反映累計開支於期初與期末確認時的變動。

釐定獎勵於授出日期之公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部分。市場表現條件將反映在授出日期之公平值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。反映非歸屬條件之獎勵公平值若當中不包含服務及／或表現條件乃即時予以支銷。

因未能達至非市場表現及／或服務條件，而導致最終並無歸屬之獎勵並不會確認支銷，惟包括一項市場或非歸屬條件之獎勵，無論市場或非歸屬條件是否達成，其均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。

倘若以股權結算的獎勵的條款有所變更，所確認的開支最少須達到猶如條款並無任何變更的水平(倘符合獎勵原先條款)。此外，倘若按變更日期所作計量，任何變更導致以股份為基礎付款的總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those eligible Hong Kong employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

Termination benefits are recognised at 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.

2.4 主要會計政策概要(續)

以股份為基礎付款(續)

倘以股權結算的獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認的授予獎勵的開支，均應立刻確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條款所涉及的獎勵。然而，若授予新獎勵代替已註銷的獎勵，並於授出日期指定為替代獎勵，則已註銷及新獎勵，均應被視為原獎勵的變更，一如前段所述。

計算每股盈利時，未行使購股權的攤薄效應，反映為額外股份攤薄。

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例為合資格的香港僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金的某百分比計算，並根據強積金計劃的規則於應付時在損益扣除。強積金計劃資產與本集團資產分開存放，由獨立管理的基金持有。本集團一經向強積金計劃供款，有關僱主供款即全數歸僱員所有。

本集團於中國內地經營的附屬公司的僱員須參與地方市政府管理的中央退休金計劃。該等附屬公司須按其薪酬成本的若干百分比向中央退休金計劃供款。供款於根據中央退休金計劃的規則應付時於損益扣除。

離職福利

離職福利於本集團不能撤回所提供之該等福利時及本集團確認涉及離職福利付款之重組成本時(以較早者為準)確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

2.4 主要會計政策概要(續)

其他僱員福利(續)

借款成本

收購、興建或生產合資格資產(即必須經過相當長時間方可作擬定用途或可供銷售的資產)直接應佔的借款成本會作為該等資產成本的一部分而予以資本化。當資產實質上可作擬定用途或可供銷售,有關借款成本不再資本化。特定借款有待用於合資格資產開支期間臨時投資所賺取的投資收入,會從已資本化的借款成本中扣除。所有其他借款成本均於其產生期間列作開支。借款成本包括實體就借入資金所產生的利息及其他成本。

股息

當末期股息於股東大會上獲股東批准時,即確認為負債。

因本公司的組織章程大綱及細則授權董事宣派中期股息,故中期股息於獲建議時宣派。因此,中期股息於建議及宣派時即時確認為負債。

外幣

綜合財務報表以港元(即本公司的功能貨幣)呈報。本集團內各實體自行釐定其各自的功能貨幣,而各實體的財務報表項目乃以該功能貨幣計量。本集團旗下實體記賬的外幣交易初步按該等實體各自於交易日通行的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債,按有關功能貨幣於報告期末的適用匯率換算。因結算或換算貨幣項目而產生的差額於損益確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currency of certain subsidiaries and associates operating in Mainland China is the currency other than Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rate prevailing at the end of the reporting period and their profit or loss are translated into Hong Kong dollars at the weighted average exchange rate for the year.

2.4 主要會計政策概要(續)

外幣(續)

以外幣按歷史成本計量的非貨幣項目，採用初始交易日期的匯率換算。以外幣按公平值計量的非貨幣項目，採用計量公平值當日的匯率換算。因換算按公平值計量的非貨幣項目而產生的損益，亦按該項目公平值變動的損益確認(即於其他全面收益或損益中確認其公平值損益的項目的匯兌差額，亦分別於其他全面收益或損益中確認)。

為確定涉及預付代價及終止非貨幣資產或非貨幣負債的相關資產、開支或收入於初始確認時的匯率，初始交易日期為本集團初始確認因支付或收到預付代價而產生的非貨幣性資產或負債的日期。倘於確認相關項目之前有多個付款或收據，則本集團應以此方式確定每筆預付代價付款或收據的交易日期。

若干於中國內地營運的附屬公司及聯營公司的功能貨幣為港元以外之貨幣。於報告期末，該等實體的資產與負債按報告期末通行的匯率換算為港元，其損益則按年內的加權平均匯率換算為港元。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of subsidiaries operating in Mainland China are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries operating in Mainland China which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rate for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 主要會計政策概要(續)

外幣(續)

因此而產生的匯兌差額於其他全面收益內確認並累計至匯兌波動儲備。出售海外業務時，就該項海外業務在其他全面收益成分會在損益確認。

收購海外業務產生的任何商譽及收購所導致資產及負債賬面值的任何公平值調整被當作海外業務的資產及負債，並按收市匯率換算。

就綜合現金流量表而言，所有於中國內地營運的附屬公司的現金流量按現金流量日期的適用匯率換算為港元。所有於中國內地營運的附屬公司於整個年度產生的經常性現金流量則按年內的加權平均匯率換算為港元。

3. 重大會計判斷及估計

編製本集團財務報表時，管理層須作出可影響收支、資產及負債之呈報數額，及其相關披露以及或然負債披露資料之判斷、估計及假設。該等假設及估計之不確定因素可能導致日後須大幅調整受影響資產或負債之賬面值。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Group has applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(a) *Identifying performance obligations in a bundled sale of furniture products and installation services*

The Group provides installation services with the sale of furniture products to customers. The Group assessed that the installation services bundled together with the sale of furniture are not distinct and are not separate obligations under HKFRS 15, because the customers only accept goods at the point when goods are delivered and installation is completed. Therefore, the adoption of HKFRS 15 did not have an impact on the timing of revenue recognition.

(b) *Identifying warranty obligations in sale of furniture products*

The Group generally provides for warranties for general repairs of 3 to 5 years based on statutory requirements and product features, and does not provide extended warranties in its contracts of sale of furniture products with customers. However, in certain non-standard contracts, the Group provides extended warranties. The Group assessed that such warranties are service-type warranties and therefore, are accounted for as separate performance obligations to which the Group allocates a portion of the transaction price. Revenue is subsequently recognised over time based on the time elapsed.

3. 重大會計判斷及估計(續)

判斷

除所牽涉的估計外，於應用本集團會計政策時，管理層已作出下列對財務報表內已確認金額具有最重大影響的判斷：

來自客戶合約之收入

本集團已應用以下大幅影響釐定來自客戶合約的收入金額及時間之判斷：

(a) *識別一併銷售傢俬產品及安裝服務的履約責任*

本集團向客戶提供安裝服務連同銷售傢俬產品。本集團評估與銷售傢俬產品時一併提供的安裝服務並非獨特，故並非香港財務報告準則第15號項下的獨立責任，原因是客戶僅於交付商品及完成安裝之時間點方會接納商品。因此，採納香港財務報告準則第15號並無對收入確認的時間造成任何影響。

(b) *識別銷售傢俬產品的保養責任*

本集團一般按照法定規定及產品特性就一般維修提供達三至五年的保養，且於與其客戶之銷售傢俬產品合約中並無提供延長保養。然而，在若干非標準合約中，本集團提供經延長保養。本集團評估該等保養為服務類保養，故將會作為獨立履約責任入賬，而本集團會就其分配交易價格的一部分。根據時間的推移，收入於其後的時間確認。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Property lease classification – Group as lessor

The Group has entered into leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the building and the present value of the minimum lease payments not amounting to substantially all the fair value of the building, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計(續)

判斷(續)

物業租賃分類 – 本集團作為出租人

本集團已就其投資物業組合訂立租約。本集團按照該等安排之條款及條件之評估為基準，如租期不構成樓宇之經濟壽命的主要部分且最低租賃款項現值不等於樓宇之絕大部分公平值，本集團決定其保留此等物業擁有權附帶之絕大部分重大風險及回報，並按經營租賃租出及將有關合約以經營租賃入賬。

投資物業與自置物業之間的分類

本集團確定一幢物業是否可列作投資物業，並已制定判斷之準則。投資物業乃持作賺取租金或資金增值或兩者兼有之用途。因此，本集團考慮一幢物業在產出現金流量時，是否大多獨立於本集團所持之其他資產。部分物業乃持作賺取租金或資本增值，其餘持作生產或供應商品或服務或行政管理用途。如該部分獨立出售(或以融資租賃方式獨立出租)，本集團將獨立處理。如該部分不能獨立出售，持作生產或供應商品或服務或行政管理佔極少部分，該物業則列作投資物業。釐定輔助服務是否重要至致使物業不被列為投資物業的判斷乃按個別物業基準作出。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2019 was HK\$79,979,000 (2018: HK\$183,949,000). Further details are given in note 17 to the consolidated financial statements.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on the ageing for groupings of various customer segments that have similar loss patterns (i.e., by customer type).

The provision matrix is based on the Group's historical observed default rates after taking into consideration of forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated with any changes in the forward-looking estimates.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 24 to the financial statements.

3. 重大會計判斷及估計(續)

估計的不確定性

於報告期末為未來作出的主要假設及其他主要不明朗估計要素載述如下，該等因素極有可能使下一財政年度的資產及負債賬面值出現重大調整。

商譽減值

本集團最少每年一次釐定商譽有否減值。此要求估計商譽獲分配之現金產生單位之使用價值。估計使用價值要求本集團估計來自現金產生單位之預期未來現金流量，並選擇適當之貼現率以計算該等現金流量之現值。商譽於二零一九年十二月三十一日之賬面值為79,979,000港元(二零一八年：183,949,000港元)。進一步詳情載於綜合財務報表附註17。

應收貿易賬款的預期信貸虧損撥備

本集團使用撥備矩陣計算應收貿易賬款的預期信貸虧損。撥備率乃基於具有類似虧損模式的不同客戶分部組合(即客戶種類)之賬齡。

撥備矩陣基於本集團考慮前瞻性資料及過往觀察所得違約率而釐定。舉例而言，倘預測經濟環境預期將於未來一年惡化，導致違約事件增加，則會調整過往違約率。於各報告日期，過往觀察所得違約率及前瞻性資料的任何變動將予更新。

對過往觀察所得違約率、預測經濟環境及預期信貸虧損之間的關連性進行的評估屬重大估計。預期信貸虧損金額對情況變化及預測經濟環境相當敏感。本集團過往信貸虧損經驗及預測經濟環境亦未必能代表客戶日後的實際違約情況。有關本集團應收貿易賬款的預期信貸虧損之資料已於財務報表附註24披露。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences; and
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The carrying amount of investment properties at 31 December 2019 was HK\$420,058,000 (2018: HK\$471,239,000), of which HK\$318,696,000 was included in assets of a disposed group classified as held for sale. Further details, including the key assumptions used for fair value measurement, are given in notes 11 and 15 to the consolidated financial statements.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

投資物業之公平值估計

倘缺乏同類物業於活躍市場的現有價格，則本集團會考慮來自多個來源的資料，包括：

- (a) 不同性質、狀況或地點的物業於活躍市場的現有價格(經調整以反映各項差異)；及
- (b) 活躍程度稍遜的市場所提供同類物業近期價格(經調整以反映自按該等價格進行交易當日以來經濟狀況的任何變動)；及根據未來現金流量所作可靠估計預測的經貼現現金流量，此項預測以任何現有租約及其他合約的條款以及(在可行情況下)外來證據(如地點及狀況相同的類似物業現有市場租金)為憑證，並採用可反映有關現金流量金額及時間不明朗因素當時市場評估的貼現率。

投資物業於二零一九年十二月三十一日的賬面值為420,058,000港元(二零一八年：471,239,000港元)，其中318,696,000港元計入分類為持作出售之處置組資產。進一步詳情(包括公平值計量所使用的主要假設)載於綜合財務報表附註11及15。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The amount of unrecognised tax losses at 31 December 2019 was approximately HK\$210,153,000 (2018: HK\$223,424,000). Further details are contained in note 31 to the consolidated financial statements.

Fair values of unlisted equity and fund investments and derivative instruments

The unlisted equity and fund investments have been valued based on the quoted price from the relevant institutions, its net asset value or a market-based valuation technique as detailed in note 44 to the consolidated financial statements. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair values of these investments as Level 2 or Level 3. The derivative instruments have been valued using binomial tree model with the underlying equity value determined under market approach or income approach. This valuation requires the Group to make estimates about the underlying equity value, risk-free interest rate, volatilities and dividends yield.

The fair values of the unlisted investments and derivative instruments at 31 December 2019 were HK\$209,064,000 (2018: HK\$221,187,000) and HK\$17,019,000 (2018: HK\$1,156,000), respectively. Further details are included in notes 21, 26 and 44 to the consolidated financial statements.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

遞延稅項資產

如有可能有足夠的應課稅溢利抵扣虧損，應就所有未動用的稅項虧損確認遞延稅項資產。這需要管理層運用大量的判斷來估計未來應課稅溢利可能發生的時間和金額，結合未來納稅籌劃策略，以決定應確認的遞延稅項資產的金額。於二零一九年十二月三十一日，未確認的稅項虧損約為210,153,000港元(二零一八年：223,424,000港元)。進一步詳情載於綜合財務報表附註31。

非上市權益及基金投資及衍生工具的公平值

非上市權益及基金投資乃按綜合財務報表附註44所詳述的相關機構報價、其資產淨值或市場化估值技術估值。有關估值要求本集團釐定可資比較公眾公司(同業)及選擇價格倍數。此外，本集團就低流通性及規模差異的貼現作出估計。本集團將該等投資的公平值分類為第二級或第三級。衍生工具已採用二項式模式根據市場法或收入法而釐定之相關權益值估值。此估值需要本集團估計相關權益值、無風險利率、波幅及收益率。

於二零一九年十二月三十一日，非上市投資及衍生工具之公平值分別為209,064,000港元(二零一八年：221,187,000港元)及17,019,000港元(二零一八年：1,156,000港元)。進一步詳情載於綜合財務報表附註21、26及44。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has one single operating and reportable segment, which is the provision of medical care, health care and geriatric care related services and products. All of the Group's operating results are generated from this single segment. During the year, 100% (2018: 100%) of the Group's revenue was generated from customers in Mainland China, and over 90% (2018: over 80%) of the Group's non-current assets, excluding financial instruments and deferred tax assets, were located in Mainland China.

Revenue of approximately HK\$41,035,000 (2018: HK\$47,779,000) was derived from sales of goods to a single customer, including sales to a group of entities which are known to be under common control with that customer.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

非金融資產(商譽除外)減值

本集團於各報告期末評估所有非金融資產(包括使用權資產)是否有任何減值跡象。具有無限年期的無形資產會每年及於存在有關跡象時進行減值測試。其他非金融資產會於有跡象顯示未必可收回賬面值時進行減值測試。當資產或現金產生單位之賬面值超出其可收回金額(即其公平值減銷售成本與其在用價值之較高者)時，則存在減值。公平值減銷售成本乃按在類似資產的公平交易中來自具約束力銷售交易可得數據或可觀察市價減去銷售資產的增量成本計算。當運用在用價值計算時，管理層必須估計來自該資產或現金產生單位之預期未來現金流量，並選擇合適貼現率以計算該等現金流量之現值。

4. 經營分類資料

就管理而言，本集團持有一項持續經營業務之單一營運及可報告分類，即提供醫療、健康養老相關服務及產品。本集團所有經營業績均源自此單一分類。年內，本集團100%(二零一八年：100%)收益由中國大陸的客戶產生，本集團超過90%(二零一八年：超過80%)非流動資產(不包括金融工具及遞延稅項資產)乃位於中國大陸。

收入約41,035,000港元(二零一八年：47,779,000港元)乃源自向單一客戶銷售貨品，包括向一組已知受該客戶共同控制的實體進行的銷售。

Notes to Financial Statements • 財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入	200,755	178,885

Revenue from contracts with customers

(i) Disaggregated revenue information
For the year ended 31 December

Type of goods or services	按商品或服務類型劃分	2019 二零一九年 Total 總計 HK\$'000 千港元	2018 二零一八年 Total 總計 HK\$'000 千港元
Sale of goods	銷售商品	186,401	163,001
Rendering of services	提供服務	14,354	15,884
Total revenue from contracts with customers	來自客戶合約之總收入	200,755	178,885

During the year, the Group recognised revenue of HK\$33,835,000 (2018: Nil) and HK\$478,000 (2018: Nil) that were included in the contract liabilities in respect of the sale of goods and rendering of services, respectively, of the beginning of the reporting period and recognised from performance obligations satisfied in previous periods.

5. 收入、其他收入及收益淨額

收入之分析如下：

來自客戶合約之收入

(i) 細分收入資料
截至十二月三十一日止年度

於年內，本集團確認33,835,000港元(二零一八年：零)及478,000港元(二零一八年：零)的收入，其分別為計入報告期初銷售商品及提供服務的合約負債，且於以往期間達成履約責任後確認。

5. REVENUE, OTHER INCOME AND GAINS, NET (continued)**Revenue from contracts with customers (continued)***(ii) Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon the completion of installation of goods and payment is generally due within 30 to 90 days from delivery, except for new customers, where a partial payment in advance is normally required.

Rendering of services

The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of the service period.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Amounts expected to be recognised as revenue:	預期確認為收益之金額：		
Within one year	一年內	38,528	37,612
After one year	一年後	2,129	1,353
		40,657	38,965

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to warranty services included in sale contracts, of which the performance obligations are to be satisfied within four to sixteen years. All the other amount of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

5. 收入、其他收入及收益淨額(續)**來自客戶合約之收入(續)***(ii) 履約責任*

有關本集團履約責任的資料概括如下：

銷售商品

履約責任乃於商品安裝完成時達成及支付，一般於交付30日至90日內到期，惟新客戶一般須墊付部分款項。

提供服務

履約責任乃隨時間達成，乃由於服務獲提供及付款一般於服務期完結後到期。

於十二月三十一日，分配至餘下履約責任(未達成或部分未達成)的交易價格金額如下：

餘下履約責任的交易價格金額預期將於一年後確認為收入，與銷售合約包括的保養服務有關的履約責任於四年至十六年內達成。所有其他分配予餘下的履約責任的交易價格金額預期於一年內確認為收益。

Notes to Financial Statements • 財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS, NET (continued)

5. 收入、其他收入及收益淨額(續)

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Notes 附註			
Other income		其他收入		
Bank interest income		銀行利息收入	8,776	8,718
Other interest income		其他利息收入	22,412	33,143
Gross rental income from investment property operating leases		投資物業經營租賃之租金收入總額	24,370	22,539
Dividend income	16	股息收入	1,076	574
Government subsidies	21	政府補助	574	840
Sundry income		雜項收入	2,539	488
			59,747	66,302
Gains		收益		
Gain/(loss) on disposal of property, plant and equipment		出售物業、廠房及設備項目之收益/(虧損)	234	(110)
Fair value (losses)/gains on investment properties, net		投資物業之公平值(虧損)/收益淨額	(41,747)	76,991
Fair value losses on financial assets at FVPL	15	透過損益以公平值列賬之金融資產之公平值虧損	(9,631)	(2,575)
Fair value (losses)/gains on financial liabilities, net		金融負債之公平值(虧損)/收益淨額	(210)	2,631
Gain on disposal of subsidiaries	37	出售附屬公司之收益	48,876	223,899
Gain on bargain purchase	36	議價收購之收益	1,314	-
Foreign exchange differences, net		匯兌差額淨額	5,964	-
			4,800	300,836
			64,547	367,138

Notes to Financial Statements • 財務報表附註

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

6. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

6. 除稅前(虧損)/溢利

本集團之除稅前(虧損)/溢利經扣除/(計入)下列各項後得出：

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of inventories sold		127,550	112,136
Cost of services provided		9,818	9,503
Depreciation of property, plant and equipment	14	10,953	11,902
Depreciation of right-of-use assets (2018: Amortisation of land lease payments)	16(b),(d)	23,886	17,596
Less: Amount capitalised		(1,558)	-
		22,328	17,596
Amortisation of other intangible assets	18	139	1,009
Impairment of goodwill*	17	63,236	28,925
Impairment of other intangible assets*	18	7,332	5,540
Impairment of a property under development*	23	18,087	-
Impairment of an investment in an associate*	20	254,775	-
Minimum lease payments under operating leases		-	8,394
Lease payments not included in the measurement of lease liabilities	16(d)	4,638	-
Auditor's remuneration		1,650	1,600
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8)):			
Wages and salaries		56,114	72,520
Equity-settled share-based payment expense		63	974
Pension scheme contributions (defined contribution scheme)**		6,108	6,079
		62,285	79,573
Equity-settled share-based payment expense for consultancy services		36	624
Foreign exchange differences, net		(5,964)	14,238
Impairment of financial assets:			
Impairment of trade receivables***	24	6,623	110
Impairment of financial assets included in prepayments, other receivables and other assets***	25	56,661	15,710
		63,284	15,820
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties		1,680	1,311

* These items are included in "Other expenses and losses" in profit or loss of the consolidated statement of profit or loss and other comprehensive income.

** At 31 December 2019, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2018: Nil).

*** These items are included in "Impairment losses of financial assets" in profit or loss of the consolidated statement of profit or loss and other comprehensive income.

* 該等項目計入綜合損益及其他全面收益表內的「其他開支及虧損」。

** 於二零一九年十二月三十一日，本集團並無已沒收供款以供減少其未來年度的退休金計劃供款(二零一八年：無)。

*** 該等項目計入綜合損益及其他全面收益表內的「金融資產減值虧損」。

Notes to Financial Statements • 財務報表附註

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

7. FINANCE COSTS

An analysis of finance costs is as follows:

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借款之利息		8,968	16,315
Interest on lease liabilities	租賃負債利息	16	1,245	–
			10,213	16,315
Less: Interest capitalised	減：資本化利息		–	(3,465)
			10,213	12,850

7. 融資成本

融資成本分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and the chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及主要行政人員酬金

本年度各董事及主要行政人員之酬金根據香港聯合交易所有限公司證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條，以及公司(披露董事利益資料)規例第2部披露如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fees	袍金	2,160	2,475
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	5,956	5,969
Performance related bonuses	表現相關花紅	–	6,780
Equity-settled share option expense	股權結算購股權開支	198	4,091
Pension scheme contributions	退休金計劃供款	309	337
		6,463	17,177
		8,623	19,652

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

In prior years, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 33 to the consolidated financial statements. The fair value of such options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the consolidated financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

(a) Independent non-executive directors

		Fees	Equity-settled share-based payment expense	Total remuneration
		袍金	以股份為 基礎股權結算 付款開支	酬金總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2019	二零一九年			
Independent non-executive directors:	獨立非執行董事：			
Mr. Zhang Yun Zhou	張運周先生	180	6	186
Mr. Wu Yong Xin	吳永新先生	180	6	186
Mr. Tse, Man Kit, Keith	謝文傑先生	180	6	186
Mr. Gary Zhao	趙剛先生	180	–	180
Mr. Robert Winslow Koepf	康仕學先生	180	6	186
		900	24	924
2018	二零一八年			
Independent non-executive directors:	獨立非執行董事：			
Mr. Zhang Yun Zhou	張運周先生	180	81	261
Mr. Wu Yong Xin	吳永新先生	180	107	287
Mr. Tse, Man Kit, Keith	謝文傑先生	180	107	287
Mr. Gary Zhao	趙剛先生	180	–	180
Mr. Robert Winslow Koepf	康仕學先生	180	145	325
		900	440	1,340

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

於年內概無應付獨立非執行董事的其他酬金(二零一八年：零)。

8. 董事及主要行政人員酬金(續)

於過往年度，若干董事根據本公司購股權計劃獲授予購股權，原因為彼等服務本集團，進一步詳情載於綜合財務報表附註33。該等購股權之公平值(於歸屬期在損益確認)乃於授出日期釐定，而綜合財務報表所載的本年度金額列入上述董事及主要行政人員酬金之披露。

(a) 獨立非執行董事

Notes to Financial Statements • 財務報表附註

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

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and the chief executive

8. 董事及主要行政人員酬金(續)

(b) 執行董事及主要行政人員

		Salaries, allowances and benefits in kind	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	Fees		股權結算 以股份為基礎 付款開支	退休金 計劃供款	酬金總計
	袍金	薪金、津貼及 實物福利	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
2019	二零一九年				
Executive directors:	執行董事：				
Mr. Wang Zheng Chun	王正春先生	180	29	-	209
Mr. Zhang Jing Ming	張景明先生	180	29	-	209
Mr. Zhu Shi Xing	祝仕興先生	180	29	195	2,639
Mr. Gu Shan Chao	顧善超先生	180	29	150	2,180
Mr. Liu Xue Heng	劉學恒先生	180	29	18	2,073
Mr. Hu Shiang Chi	胡湘麒先生	180	29	-	209
Mr. Siu Kin Wai	蕭健偉先生	180	-	-	180
Mr. Qian Xu ⁽ⁱⁱ⁾	錢旭先生 ⁽ⁱⁱ⁾	-	-	-	-
		1,260	174	363	7,699

Notes to Financial Statements • 財務報表附註

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

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and the chief executive (continued)

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Equity-settled share-based payment expense	Pension scheme contributions	Total remuneration
	袍金	薪金、津貼及實物福利	表現相關花紅	以股份為基礎付款開支	退休金計劃供款	酬金總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
2018						
						二零一八年
Executive directors:						執行董事：
Mr. Wang Zheng Chun	180	–	–	662	–	842
Mr. Zhang Jing Ming	180	–	–	534	–	714
Mr. Zhu Shi Xing	180	2,266	2,260	662	187	5,555
Mr. Gu Shan Chao	180	1,839	2,260	662	150	5,091
Mr. Liu Xue Heng	180	1,864	2,260	662	–	4,966
Mr. Hu Xiao Yong ⁽ⁱ⁾	135	–	–	–	–	135
Mr. Hu Shiang Chi	180	–	–	469	–	649
Mr. Qian Xu ⁽ⁱⁱ⁾	30	–	–	–	–	30
Mr. Siu Kin Wai	180	–	–	–	–	180
Mr. Hu Yebi ⁽ⁱⁱⁱ⁾	150	–	–	–	–	150
	1,575	5,969	6,780	3,651	337	18,312

Notes:

- (i) Resigned on 2 October 2018
- (ii) Resigned on 27 February 2019 and waived his salary since 1 March 2018 on his own initiative, no compensation paid in lieu of the waiver
- (iii) Resigned on 31 October 2018

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year except for the arrangement included in note (ii) as below.

附註：

- (i) 於二零一八年十月二日辭任
- (ii) 於二零一九年二月二十七日辭任及主動放棄彼自二零一八年三月一日起之薪金，並無支付酬金以代替此項放棄
- (iii) 於二零一八年十月三十一日辭任

年內概無董事或主要行政人員放棄或同意放棄任何酬金之安排(除載於下文附註(ii)之安排外)。

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three directors (2018: three directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining two (2018: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,985	2,035
Performance related bonuses	表現相關花紅	200	639
Equity-settled share-based payment expense	股權結算以股份為 基礎付款開支	16	257
Pension scheme contributions	退休金計劃供款	177	179
		2,378	3,110

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees	
		僱員人數	
		2019	2018
		二零一九年	二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	1	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 to HK\$2,500,000	1,500,001港元至2,500,000港元	–	1
		2	2

In prior years, share options were granted to one non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 33 to the consolidated financial statements. The fair value of such options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the consolidated financial statements for the current year is included in the above non-director and non-chief executive highest paid employee's remuneration disclosures.

9. 五名最高薪僱員

年內五名最高薪僱員包括三名董事(二零一八年：三名董事)，彼等酬金之詳情載於上文附註8。於年內餘下兩名最高薪僱員(二零一八年：二名)(並非本公司董事或主要行政人員)之酬金詳情如下：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,985	2,035
Performance related bonuses	表現相關花紅	200	639
Equity-settled share-based payment expense	股權結算以股份為 基礎付款開支	16	257
Pension scheme contributions	退休金計劃供款	177	179
		2,378	3,110

酬金介乎下列範圍且並非董事及並非行政總裁的最高薪酬僱員人數如下：

		Number of employees	
		僱員人數	
		2019	2018
		二零一九年	二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	1	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 to HK\$2,500,000	1,500,001港元至2,500,000港元	–	1
		2	2

於過往年度，一名非董事及一名非主要行政人員最高薪僱員就其向本集團提供之服務獲授購股權，進一步詳情載於綜合財務報表附註33之披露中。已於歸屬期內在損益中確認之該等購股權之公平值乃於授出日期釐定，而計入截至本年度綜合財務報表之金額乃計入上文披露之一名非董事及一名非主要行政人員最高薪僱員酬金。

Notes to Financial Statements • 財務報表附註

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

10. INCOME TAX

10. 所得稅

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current – PRC corporate income tax	即期－中國企業所得稅		
Charge for the year	本年度支出	3,366	41,656
(Overprovision)/underprovision in prior years	過往年度(超額撥備)/撥備不足	(1,132)	475
Current – Canada withholding tax on interest income	即期－加拿大利息收入預扣稅	925	866
Deferred (note 31)	遞延(附註31)	(7,195)	17,247
Total tax (credit)/charge for the year	年度稅項(減免)/開支總額	(4,036)	60,244

Hong Kong profits tax

During the year ended 31 December 2019, no Hong Kong profits tax had been provided as there were no assessable profits arising in Hong Kong during the year (2018: Nil).

PRC corporate income tax

Under the PRC income tax laws, PRC enterprises are subject to corporate income tax at a rate of 25% except for two PRC subsidiaries which are entitled to preferential tax rates of 10% and 15%.

Canada withholding tax on interest income

The Group is subject to Canada withholding tax of 5% on the gross interest income arising from its loans provided to the borrowers in Canada.

香港利得稅

於截至二零一九年十二月三十一日止年度，由於年內並無於香港產生任何應課稅溢利，故並無就香港利得稅作出撥備(二零一八年：無)。

中國企業所得稅

根據中國所得稅法，除兩間中國附屬公司可按10%及15%之優惠稅率繳稅外，企業須按稅率25%繳付企業所得稅。

加拿大利息收入預扣稅

本集團須按5%之稅率就於加拿大向借方提供之貸款產生的利息收入總額繳納加拿大預扣稅。

10. INCOME TAX (continued)**Canada withholding tax on interest income (continued)**

A reconciliation of the tax expense applicable to (loss)/profit before tax at the statutory rates for jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax (credit)/expense at the effective tax rates, and a reconciliation of the applicable rates to the effective tax rates, are as follows:

		2019 二零一九年		2018 二零一八年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
(Loss)/profit before tax	除稅前(虧損)/溢利	(480,118)		91,157	
Tax at the statutory tax rates	按法定稅率計算之稅項	(96,952)	20.2	28,196	30.9
Lower tax rate enacted by local authority	由本地機構頒佈的較低稅率	(31)	–	(15)	–
Effect of withholding tax at 5% on the income from Canada	加拿大收入5%預扣稅之影響	925	(0.2)	866	1
Adjustments in respect of current tax of previous periods	有關過往期間即期稅項的調整	(1,132)	0.2	475	0.5
Profits and losses attributable to joint ventures and associates	合營公司及聯營公司應佔之溢利及虧損	3,012	(0.6)	3,064	3.4
Expenses not deductible for tax	不可扣稅之開支	87,763	(18.3)	18,845	20.7
Income not subject to tax	毋須課稅之收入	(15,207)	3.2	(12,219)	(13.4)
Tax losses utilised from previous periods	過往期間之已動用稅項虧損	(1,240)	0.2	(1,997)	(2.2)
Tax losses not recognised	未確認稅項虧損	18,826	(3.9)	23,029	25.3
Tax (credit)/charge at the Group's effective rate	按本集團實際稅率計算的稅項(抵免)/開支	(4,036)	0.8	60,244	66.1

The share of tax attributable to joint ventures and associates amounting to HK\$3,702,000 (2018: HK\$807,000) is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss and other comprehensive income.

合營公司及聯營公司分佔之稅項共3,702,000港元(二零一八年: 807,000港元)已計入綜合損益及其他全面收益表之「應佔合營公司及聯營公司之溢利及虧損」項內。

10. 所得稅(續)**加拿大利息收入預扣稅(續)**

採用本公司及其大部分附屬公司註冊司法權區之法定稅率計算之除稅前(虧損)/溢利適用之稅項開支與按實際稅率計算之稅項(抵免)/開支之對賬,以及適用稅率與實際稅率之對賬如下:

11. ASSET AND DISPOSAL GROUP HELD FOR SALE AND ASSOCIATED LIABILITIES

- (i) On 26 December 2019, Shenzhen Dragon Ground Information Development Company Limited* (深圳龍地祥信息發展有限公司 or “Shenzhen Dragon”), an indirect wholly-owned subsidiary of the Company, and Beijing Haidian District Huiyuan Agriculture Industry and Commerce Company Limited* (北京市海澱區匯苑農工商公司 or “Beijing Huiyuan”) entered into an equity transfer agreement, pursuant to which Beijing Huiyuan conditionally agreed to purchase and Shenzhen Dragon conditionally agree to sell its entire 70% equity interest in Beijing Dragon Ground Arts & Crafts Limited* (北京龍地工藝美術品有限責任公司 or “Dragon Ground”), an indirect non-wholly owned subsidiary of the Group, for a consideration of RMB77,000,000 (equivalent to approximately HK\$85,955,000). The Group has decided to dispose of its entire interest in Dragon Ground because it represented an opportunity for the Group to indirectly realise a property held by Dragon Ground at a reasonable price and enabled the Group to reallocate its resources into future investment opportunities and pursue other growth opportunities. The transaction was completed on 10 January 2020 and accordingly, Dragon Ground was classified as a disposal group held for sale as at 31 December 2019.

* For identification purpose only.

11. 持作出售的資產及出售集團以及有關負債

- (i) 於二零一九年十二月二十六日，本公司間接全資附屬公司深圳龍地祥信息發展有限公司（或「深圳龍」）與北京市海澱區匯苑農工商公司（或「北京匯苑」）訂立股權轉讓協議，據此，北京匯苑有條件同意購買及深圳龍有條件同意出售本集團間接非全資擁有的附屬公司北京龍地工藝美術品有限責任公司（或「龍地」）全部70%股權，代價為人民幣77,000,000元（相當於約85,955,000港元）。本集團已決定出售龍地的全部權益，原因為其代表本集團間接將由龍地持有的物業按合理價格變現之機會，且使本集團將資源重新分配至未來的投資機會以及追求其他增長機會。交易於二零二零年一月十日完成，因此，龍地於二零一九年十二月三十一日分類為持作出售之出售集團。

* 僅供識別

11. ASSET AND DISPOSAL GROUP HELD FOR SALE AND ASSOCIATED LIABILITIES (continued)**(i) (continued)**

The major classes of assets and liabilities of Dragon Ground classified as held for sale as at 31 December are as follows:

11. 持作出售的資產及出售集團以及有關負債(續)**(i) (續)**

龍地於十二月三十一日分類至持作出售之資產及負債主要類別如下：

		2019 二零一九年 HK\$'000 千港元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	165
Investment properties (note 15)	投資物業(附註15)	318,696
Goodwill (note 17)	商譽(附註17)	40,734
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產	3,336
Cash and cash equivalents	現金及現金等值物	2,648
Assets classified as held for sale	分類為持作出售之資產	365,579
Liabilities	負債	
Other payables and accruals [#]	其他應付款項及應計費用 [#]	(60,496)
Tax payable	應付稅項	(5)
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	(10,047)
Deferred tax liabilities	遞延稅項負債	(55,620)
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售之資產 有關之負債	(126,168)
Net assets directly associated with the disposal group	與出售集團直接有關之資產淨值	239,411

[#] Intragroup balances of HK\$123,670,000 was eliminated and thus not included in assets/liabilities classified as held for sale.

[#] 集團間結餘為123,670,000港元已對銷，因此並未計入分類至持作出售之資產／負債。

11. ASSET AND DISPOSAL GROUP HELD FOR SALE AND ASSOCIATED LIABILITIES (continued)

(ii) On 12 December 2019, Shanghai Chongyuan Investment Management Company Limited* (上海翀遠投資管理有限公司 or “Shanghai Chongyuan”), a wholly-owned subsidiary of the Company, and Shanghai Nuoyi Investment Consulting Co., Ltd* (上海諾毅投資諮詢有限公司 or “Shanghai Nuoyi”) entered into an equity transfer agreement, pursuant to which Shanghai Nuoyi conditionally agreed to purchase and Shanghai Chongyuan conditionally agree to sell its entire 40% equity interest in BE Fortune (Shanghai) Investment Management Limited* (北控金富(上海)投資管理有限公司 or “BE Fortune”), an associate of the Group, with a carrying amount of RMB15,546,000 (equivalent to approximately HK\$17,355,000) for a consideration of RMB16,000,000 (equivalent to approximately HK\$17,861,000). The transaction was completed on 15 January 2020 and accordingly, the Group’s 40% equity interest in BE Fortune was classified as an asset held for sale as at 31 December 2019.

* For identification purpose only.

At 31 December 2019, the Group’s investment properties included in the disposal group with a carrying amount of HK\$318,696,000 (2018: investment properties of HK\$367,838,000) were pledged as security for the Group’s bank loans included in the disposal group.

12. DIVIDEND

The directors do not recommend the payment of any dividend for the year (2018: Nil).

13. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share (2018: earnings per share) amount is based on the loss for the year attributable to ordinary equity holders of the parent of approximately HK\$422,394,000 (2018: profit of HK\$43,450,000), and the weighted average number of ordinary shares of 6,070,724,315 (2018: 6,057,253,119) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2019 and 2018.

11. 持作出售的資產及出售集團以及有關負債(續)

(ii) 於二零一九年十二月十二日，本公司的全資附屬公司上海翀遠投資管理有限公司(或「上海翀遠」)與上海諾毅投資諮詢有限公司(「上海諾毅」)訂立股權轉讓協議，據此，上海諾毅有條件同意購買及上海翀遠有條件同意出售本集團聯營公司北控金富(上海)投資管理有限公司(或「北控金富」)的全部40%股權，賬面值為人民幣15,546,000元(相當於17,355,000港元)，代價為人民幣16,000,000元(相當於約17,861,000港元)。交易於二零二零年一月十五日完成，因此，本集團持有的40%北控金富股權於二零一九年十二月三十一日分類為持作出售之資產。

* 僅供識別

於二零一九年十二月三十一日，計入出售集團的本集團投資物業賬面值為318,696,000港元(二零一八年：投資物業為367,838,000港元)，已質押為本集團計入出售集團之銀行貸款的抵押物。

12. 股息

董事並不建議於年內派付任何股息(二零一八年：無)。

13. 母公司普通股權益持有人每股應佔(虧損)/盈利

每股基本虧損(二零一八年：每股盈利)數額乃按母公司普通股權益持有人應佔年度虧損約422,394,000港元(二零一八年：盈利43,450,000港元)，以及本年度已發行加權平均普通股數目6,070,724,315股(二零一八年：6,057,253,119股)計算。

截至二零一九年及二零一八年十二月三十一日止年度，本集團概無已發行具潛在攤薄作用的普通股。

Notes to Financial Statements • 財務報表附註

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

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2019	於二零一九年 十二月三十一日							
At 1 January 2019:	二零一九年一月一日：							
Cost	成本	66,179	21,065	5,155	13,853	6,616	555	113,423
Accumulated depreciation and impairment	累計折舊及減值	(10,531)	(10,579)	(1,366)	(10,883)	(1,564)	-	(34,923)
Net carrying amount	賬面淨值	55,648	10,486	3,789	2,970	5,052	555	78,500
At 1 January 2019	於二零一九年一月一日	55,648	10,486	3,789	2,970	5,052	555	78,500
Additions	添置	19,824	5,092	14	878	1,612	18,284	45,704
Acquisition of subsidiaries (note 36)	收購附屬公司(附註36)	-	-	5	-	-	702	707
Disposals	出售	-	-	(28)	(18)	(360)	-	(406)
Depreciation provided during the year (note 6)	年內折舊撥備(附註6)	(3,297)	(4,193)	(1,021)	(1,197)	(1,245)	-	(10,953)
Disposal of subsidiaries (note 37)	出售附屬公司(附註37)	-	(580)	(128)	(832)	(670)	(1,015)	(3,225)
Assets included in a disposal group (note 11)	計入出售集團之資產 (附註11)	-	-	-	(165)	-	-	(165)
Exchange realignment	匯兌調整	(1,531)	(247)	(57)	(60)	(127)	(400)	(2,422)
At 31 December 2019, net of accumulated depreciation and impairment	於二零一九年 十二月三十一日， 扣除累計折舊及減值	70,644	10,558	2,574	1,576	4,262	18,126	107,740
At 31 December 2019:	於二零一九年 十二月三十一日：							
Cost	成本	84,179	25,098	4,671	5,591	5,715	18,126	143,380
Accumulated depreciation and impairment	累計折舊及減值	(13,535)	(14,540)	(2,097)	(4,015)	(1,453)	-	(35,640)
Net carrying amount	賬面淨值	70,644	10,558	2,574	1,576	4,262	18,126	107,740

Notes to Financial Statements • 財務報表附註

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

14. PROPERTY, PLANT AND EQUIPMENT (continued)

14. 物業、廠房及設備(續)

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2018	於二零一八年 十二月三十一日							
At 1 January 2018:	於二零一八年一月一日:							
Cost	成本	69,391	23,239	3,168	12,378	5,062	1,371	114,609
Accumulated depreciation and impairment	累計折舊及減值	(7,605)	(9,414)	(731)	(9,166)	(1,006)	-	(27,922)
Net carrying amount	賬面淨值	61,786	13,825	2,437	3,212	4,056	1,371	86,687
At 1 January 2018	於二零一八年一月一日	61,786	13,825	2,437	3,212	4,056	1,371	86,687
Additions	添置	-	8,630	2,225	2,182	2,300	-	15,337
Disposals	出售	-	-	(119)	(15)	(29)	-	(163)
Depreciation provided during the year (note 6)	年內折舊撥備(附註6)	(3,369)	(5,610)	(753)	(1,172)	(998)	-	(11,902)
Disposal of subsidiaries (note 37)	出售附屬公司(附註37)	-	(5,814)	(622)	(1,103)	-	-	(7,539)
Transfers	轉撥	-	-	785	-	-	(785)	-
Exchange realignment	匯兌調整	(2,769)	(545)	(164)	(134)	(277)	(31)	(3,920)
At 31 December 2018, net of accumulated depreciation and impairment	於二零一八年 十二月三十一日， 扣除累計折舊及減值	55,648	10,486	3,789	2,970	5,052	555	78,500
At 31 December 2018:	於二零一八年 十二月三十一日:							
Cost	成本	66,179	21,065	5,155	13,853	6,616	555	113,423
Accumulated depreciation and impairment	累計折舊及減值	(10,531)	(10,579)	(1,366)	(10,883)	(1,564)	-	(34,923)
Net carrying amount	賬面淨值	55,648	10,486	3,789	2,970	5,052	555	78,500

At 31 December 2019, there were no pledge of the Group's buildings (2018: HK\$57,394,000) to secure general banking facilities granted to the Group (note 30).

於二零一九年十二月三十一日，概無本集團之樓宇(二零一八年：57,394,000港元)已抵押作為授予本集團的一般銀行融資之擔保(附註30)。

15. INVESTMENT PROPERTIES

15. 投資物業

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Carrying amount at 1 January	於一月一日之賬面值		471,239	381,625
Additions	添置		-	34,337
Net (loss)/gain from a fair value adjustment	公平值調整淨(虧損)/收益	5	(41,747)	76,991
Assets included in a disposal group	計入出售集團之資產	11	(318,696)	-
Exchange realignment	匯兌調整		(9,434)	(21,714)
Carrying amount at 31 December	於十二月三十一日之賬面值		101,362	471,239

The Group's investment properties consist of commercial properties in Shanghai, the PRC. The directors of the Company have determined that all of the Group's investment properties are commercial properties, based on the nature, characteristics and risks of the properties. The Group's investment properties were revalued on 31 December 2019 based on valuations performed by Greater China Appraisal Limited, an independent professionally qualified appraiser, at HK\$101,362,000. Each year, the Group's management decide to appoint which external appraiser to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 16 to the consolidated financial statements.

At 31 December 2019, there was no pledge of the Group's investment properties to secure general banking facilities granted to the Group (note 30) and granted to an associate of the Group (2018: HK\$367,838,000 and HK\$39,375,000, respectively).

Further particulars of the Group's investment properties are included on page 216.

Fair value hierarchy

As at 31 December 2019, all of the Group's investment properties (2018: all) were categorised within Level 3 of the fair value hierarchy.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2018: Nil).

本集團之投資物業包括位於中國上海之商用物業。根據物業之性質、特點及風險，本公司董事釐定本集團所有投資物業為商用物業。根據獨立專業之合資格估值師漢華評值有限公司進行之估值，本集團之投資物業於二零一九年十二月三十一日重估為101,362,000港元。本集團管理層每年決定外聘估值師之人選，以委任其負責本集團物業之外部估值。甄選條件包括市場知識、聲譽、獨立性及能否維持專業水準。

投資物業乃根據經營租賃出租予第三方，有關進一步概要詳情載於綜合財務報表附註16。

於二零一九年十二月三十一日，本集團概無投資物業已抵押作為授予本集團的一般銀行融資之擔保(二零一八年：367,838,000港元及39,375,000港元)(附註30)。

本集團的投資物業之進一步詳情載於第216頁。

公平值層級

於二零一九年十二月三十一日，本集團所有投資物業(二零一八年：所有)乃分類為公平值層級第三級。

年內，第一級及第二級之間概無公平值計量互轉，且概無從第三級轉入或轉出(二零一八年：無)。

15. INVESTMENT PROPERTIES (continued)**Fair value hierarchy (continued)**

Below is the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation technique 活躍市場報價	Significant unobservable input 重大不可觀察輸入值	Range or weighted average 範圍或加權平均	
			2019 二零一九年	2018 二零一八年
Commercial properties 商用物業	Income approach 收益法	Estimated rental value (per sq.m. and per month) 估計租金價值 (每平方米及每月)	RMB83 人民幣83元	RMB82 人民幣82元
		Capitalisation rate 資本化比率	7%	6% - 7%
	Comparison approach 比較法	Estimated unit price (per sq.m.) 估計單位價格(每平方米)	RMB24,600 人民幣24,600元	RMB9,400 - 24,500 人民幣9,400元 - 24,500元

Income approach measures the fair value of the investment properties by capitalising rental receivables during the term of the tenancies at appropriate yield (capitalisation rate) with due allowances for the reversionary value upon expiry of tenancies.

A significant increase (decrease) in the rental value in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the adjustment to the capitalisation rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties.

Comparison approach measured the fair value of the investment properties by making comparison based on prices realised or market prices of comparable properties. Comparable properties of similar size, character and location are analysed and carefully weighted against all the respective advantages and disadvantages of the properties. Adjustments in prices of the comparable properties are then made to account for the identified differences between such properties and the properties in the relevant factors.

A significant increase (decrease) in an estimated unit price in isolation would result in a significant increase (decrease) in the fair value of the investment properties.

15. 投資物業(續)**公平值層級(續)**

下表說明本集團投資物業之公平值計量層級：

收益法透過於租期內按合適的收益率(資本化比率)資本化應收租金及於租期屆滿時就復歸價值作出適當撥備計量投資物業的公平值。

單位租金價值大幅增加(減少)將導致投資物業的公平值大幅增加(減少)。資本化比率調整單獨大幅增加(減少)將導致投資物業的公平值大幅減少(增加)。

比較法乃對根據可資比較房地產之已變現價格或市價進行比較以計量投資物業之公平值，包括分析規模、特性及地點相若之可資比較物業，並仔細衡量各項物業之一切優劣因素。可資比較物業之價格已作出調整，以計及相關因素中相關物業與物業之間的已識別差異。

單獨估計單位價格之大幅增加(減少)將導致投資物業之公平值大幅增加(減少)。

16. LEASES**The Group as a lessee**

The Group has lease contracts for various land use rights and buildings used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 47 to 51 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 1 month and 4 years.

(a) *Prepaid land lease payments (before 1 January 2019)*

		HK\$'000 千港元
Carrying amount at 1 January 2018	於二零一八年一月一日之賬面值	571,410
Recognised in profit or loss during the year	年內於損益確認	(17,596)
Exchange realignment	匯兌調整	(25,643)
Carrying amount at 31 December 2018	二零一八年十二月三十一日之賬面值	528,171
Analysed into:	分析為：	
Current portion	流動部分	16,938
Non-current portion	非流動部分	511,233

(b) *Right-of-use assets*
The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Notes 附註	Prepaid land lease payments 預付土地 租賃款項 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2019	於二零一九年 一月一日	528,171	19,725	547,896
Additions	添置	-	15,466	15,466
Transfer to properties under development	轉撥至開發中物業	(52,410)	-	(52,410)
Disposal of subsidiaries	出售附屬公司	-	(14,205)	(14,205)
Depreciation charge	折舊開支	(15,574)	(8,312)	(23,886)
Exchange realignment	匯兌調整	(10,297)	(540)	(10,837)
As at 31 December 2019	於二零一九年 十二月三十一日	449,890	12,134	462,024

At 31 December 2019, the Group's right-of-use assets with an aggregate carrying amount of HK\$209,735,000 (2018: land use rights of HK\$239,545,000) were pledged as security for the Group's bank loans, as further detailed in note 30 to the consolidated financial statements.

於二零一九年十二月三十一日，本集團賬面總值為209,735,000港元的使用權資產(二零一八年：土地使用權239,545,000港元)已質押作為本集團銀行貸款之抵押(誠如綜合財務報表附註30所進一步詳述)。

16. 租賃**本集團作為承租人**

本集團就用於營運的多項土地使用權及樓宇訂有租賃合約。已預先作出一次性付款以向業主收購租賃土地，租期介乎47至51年，且根據該等土地租賃的條款，將不會繼續支付任何款項。樓宇的租期一般介乎一個月至四年。

(a) *預付土地租賃款項(二零一九年一月一日前)*

		HK\$'000 千港元
Carrying amount at 1 January 2018	於二零一八年一月一日之賬面值	571,410
Recognised in profit or loss during the year	年內於損益確認	(17,596)
Exchange realignment	匯兌調整	(25,643)
Carrying amount at 31 December 2018	二零一八年十二月三十一日之賬面值	528,171
Analysed into:	分析為：	
Current portion	流動部分	16,938
Non-current portion	非流動部分	511,233

(b) *使用權資產*
本集團年內使用權資產的賬面值及變動如下：

	Notes 附註	Prepaid land lease payments 預付土地 租賃款項 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2019	於二零一九年 一月一日	528,171	19,725	547,896
Additions	添置	-	15,466	15,466
Transfer to properties under development	轉撥至開發中物業	(52,410)	-	(52,410)
Disposal of subsidiaries	出售附屬公司	-	(14,205)	(14,205)
Depreciation charge	折舊開支	(15,574)	(8,312)	(23,886)
Exchange realignment	匯兌調整	(10,297)	(540)	(10,837)
As at 31 December 2019	於二零一九年 十二月三十一日	449,890	12,134	462,024

At 31 December 2019, the Group's right-of-use assets with an aggregate carrying amount of HK\$209,735,000 (2018: land use rights of HK\$239,545,000) were pledged as security for the Group's bank loans, as further detailed in note 30 to the consolidated financial statements.

於二零一九年十二月三十一日，本集團賬面總值為209,735,000港元的使用權資產(二零一八年：土地使用權239,545,000港元)已質押作為本集團銀行貸款之抵押(誠如綜合財務報表附註30所進一步詳述)。

Notes to Financial Statements • 財務報表附註

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

16. LEASES (continued)

The Group as a lessee (continued)

(c) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2019 二零一九年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	19,533
New leases	新租賃	15,466
Accretion of interest recognised during the year (note 7)	年內已確認利息增幅(附註7)	1,245
Payments	付款	(10,217)
Disposal of a subsidiary (note 37)	出售一間附屬公司(附註37)	(13,333)
Exchange realignment	匯兌調整	(583)
Carrying amount at 31 December	於十二月三十一日之賬面值	12,111
Analysed into:	分析為:	
Current portion	流動部分	6,224
Non-current portion	非流動部分	5,887

The maturity analysis of lease liabilities is disclosed in note 45 to the consolidated financial statements.

租賃負債的到期分析於綜合財務報表附註45披露。

(d) The amounts recognised in profit or loss in relation to leases are as follows:

(d) 於損益中確認的租賃相關款項如下:

		2019 二零一九年 HK\$'000 千港元
Depreciation charge of right-of-use assets (note 6)	使用權資產折舊開支(附註6)	23,886
Less: Amount capitalised	減: 資本化金額	(1,558)
Interest on lease liabilities	租賃負債利息	22,328
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in selling and administrative expenses)	與短期租賃及餘下租期於二零一九十二月三十一日或之前屆滿的其他租賃有關的開支(計入銷售及行政開支)	1,245
		4,638
Total amount recognised in profit or loss	於損益確認的款項總額	28,111

(e) The total cash outflow for leases is disclosed in note 38(d) to the consolidated financial statements.

(e) 租賃現金流出總額於綜合財務報表附註38(d)披露。

16. LEASES (continued)**The Group as a lessor**

The Group leases its investment properties (note 15) consisting of commercial properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments. Rental income recognised by the Group during the year was HK\$24,370,000 (2018: HK\$22,539,000), details of which are included in note 5 to the consolidated financial statements.

At the end of the reporting period, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating lease with its tenants are as follows:

16. 租賃(續)**本集團作為出租人**

本集團根據經營租賃安排出租其若干屬商業物業的投資物業(附註15)。該等租賃的條款一般要求租戶支付擔保按金，並規定定期作出調整。年內本集團確認的租金收入為24,370,000港元(二零一八年：22,539,000港元)，有關詳情載於綜合財務報表附註5。

於報告期末，根據不可撤銷經營租賃，本集團日後應收其租戶的未貼現租賃款項如下：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	3,220	22,556
After one year but within two years	一年後但兩年內	3,358	24,896
After two years but within three years	兩年後但三年內	3,502	22,788
After three years but within four years	三年後但四年內	3,652	22,494
After four years but within five years	四年後但五年內	3,492	21,220
After five years	五年後	-	105,638
		17,224	219,592

Notes to Financial Statements • 財務報表附註

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

17. GOODWILL

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost at 1 January	於一月一日的成本：		183,949	212,874
Assets included in a disposal group	計入出售集團之資產	11	(40,734)	–
Impairment during the year	於年內減值	6	(63,236)	(28,925)
Cost at 31 December	於十二月三十一日的成本		79,979	183,949
At 31 December	於十二月三十一日：			
Cost	成本		89,246	212,874
Accumulated impairment	累計減值		(9,267)	(28,925)
Net carrying amount	賬面淨值		79,979	183,949

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units (“CGU”) for impairment testing:

- Zhi Jian CGU;
- Jing Tou CGU;
- Beijing Spirit CGU;
- Golden Sun CGU; and
- Top-Doctors CGU.

The carrying amounts of goodwill allocated to each of the CGUs is as follows:

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Zhi Jian CGU	智健現金產生單位	(i)	62,585	62,585
Jing Tou CGU	京投現金產生單位	(ii)	–	40,734
Beijing Spirit CGU	北京思義現金產生單位	(iii)	17,394	17,394
Golden Sun CGU	金太陽現金產生單位	(iv)	–	63,236
Top-Doctors CGU	良醫聯盟現金產生單位	(v)	–	–
			79,979	183,949

17. 商譽

商譽的減值測試

透過業務合併取得的商譽已分配至以下現金產生單位（「現金產生單位」）作減值測試：

- 智健現金產生單位；
- 京投現金產生單位；
- 北京思義現金產生單位；
- 金太陽現金產生單位；及
- 良醫聯盟現金產生單位。

商譽賬面值分配至各現金產生單位如下：

17. GOODWILL (continued)

Impairment testing of goodwill (continued)

Notes:

- (i) At 31 December 2019 and 2018, no impairment test was performed as the carrying amount of the goodwill was less than the carrying amount of the deferred tax liabilities arising from the acquisition.
- (ii) The carrying amount of the Jing Tou CGU was nil at 31 December 2019 because it was included in assets of a disposal group (note 11). At 31 December 2018, no impairment test was performed as the carrying amount of the goodwill was less than the carrying amount of the deferred tax liabilities arising from the acquisition.
- (iii) The recoverable amount of the Beijing Spirit CGU was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 21.84% (2018: 18.50%). The growth rate used to extrapolate the cash flows of the Beijing Spirit unit beyond the five-year period is 3.00% (2018: 3.00%), which is the same as expected long-term inflation rate.
- (iv) The carrying amount of the Golden Sun CGU was nil at December 2019 because Golden Sun has been loss making and it is considered not probable that adequate profits will be available in the foreseeable future. Accordingly, the Group made a full impairment loss of goodwill of HK\$ 63,236,000 during the year. The recoverable amount of the Golden Sun CGU at 31 December 2018 was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections in 2018 was 15.36%. The growth rate used to extrapolate the cash flows of the Golden Sun CGU beyond the five-year period in 2018 was 3.00%, which was the same as expected long-term inflation rate.
- (v) The carrying amount of the Top-Doctors CGU was fully impaired in prior year due to the suspension of the business in the Top-Doctors CGU.

Assumptions were used in the value in use calculation for 31 December 2019 and 31 December 2018. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

Growth rates – The growth rates used to extrapolate the cash flows beyond the five-year period are based on the inflation rate of the country where the respective CGU is located.

17. 商譽(續)

商譽的減值測試(續)

附註：

- (i) 於二零一九年及二零一八年十二月三十一日，由於商譽之賬面值低於收購所產生的遞延稅項負債之賬面值，故並無進行減值測試。
- (ii) 京投現產生單位的賬面值於二零一九年十二月三十一日為零，原因為其計入出售集團之資產(附註11)。於二零一八年十二月三十一日，由於商譽的賬面值少於由收購產生的遞延稅項賬面值，故概無進行減值測試。
- (iii) 北京思義現金產生單位的可收回金額乃按照其使用價值計算釐定，使用價值計算乃根據高級管理層批准之五年期財政預算作出之現金流量預測得出。現金流量預測所用的貼現率為21.84%(二零一八年：18.50%)。用於推算五年期以外的北京思義單位之現金流量增長率為3.00%(二零一八年：3.00%)，與預期長期通脹率相同。
- (iv) 金太陽現金產生單位的賬面值於二零一九年十二月為零，原因為金太陽處於虧損，且認為於可預見未來未能產生足夠溢利。因此，本集團於年內作出63,236,000港元的悉數虧損。金太陽於二零一八年十二月三十一日之現金產生單位的可收回金額乃按照其使用價值計算釐定，使用價值計算乃根據高級管理層批准之五年期財政預算作出之現金流量預測得出。現金流量預測所用的貼現率於二零一八年為15.36%。用於推算五年期以外的金太陽現金產生單位之現金流量增長率於二零一八年為3.00%，與預期長期通脹率相同。
- (v) 由於良醫聯盟現金產生單位的業務暫停，故良醫聯盟現金產生單位賬面值於過往年度進行悉數減值。

於二零一九十二月三十一日及二零一八十二月三十一日，計算使用價值時已使用若干假設。下文描述管理層在進行商譽減值測試時作出現金流量預測所根據的各項重要假設：

貼現率—所採用的貼現率未扣除稅項，並反映有關單位的特定風險。

增長率—用於推算五年期以後現金流量之增長率，乃以各現金產生單位所在國家之通脹率為準。

Notes to Financial Statements • 財務報表附註

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

18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

		Notes 附註	Brand name 品牌名稱 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2019	二零一九年 十二月三十一日				
At 1 January 2019	於二零一九年一月一日				
Cost	成本		7,497	8,005	15,502
Accumulated amortisation and impairment	累計攤銷及減值		-	(7,573)	(7,573)
Net carrying amount	賬面淨值		7,497	432	7,929
Cost at 1 January 2019, net of accumulated amortisation and impairment	於二零一九年一月一日 之成本，經扣除累 計攤銷及減值		7,497	432	7,929
Amortisation provided during the year	年內之攤銷撥備	6	-	(139)	(139)
Disposal of subsidiaries	出售附屬公司	37	-	(287)	(287)
Impairment during the year	年內減值	6	(7,332)	-	(7,332)
Exchange realignment	匯兌調整		(165)	(6)	(171)
At 31 December 2019	於二零一九年 十二月三十一日		-	-	-
At 31 December 2019:	於二零一九年 十二月三十一日：				
Cost	成本		-	7,573	7,573
Accumulated amortisation and impairment	累計攤銷及減值		-	(7,573)	(7,573)
Net carrying amount	賬面淨值		-	-	-

18. OTHER INTANGIBLE ASSETS (continued)

18. 其他無形資產(續)

		Notes 附註	Brand name 品牌名稱 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2018	二零一八年 十二月三十一日				
At 1 January 2018	於二零一八年一月一日				
Cost	成本		7,858	8,392	16,250
Accumulated amortisation and impairment	累計攤銷及減值		–	(1,330)	(1,330)
Net carrying amount	賬面淨值		7,858	7,062	14,920
Cost at 1 January 2018, net of accumulated amortisation	於二零一八年一月一日之成本，經扣除累計攤銷		7,858	7,062	14,920
Amortisation provided during the year	年內之攤銷撥備	6	–	(1,009)	(1,009)
Impairment during the year	年內減值	6		(5,540)	(5,540)
Exchange realignment	匯兌調整		(361)	(81)	(442)
At 31 December 2018	二零一八年 十二月三十一日		7,497	432	7,929
At 31 December 2018:	於二零一八年 十二月三十一日：				
Cost	成本		7,497	8,005	15,502
Accumulated amortisation and impairment	累計攤銷及減值		–	(7,573)	(7,573)
Net carrying amount	賬面淨值		7,497	432	7,929

The brand name impaired during the year and computer software impaired in the prior year were related to Golden Sun CGU and Top-Doctors CGU, respectively, details of which are set out in note 17 to the consolidated financial statements.

於年內品牌名稱減值及於過往年度電腦軟件減值分別與金太陽現金產生單位及良醫聯盟現金產生單位有關，其中詳情載列於綜合財務報表附註17。

Notes to Financial Statements • 財務報表附註

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

19. INVESTMENTS IN JOINT VENTURES

19. 於合營公司的投資

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of net assets	應佔資產淨值	9,464	9,374

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

下表闡述本集團的合營公司個別而言並不重大的總財務資料：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of the joint ventures' (loss)/profit for the year	應佔合營公司之年內(虧損)/溢利	(5,843)	91
Aggregate carrying amount of the Group's investments in joint ventures	本集團於合營公司的投資之總賬面值	9,464	9,374

The shareholdings in joint ventures are held through wholly-owned subsidiaries of the Company.

合營公司的持股量由本公司全資附屬公司持有。

20. INVESTMENTS IN ASSOCIATES

20. 於聯營公司之投資

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of net assets (note)	分佔資產淨值(附註)	162,992	185,780
Goodwill on acquisition	收購產生之商譽	313,992	315,117
		476,984	500,897
Impairment	減值	(254,775)	-
		222,209	500,897

Note: The balance represented the aggregated amount of share of net identified assets acquired in each of the transactions without a change in the status of the investee.

附註：結餘指在投資對象公司狀況並無變動下分佔從各交易中收購可識別淨資產總額。

Notes to Financial Statements • 財務報表附註

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

20. INVESTMENTS IN ASSOCIATES (continued)

Particulars of the material associates are as follows:

Name 名稱	Particulars of capital 股本詳情	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權 權益百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Beijing Sports and Entertainment Industry Group Limited ("Beijing Sports and Entertainment") [#] 北京體育文化產業集團有限公司 (「北京體育文化」) [#]	Ordinary shares 普通股	Cayman Islands/ Hong Kong 開曼群島/香港	27.11%	27.02%	Air freight services, investment and operation of the sports and entertainment related business 空運服務、體育及娛樂相關投資及業務
Shanghai Junbo Textile Co., Ltd* (上海駿帛紡織品有限公司) or "Shanghai Junbo" 上海駿帛紡織品有限公司或 (「上海駿帛」)	Registered capital 註冊股本	PRC/Mainland China 中國/中國內地	20%	20%	Property development and management 物業發展及管理

[#] Shares are listed on the Main Board of the Stock Exchange

* For identification purpose only

[#] 股份於聯交所主板上市

* 僅供識別

Except for the shareholding in Beijing Sports and Entertainment which is held by the Company, the shareholdings in other associates are held through wholly-owned subsidiaries of the Company.

Beijing Sports and Entertainment and Shanghai Junbo, which are considered material associates of the Group, are accounted for using the equity method.

除於北京體育文化的股權由本公司持有外，於其他聯營公司之股權乃透過本公司全資附屬公司持有。

北京體育文化及上海駿帛(被視為本集團之主要聯營公司)乃使用權益法入賬。

Notes to Financial Statements • 財務報表附註

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

20. INVESTMENTS IN ASSOCIATES (continued)

As at 31 December 2019, the Group held 353,000,000 ordinary shares in Beijing Sports and Entertainment which are listed on the Stock Exchange. As Beijing Sports and Entertainment's share price had a sharp decline during the year, the Group performed an impairment assessment and made an impairment loss of approximately HK\$254,775,000, being the difference of carrying amount in excess of the recoverable amount of the investment in Beijing Sports and Entertainment.

The following table illustrates the summarised financial information in respect of Beijing Sports and Entertainment adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

20. 於聯營公司之投資(續)

於二零一九年十二月三十一日，本集團持有北京體育文化(其於聯交所上市) 353,000,000股普通股。由於北京體育文化之股價於年內急跌，故本集團進行減值評估，且作出減值虧損約254,775,000港元(為超出於北京體育文化的投資可收回金額之賬面值差額)。

下表闡述北京體育文化的財務資料概要(已就會計政策之任何差異作出調整，並與綜合財務報表內賬面值對賬)：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	405,989	387,618
Non-current assets, excluding goodwill	非流動資產，不包括商譽	266,459	217,479
Goodwill arising from acquisition of the associate	收購聯營公司所產生商譽	46,176	300,951
Current liabilities	流動負債	(232,725)	(125,263)
Non-current liabilities	非流動負債	(35,744)	(3,352)
Non-controlling interests	非控股權益	(102,980)	(115,503)
Net assets	資產淨值	347,175	661,930
Net assets, excluding goodwill	資產淨值，不包括商譽	300,999	360,979
Reconciliation to the Group's interest in the associate:	本集團於聯營公司的權益之對賬：		
Proportion of the Group's ownership	本集團之擁有權比例	27.11%	27.02%
Group's share of net assets of the associate, excluding goodwill	本集團分佔聯營公司之資產淨值，不包括商譽	45,957	61,379
Goodwill on acquisition (less cumulative impairment)	收購時之商譽(減累計減值)	46,176	300,951
Carrying amount of the investment	投資之賬面值	92,133	362,330
Fair value of the Group's investment	本集團的投資之公平值	88,250*	988,400*

* Based on the market price of the equity held by the Group

* 基於本集團持有的權益之市價

Notes to Financial Statements • 財務報表附註

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

20. INVESTMENTS IN ASSOCIATES (continued)

20. 於聯營公司之投資(續)

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入	175,932	155,361
Loss for the year	年度虧損	(74,241)	(66,805)
Other comprehensive income/(loss)	其他全面收益/(虧損)	1,527	(10,551)
Total comprehensive loss for the year	年度全面虧損總額	(72,714)	(77,356)

The following table illustrates the summarised financial information in respect of Shanghai Junbo adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

下表闡述有關上海駿帛的財務資料概要(已就會計政策之任何差異作出調整,並與綜合財務報表內賬面值對賬):

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	5,532	60,130
Non-current assets	非流動資產	582,484	523,469
Current liabilities	流動負債	(17,983)	(56,759)
Non-current liabilities	非流動負債	(143,898)	(123,260)
Net assets	資產淨值	426,135	403,580
Reconciliation to the Group's interest in the associate:	本集團於聯營公司權益之對賬:		
Proportion of the Group's ownership	本集團之擁有權比例	20%	20%
Carrying amount of the investment	投資之賬面值	85,227	80,716

Notes to Financial Statements • 財務報表附註

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

20. INVESTMENTS IN ASSOCIATES (continued)

20. 於聯營公司之投資(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	3,874	-
Profit/(loss) for the year	年度溢利/(虧損)	31,515	(22,050)
Total comprehensive income/(loss) for the year	年度全面收益/虧損總額	31,515	(22,050)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

下表闡述本集團個別非重大之聯營公司之財務資料總計：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of the associates' loss for the year	分佔聯營公司之年度虧損	(1,115)	(1,610)
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司的投資之總賬面值	44,849	57,851

21. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

21. 指定為透過其他全面收益於公平值列賬之權益投資

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Listed equity investment, at fair value Sundart Holdings Limited	按公平值計量股權投資 承達集團有限公司	52,959	68,459
Unlisted equity investments, at fair value Beijing Enterprises City Investment Holding Group Co., Ltd.* Beijing Financial Holdings Group Limited	按公平值計量股權投資 北控城投控股集團有限公司 北京金融控股集團有限公司	59,204 80,121	68,398 88,637
		139,325	157,035
Unlisted fund investment BE Fortune Diversified Income Fund SP1 – Class A	非上市基金投資 北控金富多元收益基金 SPI-類別A	20,824	-
		213,108	225,494

* For identification purpose only

* 僅供識別

21. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year, the Group received dividends in the amount of HK\$1,076,000 (2018: HK\$574,000) from the listed equity investments held by the Group at the end of the reporting period.

21. 指定為透過其他全面收益於公平值列賬之權益投資(續)

上述權益投資乃不可撤回地指定為透過其他全面收益以公平值列賬，乃由於本集團認為該等投資屬戰略性質。

於年內，本集團已收取於報告期末本集團持有的上市權益投資金額為1,076,000港元(二零一八年：574,000港元)之股息。

22. INVENTORIES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finished goods	製成品	33,866	29,190

22. 存貨**23. PROPERTIES UNDER DEVELOPMENT**

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值		391,184	268,253
Additions	添置		10,387	279,514
Transfer from prepayments	轉撥預付款項		-	200,878
Transfer from right of use assets	轉撥使用權資產	16(b)	52,410	-
Impairment loss	減值虧損	6	(18,087)	-
Disposal of subsidiaries	出售附屬公司	37	-	(323,296)
Exchange realignment	匯兌調整		(9,406)	(34,165)
Carrying amount at 31 December	於十二月三十一日之賬面值		426,488	391,184

23. 發展中物業

Further particulars of the Group's properties under development are included on page 216.

有關本集團發展中物業的進一步詳情載列於第216頁。

24. TRADE RECEIVABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收貿易賬款	48,136	37,781
Impairment	減值	(6,709)	(216)
		41,427	37,565

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 30 to 90 days. For major customers, the terms may change in accordance with the terms of the respective contracts. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and 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. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 6 months	六個月內	36,494	25,906
7 to 12 months	七至十二個月	3,746	6,809
13 to 18 months	十三至十八個月	780	4,850
19 to 24 months	十九至二十四個月	407	-
		41,427	37,565

24. 應收貿易賬款

除新客戶一般須預付款項外，本集團主要以信貸方式與其客戶訂定貿易條款。本集團授予客戶之信貸期一般為30日至90日。就主要客戶而言，條款可能根據相關合約之條款而有所變動。每名客戶均設有最高信貸額。本集團對其未償還應收款項維持嚴格控制。逾期款項由高級管理層定期進行審閱。根據上述情況及本集團之應收貿易賬款以分散客戶為主，故並無高度集中信貸的風險。本集團並無為其應收貿易賬款結餘持有任何抵押品或其他信用增級方式。應收貿易賬款並不計息。

於報告期末，應收貿易賬款按發票日計算（扣除虧損撥備）的賬齡分析如下：

24. TRADE RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	216	115
Impairment losses (note 6)	減值虧損(附註6)	6,623	110
Exchange realignment	匯兌調整	(130)	(9)
At end of year	於年末	6,709	216

The increase (2018: increase) in the impairment loss allowance was due to the following significant changes in the gross carrying amount:

- (i) Increase in the impairment loss allowance of HK\$2,621,000 (2018: HK\$110,000) as a result of a net increase in the aggregate gross carrying amount of trade receivables aged within 18 months of HK\$6,076,000 (2018: HK\$17,896,000); and
- (ii) Increase in the impairment loss allowance of HK\$3,872,000 (2018: Nil) as a result of the deterioration of trade receivables' ageing profile beyond 18 months with an aggregate carrying amount of HK\$4,279,000 as at 31 December 2019 (2018: Nil).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the aging of groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about the historical credit loss experience after taking into consideration of forward-looking information. Generally, trade receivables are written off if ageing over two years and are not subject to enforcement activity.

24. 應收貿易賬款(續)

應收貿易賬款的減值虧損撥備變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	216	115
Impairment losses (note 6)	減值虧損(附註6)	6,623	110
Exchange realignment	匯兌調整	(130)	(9)
At end of year	於年末	6,709	216

減值虧損撥備增加(二零一八年：增加)乃由於以下各項的賬面總值大幅變動：

- (i) 因賬齡為18個月以下的應收貿易賬款賬面總值淨增加6,076,000港元(二零一八年：17,896,000港元)所導致減值虧損撥備增加2,621,000港元(二零一八年：110,000港元)；及
- (ii) 因賬齡狀況為18個月以上賬面總值為4,279,000港元的應收貿易賬款於二零一九年十二月三十一日惡化(二零一八年：無)所導致惡化虧損撥備增加3,872,000港元(二零一八年：無)。

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於就擁有類似虧損模式的多個客戶分部進行分組(即按客戶類型)的賬齡計算。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關考慮前瞻性資料後歷史信貸虧損經驗的合理及可靠資料。一般而言，應收貿易賬款的賬齡超過兩年及毋須受限於強制執行活動則予以撇銷。

Notes to Financial Statements • 財務報表附註

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

24. TRADE RECEIVABLES (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2019

		Ageing 賬齡					Total 總計
		Less than 6 months 少於 六個月	7 to 12 months 七至 十二個月	13 to 18 months 十三至 十八個月	19 to 24 months 十九至 二十四個月	Over 24 months 二十四個月 以上	
Expected credit loss rate	預期信貸虧損率	2.46%	21.83%	52.76%	80.00%	100.00%	
Gross carrying amount (HK\$'000)	總賬面值(千港元)	37,414	4,792	1,651	2,035	2,244	48,136
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	920	1,046	871	1,628	2,244	6,709

24. 應收貿易賬款(續)

下文載列按撥備矩陣列示本集團的應收貿易賬款信貸風險資料：

於二零一九年十二月三十一日

As at 31 December 2018

於二零一八年十二月三十一日

		Ageing 賬齡			Total 總計
		Less than 6 months 少於 六個月	7 to 12 months 七至 十二個月	13 to 18 months 十三至 十八個月	
Expected credit loss rate	預期信貸虧損率	0.54%	0.42%	0.94%	
Gross carrying amount (HK\$'000)	總賬面值(千港元)	26,047	6,838	4,896	37,781
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	141	29	46	216

Notes to Financial Statements • 財務報表附註

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

25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

25. 預付款項、其他應收款項及其他資產

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current:	即期：			
Prepayments	預付款項		31,168	26,577
Loans to third parties	向第三方貸款	(a)	87,397	156,371
Deposits and other receivables	按金及其他應收款項	(b)	32,304	158,828
Prepaid land lease payments	預付土地租金		–	16,938
			150,869	358,714
Impairment allowance	減值撥備		–	(18,321)
			150,869	340,393
Non-current:	非流動部分：			
Prepayments	預付款項		9,410	36,155
Loans to third parties	向第三方貸款	(a)	156,452	–
Deposits and other receivables	按金及其他應收款項	(b)	58,396	–
			224,258	36,155
			375,127	376,548

25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (continued)

The movements in the loss allowance for impairment of other receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	18,321	3,354
Impairment losses (note 6)	減值虧損(附註6)	56,661	15,710
Disposal of a subsidiary	出售一家附屬公司	(73,507)	-
Exchange realignment	匯兌調整	(1,475)	(743)
At end of year	年末	-	18,321

The increase in the loss allowance was mainly due to (i) the prolonged loss making of Golden Sun CGU (note 17) which resulted in the impairment of the corresponding receivable of HK\$56,661,000 (2018: HK\$15,710,000), and (ii) the disposal of Golden Sun with an accumulated loss allowance amount of HK\$73,507,000 (2018: Nil).

Notes:

- (a) Included in the loans to third parties as at 31 December 2019 were loans of HK\$201,429,000 (2018: HK\$144,958,000) guaranteed by third parties and unsecured loans of HK\$42,420,000 (2018: Nil), which bore interest at rates ranging from 4.5% to 10% (2018: 4.5% to 10%) per annum. As at 31 December 2018, there were loans of HK\$11,413,000 which were secured by a non-controlling shareholder's interest in a non-wholly owned subsidiary of the Group and bore interest at rate of 7% per annum.
- (b) Included in the Group's deposits and other receivables as at 31 December 2019 were mainly (i) interest receivables on the aforesaid loans of HK\$35,574,000 (2018: HK\$23,761,000); (ii) consideration receivables from disposal of subsidiaries of the Group of HK\$33,490,000 (2018: Nil); and (iii) amounts due from associates of HK\$6,213,000 (2018: HK\$31,989,000) which are unsecured, interest-free and have no fixed terms of repayment.

25. 預付款項、其他應收款項及其他資產(續)

其他應收款項減值虧損撥備的變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	18,321	3,354
Impairment losses (note 6)	減值虧損(附註6)	56,661	15,710
Disposal of a subsidiary	出售一家附屬公司	(73,507)	-
Exchange realignment	匯兌調整	(1,475)	(743)
At end of year	年末	-	18,321

虧損撥備增加主要由於(i)金太陽現金產生單位(附註17)持續虧損，因此，相應的應收款項減值56,661,000港元(二零一八年：15,710,000港元)及(ii)出售金太陽的累計虧損撥備為73,507,000港元(二零一八年：無)。

附註：

- (a) 於二零一九年十二月三十一日，計入向第三方貸款為已獲第三方擔保之貸款201,429,000港元(二零一八年：144,958,000港元)及無抵押貸款42,420,000港元(二零一八年：零)，按年利率介乎4.5%至10%(二零一八年：4.5%至10%)計息。於二零一八年十二月三十一日，11,413,000港元的貸款以非控股股東於本集團非全資附屬公司的權益作抵押，並按年利率7%計息。
- (b) 於二零一九年十二月三十一日，本集團按金及其他應收款項主要包括(i)上述貸款的應收利息35,574,000港元(二零一八年：23,761,000港元)；(ii)出售本集團附屬公司的應收代價款項33,490,000港元(二零一八年：無)；及(iii)應收聯營公司款項6,213,000港元(二零一八年：31,989,000港元)，其為無抵押、免息，且並無固定還款期。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**26. 透過損益以公平值列賬之金融資產**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted equity investments, at fair value	非上市權益投資，按公平值	35,070	37,389
Unlisted fund investment, at fair value	非上市基金投資，按公平值	13,845	26,763
Derivative instruments, at fair value	衍生工具，按公平值	17,019	1,156
		65,934	65,308

The above equity, fund and derivative investments were classified as financial assets at fair value through profit or loss as they were held for trading.

上述權益、基金及衍生投資分類為透過損益以公平值列賬之金融資產，乃由於其持作買賣。

27. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK BALANCES**27. 現金及現金等值物以及受限制銀行存款**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	258,513	363,182
Time deposits	定期存款	183,858	412,691
		442,371	775,873
Less: Restricted bank balances	減：受限制銀行存款	-	(11,755)
Cash and cash equivalents	現金及現金等值物	442,371	764,118

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$429,109,000 (2018: HK\$757,717,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於各報告期末，本集團以人民幣（「人民幣」）計值之現金及銀行結餘為429,109,000港元（二零一八年：757,717,000港元）。人民幣不可自由兌換為其他貨幣，惟根據中國內地外匯管理條例，以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯交易業務的銀行將人民幣兌換為其他貨幣。

27. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK BALANCES (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and seven days depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and restricted bank balances are deposited with creditworthy banks with no recent history of default.

28. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

27. 現金及現金等值物以及受限制銀行存款(續)

銀行存款按根據每日銀行存款利率釐定的浮動利率計息。短期定期存款視乎本集團的即時現金需求按介乎一日至七日的不同期間作出，並按各自短期定期存款利率賺取利息。銀行結餘及受限制銀行存款存入最近並無拖欠記錄且信譽良好的銀行。

28. 應付貿易賬款

於報告期末，應付貿易賬款根據發票日期的賬齡分析如下：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Within 3 months	三個月內	25,773	10,974
Over 3 months	三個月以上	9,596	8,364
		35,369	19,338

The trade payables are non-interest-bearing and are normally settled on terms of 3 to 6 months.

應付貿易賬款為免息及一般於三至六個月內結付。

Notes to Financial Statements • 財務報表附註

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

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current:	即期：			
Contract liabilities	合約負債	(a)	38,528	37,612
Consideration payable	應付代價		–	5,706
Contingent consideration payable	應付或然代價		–	4,053
Consideration deposits	代價按金		43,983	37,663
Other payables	其他應付款項	(b)	28,315	107,648
Accruals	應計費用		3,737	3,687
			114,563	196,369
Non-current:	非即期：			
Contract liabilities	合約負債	(a)	2,129	1,353
Other payables and accruals	其他應付款項及應計費用		4,995	2,694
			7,124	4,047
			121,687	200,416

Notes:

附註：

(a) Details of contract liabilities are as follows:

(a) 合約負債詳情如下：

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	1 January 2018 二零一八年 一月一日 HK\$'000 千港元
Short-term advances received from customers	自客戶接獲的短期墊款			
Sale of goods	銷售商品	38,528	37,612	26,085
Rendering of services	提供服務	2,129	1,353	–
Total contract liabilities	總合約負債	40,657	38,965	26,085

Contract liabilities include short-term advances received to deliver goods and render warranty services. The increase in contract liabilities in 2019 and 2018 was mainly due to the increase in short-term advances received from customers in relation to the sale of goods at the end of each of the years.

合約負債包括交付商品及提供保養服務所收取的短期墊款。合約負債於二零一九年及二零一八年增加，乃主要由於自客戶接獲有關銷售商品的短期墊款於各年末有所增加。

(b) Other payables are non-interest-bearing and have an average term of three months.

(b) 其他應付款項為免息，平均年期為三個月。

Notes to Financial Statements • 財務報表附註

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

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 計息銀行及其他借款

		2019 二零一九年			2018 二零一八年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loans – secured	銀行貸款 – 有抵押	6.65	2020	104,934	4.35-5.31	2019	39,375
Current portion of long term bank loans – secured	長期銀行貸款即期部分 – 有抵押			-	4.90-6.65	2019	25,108
Other loans – unsecured	其他貸款 – 無抵押	5.60	On demand 按要求	4,909	5.60	On demand 按要求	5,112
				109,843			65,595
Non-current	非即期						
Bank loans – secured	銀行貸款 – 有抵押			-	4.90-6.65	2020	117,553
				109,843			187,148

		2019 二零一九年 HK\$'000 千港元		2018 二零一八年 HK\$'000 千港元	
Analysed into:	分析為：				
Bank loans and overdrafts repayable: Within one year or on demand	應償還銀行貸款及透支： 須於一年內或 按要求償還	104,934		64,483	
In the second year	於第二年內償還	-		117,553	
		104,934		182,036	
Other borrowings repayable: On demand	應償還其他借款： 按要求償還	4,909		5,112	
		109,843		187,148	

30. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) The Group's bank loans at 31 December 2019 are secured by mortgages over a land use right included in right-of-use assets with a carrying amount at 31 December 2019 of HK\$209,735,000 (31 December 2018: HK\$239,545,000).

In addition, certain of the Group's bank loans at 31 December 2018 were secured by:

- (i) mortgages over certain of the Group's investment properties situated in the PRC with an aggregate carrying amount at 31 December 2018 of HK\$367,838,000;
- (ii) a mortgage over a building of the Group situated in the PRC with a carrying amount at 31 December 2018 of HK\$57,394,000; and
- (iii) the pledge of certain of the Group's time deposits amounting to HK\$5,706,000.

The Group's bank loans at 31 December 2018 of HK\$30,815,000 were guaranteed by certain third parties.

- (b) All of the Group's borrowings were denominated in RMB.
- (c) The Group's other loans are borrowed from a non-controlling shareholder of a subsidiary of the Group, which are unsecured, bear interest at a rate of 5.60% (2018: 5.60%) per annum and are repayable on demand.

30. 計息銀行及其他借款(續)

附註:

- (a) 於二零一九年十二月三十一日，本集團計入使用權資產的土地使用權按揭所抵押之銀行貸款賬面值於二零一九年十二月三十一日為209,735,000港元(二零一八年十二月三十一日：239,545,000港元)。

此外，若干本集團於二零一八年十二月三十一日銀行貸款由以下所抵押：

- (i) 於二零一八年十二月三十一日，本集團若干位於中國的已按揭投資物業總賬面值為367,838,000港元；
- (ii) 於二零一八年十二月三十一日，本集團若干位於中國的已按揭樓宇的賬面值為57,394,000港元；及
- (iii) 本集團若干已抵押定期存款為5,706,000港元。

本集團於二零一八年十二月三十一日，30,815,000港元的銀行貸款由第三方抵押。

- (b) 本集團所有貸款以人民幣計值。
- (c) 本集團之其他貸款乃自本集團一間附屬公司之非控股股東借取，其為無抵押、按5.60%之年利率計息，並須按要求償還(二零一八年：5.60%)。

Notes to Financial Statements • 財務報表附註

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

31. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

		Fair value adjustments arising from acquisition of subsidiaries	Revaluation of investment properties	Depreciation allowance in excess of related depreciation-investment properties	Depreciation allowance in excess of related depreciation-property, plant and equipments	Fair value adjustments of financial assets at fair value through profit or loss	Total
	Notes 附註	產生自收購附屬公司之公平值調整 HK\$'000 千港元	重估投資物業 HK\$'000 千港元	折舊撥備超出相關折舊—投資物業 HK\$'000 千港元	折舊撥備超出相關折舊—物業、廠房及設備 HK\$'000 千港元	透過損益以公平值列賬之金融資產之公平值調整 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	75,899	61,297	-	-	-	137,196
Deferred tax charged/ (credited) to profit or loss during the year	年內扣除/(計入)損益的遞延稅項	10 (3,701)	19,248	-	571	1,129	17,247
Exchange differences	匯兌差額	(3,405)	(3,540)	-	(21)	(41)	(7,007)
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	68,793	77,005	-	550	1,088	147,436
Deferred tax charged/ (credited) to profit or loss during the year	年內扣除/(計入)損益的遞延稅項	10 (2,189)	(10,437)	6,014	(110)	532	(6,190)
Liabilities included in a disposal group	計入出售集團的負債	11 -	(51,579)	(4,041)	-	-	(55,620)
Exchange differences	匯兌差額	(1,464)	(1,484)	(116)	(10)	(35)	(3,109)
At 31 December 2019	於二零一九年十二月三十一日	65,140	13,505	1,857	430	1,585	82,517

31. 遞延稅項

遞延稅項負債及資產於年內之變動如下：

遞延稅項負債

31. DEFERRED TAX (continued)**Deferred tax assets**

		Note	Impairment of financial assets 金融資產減值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日		-	-
Deferred tax credited to profit or loss during the year	年內計入損益的遞延稅項	10	1,005	1,005
Exchange differences	匯兌差額		(19)	(19)
At 31 December 2019	於二零一九年十二月三十一日		986	986

The Group has tax losses arising in Mainland China of HK\$210,153,000 (2018: HK\$223,424,000) that will expire in one to five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of the following items:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Tax losses	稅務虧損	210,153	223,424
Deductible temporary differences	可扣減暫時性差異	145,316	50,175
		355,469	273,599

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

31. 遞延稅項(續)**遞延稅項資產**

本集團於中國內地產生210,153,000港元(二零一八年: 223,424,000港元)之稅項虧損, 可在一至五年內抵銷未來應課稅溢利。

以下項目為未獲確認的遞延稅項:

由於以上遞延稅項資產的項目被視為不可供抵銷以上已使用的應課稅溢利, 故未獲確認。

31. DEFERRED TAX (continued)**Deferred tax assets (continued)**

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2019, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries, joint ventures and associates established in Mainland China. In the opinion of the directors of the Company, it is not probable that these subsidiaries, joint ventures and associates will distribute such earnings in the foreseeable future. There were no temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised at 31 December 2019 (2018: Nil).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

32. SHARE CAPITAL**Shares**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Authorised: 10,000,000,000 ordinary shares of HK\$0.2 each (2018: 10,000,000,000 of HK\$0.2 each)	法定： 10,000,000,000股每股面值 0.2港元之普通股 (二零一八年： 10,000,000,000股 每股面值0.2港元)	2,000,000	2,000,000
Issued and fully paid: 6,078,944,027 ordinary shares of HK\$0.2 each (2018: 6,061,399,027 of HK\$0.2 each)	已發行及繳足： 6,078,944,027股每股面值 0.2港元(二零一八年： 6,061,399,027股每股面 值0.2港元)之普通股	1,215,789	1,212,280

31. 遞延稅項(續)**遞延稅項資產(續)**

根據中國企業所得稅法，就向外國投資者宣派於中國內地成立之外資企業的股息徵收10%預扣稅。有關規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後所產生之盈利。倘中國內地與外國投資者所屬司法權區之間定有稅務優惠則可按較低預扣稅率繳稅。本集團的適用比率為5%或10%。因此，本集團須就該等於中國內地成立的附屬公司就二零零八年一月一日起產生之盈利而分派之股息繳交預扣稅。

於二零一九年十二月三十一日，本集團並無就本集團在中國內地成立的附屬公司、合營公司及聯營公司須繳交預扣稅的未匯出盈利確認遞延稅項負債。本公司董事認為，此等附屬公司、合營公司及聯營公司於可見將來分派該等盈利的機會不大。於二零一九年十二月三十一日，並無因在中國內地的附屬公司的投資而產生的未被確認為遞延稅項負債的暫時差額(二零一八年：無)。

本公司向其股東派付的股息毋須繳納所得稅。

32. 股本**股份**

Notes to Financial Statements • 財務報表附註

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

32. SHARE CAPITAL (continued) Shares (continued)

A summary of movements in the Company's share capital is as follows:

		Note	Number of shares in issue 已發行股份數目 '000 shares 千股	Share capital 股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日		6,048,240	1,209,648	1,767,756	2,977,404
Issue of consideration shares	發行代價股份	(a)	13,159	2,632	2,632	5,264
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日		6,061,399	1,212,280	1,770,388	2,982,668
Issue of consideration shares	發行代價股份	(a)	17,545	3,509	754	4,263
At 31 December 2019	於二零一九年十二月 三十一日		6,078,944	1,215,789	1,771,142	2,986,931

Note:

- (a) During the year, the Company allotted and issued an aggregate of 17,545,000 (2018: 13,158,750) ordinary shares of the Company at HK\$0.243 (2018: HK\$0.4) per share as the third (2018: second) instalment of the share consideration for the acquisition of Beijing Spirit in 2016. The aggregate fair value of the 17,545,000 (2018: 13,158,750) ordinary shares, determined by reference to the closing quoted market price of the Company's shares on Stock Exchange at issuance date, amounted to HK\$4,263,000 (2018: HK\$5,264,000), of which HK\$3,509,000 (2018: HK\$2,632,000) and HK\$754,000 (2018: HK\$2,632,000) were credited to the share capital and share premium account of the Company, respectively.

32. 股本(續) 股份(續)

本公司股本之變動概要如下：

		附註	Number of shares in issue 已發行股份數目 '000 shares 千股	Share capital 股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日		6,048,240	1,209,648	1,767,756	2,977,404
Issue of consideration shares	發行代價股份	(a)	13,159	2,632	2,632	5,264
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日		6,061,399	1,212,280	1,770,388	2,982,668
Issue of consideration shares	發行代價股份	(a)	17,545	3,509	754	4,263
At 31 December 2019	於二零一九年十二月 三十一日		6,078,944	1,215,789	1,771,142	2,986,931

附註:

- (a) 於年內，本公司按每股0.243港元(二零一八年：0.4港元)之價格配發及發行合共17,545,000(二零一八年：13,158,750股)股本公司新普通股，作為於二零一六年收購北京思義的股份代價之第三期(二零一八年：第二期)付款。17,545,000股(二零一八年：13,158,750股)普通股的總公平值(經參考本公司股份於發行日期在聯交所所報之收市價而釐定)為4,263,000港元(二零一八年：5,264,000港元)，當中3,509,000港元(二零一八年：2,632,000港元)及754,000港元(二零一八年：2,632,000港元)分別計入本公司的股本及股份溢價賬。

33. SHARE-BASED COMPENSATION SCHEMES**Share option schemes***2002 Scheme*

Effective from 26 April 2002, the Company operated a share option scheme (the "2002 Scheme") for the purposes of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2002 Scheme included (i) any employee or proposed employee (whether full time or part time, including any executive director but not any non-executive director) of the Company, any of its subsidiaries or any entity ("Invested Entity") in which any member of the Group holds any equity interest; (ii) any non-executive director or proposed non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity; (iii) any supplier or potential supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer or potential customer of the Group or any Invested Entity; (v) any person or entity that provides or will provide research, development or other technological support to the Group or any Invested Entity; (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; and (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and (viii) any joint venture partner or business alliance that co-operates with any member of the Group or any Invested Entity in any area of business operation or development.

The maximum number of shares issuable upon exercise of the options which may be granted under the 2002 Scheme and any other share option scheme of the Company to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit was subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares as at the date of the grant) in excess of HK\$5 million, within any 12-month period, were subject to shareholders' approval in advance in a general meeting.

33. 以股份為基礎的補償計劃**購股權計劃***二零零二年計劃*

本公司於二零零二年四月二十六日開始實行一個購股權計劃(「二零零二年計劃」)，旨在向對本集團業務作出貢獻之合資格參與者提供獎勵及回饋。二零零二年計劃合資格參與者包括(i)本公司或其任何附屬公司或任何本集團任何成員公司持有其任何股本權益之實體(「投資實體」)任何僱員或候任僱員(不論全職或兼職，包括任何執行董事，但不包括非執行董事)；(ii)本公司或其任何附屬公司或任何投資實體任何非執行董事或候任非執行董事(包括獨立非執行董事)；(iii)向本集團任何成員公司或任何投資實體提供或可能提供貨品或服務之任何供應商；(iv)本集團或任何投資實體之任何客戶或準客戶；(v)對本集團或任何投資實體提供或將提供研究、開發或其他技術支援之任何人士或實體；(vi)本集團任何成員公司或任何投資實體之股東或本集團任何成員公司或任何投資實體已發行或擬發行證券之持有人；及(vii)本集團任何成員公司或任何投資實體之任何業務範疇或業務發展之諮詢人(專業或其他)或顧問；及(viii)與本集團任何成員公司或任何投資實體於任何業務營運範疇或發展合作之合營公司夥伴或業務聯盟。

於任何12個月期間，根據二零零二年計劃及本公司任何其他購股權計劃向每名參與者可能授出之購股權於行使後可予發行之股份總數，不得超過當時本公司已發行股本1%。任何進一步授出超出此限額之購股權須經股東於股東大會批准。

向本公司一名董事、主要行政人員或主要股東或彼等各自之任何聯繫人士授出購股權，必須取得獨立非執行董事之事先批准。此外，倘於任何十二個月期間內向主要股東或獨立非執行董事或彼等各自之任何聯繫人士授出超逾本公司任何時間之已發行股本0.1%或總值超逾(按於授出日期本公司股份的收市價)500萬港元之購股權，必須獲得股東於股東大會事先批准。

33. SHARE-BASED COMPENSATION SCHEMES (continued)

Share option schemes (continued)

2002 Scheme (continued)

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of grant of the share options.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of the offer of grant, which must be a trading day; (ii) the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the offer of the grant; and (iii) the nominal value of the Company's shares.

The number and exercise price of the share options were adjusted as a result of the rights issue completed on 10 August 2010.

The 2002 Scheme expired in April 2012. The provisions of the 2002 Scheme shall remain in full force and holders of all options granted under it prior to such termination shall be entitled to exercise the outstanding options pursuant to the terms of it until expiry of the said options.

33. 以股份為基礎的補償計劃(續)

購股權計劃(續)

二零零二年計劃(續)

購股權承授人可於授出日期起計21日內接納授出之購股權，並須就此支付象徵式代價1港元。授出購股權的行使期由董事會決定，自若干歸屬期起至授出購股權日期十年內之日行使。

購股權之行使價由董事釐定，惟不得低於(i)本公司股份於建議授出日期(必定為交易日)在聯交所每日報價表所報收市價；(ii)本公司股份於緊接建議授出日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值(以最高者為準)。

購股權的數目及行使價因供股於二零一零年八月十日完成而獲調整。

二零零二年計劃於二零一二年四月屆滿。二零零二年計劃之條款將維持十足效力根據購股權計劃授出的所有購股權的持有人在有關終止前，均有權根據該計劃的條款行使未行使之購股權，直至上述購股權屆滿為止。

33. SHARE-BASED COMPENSATION SCHEMES (continued)**Share option schemes (continued)**

2002 Scheme (continued)

The following share options were outstanding under the 2002 Scheme during the year:

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	-	-	0.954	4,838
Lapsed during the year	年內失效	-	-	0.954	(4,838)
At 31 December	於十二月三十一日	-	-	-	-

The exercise price and exercise period of the share options outstanding as 31 December 2018 were as follows:

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
--	---	------------------------

4,838	0.954	10 January 2010 - 9 January 2018 二零一零年一月十日 至 二零一八年一月九日
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* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

33. 以股份為基礎的補償計劃(續)**購股權計劃(續)**

二零零二年計劃(續)

年內，二零零二年計劃項下尚未行使之購股權如下：

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	-	-	0.954	4,838
Lapsed during the year	年內失效	-	-	0.954	(4,838)
At 31 December	於十二月三十一日	-	-	-	-

於二零一八年十二月三十一日尚未行使的購股權的行使價及行使期如下：

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
--	---	------------------------

4,838	0.954	10 January 2010 - 9 January 2018 二零一零年一月十日 至 二零一八年一月九日
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* 購股權之行使價可根據供股或發行紅股、或本公司股本之其他類似變動而予以調整。

33. SHARE-BASED COMPENSATION SCHEMES (continued)

Share option schemes (continued)

2013 Scheme

On 24 May 2013, the Company adopted a new share option scheme (the "2013 Scheme") to replace the 2002 Scheme. Upon termination of the 2002 Scheme, no share options can be granted under such scheme and holders of all share options granted under it prior to its termination shall be entitled to exercise the outstanding share options pursuant to the terms of it until expiry of such options.

The eligible participants and the terms of the 2013 Scheme are the same as those of the 2002 Scheme.

The following share options were outstanding under the 2013 Scheme during the year:

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	0.57	338,000	0.57	353,000
Forfeited during the year	年內沒收	-	-	0.58	(15,000)
At 31 December	於十二月三十一日	0.57	338,000	0.57	338,000

33. 以股份為基礎的補償計劃(續)

購股權計劃(續)

二零一三年計劃

於二零一三年五月二十四日，本公司採納新購股權計劃(「二零一三年計劃」)以替代二零零二年計劃。於終止二零零二年計劃後，概不就該計劃授出購股權，而於該計劃終止前授出的所有購股權之持有人有權根據該計劃條款行使尚未行使的購股權，直至該等購股權屆滿為止。

二零一三年計劃之合資格參與者及條款與二零零二年計劃相同。

年內，二零一三年計劃項下尚未行使之購股權如下：

33. SHARE-BASED COMPENSATION SCHEMES (continued)**Share option schemes (continued)**

2013 Scheme (continued)

The exercise prices and exercise periods of the share options outstanding as the end of the reporting periods are as follows:

2019

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
166,500	0.61	note (a) 附註(a)
171,500	0.53	note (b) 附註(b)
338,000		

2018

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
166,500	0.61	note (a) 附註(a)
171,500	0.53	note (b) 附註(b)
338,000		

Notes:

- (a) First 30% of the options granted were vested from 2 April 2016, second 30% of the options granted were vested from 2 April 2017 and remaining 40% of the options granted were vested from 2 April 2018. Upon the lapse of the vesting period, the share options are exercisable until 1 April 2025.
- (b) First 30% of the options granted were vested from 28 January 2017, second 30% of the options granted were vested from 28 January 2018 and remaining 40% of the options granted were vested from 28 January 2019. Upon the lapse of the vesting period, the share options are exercisable until 27 January 2026.

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

33. 以股份為基礎的補償計劃(續)**購股權計劃(續)**

二零一三年計劃(續)

於報告期末尚未行使的購股權之行使價及行使期如下：

二零一九年

Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
0.61	note (a) 附註(a)
0.53	note (b) 附註(b)

二零一八年

Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
0.61	note (a) 附註(a)
0.53	note (b) 附註(b)

附註：

- (a) 首30%授出之購股權於二零一六年四月二日歸屬，第二批30%購股權於二零一七年四月二日歸屬，而餘下40%購股權於二零一八年四月二日歸屬。於歸屬期失效後，購股權直至二零二五年四月一日均可行使。
- (b) 首30%授出之購股權於二零一七年一月二十八日歸屬，第二批30%購股權於二零一八年一月二十八日歸屬，而餘下40%購股權於二零一九年一月二十八日歸屬。於歸屬期失效後，購股權直至二零二六年一月二十七日均可行使。

* 購股權之行使價可根據供股或發行紅股或本公司股本之其他類似變動而予以調整。

33. SHARE-BASED COMPENSATION SCHEMES (continued)

Share option schemes (continued)

2013 Scheme (continued)

In respect of the share options granted in prior years, the Group recognised a share option expense of approximately HK\$297,000 during the year ended 31 December 2019 (2018: HK\$5,689,000).

At the end of the reporting period, the Company had 338,000,000 share options outstanding. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 338,000,000 additional ordinary shares of the Company and additional share capital of HK\$67,600,000 and share premium of HK\$124,860,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 338,000,000 share options outstanding under the Scheme, which represented approximately 5.6% of the Company's shares in issue as at that date.

34. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 80 to 81 of the financial statements.

Share option reserve

Share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the consolidated financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or transferred to accumulated losses should the related options expire.

Assets revaluation reserve

The asset revaluation reserve arose from the change in use from owner-occupied properties to investment properties carried at fair value.

Capital reserve

The capital reserve represents the Group's share of the equity-settled share-based payment reserve in an associate.

33. 以股份為基礎的補償計劃(續)

購股權計劃(續)

二零一三年計劃(續)

就過往年度授出購股權而言，本集團於截至二零一九年十二月三十一日止年度確認購股權開支約297,000港元(二零一八年：5,689,000港元)。

於報告期末，本公司有338,000,000份購股權尚未行使。根據本公司現行資本結構，悉數行使尚未行使的購股權將導致發行338,000,000股本公司新普通股及增加67,600,000港元的股本及124,860,000港元之股份溢價(未計發行開支)。

於批准財務報表當日，本公司根據該計劃共有338,000,000份尚未行使購股權，佔本公司於該日的已發行股份約5.6%。

34. 儲備

本集團之儲備金額及其於本年度及過往年度之變動於財務報表第80至81頁之綜合權益變動表呈列。

購股權儲備

購股權儲備包括尚未行使已授出的購股權之公平值，詳述於綜合財務報表附註2.4以股份為基礎付款之會計政策。當行使相關的購股權或轉撥至累計虧損，或倘相關購股權到期時，則該金額將轉撥至股份溢價賬。

資產重估儲備

資產重估儲備源自將自用物業用途更改為按公平值列賬之投資物業。

資本儲備

資本儲備指本集團分佔一間聯營公司的股權結算以股份為基礎付款之儲備。

34. RESERVES (continued)**PRC statutory surplus reserve**

Subsidiaries of the Company established in the PRC are required to make appropriations to a certain statutory surplus reserve, namely the reserve funds, from their statutory profit for the year after offsetting accumulated losses as determined under the PRC accounting regulations from prior years and before profit distribution to equity holders. The percentage to be appropriated to such statutory reserve funds is determined according to the relevant regulations in the PRC at 10% or at the discretion of the boards of directors of the respective companies.

35. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of Beijing Inland Port International Logistics Co., Ltd. ("Inland Port") are set out below:

34. 儲備(續)**法定盈餘儲備**

本公司於中國成立的附屬公司須自其年內法定利潤(抵銷根據中國會計法規計算的過往年度累計虧損後及向股本持有人作出利潤分派前)向若干法定盈餘儲備(即儲備金)撥款。將向該等法定儲備金作出的撥款比例根據中國相關法規以10%的比率或由各間公司的董事會酌情釐定。

35. 擁有重大非控股權益的部分擁有附屬公司

北京陸港國際物流有限公司(「陸港」)的詳情如下：

		2019 二零一九年	2018 二零一八年
Percentage of equity interest held by non-controlling interests (%)	由非控股權益所持有的股權百分比(%)	17.76%	17.76%
Loss for the year allocated to non-controlling interests (HK\$'000)	分配至非控股權益的年度虧損(千港元)	(4,620)	(2,263)
Accumulated balances of non-controlling interests at the reporting date (HK\$'000)	於報告期末非控股權益的累計結餘(千港元)	110,179	117,277

35. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of Inland Port. The amounts disclosed are before any inter-company eliminations:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	-	-
Total other income	其他收入總額	5,570	17,486
Total expenses	總支出	(31,584)	(30,227)
Loss and total comprehensive loss for the year	虧損及年內全面虧損總額	(26,014)	(12,741)
Current assets	流動資產	228,995	82,449
Non-current assets	非流動資產	475,870	695,271
Current liabilities	流動負債	(19,346)	(48,582)
Non-current liabilities	非流動負債	(65,139)	(68,792)
Net cash flows from/(used in) operating activities	經營活動所得/(所用) 現金流淨額	8,597	(15,939)
Net cash flows from/(used in) investing activities	投資活動所得/(所用) 現金流淨額	180,841	(98,179)
Net cash flows used in financing activities	融資活動所用現金流淨額	(28,912)	(6,107)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物 增加/(減少)淨額	160,526	(120,225)

36. BUSINESS COMBINATION

On 29 December 2016, the Group acquired a 40% equity interest in Wuxi Hongtai and its subsidiaries (together, "Hongtai Group") through capital injection at cash consideration of HK\$1,342,000 and Wuxi Hongtai was accounted for as an associate of the Group. On 7 November 2019, the Group acquired an additional 25% interest in Wuxi Hongtai from an existing shareholder, Mr. Jiang Yihong ("Mr. Jiang") for a cash consideration of HK\$4,056,000. Hongtai Group is principally engaged in management and service supporting business for the geriatric care related non-profit organisations. The acquisition was made as part of the Group's strategy to expand medical and geriatric care related business.

The Group has elected to measure the non-controlling interest in Hongtai Group at the non-controlling interest's proportionate share of Hongtai Group's identifiable net assets.

35. 擁有重大非控股權益的部分擁有附屬公司(續)

下表顯示陸港的概述財務資料。所披露的金額為於任何公司間抵銷金額前：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	-	-
Total other income	其他收入總額	5,570	17,486
Total expenses	總支出	(31,584)	(30,227)
Loss and total comprehensive loss for the year	虧損及年內全面虧損總額	(26,014)	(12,741)
Current assets	流動資產	228,995	82,449
Non-current assets	非流動資產	475,870	695,271
Current liabilities	流動負債	(19,346)	(48,582)
Non-current liabilities	非流動負債	(65,139)	(68,792)
Net cash flows from/(used in) operating activities	經營活動所得/(所用) 現金流淨額	8,597	(15,939)
Net cash flows from/(used in) investing activities	投資活動所得/(所用) 現金流淨額	180,841	(98,179)
Net cash flows used in financing activities	融資活動所用現金流淨額	(28,912)	(6,107)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物 增加/(減少)淨額	160,526	(120,225)

36. 業務合併

於二零一六年十二月二十九日，本集團透過注資以現金代價1,342,000港元購買無錫市宏泰及其附屬公司的40%股權(統稱「宏泰集團」)及無錫市宏泰對作為本集團聯屬公司負責。於二零一九年十一月七日，本集團自現有股東江奕虹先生(「江先生」)以現金代價4,056,000港元購買無錫市宏泰的額外25%權益。宏泰集團主要從事養老相關非牟利機構經營管理及服務支援業務。作出收購為本集團策略的一部分，以擴充醫療及老年人照顧相關業務。

本集團已選擇以宏泰集團的可識別淨資產的非控股權益比例股份計量宏泰集團的非控股權益。

Notes to Financial Statements • 財務報表附註

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

36. BUSINESS COMBINATION (continued)

The fair values of the identifiable assets and liabilities of Hongtai Group as at the date of acquisition were as follows:

36. 業務合併(續)

宏泰集團於收購日期之可識別資產及負債公平值如下：

		Notes 附註	Fair value recognised on acquisition 於 收購時 確認的公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	14	707
Inventories	存貨		45
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產		4,252
Cash and cash equivalents	現金及現金等值物		7,602
Other payables and accruals	其他應付款項及應計費用		(1,892)
Total identifiable net assets at fair value	按公平值可識別資產淨值總額		10,714
Non-controlling interests	非控股權益		(3,280)
			7,434
Gain on bargain purchase recognised in other income and gains in profit or loss	議價收購收益於其他收入 及損益收益確認	5	(1,314)
			6,120
Satisfied by:	以下列方式償付：		
Cash	現金		4,056
Investment in an associate	於聯屬公司的投資		2,064
			6,120

The fair value and gross contractual amount of other receivables as at the date of acquisition amounted to HK\$4,252,000.

其他應收款項的公平值及總合約金額於收購日期為4,252,000港元。

The Group recognised a gain on bargain purchase of HK\$1,314,000 in profit or loss, which was, in the opinion of the directors, primarily attributable to the Group's ability in negotiating the agreed terms of the transaction, as the Group has good reputation and sufficient available funds for the ongoing development of the project.

本集團於損益確認議價收購收益1,314,000港元，由於本集團擁有良好聲譽及足夠可行資金作持續的項目發展，董事認為主要歸於本集團商議協定交易條款的能力。

36. BUSINESS COMBINATION (continued)

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	(4,056)
Cash and bank balances acquired	已收購之現金及銀行結餘	7,602
Net inflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等值物流入淨額	3,546

Since the acquisition, Hongtai Group contributed HK\$1,000 to the Group's revenue and HK\$465,000 to the Group's consolidated loss for the year ended 31 December 2019.

Had the combination taken place at the beginning of the year, the revenue and the loss of the Group for the year would have been HK\$202,805,000 and HK\$476,384,000, respectively.

36. 業務合併(續)

就收購附屬公司的現金流量分析如下：

自收購以來，宏泰集團於截至二零一九年十二月三十一日止年度向本集團貢獻1,000港元的收入及465,000港元的綜合虧損。

合併已於年初發生，於年內本集團的收益及虧損分別為202,805,000港元及476,384,000港元。

Notes to Financial Statements • 財務報表附註

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

37. DISPOSAL OF SUBSIDIARIES

37. 出售附屬公司

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net assets disposed of:	已出售之資產淨值：			
Property, plant and equipment	物業、廠房及設備	14	3,225	7,539
Right-of-use assets	使用權資產	16(b)	14,205	–
Properties under development	發展中物業	23	–	323,296
Other intangible assets	其他無形資產	18	287	–
Investments in associates	於聯營公司之投資		–	60,630
Equity investments designated at fair value through other comprehensive income	指定為透過公平值以其他全 面收益列賬之權益投資		–	2,273
Inventories	存貨		503	187
Trade receivables	應收貿易賬款		1,360	110
Prepayments, other receivables and other assets	預付款項及其他應收款項 以及其他資產		22,524	13,548
Financial assets at fair value through profit or loss	透過公平值以 損益列賬之金融資產		–	4,170
Cash and cash equivalents	現金及現金等值物		16,711	2,127
Trade payables	應付貿易賬款		(1,211)	(928)
Other payables and accruals	其他應付款項及應計費用		(25,348)	(130,632)
Interest-bearing bank and other borrowings	計息銀行及其他借款		–	(125,585)
Lease liabilities	租賃負債	16(c)	(13,333)	–
Non-controlling interests	非控股權益		(15,722)	7,391
			3,201	164,126
Exchange fluctuation reserve	外匯波動儲備		(4,943)	2,084
Capital reserve	資本儲備		–	1,117
Recognition of non-controlling interests	確認非控股權益		–	1,147
			(1,742)	168,474
Gain on disposal of subsidiaries	出售附屬公司之收益	5	48,876	223,899
			47,134	392,373
Satisfied by:	以下列方式償付：			
Cash	現金		3,657	308,208
Other receivables	其他應收款項		33,490	–
Investments in associates	於聯營公司之投資		9,987	84,165
			47,134	392,373

Notes to Financial Statements • 財務報表附註

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

37. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net (outflow)/inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash consideration	現金代價	3,657	308,208
Cash and cash equivalents disposed of	已出售之現金及現金等值物	(16,711)	(2,127)
Net (outflow)/inflow of cash and cash equivalents in respect of the disposal of subsidiaries	與出售附屬公司有關的現金及現金等值物(流出)/流入淨額	(13,054)	306,081

37. 出售附屬公司(續)

與出售附屬公司有關的現金及現金等值物(流出)/流入淨額分析如下:

38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$15,466,000 and HK\$15,466,000, respectively, in respect of lease arrangements for buildings (2018: Nil).

(b) Changes in liabilities arising from financing activities

38. 綜合現金流量表附註

(a) 主要非現金交易

於年內，本集團就樓宇的租賃安排分別擁有使用權資產及租賃負債的非現金增加15,466,000港元及15,466,000港元(二零一八年：零)。

(b) 融資活動產生的負債變動

		Bank and other borrowings 銀行及其他借款		Lease liabilities 租賃負債		Other payables in relation to financing activities 有關融資活動的其他應付款項	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 31 December	於十二月三十一日	187,148	243,044	-	-	13,583	9,452
Effect of adoption of HKFRS 16	採納香港財務報告準則第16號之影響	-	-	19,533	-	-	-
At 1 January	於一月一日	187,148	243,044	19,533	-	13,583	9,452
Changes from financing cash flows	融資現金流量變動	(64,291)	73,496	(10,217)	-	(3,984)	4,565
Disposal of subsidiaries	出售附屬公司	-	(125,585)	(13,333)	-	-	-
Liabilities included in a disposal group (note 11)	計入出售集團的負債(附註11)	(10,047)	-	-	-	-	-
New leases	新租賃	-	-	15,466	-	-	-
Interest expense	利息開支	-	-	1,245	-	-	-
Amount offset against other receivables	與其他應收款項對銷的金額	(93)	-	-	-	-	-
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(2,874)	(3,807)	(583)	-	(222)	(434)
At 31 December	於十二月三十一日	109,843	187,148	12,111	-	9,377	13,583

38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**(c) Total taxes paid**

The total taxes paid during the year were PRC profits tax included in:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Operating activities:	經營活動：	3,046	5,299
Investing activities:	投資活動：	34,688	98,179

(d) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		2019 二零一九年 HK\$'000 千港元
Within operating activities	經營業務內	4,638
Within financing activities	金融業務內	10,217
		14,855

39. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities (2018: bank guarantee in respect of a loan to an associate of HK\$123,260,000).

40. PLEDGE OF ASSETS

Details of the Group's bank loans, which are secured by the assets of the Group, are included in note 30 to the consolidated financial statements.

38. 綜合現金流量表附註(續)**(c) 已付稅項總額**

年內已付稅項總額為計入下列各項的中國利得稅：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Operating activities:	3,046	5,299
Investing activities:	34,688	98,179

(d) 租賃總現金流出

計入現金流動報表的租賃總現金流出如下：

	2019 二零一九年 HK\$'000 千港元
Within operating activities	4,638
Within financing activities	10,217
	14,855

39. 或然負債

於報告期末，本集團概無任何重大的或然負債(二零一八年：就向一間聯營公司提供貸款的銀行擔保123,260,000港元)。

40. 資產抵押

本集團之銀行貸款詳情(由本集團之資產擔保)載於綜合財務報表附註30。

Notes to Financial Statements • 財務報表附註

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

41. COMMITMENTS

(a) Capital commitments:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Land and buildings	土地及樓宇	52,161	961
Properties under development	在建物業	20,184	62,305
		72,345	63,266

(b) Operating lease commitments

The Group leases certain buildings under operating lease arrangements, with leases negotiated for terms ranging from one to three years.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

41. 承擔

(a) 資本承擔：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Land and buildings	土地及樓宇	52,161	961
Properties under development	在建物業	20,184	62,305
		72,345	63,266

(b) 經營租賃承擔

本集團根據經營租賃安排租用若干樓宇，經磋商租期介乎一至三年。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃於下列期間到期的未來最低租賃付款總額如下：

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	10,407
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	16,296
		26,703

42. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Notes 附註		
Interest income from a director 來自一名董事之利息收入	(i)	-	3,140
Interest income from a company which is jointly controlled by the directors of the Company 來自一間由本公司董事共同控制的公司之利息收入	(ii)	7,829	8,166

- (i) On 28 October 2016, the Group entered into a loan facility agreement with Mr. Wang Zheng Chun, a director of the Company, pursuant to which, the Group provided a loan of HK\$135,000,000 for a term of twelve months and interest-bearing at 4.5% per annum. A handling fee of HK\$1,200,000 was charged and deducted upon the first drawing of loan facility. On 30 June 2017 and 1 November 2017, HK\$20,950,000 and HK\$52,050,000 of the loan facility, respectively, were drawn, and HK\$5,725,000 of related interest was received. The Group provided a loan extension of the remaining principal of HK\$62,000,000 for a term of twelve months and interest-bearing at 6.0% per annum. On 7 November 2018, the remaining principal of HK\$62,000,000 was fully received.

42. 關連方交易

- (a) 除該等財務報表其他章節詳述之交易外，本集團於年內與關連方進行以下交易：

- (i) 於二零一六年十月二十八日，本集團與本公司董事王正春先生訂立貸款融資協議，據此，本集團提供一筆135,000,000港元之貸款，為期十二個月，並按年利率4.5%計息。已收取1,200,000港元之手續費，並於首次提取貸款融資後扣除。於二零一七年六月三十日及二零一七年十一月一日，已收取為數分別為20,950,000港元及52,050,000港元的貸款融資，而5,725,000港元的相關利息亦已提取。本集團就餘下本金額62,000,000港元提供貸款延期，為期12個月，並按年利率6.0%計息。於二零一八年十一月七日，分別已收取餘下本金額62,000,000港元。

42. RELATED PARTY TRANSACTIONS (continued)**(a)** (continued)

- (ii) On 17 July 2017, the Group entered into a loan facility agreement with Jinfu N.A. Real Estate Investment Limited (“Jinfu N.A.”), a company partly invested by Mr. Zhu Shi Xing, Mr. Gu Shan Chao and Mr. Liu Xue Heng, who are executive directors of the Company, pursuant to which, the Group agreed to provide Jinfu N.A. a loan of Canadian dollar (“CAD”)13,400,000 (equivalent to approximately HK\$84,019,000), which is interest-bearing at 10% per annum and repayable at three years after the drawdown of the loan, or repayable on demand by the borrower. On 20 July 2017, the Group entered into a loan facility supplementary agreement with Jinfu N.A. and its subsidiary, 1121695 B.C. Ltd., pursuant to which, the borrower of the loan was changed from Jinfu N.A. to 1121695 B.C. Ltd.

During the year, the Group recognised an interest income of CAD1,313,000 (equivalent to approximately HK\$7,829,000) on the loan to 1121695 B.C. Ltd. At 31 December 2019, the remaining principal of CAD13,400,000 (equivalent to approximately HK\$79,911,000) (2018: CAD13,400,000, equivalent to approximately HK\$77,049,000) and the relevant interest receivable of CAD3,293,000 (equivalent to approximately HK\$19,638,000) (2018: CAD1,980,000, equivalent to approximately HK\$11,386,000), aggregating to CAD16,693,000 (equivalent to approximately HK\$99,549,000) (2018: aggregating to CAD15,380,000, equivalent to approximately HK\$88,435,000) were jointly and severally guaranteed by Mr. Yu Lu Ning, a third party, Mr. Zhu Shi Xing, Mr. Gu Shan Chao and Mr. Liu Xue Heng.

- (b)** At 31 December 2018, the Group had an outstanding balance of HK\$28,998,000 due to a subsidiary of the Company’s major shareholder. This balance was unsecured, interest-free and has fully repaid by the Group during the year.

42. 關連方交易 (續)**(a)** (續)

- (ii) 於二零一七年七月十七日，本集團與金富北美不動產投資有限公司(「金富北美」，一間由本公司執行董事祝仕興先生、顧善超先生及劉學恒先生部分投資之公司)訂立貸款融資協議，據此，本集團同意向金富北美提供一筆為數13,400,000加拿大元(「加元」)(相當於約84,019,000港元)之貸款，並按年利率10%計息，並於提款日至第三個週年日到期，或需按借款人之需歸還。於二零一七年七月二十日，本集團與金富北美及其附屬公司1121695 B.C. Ltd. 訂立貸款融資補充協議，據此貸款的借款人由金富北美變更為1121695 B.C. Ltd.。

年內，本集團就給予1121695 B.C. Ltd.的貸款確認利息收入1,313,000加元(相當於約7,829,000港元)。於二零一九年十二月三十一日餘下本金額13,400,000加元(相當於約79,911,000港元)(二零一八年：13,400,000加元，相當於約77,049,000港元)及應收相關利息3,293,000加元(相當於約19,638,000港元)(二零一八年：1,980,000加元，相當於約11,386,000港元)，合共16,693,000加元(相當於約99,549,000港元)(二零一八年：合共15,380,000加元，相當於約88,435,000港元)由第三方馮魯寧先生、祝仕興先生、顧善超先生及劉學恒先生共同及個別擔保。

- (b)** 於二零一八年十二月三十一日，本集團尚未償還本公司主要股東的附屬公司的結餘為28,998,000港元。該結餘為無擔保，免息及已於年內本集團悉數償還。

Notes to Financial Statements • 財務報表附註

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

42. RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel of the Group:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	200	639
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,227	1,229
Equity-settled share option expense	股權結算的以股份為基礎的開支	11	176
Total compensation paid to key management personnel	向主要管理人員支付的總酬金	1,438	2,044

Further details of directors' and the chief executive's emoluments are included in note 8 to the consolidated financial statements.

42. 關連方交易(續)

(c) 本集團主要管理人員補償：

有關董事及主要行政人員酬金之進一步詳情載於綜合財務報表附註8。

43. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2019

Financial assets

		Financial assets at fair value through profit or loss mandatorily designated as such 強制如此指定透過損益按公平值列賬之金融資產 HK\$'000 千港元	Equity investments designated at fair value through other comprehensive income 透過其他全面收益按公平值列賬之 以權益投資 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本計量的 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through other comprehensive income	透過其他全面收益以公平值列賬之 權益投資	-	213,108	-	213,108
Trade receivables	應收貿易賬款	-	-	41,427	41,427
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產之 金融資產	-	-	334,549	334,549
Financial assets at fair value through profit or loss	透過損益以公平值列賬之 金融資產	65,934	-	-	65,934
Due from a related party	應收關連方款項	-	-	99,549	99,549
Cash and cash equivalents	現金及現金等值物	-	-	442,371	442,371
		65,934	213,108	917,896	1,196,938

43. 按類別劃分之金融工具

於本報告期末，各類別金融工具之賬面值如下：

二零一九年

金融資產

Notes to Financial Statements • 財務報表附註

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

43. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2019

Financial liabilities

43. 按類別劃分之金融工具(續)

二零一九年

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	35,369	35,369
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	33,310	33,310
Interest-bearing bank and other borrowings	計息銀行及其他借款	109,843	109,843
		178,522	178,522

Notes to Financial Statements • 財務報表附註

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

43. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2018

Financial assets

43. 按類別劃分之金融工具(續)

二零一八年

金融資產

	Financial assets at fair value through profit or loss mandatorily designated as such 強制如此指定透過損益按公平值列賬之金融資產 HK\$'000 千港元	Equity investments designated at fair value through other comprehensive income 透過其他全面收益按公平值列賬之 以權益投資 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本計量的 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through other comprehensive income 透過其他全面收益以公平值列賬之權益投資	-	225,494	-	225,494
Trade receivables 應收貿易賬款	-	-	37,565	37,565
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收款項及其他資產之 金融資產	-	-	296,878	296,878
Financial assets at fair value through profit or loss 透過損益以公平值列賬之 金融資產	65,308	-	-	65,308
Due from a related party 應收關連方款項	-	-	88,435	88,435
Restricted bank balances 受限制銀行存款	-	-	11,755	11,755
Cash and cash equivalents 現金及現金等值物	-	-	764,118	764,118
	65,308	225,494	1,198,751	1,489,553

**43. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)**

2018

Financial liabilities**43. 按類別劃分之金融工具(續)**

二零一八年

金融負債

		Financial liabilities at fair value through profit or loss designated as such upon initial recognition 透過損益以公平值列賬之金融負債於首次確認時按此指定 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	–	19,338	19,338
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	4,053	116,048	120,101
Due to a related party	應付一名關連方款項	–	28,998	28,998
Interest-bearing bank and other borrowings	計息銀行及其他借款	–	187,148	187,148
		4,053	351,532	355,585

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

44. 金融工具之公平值及公平值層級

本集團的金融工具(不包括該等賬面值與公平值合理相若者)之賬面值與公平值列示如下:

		Carrying amounts		Fair values	
		賬面值		公平值	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets	金融資產				
Equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資	213,108	225,494	213,108	225,494
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	65,934	65,308	65,934	65,308
		279,042	290,802	279,042	290,802
Financial liabilities	金融負債				
Interest-bearing bank and other borrowings	計息銀行及其他借款	109,843	187,148	109,843	187,148
Consideration payables included in other payables and accruals	計入其他應付款項及應計費用之應付代價	-	4,053	-	4,053
		109,843	191,201	109,843	191,201

Management has assessed that the fair values of cash and cash equivalents, restricted bank balances, trade receivables, amounts due from/to related parties, trade payables, financial assets included in prepayments, other receivables and other assets, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

管理層已評估現金及現金等值物、受限制銀行存款、應收貿易賬款、應收/應付關連方款項、應付貿易賬款、計入預付款項、其他應收款項及其他資產的金融資產以及計入其他應付款項及應計費用的金融負債的公平值與其賬面值相若，主要原因是該等工具的到期年期短。

本集團由首席財務官領導的財務部負責釐定金融工具公平值計量的政策及程序。於各報告日期，財務部分析金融工具價值變動並釐定估值所用重大輸入數據。估值由首席財務官審核及審批。

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of a listed equity investment is based on quoted market prices. The fair values of the fund investments are based on quotations provided by the relevant institutions. The fair values of derivative instruments are estimated using binomial tree model with the underlying equity value determined under the market approach or income approach. The binomial tree model incorporates various inputs including risk-free interest rate, volatilities and dividends yield. The fair value of an unlisted equity investment designated at fair value through other comprehensive income is based on the quoted market prices of listed investment and the carrying amounts of monetary assets/liabilities held by that unlisted equity investment. The fair values of other unlisted equity investments designated at fair value through other comprehensive income or through profit or loss have been estimated using a market approach based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size and strategy, and calculates an appropriate price multiple, such as the price to book value ("P/B") multiple or price to earnings ("P/E"), for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an asset measure or by an earnings measure, respectively. The valuation is then discounted for considerations such as lack of marketability of the target companies based on company-specific facts and circumstances. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statements of profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

44. 金融工具之公平值及公平值層級 (續)

除被迫或清盤出售外，金融資產及負債的公平值是由自願訂約方之間進行現有交易中該工具之可交換金額。以下方法及假設已用於估計公平值：

上市權益投資的公平值按所報市價計算。基金投資的公平值按相關機構所報價值計算。衍生工具的公平值使用市場法及收入法項下之二項式模式連同相關已釐定股權價值進行估計。二項式模式納入各項輸入數據(包括無風險利率、波幅及收益率)。指定為透過其他全面收益以公平值列賬之非上市股權投資公平值乃基於上市投資所報市價及該非上市股權投資所持貨幣資產/負債之賬面值。其他指定為透過其他全面收益或透過損益以公平值列賬之該非上市股權投資公平值已採用市場法估算，並假設並無可觀察市價或比率所支持。有關估值要求董事根據行業、規模、槓桿及策略釐定可資比較公眾公司(同業)，並計算各已識別的可資比較公司之合適價格倍數(例如市賬率(「市賬率」)倍數或市盈率(「市盈率」))。有關倍數乃按可資比較公司的企業價值分別除以資產措施或收益措施計算。有關估值其後根據公司具體的事實及情況按目標公司之間的流動性等考慮因素貼現。董事相信，估值方法得出的估計公平值(於綜合財務狀況表入賬)及公平值的相關變動(於綜合損益及其他全面收益表中入賬)屬合理，並為本報告期末最恰當的估值。

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of the interest-bearing bank and other borrowing has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2019 were assessed to be insignificant.

Below is a summary of significant unobservable inputs to the valuation of financial quantitative sensitivity analysis as at 31 December 2019 and 2018:

44. 金融工具之公平值及公平值層級 (續)

計算計息銀行及其他借款之公平值乃透過使用相似年期、信貸風險及剩餘到期日的工具目前可得利率將預期未來現金流進行折現。公平值變更乃由於本集團計息銀行及其他借款的不履約風險於二零一九年十二月三十一日估計為不重大。

以下為於二零一九年及二零一八年十二月三十一日財務定量敏感度分析的重大不可觀察輸入值概要：

Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入值	Range 幅度	Sensitivity of fair value to the input 公平值對輸入值之敏感度	
Unlisted equity investments 非上市權益投資	Valuation multiples 估值倍數	Average P/B multiple of peers 同業的平均市賬率倍數	2019: 1.3720–6.5124 (2018: 1.2500) 二零一九年： 1.3720至6.5124 (二零一八年： 1.2500)	5% (2018: 5%) increase/decrease in multiple would result in increase/decrease in fair value by HK\$603,000 to HK\$2,960,000 (2018: HK\$3,553,000) 倍數上升/下降5%(二零一八年：5%)將導致公平值增加/減少603,000港元至2,960,000港元(二零一八年：3,553,000港元)
		Discount for lack of marketability 缺乏市場流通性折讓	2019: 20%–32% (2018: 23%) 二零一九年： 20%至32% (二零一八年：23%)	1% (2018: 1%) increase/decrease in discount would result in decrease/increase in fair value by HK\$151,000 to HK\$871,000 (2018: HK\$923,000) 折讓上升/下降1% (二零一八年：1%)將導致公平值減少/增加151,000港元至871,000港元(二零一八年：923,000港元)

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of financial quantitative sensitivity analysis as at 31 December 2019 and 2018: (continued)

Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入值	Range 幅度	Sensitivity of fair value to the input 公平值對輸入值之敏感度
Unlisted equity investments 非上市權益投資	Average P/E multiple of peers 同業的平均市賬率倍數	2019: 33.0350 (31 December 2018: Nil) 二零一九年: 33.0350 (二零一八年十二月三十一日: 無)	5% (2018: Nil) increase/decrease in multiple would result in increase/decrease in fair value by HK\$1,151,000 (2018: Nil) 倍數上升/下降5% (二零一八年: 無) 將導致公平值增加/減少1,151,000港元 (二零一八年: 無)
	Discount for lack of marketability 缺乏市場流通性折讓	2019: 19% (31 December 2018: Nil) 二零一九年: 19% (二零一八年十二月三十一日: 無)	1% (2018: Nil) increase/decrease in discount would result in decrease/increase in fair value by HK\$284,000 (2018: Nil) 折讓上升/下降1% (二零一八年: 無) 將導致公平值增加/減少284,000港元 (二零一八年: 無)
Derivative instruments 衍生工具	Equity value 權益值	2019: HK\$23,019,000 (2018: Nil) 二零一九年: 23,019,000港元 (二零一八年: 無)	1% (2018: 1%) increase/decrease in multiple would result in decrease in fair value by HK\$70,000/increase in fair value by HK\$112,000 (2018: Nil) 倍數上升/下降1% (二零一八年: 1%) 將導致公平值減少70,000港元/增加112,000港元 (二零一八年: 無)
	Volatility 波幅	2019: 43.0% (2018: Nil) 二零一九年: 43.0% (二零一八年: 無)	5% (2018: 5%) increase/decrease in multiple would result in increase in fair value by HK\$1,074,000/decrease in fair value by HK\$1,088,000 (2018: Nil) 倍數上升/下降5% (二零一八年: 5%) 將導致公平值增加1,074,000港元/減少1,088,000港元 (二零一八年: 無)

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

缺乏流通性折讓指本集團所釐定市場參與者於為投資定價時會考慮之溢價及折讓金額。

44. 金融工具之公平值及公平值層級 (續)

以下為於二零一九年及二零一八年十二月三十一日財務定量敏感度分析的重大不可觀察輸入值概要: (續)

Notes to Financial Statements • 財務報表附註

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

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2019

44. 金融工具之公平值及公平值層級 (續)

公平值層級

下表說明本集團之金融工具之公平值計量層級：

以公平值計量之資產：

於二零一九年十二月三十一日

Fair value measurement using

使用以下輸入值之公平值計量

		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場 報價 (第一級)	重大 可觀察 輸入值 (第二級)	重大 不可觀察 輸入值 (第三級)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Equity investments designated at fair value through other comprehensive income	指定為透過其他 全面收益 以公平值列賬 之權益投資	52,959	100,945	59,204	213,108
Financial assets at fair value through profit or loss	透過損益以公平值列賬 之金融資產	–	13,845	52,089	65,934
		52,959	114,790	111,293	279,042

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy (continued)****Assets measured at fair value: (continued)**

As at 31 December 2018

44. 金融工具之公平值及公平值層級 (續)**公平值層級 (續)****以公平值計量之資產：(續)**

於二零一八年十二月三十一日

		Fair value measurement using 使用以下輸入值之公平值計量			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場 報價 (第一級)	重大 可觀察 輸入值 (第二級)	重大 不可觀察 輸入值 (第三級)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Equity investments designated at fair value through other comprehensive income	指定為透過其他 全面收益 以公平值列賬 之權益投資	68,459	88,637	68,398	225,494
Financial assets at fair value through profit or loss	透過損益以公平值列賬 之金融資產	–	26,763	38,545	65,308
		68,459	115,400	106,943	290,802

Notes to Financial Statements • 財務報表附註

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

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity investments at fair value through other comprehensive income:	透過其他全面收益以公平值列賬之權益投資:		
At 1 January	於一月一日	68,398	8,126
Total losses recognised in other comprehensive income	於其他全面收益確認之總虧損	(7,846)	(13,273)
Purchases	購買	-	74,693
Exchange realignment	匯兌調整	(1,348)	(1,148)
At 31 December	於十二月三十一日	59,204	68,398

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity investments at fair value through profit or loss:	透過損益以公平值列賬之權益投資:		
At 1 January	於一月一日	38,545	38,025
Total gains recognised in profit or loss	於損益確認之總收益	3,287	3,509
Purchases	購買	11,379	2,259
Disposals	出售	-	(3,391)
Exchange realignment	匯兌調整	(1,122)	(1,857)
At 31 December	於十二月三十一日	52,089	38,545

44. 金融工具之公平值及公平值層級 (續)

公平值層級 (續)

於年內，第三級公平值計量的變動如下：

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)**Fair value hierarchy (continued)****Liabilities measured at fair value:**

The Group did not have any financial liabilities measured at fair value as at 31 December 2019.

As at 31 December 2018

44. 金融工具之公平值及公平值層級 (續)**公平值層級 (續)****按公平值計量的負債：**

於二零一九年十二月三十一日本集團並未擁有任何以公平值計量的金融負債。

於二零一八年十二月三十一日

		Fair value measurement using 使用以下輸入值之公平值計量			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場 報價 (第一級)	重大 可觀察 輸入值 (第二級)	重大 不可觀察 輸入值 (第三級)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計費用之金融負債	-	-	4,053	4,053

During the year, there were no transfers of fair value measurements between Level 1 and Level 3 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2018: Nil).

於年內，概無第一級與第三級之間的公平值計量轉移及概無第三級的金融資產及金融負債轉入及轉出(二零一八年：無)。

Notes to Financial Statements • 財務報表附註

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

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed:

As at 31 December 2019

44. 金融工具之公平值及公平值層級 (續)

公平值層級 (續)

披露公平值之負債：

二零一九年十二月三十一日

		Fair value measurement using 公平值計量使用			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
	活躍市場 之報價 (第一層)	重大 可觀察 輸入數據 (第二層)	重大 不可觀察 輸入數據 (第三層)		總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元
Interest-bearing bank and other borrowings	計息銀行及其他借款	-	109,843	-	109,843

As at 31 December 2018

二零一八年十二月三十一日

		Fair value measurement using 公平值計量使用			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
	活躍市場 之報價 (第一層)	重大 可觀察 輸入數據 (第二層)	重大 不可觀察 輸入數據 (第三層)		總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元
Interest-bearing bank and other borrowings	計息銀行及其他借款	-	187,148	-	187,148

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial assets of the Group mainly include cash and cash equivalents, restricted bank balances, trade receivables, financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income, an amount due from a related party and deposits and other receivables, which arise directly from its operations. Financial liabilities of the Group mainly include trade payables, other payables and accruals, an amount due to a related party and interest-bearing bank and other borrowings.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group's businesses are located in the PRC and most of the transactions are conducted in RMB.

The Group's exposure to foreign exchange risks was primarily related to bank balances, an amount due from a related party and other receivables denominated in CAD. The Group currently does not have a foreign currency hedging policy. It manages its foreign currency risk by closely monitoring the movements in the foreign currency rates.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in CAD exchange rate (against HK\$), with all other variables held constant, the Group's loss before tax (due to changes in the fair value of monetary assets).

45. 財務風險管理之目標及政策

本集團金融資產主要包括直接自其營運所得之現金及現金等值物、受限制銀行結餘、應收貿易賬款、透過損益以公平值列賬之金融資產、指定為透過其他全面收益以公平值列賬之權益投資、應收一名關連方款項以及按金及其他應收款項。本集團金融負債主要包括應付貿易賬款、其他應付款項及應計費用、應付一名關連方款項以及計息銀行及其他借款。

本集團財務工具之主要風險為外匯風險、信貸風險及流動資金風險。董事會檢討並協定管理此等風險之政策，茲概述如下。

外幣風險

本集團的業務位於中國且大部分交易以人民幣進行。

本集團所承受的外匯風險主要來自於以加元結算的銀行結餘、應收關連方款項及其他應收款項。本集團目前並無外幣對沖政策。其透過密切監察外幣匯率之變動管理其外幣風險。

下表列出於本報告期末本集團之除稅前溢利對於加元匯率(兌港元)在合理範圍內因貨幣資產之公平值變動而可能出現之變動的敏感度，而所有其他可變因素保持不變。

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Foreign currency risk (continued)**

		Increase/ (decrease) in HK\$/CAD rate 港元/加元匯率 上升/(下跌) %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) HK\$'000 千港元
2019	二零一九年		
If the HK\$ weakens against the CAD	倘港元兌加元貶值	5	(12,340)
If the HK\$ strengthens against the CAD	倘港元兌加元升值	(5)	12,340
2018	二零一八年		
If the HK\$ weakens against the CAD	倘港元兌加元貶值	5	(10,139)
If the HK\$ strengthens against the CAD	倘港元兌加元升值	(5)	10,139

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

45. 財務風險管理之目標及政策(續)**外幣風險(續)**

		Increase/ (decrease) in HK\$/CAD rate 港元/加元匯率 上升/(下跌) %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) HK\$'000 千港元
2019	二零一九年		
If the HK\$ weakens against the CAD	倘港元兌加元貶值	5	(12,340)
If the HK\$ strengthens against the CAD	倘港元兌加元升值	(5)	12,340
2018	二零一八年		
If the HK\$ weakens against the CAD	倘港元兌加元貶值	5	(10,139)
If the HK\$ strengthens against the CAD	倘港元兌加元升值	(5)	10,139

信貸風險

本集團僅與具知名度及良好信譽之第三方進行交易。在本集團之政策下，應收款項結餘乃按持續基準監察，故本集團所承受之壞賬風險並不重大。

最高風險及年末階段

下表載列根據本集團信貸政策並主要基於逾期資料(除非其他資料毋須付出過多成本或努力即可獲得)釐定的信貸質素及最高風險以及於十二月三十一日的年末階段分類。所呈報的金額為金融資產的總賬面值。

Notes to Financial Statements • 財務報表附註

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

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

As at 31 December 2019

45. 財務風險管理之目標及政策(續)

信貸風險(續)

於二零一九年十二月三十一日

		12-month ECLs 12個月預期信貸虧損		Lifetime ECLs 全期預期信貸虧損		
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade receivables*	應收貿易賬款*	-	-	-	41,427	41,427
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產之金融資產					
- Normal**	- 正常**	334,549	-	-	-	334,549
Due from a related party	應收一名關聯方款項	99,549	-	-	-	99,549
Cash and cash equivalents	現金及現金等值物					
- Not yet past due	- 尚未逾期	442,371	-	-	-	442,371
		876,469	-	-	41,427	917,896

Notes to Financial Statements • 財務報表附註

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

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

As at 31 December 2018

		12-month ECLs 12個月 預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損			Total 總計
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元	HK\$'000 千港元
Trade receivables*	應收貿易賬款*	–	–	–	37,565	37,565
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產之金融資產					
– Normal**	– 正常**	252,056	–	–	–	252,056
– Doubtful**	– 存疑**	–	–	44,822	–	44,822
Due from a related party	應收一名關連方款項	88,435	–	–	–	88,435
Restricted bank balances	受限制銀行存款					
– Not yet past due	– 尚未逾期	11,755	–	–	–	11,755
Cash and bank balances	現金及銀行結餘					
– Not yet past due	– 尚未逾期	764,118	–	–	–	764,118
		1,116,364	–	44,822	37,565	1,198,751

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 24 to the consolidated financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

45. 財務風險管理之目標及政策(續)

信貸風險(續)

於二零一八年十二月三十一日

* 就本集團應用簡化方法評估減值的應收貿易賬款而言，基於撥備矩陣的資料於綜合財務報表附註24披露。

** 倘計入預付款項、其他應收款項及其他資產的金融資產並無逾期及並無資料顯示金融資產的信貸風險自初次確認起大幅上升，其信貸質素將被視為「正常」。否則，金融資產的信貸質素將被視為「存疑」。

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Credit risk (continued)**

Further qualitative data in respect of the Group's exposure to credit risk arising from trade receivables and financial assets included in prepayments, other receivables and other assets are disclosed in notes 24 and 25 to the consolidated financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through bank and other borrowings and shareholder.

The maturity profile of the Group's as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

45. 財務風險管理之目標及政策(續)**信貸風險(續)**

有關本集團因計入預付款項、其他應收款項及其他資產的貿易應收款項及金融資產而面臨的信貸風險之進一步量化數據於綜合財務報表附註24及25披露。

流動資金風險

本集團通過使用經常性流動資金規劃工具監控資金短缺的風險，有關工具考慮其金融工具及金融資產的到期日，及營運所得的預測現金流量。

本集團的目的為透過銀行及其他借款以及股東維持資金持續性及靈活性的平衡。

本集團於本報告期末根據已訂約未貼現付款計算的到期情況如下：

		2019 二零一九年		
		On demand or within 1 year 按要求或 一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	35,369	-	35,369
Financial liabilities included in other payables	計入其他應付款項的金融負債	33,312	-	33,312
Interest-bearing bank and other borrowings	計息銀行及其他借款	110,037	-	110,037
Lease liabilities	租賃負債	6,327	6,238	12,565
		185,045	6,238	191,283

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Liquidity risk (continued)**

		2018 二零一八年		
		On demand or within 1 year 按要求或一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	19,338	-	19,338
Financial liabilities included in other payables	計入其他應付款項 的金融負債	118,709	2,694	121,403
Interest-bearing bank and other borrowings	計息銀行及其他借款	76,705	120,750	197,455
		214,752	123,444	338,196

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 31 December 2018.

45. 財務風險管理之目標及政策(續)**流動資金風險(續)**

		2018 二零一八年		
		On demand or within 1 year 按要求或一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	19,338	-	19,338
Financial liabilities included in other payables	計入其他應付款項 的金融負債	118,709	2,694	121,403
Interest-bearing bank and other borrowings	計息銀行及其他借款	76,705	120,750	197,455
		214,752	123,444	338,196

資本管理

本集團進行資本管理的主要目標為保障本集團能夠持續經營及保持穩健資本比率以支持其業務發展及令股東價值最大化。

本集團根據經濟狀況的變動及相關資產的風險特徵管理其資本架構並對其作出調整。為維持或調整資本架構，本集團可能調整向股東派付的股息，向股東退還資本或發行新股份。本集團毋須受任何外部資本要求規限。於截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，資本管理的目標、政策或程序概無作出任何改變。

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Capital management (continued)**

The Group monitors capital using a gearing ratio, which is interest-bearing bank borrowings and other divided by total equity. The Group's policy is to maintain the gearing ratio as low as possible. The gearing ratios as at the end of the reporting periods were as follows:

		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
Interest-bearing bank borrowings (note 30)	計息銀行借款(附註30)	109,843	187,148
Total equity	總權益	2,575,116	3,133,045
Gearing ratio	資產負債比率	4.3%	6.0%

46. EVENTS AFTER THE REPORTING PERIOD

At present, the impact of the Novel Coronavirus ("COVID-19") outbreak to the macro-economic conditions as a whole are still uncertain, thus the financial impact on the Group could not be estimated as at the date of this announcement. However, it is noted that production works of geriatric and medical furniture in outsourced factories in China could only maintain limited production or are forced to suspend in the first quarter of Year 2020 due to the outbreak of COVID-19. Certain outsourced factories currently start to resume normal operation. Pending on the development and spread of COVID-19 subsequent to the date of this announcement, further changes in economic and operating conditions arising thereof may have impact on the Group's year 2020 financial result. The Group will pay close attention to the development of the COVID-19 and perform further assessment on its impact and take relevant measures if necessary.

45. 財務風險管理之目標及政策(續)**資本管理(續)**

本集團使用資產負債比率(即計息銀行及其他借款除以總權益)監察資本。本集團的政策為維持穩定的資產負債比率。各報告期末的資產負債比率載列如下：

46. 報告期後事件

現時，爆發新型冠狀病毒(「COVID-19」)對整體宏觀經濟狀況的影響亦為未知之數，因此，未能於本報告日期對本集團的財務影響作出估計。然而，由於爆發COVID-19，於中國外判的養老及醫療適用家具的生產工序僅維持有限度生產或強制於二零二零年第一季度暫停營運。若干外判的工廠現時開始恢復正常的營運。於本報告日期隨後COVID-19形勢發展及擴散情況將進一步導致經濟及經營狀況出現變動，並或會對本集團二零二零年財務業績造成影響。本集團將密切關注COVID-19形勢發展及進行進一步評估其影響及採取相關措施(倘適用)。

46. EVENTS AFTER THE REPORTING PERIOD (continued)

On 18 January 2020, the Company and Shanghai Qumun Furniture Co. Ltd. ("Shanghai Qumun") entered into a cooperation agreement pursuant to which the Group agreed to enter into a long-term partnership with Shanghai New Qumun Furniture Co. Ltd. ("New Qumun"), a non-wholly-owned subsidiary of Shanghai Qumun, for the purpose of utilising their respective experience and resources in the furniture industry to establish a brand new healthcare furniture enterprise specialised in the areas such as medical and geriatric care, covering scientific research, design, production, sale and data management, with the concept of "healthy lifestyle" and support of "technological innovation". The details of the arrangement are still under negotiation as of the date of approval of these consolidated financial statements.

On 4 March 2020, the Group subscribed structured deposits with an aggregate amount of RMB186 million (equivalent to approximately HK\$208 million) issued by Shanghai Pudong Development Bank. The structured deposits are principal-guaranteed with variable return linked to 1-month USD LIBOR, and will become mature on 4 April 2020.

Except for the impact of the the COVID-19 outbreak, cooperation with New Qumun and the structured deposits described above, as well as disposal of Dragon Ground and BE Fortune stated in note 11 above, there are no significant events subsequent to 31 December 2019 which may materially affect the Group's operating and financial performance as of the date of approval of these consolidated financial statements.

47. COMPARATIVE AMOUNTS

As further explained in note 2.2, the Group adopted HKFRS 16 on 1 January 2019 using the modified retrospective approach. Under this approach, the comparative amounts in the financial statements were not stated and continued to be reported under the requirements of the previous standard, HKAS 17, and related interpretations.

46. 報告期後事件(續)

於二零二零年一月十八日，本公司及上海冠美傢俱有限公司(「上海冠美」)訂立合作協議，據此，本集團同意與上海冠美的非全資附屬公司上海新冠美傢俱有限公司(「新冠美」)訂立長期夥伴關係，目的為利用彼等各自於家具行業的經驗及資源以建立涵蓋科研、設計、生產、銷售及數據管理，融合「健康生活」的概念及實現「創新科技」的專門醫療及養老領域的全新醫療家具企業。安排的詳情於該等綜合財務報表的日期亦在商議中。

於二零二零年三月四日，本集團認購由上海浦東發展銀行所發行的結構性存款，賬值為人民幣186百萬元(相當於約208百萬港元)。結構性存款為保證本金並具有可變回報率，與一個月的美元倫敦銀行同業拆息掛鉤，並將於二零二零年四月四日到期。

除上述爆發COVID-19之影響、與新冠美的合作及結構性存款以及於附註11所述的龍地與北控金富的出售事項外，概無於二零一九年十二月三十一日隨後發生對本集團於該等綜合財務報表批准日期的營運及財務表現造成重大影響的重大事項。

47. 比較資料

誠如附註2.2所闡述，本集團於二零一九年一月一日採納香港財務報告準則第16號使用經修訂追溯方法。根據該方法，於財務報表的比較金額將不會入賬及繼續根據先前準則香港會計準則第17號及相關詮釋的規則呈報。

Notes to Financial Statements • 財務報表附註

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

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

48. 本公司之財務狀況表

於本報告期末有關本公司財務狀況表之資料如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	–	315
Right-of-use assets	使用權資產	1,153	–
Investments in subsidiaries	於附屬公司之投資	5,143	5,143
Investment in an associate	於一間聯營公司之投資	92,133	362,330
Equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資	153,904	157,096
Total non-current assets	非流動資產總值	252,333	524,884
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	1,923,562	1,883,478
Due from a related party	應收一名關連方款項	99,549	88,435
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	13,845	26,763
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	1,279	1,242
Cash and cash equivalents	現金及現金等值物	11,290	7,102
Total current assets	流動資產總值	2,049,525	2,007,020
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	5,690	5,386
Lease liabilities	租賃負債	1,020	–
Total current liabilities	流動負債總額	6,710	5,386
NET CURRENT ASSETS	流動資產淨值	2,042,815	2,001,634
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	2,295,148	2,526,518
Net assets	資產淨值	2,295,148	2,526,518
EQUITY	權益		
Share capital	股本	1,215,789	1,212,280
Reserves (note)	儲備(附註)	1,079,359	1,314,238
Total equity	總權益	2,295,148	2,526,518

Notes to Financial Statements • 財務報表附註

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

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account	Share option reserve	Merger reserve	Exchange fluctuation reserve	Capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
		股份溢價賬 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	合併儲備 HK\$'000 千港元	匯兌波動儲備 HK\$'000 千港元	資本儲備 HK\$'000 千港元	透過其他全面收益按公平值列賬的公平值儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
Balance 1 January 2018	於二零一八年一月一日之結餘	1,767,756	99,634	(200)	(735)	4,874	51,967	(484,073)	1,439,223
Loss for the year	年度虧損	-	-	-	-	-	-	(120,425)	(120,425)
Other comprehensive loss for the year:	年內其他全面虧損：								
Share of other comprehensive loss of an associate	分佔一間聯營公司之其他全面虧損	-	-	-	(1,551)	-	-	-	(1,551)
Change in fair value of equity investments designated at fair value through other comprehensive income	指定透過其他全面收益按公平值列賬的權益投資之公平值變動	-	-	-	-	-	(14,664)	-	(14,664)
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	(1,551)	-	(14,664)	(120,425)	(136,640)
Issue of consideration shares	發行代價股份	2,632	-	-	-	-	-	-	2,632
Equity-settled share-based payment arrangements	股權結算以股份為基礎付款安排	-	5,689	-	-	-	-	-	5,689
Transfer of share option reserve upon the expiry/forfeiture of share options	於購股權屆滿/被沒收時轉撥購股權儲備	-	(7,106)	-	-	-	-	7,106	-
Share of reserves of an associate	分佔一間聯營公司儲備	-	-	-	-	3,334	-	-	3,334
Balance 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之結餘	1,770,388	98,217	(200)	(2,286)	8,208	37,303	(597,392)	1,314,238
Loss for the year	年度虧損	-	-	-	-	-	-	(213,760)	(213,760)
Other comprehensive loss for the year:	年內其他全面虧損：								
Share of other comprehensive loss of an associate	分佔一間聯營公司之其他全面虧損	-	-	-	1,269	-	-	-	1,269
Change in fair value of equity investments designated at fair value through other comprehensive income	指定為透過其他全面收益以公平值列賬之權益投資之公平值變動	-	-	-	-	-	(23,439)	-	(23,439)
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	1,269	-	(23,439)	(213,760)	(235,930)
Issue of consideration shares	發行代價股份	754	-	-	-	-	-	-	754
Equity-settled share-based payment arrangements	股權結算以股份為基礎付款安排	-	297	-	-	-	-	-	297
At 31 December 2019	於二零一九年十二月三十一日	1,771,142	98,514	(200)	(1,017)	8,208	13,864	(811,152)	1,079,359

48. 本公司之財務狀況表(續)

附註:

本公司之儲備概要如下:

49. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 31 March 2020.

49. 財務報表之批准

財務報表已於二零二零年三月三十一日獲董事會批准及授權刊發。

Particulars of Properties

物業詳情

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

INVESTMENT PROPERTIES

投資物業

Location 地點	Use 用途	Tenure 租期	Percentage of interest attributable to the Group 本集團應佔的權益百分比
No. 2518 and No. 2538 Dongchuan Road, Minhang District, Shanghai, China 中國上海閔行區東川路2518號和2538號	Retail and car parking spaces 零售及停車地方	Medium term lease 中期租賃	100%
No. 2-16, Lane 480 Ruili Road, Minhang District, Shanghai, China 中國上海閔行區瑞麗路480號2-16號	Retail 零售	Medium term lease 中期租賃	100%

PROPERTIES UNDER DEVELOPMENT

在建物業

Location 地點	Use 用途	Site area 地面面積 (sq.m.) (平方米)	Gross floor area 總建築面積 (sq.m.) (平方米)	Stage of completion 竣工階段	Expected completion date 預期竣工日期	Attributable interest of the Group 本集團應佔權益
Center District, Haidong, Dali, China 中國大理海東中心區	Commercial 商用	275,000	N/A 不適用	Property under development 在建物業	N/A 不適用	60%
No. 1699, Hongmei South Road, Minhang District, Shanghai 上海閔行區虹梅南路1699號	Commercial 商用	39,448	N/A 不適用	Property under development 在建物業	N/A 不適用	100%



北控醫療健康產業集團有限公司
Beijing Enterprises Medical And Health Industry Group Limited

