



SYMPHONY

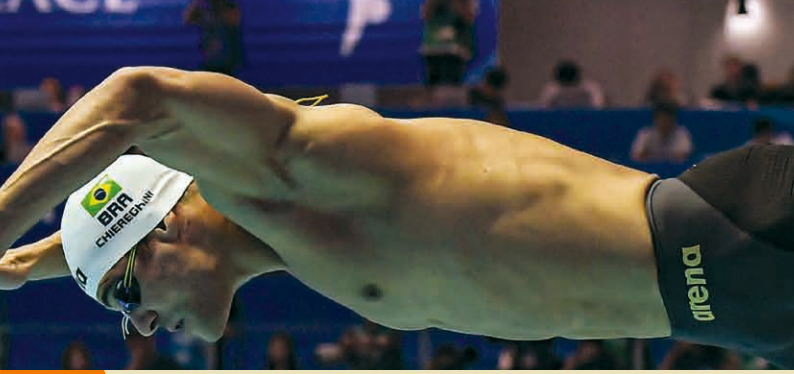
新豐集團有限公司

SYMPHONY HOLDINGS LIMITED

STOCK CODE 股份代號 01223



PARK OUTLETS
尚柏奧萊



ANNUAL REPORT 2019

年度報告





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CHAIRMAN'S STATEMENT 主席報告



Despite the challenging external business environment including uncertainties in global political and economic environment and slowdown in the PRC economic growth, the Group strove to seize development opportunities arising from the new market trend through in-depth analysis on our own businesses and the industry. The Chinese consumers have entered the era of rational consumption with emphasis on product quality, reasonable pricing and experience consumption. In addition, following the worldwide passion for sports and health, the PRC government also attached great importance to the nationwide sports and fitness undertaking and actively promoted the development of sports industry in recent years. In view of this, the Group captured the opportunity to expand its brand and retail business. 雖然面對全球政經不穩定、中國經濟發展增速放緩等外部營商環境重重挑戰，集團確信危中自有機，通過對自身業務及行業深入分析，在新形勢下抓住發展機遇。中國消費者已進入理性消費時代，追求產品品質、合理定價及體驗享受型消費。另外，運動與健康不僅是全球趨勢，國家近年來亦致力推廣全民體育健身及促進運動產業，正是集團品牌及零售之發展方向。



In 2019, despite the shadow of the China-U.S. trade war, China's economy still managed to achieve a moderate growth. The total retail sales of consumer goods exceeded RMB40 trillion for the first time, representing an increase of 8% over last year, becoming the greatest driver of China's economic growth for 6 consecutive years. In recent years, the Group has been committed to promoting the sports and retail business in response to the nationwide advocacy of the "Sports for All (全民運動)", and has established "Mass Consumption" as its future development direction to thoroughly explore and unlock consumers' demand potential.

2019年，在中美貿易戰的陰霾下，中國經濟依然取得一定幅度的增長，社會消費品零售總額首次突破40萬億元，較去年增加8%，連續6年成為拉動中國經濟增長的第一引擎。本集團近年致力推廣運動與零售產業，積極響應各國「全民運動」的倡導，並且確立以「大消費」概念作為集團未來的發展方向，深入挖掘與激發消費者的需求潛力。

In view of the growing demand for sportswear throughout the world, the Group completed the acquisition of the global trademarks and patents of compression wear brand “SKINS” in September 2019, to further expand the sports brand business and the Group's strategic layout. It is expected that the brand will contribute stable revenue to the Group in the coming year. During the year, the Group explored its own brand “PONY” with global trading partners, and will gradually adjust its business strategy in the future to tap the opportunities brought by the current resurgence of sports trend. Furthermore, the “arena” swimming brand, a joint venture of the Group in China, maintained a steady sales growth during the year. In the future, the Group will launch more new products and collaboration series to further increase the brand's market share.

In addition, the Group's Park Outlets project in Xiamen was officially open for business in the fourth quarter of 2019, providing a pleasant place for daily shopping and weekend trips for over 20 million residents in Xiamen, Zhangzhou and Quanzhou. As many as 150,000 customers visited Xiamen Park Outlets in the first week, laying a sound foundation for future operation and development. It is expected that more famous brands will be attracted to the outlets. Meanwhile, the Group's Shenyang Park Outlets project in Liaoning Province, improved its operating efficiency by making effective use of certain commercial area after an early reconstruction. The Group has planned to expand the commercial area in the north zone of its shopping mall in the coming year to expand the management scale of the outlets. Moreover, the CITS Park Outlets in Anyang has developed into a landmark shopping mall that provides one-stop shopping and entertainment experience to nearby residents.

有見全球運動服飾的需求日益增長，本集團於2019年9月完成收購壓縮衣品牌「SKINS」的全球商標與專利，以進一步拓展運動品牌事業與戰略佈局，預期來年將為本集團貢獻持續穩定的收入；其次，本集團在年內已就自有品牌「PONY」與全球貿易夥伴進行探討，往後將逐步調整經營策略，以把握當前運動品牌復興潮流帶來的機遇；再者，本集團在中國合資經營的「arena」游泳品牌，年內銷售額保持穩定增長，未來還將推出更多新產品及聯乘系列，持續提升品牌的市場佔有率。

除此之外，本集團旗下位於廈門市的尚柏奧特萊斯項目，已於2019年第四季度正式開業，為廈漳泉2,000多萬居民提供日常消費與週末出行的好去處。首週來訪廈門尚柏奧萊的顧客高達150,000人次，成功為往後的營運發展奠定良好基礎，預期未來將吸引更多優質品牌進駐。與此同時，本集團旗下位於遼寧省的瀋陽尚柏奧特萊斯項目，年內改建後活化部分商業面積，使經營效率得以有效提升，計劃來年將擴張商場北區經營面積，以進一步增加奧特萊斯的管理規模。再者，本集團旗下位於安陽市的尚柏國旅奧特萊斯項目，已發展成為當地的地標性購物中心，為鄰近居民提供一站式購物和娛樂體驗。



Additionally, the Group holds two community malls in Tianjin and Chongqing, have provided great convenience for citizens living in the communities. Their prominent locations and complete transport facilities will allow them to draw in steady traffic. After years of hard work, the Group has developed "Park Outlets" into a chain outlet brand in China with a variety of large shopping malls and community malls.

Global political and economic situation remain uncertain in 2020. Meanwhile, with the impact of the novel coronavirus epidemic spreading across the world, global economic growth may further slowdown, which is expected to have a temporary impact on the Group's future operating results. However, the Group still considers 2020 a starting point for the new decade, and will adhere to the development strategy of "sports brand + retail" in the past and continue to prioritize improvement of its brand management and expansion of retail scale. Finally, the Group would like to express our sincere appreciation for the support of our partners, brand tenants and customers, as well as the efforts and contributions of all employees in the past year. In the coming year, the Group will surely be able to achieve better results and continue to maximize the value for our shareholders and investors.

MANAGEMENT DISCUSSION AND ANALYSIS

MACRO ANALYSIS

In 2019, sports consumption became a buzzword as the State Council issued the Opinions on Promoting National Fitness and Sports Consumption, and Facilitating High-quality Development of the Sports Industry to put forward 10 measures, including the introduction of policies to encourage sports consumption and the launch of pilot projects to promote with an aim to boost the prosperity of the retail industry. As the concept of national fitness campaign is taking hold, sports consumption activities such as purchasing equipment, participating in training, experiencing fashionable sports and matches are gaining popularity in people's daily life.

另外，本集團還持有兩個分別位於天津市及重慶市的社區商場，為居住在社區的市民提供極大的便利，憑藉其優越的區域位置與完善的交通配套，將持續為項目帶來穩定的人流。歷經數年的努力耕耘，「尚柏奧萊」在中國已發展成為一個擁有多個大型購物商場和社區商場的連鎖奧特萊斯品牌。

縱觀全球政經局勢在2020年不太明朗，在新冠疫情於全球持續擴散的影響下，環球經濟增長可能會進一步放緩，預計或將對集團未來的經營業績造成暫時性影響。然而，本集團仍視2020年為一個新10年的起點，並將秉承過去「運動品牌+零售」的發展策略，繼續以深化品牌經營和做大零售規模為首要目標，積極開拓新的利潤增長點。最後，本集團衷心感謝一直以來支持我們的合作夥伴、品牌商和顧客，以及全體員工在過去一年所付出的努力及貢獻，來年我們定必能夠再創佳績，繼續為集團的股東和投資者創造最大價值。

管理層討論與分析

宏觀分析

剛剛過去的2019年，體育消費成為熱門詞，國務院印發了《關於促進全民健身和體育消費推動體育產業高品質發展的意見》，並提出10項舉措，包括出臺鼓勵其消費政策，開展促進體育消費試點，以促進零售行業蓬勃發展。隨著全民健身的觀念日漸深入人心，購買裝備、參與培訓、體驗時尚運動、觀看比賽等體育消費內容正在成為百姓日常生活的新熱點。

MARKET TRENDS

According to Frost & Sullivan, the world's largest enterprise growth consulting company, Chinese residents' engagement in sports and consumption of sneakers and clothing still have much room for growth compared with developed countries. With increasing engagement in sports and rising consumption of sneakers and clothing, the Group expects that the unfulfilled demand will continue to drive the future development of China's sports retail industry.

In the age of the internet, health has become new wealth for people. Nationwide participation in fitness activities has become a trend, and people start to develop living habits that emphasise health and personal appearance, driving the robust demand for sports and leisure clothing.

ENTERING THE FIELDS OF PROFESSIONAL SPORTS

During the year, the Group successfully acquired SKINS, an international brand that designs and manufactures compression garments for athletes and sports enthusiasts. It has more than 900 trademarks and patents of different categories and sells over 160 kinds of compression products in major countries and regions across the world. Currently, the Group is actively exploring partnership with Asian business giants to jointly operate the global business of SKINS, which is expected to bring stable and decent revenue to the Group.

THE RISE OF SNEAKER & CLOTHING

Recent years, the combination of sports and fashion, brand story communication and personalised wear have led the trends of the times, boosting the penetration of shoes and clothing. The Group's sport brand "PONY" has a history of more than 45 years and has won recognition and support from many sports superstars. After adjusting its business model in the coming year, it is expected to become a growth driver of the Group's retail business.

市場趨勢

根據全球最大的企業增長諮詢公司Frost & Sullivan統計，在運動參與程度上，中國居民參與運動以及消費運動鞋服的程度相比發達國家仍有較大提升空間。隨著運動參與程度的提升和居民消費運動鞋服比例的上升，集團預計未被滿足的消費需求將繼續為中國體育零售行業的未來發展提供了增長空間。

踏入互聯網時代，健康成為了人們新的財富。全民參與健身已成為未來趨勢，促使運動休閒服飾逐漸演變成一種剛性需求，人們亦開始培養了注重健康和個人外觀的生活習慣。

進軍專業運動領域

集團於年內成功收購國際品牌—SKINS，是一個專為運動員和體育愛好者設計及製造壓縮衣的品牌，擁有超過900個不同類別的商標及專利，在全球主要國家和地區銷售逾160種壓縮產品。現時，集團正積極探討與亞洲商業巨擘展開合作，共同經營「SKINS」全球業務，預期將為集團帶來穩定可觀的收入。

時尚運動鞋服興起

近年來，運動與時尚互相結合，品牌故事傳播與個性化穿著引領著時代的潮流，無疑提升了時尚運動鞋服的滲透率。集團旗下「PONY」運動品牌，擁有超過45年的發展歷史，曾獲得多位運動巨星認可和支援，來年調整經營模式後將有望成為集團零售業務的增長點。

BOOMING SWIMMING INDUSTRY

In 2017, the Group set up a joint venture with Descente Limited (Japan) to operate the brand “arena” in the Chinese market. Since then, its sales have been growing steadily. In the future, the Group will continue to optimise its product design and launch co-branded series to consolidate the leading position of “arena” in China’s swimming market. In addition, the Group will build a platform to promote swimming business by providing training courses mainly for young students.

OPENING OF PARK OUTLETS

Xiamen Park Outlets, a flagship project of the Group in Fujian Province, officially opened for business in November 2019. As of now, over 200 brands have opened stores in the Outlets, including international affordable luxury brands, first-class domestic and overseas sports brands, outdoor brands, leisure and fashion brands, and children wear brands, attracting residents of Xiamen and neighboring cities such as Zhangzhou and Quanzhou to visit. Another Park Outlets located in Shenyang, Liaoning Province, is also performing quite well by following the gradual delivery of residential units in surrounding communities. The Group has kicked off a plan to expand the commercial area in the north zone of the mall in the coming year. The Group believes that as more and more international brands enter the mall, it will grow in popularity and help improve the business atmosphere and consumption level in Shenyang. Moreover, the Group also owns the CITS Park Outlets project in Anyang, Henan Province. It has attracted more than 100 well-known domestic and foreign brands, providing local residents with one-stop shopping and entertainment experience.



游泳產業蓬勃發展

集團自2017年與日本迪桑特株式會社成立合資公司，共同經營「arena」中國市場始，銷售額便取得穩定的增長，未來會繼續優化產品設計及推出品牌聯乘系列，以鞏固「arena」在中國游泳市場的領先地位。此外，集團還將建立自有平臺以推廣游泳產業，開展以青少年學生為主的培訓課程。

尚柏奧特萊斯運營

廈門尚柏奧特萊斯作為集團於福建省的旗艦項目，已於2019年11月正式營業。目前已進駐超過200個品牌，集國際輕奢、國內外一線運動品牌、戶外用品、休閒及時尚潮牌與兒童等多種業態組合，吸引了廈門、漳州及泉州等鄰近城市的居民前來購物。而另一個位於遼寧省瀋陽市的尚柏奧特萊斯，現時的經營表現相當理想，周邊住宅小區已相繼交付，集團亦啟動了擴建商場北區商業面積計劃。集團相信隨著愈來愈多的國際品牌進駐，屆時將吸引更多人氣聚集，有助提升瀋陽市的商圈氛圍和消費檔次。再者，集團還持有位於河南省安陽市的尚柏國旅奧特萊斯項目，現時已有過百個國內外知名品牌進駐，為當地居民提供一站式購物與娛樂體驗。



In addition, the two community malls located in Chongqing and Tianjin invested and managed by the Group are running smoothly for the better. During the year, a series of measures were implemented to optimise the brand and business mix of merchants, so as to boost sales per sq.m. of these malls. The Group will employ up-to-date operating strategies and technology to understand the basic information of mall visitors and the profile of consumers, analyse customer behaviours in multiple dimensions, and make accurate matches in a timely manner, so as to promote the deep integration of interactions with online and offline consumers.

RISING HEALTH AWARENESS

Benefitting from the increasing health awareness of consumers, health-related industries have developed rapidly in recent years. In 2018, the Group completed the acquisition of Supremium Bio-Technology Limited, a health product manufacturer which provides more than 1,000 independently developed and licensed products for local retail networks to meet consumer demand for health products. However, a drastic drop in outdoor activities during the COVID-19 outbreak will have an impact on the local retail business. The Group expects that after the incident, health awareness amongst all will further increase, thus revitalizing offline retail business.

DEVELOPMENT OF FINANCIAL BUSINESS

The Special Purpose Acquisition Company which was established by the Group in partnership with an international fund in 2018, completed the merger with a mobile digital media company in February 2020. Its main business model is to provide novel shopping experience through the integration of different lifestyle contents, including short videos, online variety shows, online TV shows, live broadcasts and mobile applications on business and entertainment platforms, which will be beneficial to the Group's brand expansion in China.

此外，集團投資管理的兩個位於重慶市及天津市的社區商場，目前經營情況穩定向好，年內已實施多項優化商戶品牌及業態組合的措施，以進一步提升尚柏社區商場的經營坪效。集團還會持續透過與時併進的營運策略及科技，瞭解商場訪客的基本資料和消費者概況，多維度分析顧客行為，並及時作出精準匹配，以促進線上線下消費者互動的深入整合。

健康意識提高

得益於消費者養生意識的日益提高，近年來圍繞保健養生的行業得以蓬勃發展。集團於2018年完成收購一間保健產品製造商—展圖生物科技有限公司，為本地零售網絡提供逾千種自主研发和代理的產品，滿足消費者對保健養生的消費需求。然而，疫情爆發期間，居民外出大幅減少將對本地零售業務造成影響，集團期望事件過後，全民健康意識將進一步提升，使得線下零售恢復活力。

金融業務發展

集團在2018年聯手國際基金成立之特殊目的收購公司，並於2020年2月完成合併一間移動數字媒體公司的業務，其主要的商業模式是在商務和娛樂平臺上，透過整合不同的生活內容，包括短視頻、線上綜藝節目、線上電視劇、直播和移動應用，為人們帶來嶄新的購物體驗，日後將有利於集團在中國的品牌拓展。

OUTLOOK

The COVID-19 outbreak has substantially reduced people's outdoor activities, resulting in a sharp drop in outdoor sports activities, gym and other indoor multi-person workouts. Yet, the Group is still optimistic about the medium and long-term development of China's sports market and expects to provide diversified products and services to consumers by constantly improving its business strength. Looking forward to 2020, amid the transformation of the retail industry, the Group will continue to deepen its brand business, enhance its capabilities in business operations, and offer more services to brand owners and consumers to achieve stable and sustainable operations, in an effort to create maximum value for our customers and shareholders.

APPRECIATION

I would take this opportunity to extend my gratitude to my fellow directors, members of our staff, banks, customers and business partners for their continuous trust and support to the Group. I hope the management and all our colleagues will continue to contribute to the business and performance of the Group in 2020.

未來展望

儘管公共衛生事件爆發以來，居民外出大幅減少，各項室外運動、健身房等室內多人運動均出現明顯下降，但集團仍然對中國體育運動市場的中長期發展抱持樂觀態度，期望透過不斷提升自身運營實力，為消費者提供多樣性的產品與服務。展望二零二零年，在消費零售行業變革的背景下，集團將持續深化品牌業務，進一步提升業務營運的管理能力，為品牌商和消費者提供更多服務，實現穩定且可持續發展的經營目標，為我們的顧客和股東創造最大價值。

致謝

本人籍此機會感謝各位董事、集團員工、銀行、客戶及業務夥伴一貫的信任及支持。期望在2020年，管理層及全體同事能夠繼續竭盡全力為加強集團的業務及效益出謀獻策。



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**OPERATION
REVIEW
業務回顧**



FINANCIAL REVIEW

The Group's turnover for the year ended 31 December 2019 slightly increased from HKD381.8 million to HKD388.9 million mainly attributable to the opening of Xiamen outlet mall.

The Group's gross margin was 72% for the year ended 31 December 2019 as compared to 68% for the previous year largely due to growth in turnover in outlet mall segment and financial services segment.

Other income and gains decreased from HK\$168.6 million to HK\$132.4 million mainly due to occurrence of the one-off gain from disposal of subsidiaries and investment properties in 2018, and (i) the fair value gain on financial assets at fair value through profit or loss and (ii) the gain on write back of other payables in 2019.

財務回顧

截至2019年12月31日止年度，本集團的營業額由381.8百萬港元稍微地增加至388.9百萬港元，主要歸因於廈門奧特萊斯開業。

截至2019年12月31日止年度，本集團的毛利率為72%，而去年則為68%，主要由於奧特萊斯分部及金融服務分部的營業額有所增長所致。

其他收入及收益由168.6百萬港元減少至132.4百萬港元，主要由於於2018年出售附屬公司及投資物業而獲得的一次性收益，及於2019年(i)按公平價值列入損益的金融資產之公平價值收益及(ii)回撥其他應付賬款的收益所致。



Administrative expenses fell from HK\$164.4 million to HK\$129.7 million due to (a) better cost control, and (b) exclusion of rental expenses under the adoption of HKFRS 16 “Leases” (“HKFRS 16”).

Finance costs moved up from HK\$33.9 million to HK\$53.7 million mostly due to (i) increase in bank interest rate, (ii) increase in bank borrowings, and (iii) interests on lease payment under the adoption of HKFRS 16.

Fair value gain of investments properties decreased from HK\$112.3 million to HK\$44.2 million in response to market conditions.

As a result, profit for the year attributable to the owners of the Company decreased from HK\$118.2 million to HK\$71.7 million.

Surplus arising on revaluation of properties increased from HK\$29.2 million to HK\$452.3 million was mainly attributable to the valuation gain as a result of the completion of Xiamen outlet mall of HK\$370.3 million and the improved value of other properties in Shenyang, Hong Kong and Shanghai.

Property, plant and equipment increased from HK\$857.4 million to HK\$1,688.1 million mainly reflecting the aforesaid completion of Xiamen outlet mall, which was then accounted at fair value as at 31 December 2019, and as a result of other revalued properties.

As at 31 December 2018, Xiamen outlet mall was booked under construction in progress amounting to HK\$184.8 million. During the year 2019, further construction costs of HK\$401.4 million was added. In November 2019, Xiamen outlet mall was completed with total construction costs, after exchange loss of HK\$3.1 million, of HK\$583.1 million. Up to 31 December 2019, depreciation and exchange realignment for Xiamen outlet mall amounted to HK\$1.2 million. As to the accounting policy over buildings under property, plant and equipment, the Group adopts a revaluation model. Accordingly, Xiamen outlet mall was revalued by 31 December 2019 with a valuation gain of HK\$370.3 million. In aggregate, the increase of carrying amount of Xiamen outlet mall for the year 2019 was HK\$767.4 million.

由於(a)更好的成本控制；及(b)排除經採立香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)的租金開支所致，行政開支由164.4百萬港元跌至129.7百萬港元。

融資成本由33.9百萬港元升至53.7百萬港元，主要是由於(i)銀行利率增加，(ii)銀行貸款增加及(iii)經採納香港財務報告準則第16號下的租賃款項的利息所致。

因應市況，投資物業的公平價值收益由112.3百萬港元減少至44.2百萬港元。

因此，本公司擁有人應佔全年溢利由118.2百萬港元減少至71.7百萬港元。

物業重估所產生之盈餘由29.2百萬港元增加至452.3百萬港元，主要歸因於廈門奧特萊斯完工增值370.3百萬港元及位於瀋陽、香港及上海的其他物業價值提升。

物業、廠房及設備由857.4百萬港元增加至1,688.1百萬港元，主要反映當時於2019年12月31日按公平價值入賬前述的廈門奧特萊斯完工，及由於其他重估物業所致。

於2018年12月31日，廈門奧特萊斯確認為在建工程總額為184.8百萬港元。於2019年內，進一步增加建造成本401.4百萬港元。於2019年11月，廈門奧特萊斯完工，其總建造成本為583.1百萬港元(經扣除匯兌虧損3.2百萬港元)。截至2019年12月31日，廈門奧特萊斯的折舊及匯兌重列金額為1.2百萬港元。就物業、廠房及設備下之樓宇會計政策而言，本集團採納估值模型。因此，廈門奧特萊斯已於2019年12月31日獲重新估值，估值收益為370.3百萬港元。於2019年，廈門奧特萊斯合共增加其賬面值767.4百萬港元。

Investment properties rose from HK\$1,319.5 million to HK\$1,503.3 million as a result of the fair value gain of investment properties during the year and the adoption of HKFRS 16 recognising the lease arrangement for the commercial property in Tianjin as investment properties.

Right-of-use assets of HK\$495.5 million was recorded due to the adoption of HKFRS 16 and inclusion of the finance-leased assets and prepaid lease payments.

Intangible assets increased from HK\$199.5 million to HK\$241.5 million mainly attributable to the acquisition of SKINS global trademarks and patents.

Trade and other receivables fell from HK\$513.6 million to HK\$190.4 million mainly due to the receipt of the remaining 50% consideration arising from the disposals of three parcels of land in Shenyang.

Financial assets at fair value through profit or loss increased from HK\$72.5 million to HK\$240.9 million as a result of increase of portfolio and net fair value gain of financial assets.

As a result, total assets of the Group increased from HK\$4,353.5 million to HK\$5,160.4 million.

Due to the adoption of HKFRS 16 during the year, lease liabilities in the amount of HK\$184.9 million was recorded with inclusion of finance lease payables.

Total bank borrowings increased from HK\$1,281.1 million to HK\$1,410.9 million as a result of the increase in bank borrowing to finance the Xiamen outlet mall.

Deferred tax liabilities increased from HK\$169.5 million to HK\$287.1 million mainly attributable to surplus arising on revaluation of Xiamen outlet mall and increase in fair value gain of investment properties.

As a result, total liabilities of the Group moved from HK\$1,739.6 million to HK\$2,232.1 million.

投資物業由1,319.5百萬港元增加至1,503.3百萬港元是由於年內投資物業的公平價值收益及經採納香港財務報告準則第16號將天津商業物業的租賃安排確認為投資物業所致。

由於採納香港財務報告準則第16號及計入融資租賃資產及預付租賃款項，導致錄得使用權資產為495.5百萬港元。

無形資產由199.5百萬港元增加至241.5百萬港元主要歸因於收購SKINS全球商標及專利所致。

貿易及其他應收賬款由513.6百萬港元下跌至190.4百萬港元主要是由於收到出售瀋陽三幅土地所餘下的50%代價款項所致。

由於組合及金融資產公平價值收益淨值增加，按公平價值列入損益的金融資產由72.5百萬港元增加至240.9百萬港元。

因此，本集團的總資產由4,353.5百萬港元增加至5,160.4百萬港元。

由於年內經採納香港財務報告準則第16號，因而錄得租賃負債金額為184.9百萬港元，包括應付其融資租賃。

銀行貸款總額由1,281.1百萬港元增加至1,410.9百萬港元，是由於增加銀行貸款以融資其廈門奧特萊斯項目。

遞延稅項負債由169.5百萬港元增加至287.1百萬港元主要歸因於重估廈門奧特萊斯產生之盈餘及投資物業的公平價值收益增加所致。

因此，本集團的總負債由1,739.6百萬港元變為2,232.1百萬港元。

MARKET INFORMATION

During the year, revenue from the People's Republic of China (the "PRC"), Hong Kong and other Asian countries comprised 97.4% (2018: 97.1%) of the total revenue with the remaining 2.6% (2018: 2.9%) shared between United States of America and other countries.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2019, the Group had bank balances and cash of HKD129,791,000 (2018: HKD131,590,000). The Group was offered banking facilities amounting to HKD1,426,004,000 (2018: HKD1,419,409,000).

As at 31 December 2019, the Group obtained bank borrowings in the amount of HKD1,410,901,000 (2018: HKD1,281,054,000). The Group has variable interest rate bank borrowings which carry interest ranging from 4.10% to 6.03% (2018: 2.38% to 5.94%) per annum. The weighted average effective interest rate of the Group's bank loans is 4.7% (2018: 4% per annum).

Debt to total assets ratio stood at 27.4% (2018: 29.6%), based on total bank borrowings over total assets. The banking facilities were secured by corporate guarantees from the Company and certain of its subsidiaries, charge over certain restricted bank deposits, certain right-of-use assets (2018: prepaid lease payments), certain leasehold land and buildings, and certain investment properties of the Group.

市場資訊

於年內，來自中華人民共和國（「中國」）、香港及其他亞洲國家的收入佔總收入約97.4%（2018年：97.1%），而餘下的2.6%（2018年：2.9%）則來自美國及其他國家。

流動資金及資本來源

於2019年12月31日，本集團的銀行結餘及現金為129,791,000港元（2018年：131,590,000港元）。銀行為本集團提供的銀行融資額度達1,426,004,000港元（2018年：1,419,409,000港元）。

於2019年12月31日，本集團取得銀行貸款的金額為1,410,901,000港元（2018年：1,281,054,000港元）。本集團的浮動利率銀行貸款的每年利息為4.10%至6.03%（2018：2.38%至5.94%）。本集團銀行貸款的加權平均實際每年利率為4.7%（2018年：4%）。

債項對總資產比率為27.4%（2018年：29.6%），是基於銀行貸款總額對總資產計算。銀行融資額度是由本公司及其若干附屬公司提供企業擔保，並以本集團若干受限制銀行存款、若干使用權資產（2018：預付租賃款項）、若干租賃土地及樓宇以及若干投資物業作抵押。



CHARGES ON GROUP ASSETS

The Group had pledged certain of its leasehold land and buildings, investment properties, right-of-use assets (2018: prepaid lease payments) and restricted bank deposits, with carrying amounts of approximately HKD282,000,000, HKD1,314,428,000, HKD269,063,000 and HKD37,174,000 (2018: HKD273,000,000, HKD1,305,971,000, HKD281,470,000 and HKD31,396,000) respectively, to secure banking facilities granted to the Group of approximately HKD1,416,004,000 (2018: HKD1,409,409,000).

CAPITAL COMMITMENTS

As at 31 December 2018 and 2019, the Group had the following material contractual commitments not provided for in the consolidated financial statements:

本集團的資產質押

本集團已抵押其若干租賃土地及樓宇、投資物業、使用權資產(2018年:預付租賃款項)及受限制銀行存款,賬面值分別約為282,000,000港元、1,314,428,000港元、269,063,000港元及37,174,000港元(2018年:273,000,000港元、1,305,971,000港元、281,470,000港元及31,396,000港元),用以擔保給予集團的銀行額度約1,416,004,000港元(2018年:1,409,409,000港元)。

資本承擔

於2018年及2019年12月31日,本集團擁有以下於綜合財務報表內並未撥備的重大合約性承擔:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Contracted for but not provided:			
	已訂立合約但未撥備:		
– Capital contribution of unlisted equity investment outside Hong Kong	– 香港境外非上市的股本投資之資本投入	51,415	51,682
– Construction costs of located in Shanyong and Xiamen, the PRC outlet malls buildings	– 位於瀋陽及廈門奧特萊斯的建造成本	–	199,605
		<u>51,415</u>	<u>251,287</u>

CONTINGENT LIABILITIES

Details of potential tax liabilities in connection with the potential penalty arising from the late filing of the PRC tax returns for the PRC Enterprise Income Tax is disclosed in Note 9 to the consolidated financial statements.

或然負債

與較晚為中國企業所得稅而提交中國納稅申報表所產生之潛在罰款相關的潛在稅務責任之詳情披露於綜合財務報表附註9內。

HUMAN RESOURCES

As at 31 December 2019, the total number of employees of the Group was 465 (2018: 454). Employee costs (excluding directors' emoluments) amounted to approximately HKD72,878,000 (2018: HKD75,171,000).

In addition to competitive remuneration packages, double pay and employee share options were offered to eligible staff of the Group based on their performance and individual merits.

SHARE OPTION SCHEME

No share-based payment expense for the year ended 31 December 2019 was recognised in relation to the grant of share options. For the year ended 31 December 2018, the share-based payment expense of approximately HKD328,000 was recognised at HKD0.068 per share options granted by the Company.

There has been no change in the Group's share option scheme (the "Scheme"), details of which are disclosed in the Company's annual report for the year ended 31 December 2018. During the year ended 31 December 2019, no share option was granted under the Scheme and therefore no unrecognised share-based payment expense expenses was recognised during the year ended 31 December 2019 (2018: HKD328,000).

Particulars of the Scheme are set out in Note 35 to the consolidated financial statements.

人力資源

於2019年12月31日，本集團的僱員總數為465（2018年：454人）。僱員成本（不包括董事袍金）約為72,878,000港元（2018年：75,171,000港元）。

本集團合資格員工除享有具競爭力的薪酬外，亦可依據全體表現及個人貢獻獲發年終雙糧及僱員購股權。

購股權計劃

截至2019年12月31日止，並沒有以股份支付的開支獲得確認。截至2018年12月31日止年度，公司授出購股權價值為每股0.068港元，並確認以股份支付的開支為約328,000港元。

本集團的購股權計劃（「該計劃」）未有變動，有關詳情於本公司截至2018年12月31日止年度報告披露。於截至2019年12月31日止年度，並無授出任何購股權，因此沒有未確認之以股份支付的開支獲得確認（2018年：約328,000港元）。

該計劃詳情載於綜合財務報表附註35。



EXECUTIVE DIRECTORS

Mr. Cheng Tun Nei, aged 56, Chairman and Chief Executive Officer (appointed on 15 December 2014 and elected as the Chairman on 23 December 2014, he was re-elected on 9 June 2017)

Mr. Cheng was further appointed as Chief Executive Officer on 30 September 2015.

He is an experienced investor in securities and also a seasoned businessman engaging in securities and financing, consultancy, hotel investment, real estate investment and development, import and export of cigarettes, perfume and cosmetic products business for many years. He is also a director of Goldsilk Capital Limited (“Goldsilk”). Goldsilk is a substantial shareholder of the Company under the Securities and Futures Ordinance.

Mr. Cheng has been appointed as the executive director and chairman of the investment and management committee of Lamtex Holdings Limited (HKSE: 1041) on 19 March 2020. The company is listed on the Stock Exchange.

Mr. Chan Kar Lee Gary, aged 64 (appointed on 2 January 2014 and was re-elected on 9 June 2017 and 14 June 2019)

Mr. Chan was further appointed as Chief Operating Officer on 1 November 2014 overseeing all business units of the Group.

He possesses over 35 years of professional experience in marketing, sales, distribution and management in fast moving consumer goods with multi-national corporations such as LVMH, British American Tobacco and Imperial Tobacco Group.

Mr. Chan holds an EMBA degree awarded jointly by the HKUST Business School and the Kellogg School of Management of Northwestern University. He has also attended management courses at Stanford Law School, Harvard Business School, The Wharton School.

執行董事

鄭盾尼先生，56歲，主席及首席執行官（於2014年12月15日獲委任，並於2014年12月23日獲選為主席，其於2017年6月9日獲重選）

鄭先生自2015年9月30日起擔任首席執行官。

彼為一名具有豐富投資證券經驗的投資者及資深商人，多年來從事證券金融、顧問服務、酒店投資、房地產投資發展及煙草、香水及化妝品出入口業務。鄭先生亦為Goldsilk Capital Limited（「Goldsilk」）的董事，根據證券及期貨條例，Goldsilk被視為本公司的主要股東。

鄭先生於2020年3月19日獲委任為林達控股有限公司（股份編號：1041）的執行董事及投資及管理委員會主席。該公司於聯交所上市。

陳嘉利先生，64歲（於2014年1月2日獲委任及於2017年6月9日及2019年6月14日獲重選）

陳先生自2014年11月1日起擔任首席營運官，負責管理集團旗下所有業務部門。

他擁有逾35年的專業經驗，曾任職酩悅軒尼詩、英美煙草集團及帝國煙草集團等跨國公司，負責快速消費品之推廣、銷售、分銷及管理。

陳先生持有香港科技大學工商管理學院與美國西北大學凱洛格管理學院合辦之EMBA學位。彼亦曾於史丹福法學院、哈佛商學院及華頓商學院進修管理課程。

Mr. Lee Cheung Ming, aged 48, joined the Group in September 2014.

Mr. Lee was appointed as Executive Director on 1 January 2019.

He is responsible for the property development and investment in the People's Republic of China of the Group.

Mr. Lee possesses almost 20 years of experience in hotel and real estate development cum investment in Mainland China.

He completed a business administration course with the Beijing Economy Management Distance Learning College.

Mr. Lee is the brother-in-law of Mr. Cheng Tun Nei, the Chairman and substantial shareholder of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Shum Pui Kay, aged 71 (appointed on 27 November 2013 and was re-elected on 8 June 2018)

He possesses over 30 years of experience in the retailing and distribution of luxurious goods. He was instrumental in the establishment and expansion of the renowned French leather good brand Longchamp in the Asia Pacific region and has served as the Chairman of the Asia Pacific region of the brand Longchamp since 1978.

Mr. Wah Wang Kei Jackie, aged 53 (appointed on 27 November 2013 and was re-elected on 10 June 2016 and 14 June 2019)

He graduated from The University of Hong Kong in 1990 and was qualified as a solicitor in 1992. Up until 1997, Mr. Wah was a partner of a Hong Kong law firm. He is currently an executive director of CST Group Limited (formerly known as NetMind Financial Holdings Limited) (HKSE: 985). Mr. Wah used to serve as the executive director of G-Resources Group Limited (HKSE: 1051) until he retired on 15 June 2018. The aforesaid companies are listed on the Stock Exchange.

李長銘先生，48歲，自2014年9月加入本集團。

彼於2019年1月1日獲委任為執行董事。

他負責本集團於中國的物業發展及投資。

李先生於中國內地酒店、房地產發展及投資累積近20年經驗。

他修畢北京經濟管理函授學院工商管理課程。

李先生為本公司主席及主要股東鄭盾尼先生配偶的弟弟。

獨立非執行董事

沈培基先生，71歲（於2013年11月27日獲委任及於2018年6月8日獲重選）

他擁有逾30年從事高檔消費品零售及分銷的經驗。自1978年起沈先生擔任著名品牌Longchamp亞太區主席，對這個著名的法國皮革品牌於亞太區得以建立及發展具有重要影響。

華宏驥先生，53歲（於2013年11月27日獲委任及於2016年6月10日及2019年6月14日獲重選）

彼於1990年畢業於香港大學並於1992年取得律師資格。直至1997年止，華先生為香港一家本地律師行的合夥人。華先生現為中譽集團有限公司（前稱為網智金控集團有限公司）（股份代號：985）的執行董事。華先生曾為國際資源集團有限公司之執行董事（股份代號：1051）直至2018年6月15日退任。該等公司之股份在聯交所上市。

Mr. Chow Yu Chun Alexander, aged 73 (appointed on 15 December 2014 and was re-elected on 9 June 2017)

Mr. Chow possesses over 40 years of experience in commercial, financial and investment management in Hong Kong and Mainland China. He is currently also an independent non-executive director of Playmates Toys Limited (HKSE: 869) and China Strategic Holdings Limited (HKSE: 235), both companies are listed on the Stock Exchange. He was an independent non-executive director of Top Form International Limited (HKSE:333) until 31st October 2019. Furthermore, he is also an independent non-executive director of Aquis Entertainment Limited (ASX: AQS), a company listed on Australian Securities Exchange.

周宇俊先生，73歲（於2014年12月15日獲委任及於2017年6月9日獲重選）

彼擁有逾40年於香港及中國大陸之商業、財務及投資管理經驗。彼亦現任彩星玩具有限公司（股份代號：869）及中策集團有限公司（股份代號：235）之獨立非執行董事，該等公司股份在聯交所上市。直至2019年10月31日止，周先生亦任黛麗斯國際有限公司（股份代號：333）獨立非執行董事。同時，彼亦現任Aquis Entertainment Limited（澳洲股份代號：AQS）之獨立非執行董事，該公司為澳洲證券交易所上市之公司。

Senior Management 高層管理人員

Mr. Benjamin Fitzmaurice, aged 45, joined the Group in November 2019.

Mr. Fitzmaurice was appointed as the Chief Operating Officer of SKINS. Prior to joining the Group, he spent the last 10 years in the sports consumer industry in both brand and fabric supplier sides of the industry in Management Board, Chief Operating Officer and General Counsel roles. Prior to that, he was a practising Barrister-at-Law at the Victorian and Tasmanian Bars specialising in commercial law, trade practices, intellectual property, contract and sports law. Mr. Fitzmaurice was a Panel Member of the Olympic and Commonwealth Games Selection Appeal Panels and is a member of the High Court of Australia, Supreme Court of Victoria and Supreme Court of Tasmania.

He holds a Masters of International Business Law with Distinction Honours from the University of Cumbria.

Mr. Simon Goodfellow, aged 45, joined the Group in August 2019.

Mr. Goodfellow was appointed as the Chief Commercial Officer of SKINS. Prior to joining the Group, he had been working for various consumer and sports industry brands in Chief Executive Officer and International Sales Director roles. He has accumulated over 18 years of experience in sales, marketing, e-commerce and the international distribution of branded products.

He graduated with a Bachelor of Arts degree in Design from Nottingham Trent University.

Mr. Wong Keong Yiew, aged 50, joined the Group in June 2015 and currently serves as Head of Pony operation.

He has almost 20 years of experience in general management, sales & marketing and key account management across different product categories including the fast moving consumer goods, perfumes, cosmetics.

Mr. Wong graduated with a Bachelor of Engineering degree from the National University of Singapore.

Benjamin Fitzmaurice先生，45歲，於2019年11月加入本集團。

彼獲委任為SKINS首席營運官。於加入本集團之前，彼於過去十年於運動消費行業的品牌及面料供應商任職，歷任管理委員會成員、首席營運官及首席法律顧問職位。在此之前，彼為維多利亞州及塔斯馬尼亞州律師協會的執業大律師，專長商業法、貿易慣例、知識產權、合約及體育法。彼亦曾任奧運會及英聯邦運動會甄選上訴委員會的小組成員，現擔任澳洲高等法院、維多利亞州最高法院及塔斯馬尼亞州最高法院的成員。

彼以優異成績畢業於坎布里亞大學，取得國際商業法碩士學位。

Simon Goodfellow先生，45歲，於2019年8月加入本集團。

彼獲委任為SKINS首席商務官。於加入本集團之前，彼一直於多個消費及運動行業品牌任職，歷任首席執行官及國際銷售總監職位。彼於品牌產品的銷售、營銷、電子商務及國際分銷方面累積逾18年經驗。

彼畢業於諾丁漢特倫特大學，獲頒設計學文學士學位。

黃強耀先生，50歲，於2015年6月加入本集團，現為PONY業務主管。

彼於不同產品類別（包括快速消費品及香水化妝品）之綜合管理、銷售與營銷及關鍵客戶管理方面擁有近20年經驗。

黃先生畢業於新加坡國立大學，並獲得工程學士學位。

Mr. Chan Chuk Hei Andersen, aged 41, joined the Group in October 2019 and currently serves as Vice President for PONY operation.

Mr. Chan has over 12 years of experience in sporting goods industry, focusing on product and brand management. He worked previously with Belle International, Swire Resources and Win Hanverky.

Mr. Chan graduated with a Bachelor of Science degree from The University of Hong Kong.

Ms. Li Hua, aged 54, joined the Group in 2009.

Ms. Li focuses on brand marketing and has been responsible for arena business from January 2017 onwards.

She has worked with Henkel, Reckitt Benckiser and Wacoal during her 26 years in sales and marketing in FMCG and sports/fashion industries.

Ms. Li graduated from Jilin Normal University with a Bachelor degree in English Literature.

陳竹曦先生，41歲，於2019年10月加入本集團，現為PONY業務副總裁。

陳先生於運動用品行業擁有逾12年經驗，並專注於產品和品牌管理。彼曾任職於百麗國際、太古資源，以及永嘉集團。

陳先生畢業於香港大學，並獲得理學士學位。

李華女士，54歲，自2009年加入本集團。

李女士主要負責品牌推廣，自二零一七年一月以來負責arena中國內地業務。

在她26年之快速消費品及運動／時尚行業之銷售及營銷職業生涯中曾先後任職於Henkel、Reckitt Benckiser及Wacoal。

李女士畢業於吉林師範大學，並獲得英國文學學士學位。

Ms. Liu Li-jun, aged 49, joined the Group in December 2014.

She is currently the general manager of Shenyang Park Outlets and Xiamen Park Outlets.

Ms. Liu has almost 30 years of experience in business operation and management. She possesses extensive and practical management skills and experience in luxury product distribution and management, administration, property and human resources management. Since 2016, she has been responsible for the overall operation of Shenyang Park Outlets. Under her stewardship, Shenyang Park Outlets was awarded various honors.

Ms. Liu graduated from the School of Continuing Education, Northeastern University majoring in financial management.

Mr. Tsui Shing Lung Eric, aged 43, joined the Group in February 2011.

He is currently the general manager of Supremium Bio-Technology Limited.

Mr. Tsui possesses 20 years of operations & management experience in retail, wholesale, manufacturing and business development across various industries including consumer electronics, duty-free goods and health care products in Mainland China, Taiwan and Hong Kong.

He holds a Diploma of Business Management from Hong Kong Baptist College (now known as Hong Kong Baptist University).

劉立軍女士，49歲，於2014年12月加入集團。

彼現任瀋陽尚柏奧萊及廈門尚柏奧萊總經理。

劉女士擁有近30年的商業經營管理經歷，她在奢侈品銷售管理、行政、物業、人力資源管理等方面擁有豐富的實戰管理技能與經驗。自2016年起，負責瀋陽尚柏奧萊全面運營。在其領導下，瀋陽尚柏奧萊先後榮獲多項殊榮。

劉女士畢業于東北大學成人教育學院財務專科。

徐成龍先生，43歲，於2011年2月加入本集團。

彼現時為集團旗下展圖生物科技有限公司總經理。

彼具有20年於中國內地、台灣以及香港等地區的營運與管理經驗，從事零售、批發、製造和業務開發且概括多種產品類別（包括電子消費品、免稅商品及保健產品）。

徐先生於香港浸會學院（現稱為香港浸會大學）取得商業管理文憑。

Mr. Liu Kam Lung, aged 56, has been working with the Group since October 2014.

He is the chief executive officer who oversees the compliance and business operation of the financial services business of the Group. He possesses over 29 years of experience in the financial industry.

Mr. Liu is a fellow of the Association of Chartered Certified Accountants and an associate of the Hong Kong Institute of Certified Public Accountants. At the same time, he is an associate of the Hong Kong Institute of Chartered Secretaries and admitted as an associate of the Institute of Chartered Secretaries and Administrators of the United Kingdom. He is also a full member of the Society of Registered Financial Planners and an associate of the Taxation Institute of Hong Kong.

Mr. Liu holds a Diploma of Business Administration from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University).

Ms. Chow So Ying Anna, aged 56, has been working with the Group since June 2004.

She is the named company secretary of the Group.

Ms. Chow is a solicitor admitted in the Supreme Court of the Hong Kong Special Administrative Region and possesses over 20 years experience in legal and regulatory compliance matters. Her legal practice used to focus on the capital markets covering IPO, bank financing, securities and regulatory compliance, joint venture documentation and private equity investments.

Ms. Chow graduated from the University of Hong Kong with a Bachelor of Arts degree.

廖金龍先生，56歲，自2014年10月起加入本集團。

廖先生為本集團之金融服務業務之首席執行官，負責督辦該業務的合規職能和業務運作。彼擁有逾29年金融業工作經驗。

廖先生為特許公認會計師公會資深會員及香港會計師公會會員，也是香港特許秘書公會會員、英國特許秘書及行政人員公會會員。他亦為註冊財務策劃師協會正式成員及香港稅務學會會員。

廖先生獲香港樹仁學院（現稱為香港樹仁大學）頒授工商管理文憑。

周素瑛女士，56歲，自2004年6月起受聘於本集團。

彼為本集團的公司秘書。

周女士乃香港特別行政區最高法院認可執業律師，並擁有逾20年法律及監管經驗。其執業範疇集中於資本市場包括首次公開招股及銀行融資亦就證券、監管合規、設立合營企業及私募股權投資提供法律意見。

周女士畢業於香港大學，獲頒文學士。

Senior Management 高層管理人員

Ms. Fung Kim Wan Ewim, aged 57 joined the Group on 1 July 2014.

Ms. Fung currently oversees the financial services business of the Group.

With over 33 years of experience in business administration, operational and customer relationship management, Ms. Fung has been one of the key management member of a leading tobacco and liquor company in Hong Kong, her main responsibilities include supervising and managing the distribution and duty-free business.

She graduated from the City College of Commerce in the discipline of business studies.

馮劍雲女士，57歲，於2014年7月1日加入本集團。

馮女士目前監管本集團之金融服務業務。

馮女士在業務管理、營運及客戶關係管理方面擁有逾33年經驗，為香港首屈一指的煙酒公司的其中一名主要管理人員，主要責任包括監督及管理分銷及免稅業務。

彼畢業於城市商科學院，主修商學。

The Directors are pleased to present the annual report and the audited consolidated financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

Symphony Holdings Limited (the “Company”) was incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 1 March 1995. The address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is 10th Floor, Island Place Tower, 510 King’s Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together the “Group”) are mainly consist of: (i) retailing and provisions of sourcing services for branded apparel, swimwear and accessories, and sourcing, manufacturing and trading of healthcare products; (ii) development and management of “PONY” and the newly acquired “SKINS” trademarks; (iii) property investment and holding; (iv) management and operation of outlet malls; and (v) provision of financial services (including securities brokerage, margin financing, money lending, underwriting and placing of listed securities and financial consultancy services); and (vi) operation of duty-free shops.

The principal activities of the Company’s principal subsidiaries are set out in Note 46 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group including the challenges faced and ways to tackle them together with a discussion of the Group’s future development are provided in the Chairman’s Statement. An analysis of the Group’s performance during the year is included in the Operation Review. A description of the financial risks including but not limited to foreign currency risk, interest rate risk, credit risk, liquidity risk, equity price risk are found in Note 39(B) to the consolidated financial statements.

董事呈報截至2019年12月31日止年度的周年報告及經審核綜合財務報表。

主營業務

新豐集團有限公司(「本公司」)根據百慕達1981公司法於1993年11月24日在百慕達註冊成立為獲豁免有限責任公司，其股份自1995年3月1日起於香港聯合交易所有限公司(「聯交所」)主板上市。其註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，主要營業地點為香港北角英皇道510號港運大廈10樓。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「本集團」)主要業務主要包括：(i)品牌服裝、游泳服裝及配件的零售與提供採購服務以及採購、製造及貿易其保健養生產品；(ii)發展及管理「PONY」及新收購的「SKINS」商標；(iii)物業投資及持有物業；(iv)管理及經營奧特萊斯；(v)提供金融服務(包括證券經紀、保證金融資、放貸、包銷及配售上市證券及財務諮詢服務)；及(vi)經營免稅品店。

本公司主要附屬公司之主要經營業務載於綜合財務報表附註46內。

業務回顧

本集團的業務表現，包括面對的挑戰與對策及未來發展的討論均載於主席報告一節內。本集團於年內的業績分析可參閱業務回顧一節內。此外，有關金融風險包括但不限於外幣風險、利率風險、信貸風險、流動資金風險及股本價格風險的說明均載於綜合財務報表附註39(B)一節內。

RESULTS AND FINAL DIVIDEND

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and the consolidated statement of comprehensive income on page 65 to 66 of the annual report.

No interim dividend was declared or paid during the year. For the year ended 31 December 2019, the Board recommends the payment of a final dividend of HKD0.008 per Share (2018: HKD0.012 per Share) to the Shareholders, amounting to approximately HKD23,794,000 (2018: HKD35,688,000) in aggregate.

The proposed final dividend is expected to be paid on 15 July 2020 (Wednesday) to Shareholders whose names appear on the Register of Members of the Company as at the close of business on Monday, 22 June 2020. The payment of dividend is subject to the approval of Shareholders at the Annual General Meeting to be held on 12 June 2020 (Friday).

PROPERTY, PLANT AND EQUIPMENT

The Group's leasehold land and buildings were revalued at 31 December 2019. The revaluation resulted in a surplus of approximately HKD452,286,000 which was credited directly to the properties revaluation reserve.

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

INVESTMENT PROPERTIES

The Group's investment properties at 31 December 2019 were fair valued by an independent firm of professional property valuers base on comparable sales available in the market. The net increase in fair value of approximately HKD44,217,000 was credited directly to profit or loss.

Details of movements in the investment properties of the Group during the year are set out in Note 15 to the consolidated financial statements.

業績及期末股息

本集團截至2019年12月31日止年度的業績已載於本年報第65頁至第66頁的綜合損益表及綜合全面收益表。

於年內，本公司並無宣派或派付中期股息。截至2019年12月31日止年度，董事會建議向股東派付期末股息為每股0.008港元（2018年：每股0.012港元），約合共為23,794,000港元（2018年：35,688,000港元）。

建議的期末股息預計於2020年7月15日（星期三）派發予於2020年6月22日星期一營業時間結束時名列公司成員登記冊的股東。股息的派付須在於2020年6月12日（星期五）舉行的股東週年大會上經股東批准。

物業、廠房及設備

於2019年12月31日，本集團的租賃土地及樓宇已獲重新估值，重新估值錄得重估盈餘約為452,286,000港元，並已直接計入物業重估儲備。

於年內，本集團的物業、廠房及設備的變動詳情已載於本綜合財務報表附註14內。

投資物業

於2019年12月31日，本集團的投資物業已由一間獨立專業物業估值師公司按可得之可比較市場銷售準則進行公平價值重估，公平價值增加淨額約44,217,000港元已直接計入損益內。

於年內，本集團的投資物業變動詳情已載於本綜合財務報表附註15內。

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in Note 34 to the consolidated financial statements.

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

For 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.

BONUS WARRANT

On 18 March 2016, the Company announced a proposed bonus issue of warrants on the basis of one warrant for every five shares held on the record date (i.e. 17 June 2016). On 6 July 2016, approximately 539,733,000 units of warrants was issued. Each warrant entitles the holder thereof to subscribe in cash for one share at the initial subscription price of HKD1.00 per share subject to adjustments. The warrants are exercisable at any time during a period of three years commencing from the date of issue of the warrants (i.e. 6 July 2016). Details of the bonus warrants are disclosed in the Company's circular dated 29 April 2016.

During the year, the qualifying shareholders of the Company exercised a total number of approximately 192,000 units (2018: 3,222,000 units) of warrants at an exercise price of HKD1.00 (2018: HKD1.00) per warrant, and therefore approximately 192,000 ordinary shares (2018: 3,222,000 ordinary shares) was issued by the Company. As a result, approximately HKD19,000 and HKD173,000 (2018: HKD322,000 and HKD2,900,000) were credited to share capital and share premium account respectively.

On 5 July 2019, the subscription right to exercise the warrants for subscribing the shares of the Company granted to its qualifying shareholders was expired.

股本

於年內，本公司的股本變動詳情已載於本綜合財務報表附註34內。

購買、出售或贖回本公司的已上市證券

截至2019年12月31日止年度，概無本公司或其任何附屬公司已購買、出售或贖回任何本公司的已上市證券。

認股權證

於2016年3月18日，本公司公告建議按於記錄日期（即2016年6月17日）每持有五股股份獲發一份認股權證之基準發行紅利認股權證。於2016年7月6日，約539,733,000份認股權證獲得發行。每份認股權證賦予其持有人以現金認購一股股份，初步認購價為每股1.00港元（可予調整）。認股權證可於發行日期2016年7月6日起計三年內隨時行使。有關紅利認股權證之詳情於本公司日期為2016年4月29日之通函詳細披露。

於年內，本公司的合資格股東按行使價每份認股權證1.00港元（2018：1.00港元）行使合共約192,000份（2018年：3,222,000份）認股權證，因此，本公司已發行約192,000股普通股（2018年：3,222,000股普通股）。因此，約19,000港元及173,000港元（2018年：322,000港元及2,900,000港元）已分別計入股本及股份溢價內。

於2019年7月5日，授予其本公司的合資格股東的認股權證之認股權利於同日失效。

RESERVES

Details of movements in the reserves of the Company during the year are set out in Note 37 of the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The reserves of the Company available for distribution to shareholders as at 31 December 2019 were as follows:

Share premium	股份溢價
Contributed surplus	實繳盈餘
Retained profits	留存溢利

儲備

於年內，本公司儲備變動詳情已載於綜合財務報表附註37內。

本公司可分配儲備

於2019年12月31日，本公司可分配予本公司股東的儲備如下：

	2019 HKD'000 千港元	2018 HKD'000 千港元
Share premium	1,071,657	1,071,484
Contributed surplus	586,774	586,774
Retained profits	60,737	93,133
	1,719,168	1,751,391

Under the Companies Act 1981 of Bermuda (as amended), the balances in a company's contributed surplus and share premium accounts are available for distribution. However, the company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the assets of the Company would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

The Company's share premium account may be applied to pay up unissued Shares to be issued to the Shareholders as fully paid bonus shares.

在百慕達1981公司法（經修訂）下，公司的實繳盈餘及股份溢價內的結餘均為可供分配。不過如有合理理由相信下列情況，公司將不能夠宣派或派付股息或以實繳盈餘進行分配：

- (a) 本公司不能夠或於派付股息後將不能夠償還已到期的債務；或
- (b) 本公司資產的可變現價值低於其負債及已發行股本與股份溢價內的總和。

本公司之股份溢價內可用作繳足將向股東發行作為繳足紅股之未發行股份。

DIRECTORS

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

EXECUTIVE DIRECTORS:

Mr. Cheng Tun Nei (Chairman & Chief Executive Officer)
Mr. Chan Kar Lee Gary
Mr. Lee Cheung Ming

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Mr. Chow Yu Chun Alexander

In accordance with the existing Bye-laws 87 and 88 of the Company, Mr. Cheng Tun Nei ("Mr. Cheng") and Mr. Chow Yu Chun Alexander ("Mr. Chow") will retire as Directors by rotation and being eligible, both Mr. Cheng and Mr. Chow offer themselves for re-election at the forthcoming Annual General Meeting.

None of the directors who is proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, the interests and short positions of the Directors and the chief executives and their associates of the Company in the shares, underlying shares and debentures of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Code"), were as follows:

董事

於年內及截至本報告日止，本公司的董事為：

執行董事：

鄭盾尼先生（主席及首席執行官）
陳嘉利先生
李長銘先生

獨立非執行董事：

沈培基先生
華宏驥先生
周宇俊先生

根據本公司細則第87及88條，鄭盾尼先生（「鄭先生」）及周宇俊先生（「周先生」）將輪值告退，鄭先生及周先生將於應屆股東週年大會膺選並符合資格連任。

概無董事與本集團訂立於一年後屆滿或僱主不得於一年內於毋須作出賠償（法定賠償除外）下將終止其任何服務合約。

董事和主要行政人員的權益及於股份與相關股份的短倉

根據證券及期貨條例（「證券及期貨條例」）第352條規定本公司備存的登記冊所載，或根據聯交所上市公司董事進行證券交易的標準守則（「標準守則」）通知本公司及聯交所，於2019年12月31日，本公司董事及主要行政人員及其等聯繫人士於本公司或其聯營企業的股份、相關股份及債券的權益或淡倉如下載列：

LONG POSITIONS

Ordinary shares of HKD0.10 each in the Company:

長倉

本公司每股面值0.10港元的普通股份：

Director	董事	Notes	Number of ordinary shares held by 所持已發行普通股數量			Total number of ordinary shares	Percentage of the issued share capital of the Company 佔本公司 已發行 股本百分比
			Beneficial owner	Spouse and/or children under 18	Controlled corporation		
		附註	受益人	配偶及／或 18歲以下子女	控股企業	普通股總數量	股本百分比
Cheng Tun Nei ("Mr. Cheng")	鄭盾尼 (「鄭先生」)	1	72,380,000	–	1,071,040,000	1,143,420,000	38.44%
Chan Kar Lee Gary	陳嘉利		9,000,000	–	–	9,000,000	0.30%
Shum Pui Kay ("Mr. Shum")	沈培基 (「沈先生」)	2	10,000,000	–	–	10,000,000	0.34%
Lee Cheung Ming ("Mr. Lee")	李長銘 (「李先生」)	3	94,050,000	2,000,000	–	96,050,000	3.23%

Notes:

- Mr. Cheng owns the entire issued share capital of Goldsilk Capital Limited ("Goldsilk"). As at 31 December 2019, Goldsilk was directly interested in 1,071,040,000 Shares. The 160,366,000 Warrants held by Goldsilk expired on 5 July 2019. Mr. Cheng was also directly interested in 72,380,000 Shares. He was thus deemed to be interested in 1,143,420,000 Shares.
- As at 31 December 2019, Mr. Shum beneficially owns 10,000,000 Shares. The 2,350,000 Warrants held by him expired on 5 July 2019.
- Mr. Lee was directly interested in 94,050,000 Shares. He was deemed to be interested in 2,000,000 Shares held by his spouse. The 14,810,000 Warrants held by Mr. Lee and the 114,000 Warrants held by his spouse expired on 5 July 2019. He was deemed to be interested in 96,050,000 Shares.

附註：

- 鄭先生持有Goldsilk Capital Limited (「Goldsilk」)全部已發行股本。於2019年12月31日，Goldsilk直接持有1,071,040,000股股份，Goldsilk持有的160,366,000份認股權證於2019年7月5日屆滿。鄭先生同時直接擁有72,380,000股股份，因此，他被視為持有1,143,420,000股股份。
- 於2019年12月31日，沈先生實益持有10,000,000股股份。沈先生持有的2,350,000份認股權證於2019年7月5日屆滿。
- 李先生直接擁有94,050,000股股份，他被視為於其配偶持有的2,000,000股股份中擁有權益，李先生持有的14,810,000份認股權證及其配偶持有的114,000份認股權證均於2019年7月5日屆滿。因此，他被視為持有96,050,000股股份。

Save as disclosed above and in the section "Share Option Scheme" included in the consolidated financial statements, none of the directors, chief executives nor their associates had any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2019.

除上文及在綜合財務報表內「購股權計劃」一節所述，於2019年12月31日，概無任何董事、主要行政人員或其等聯繫人士於本公司或任何聯營企業持有任何股份、相關股份或債券的任何權益或淡倉。

ARRANGEMENTS TO PURCHASE OR REDEEM SHARES

At no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. In addition, the Company has not redeemed any of its shares during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for the margin financing and JV and Distribution of "arena" products arrangements as disclosed under the heading of "Continuing Connected Transactions" from page 48 to 50 of the annual report, no Director of the Company had a material interest, either directly or indirectly, in any contract of significance to which the Company or any of its subsidiaries was a party subsisting during or at the end of the financial year under review.

DIRECTORS' EMOLUMENTS

Details of the directors' emoluments are set out in Note 11 to the consolidated financial statements.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors and their respective close associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

PERMITTED INDEMNITY PROVISIONS

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 throughout the year.

購買或贖回股份的安排

於本年度的任何時間內，本公司或其任何附屬公司概無參與任何安排以使本公司董事藉購入本公司或任何其他法人團體的股份或債券而獲得利益。此外，本公司於年內未有贖回任何股份。

董事於重要合約的權益

除本年度報告第48頁至第50頁「持續關連交易」標題項下所披露的保證金融資及合營公司及分銷「arena」產品安排外，概無本公司董事直接或間接於本公司或其任何附屬公司於年內或截至回顧本年度內所訂立對本集團業務而言屬重大合約中享有重大權益。

董事袍金

董事袍金詳情已載於綜合財務報表附註11內。

董事於競爭性業務的權益

董事及其各自的緊密聯繫人士並無在任何競爭性業務中，擁有根據上市規則第8.10條規定須予披露的權益。

獲准許的彌償條文

本公司已就其董事獲准許的彌償條文（定義講見香港公司條例第469條）於年內現時生效。

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, as at 31 December 2019, the following shareholders had notified the Company of their relevant interests and short positions in the issued share capital of the Company:

(1) LONG POSITIONS

Ordinary shares of HKD0.10 each of the Company

主要股東

根據證券及期貨條例第336條規定本公司備存的主要股東登記冊所載，公司獲悉股東於2019年12月31日持有本公司已發行股本的相關權益及淡倉如下：

(1) 長倉

本公司每股0.10港元的股份

Name of shareholder	Notes	Capacity	Number of issued ordinary shares held 已發行股份數量			Percentage of the issued share capital of the Company 佔本公司 已發行 股本百分比
			Direct interests	Deemed interests	Total interests	
股東	附註	資格	直接權益	被視為 持有權益	總權益	
Mr. Cheng 鄭先生	1	Beneficial owner and Interest of controlled corporation 受益人及受控企業	72,380,000	1,071,040,000	1,143,420,000	38.44%
Ms. Li Wa Hei ("Madam Li") 李華熙女士(「李女士」)	1	Spouse 配偶	–	1,143,420,000	1,143,420,000	38.44%
Goldsilk	1	Beneficial owner 受益人	1,071,040,000	–	1,071,040,000	36.01%
Or Ching Fai ("Mr. Or") 柯清輝先生(「柯先生」)	2	Beneficial owner and spouse 受益人及其配偶	350,000,000	120,000,000	470,000,000	15.80%
Wong Lai Ning ("Madam Wong") 黃麗寧女士(「黃女士」)	2	Beneficial owner and spouse 受益人及其配偶	–	470,000,000	470,000,000	15.80%

Notes:

1. Mr. Cheng owns the entire issued share capital of Goldsilk. As at 31 December 2019, Goldsilk was directly interested in 1,071,040,000 Shares. The 160,366,000 Warrants held by Goldsilk expired on 5 July 2019. Mr. Cheng was also directly interested in 72,380,000 Shares. He was thus deemed to be interested in 1,143,420,000 Shares. Madam Li is the wife of Mr. Cheng and she was also deemed to be interested in 1,143,420,000 Shares.
2. As at 31 December 2019, Mr. Or was directly interested in 350,000,000 Shares. Mr. Or also held 120,000,000 Shares jointly with his spouse, Madam Wong. Therefore, Mr. Or and Madam Wong were deemed to be interested in 470,000,000 Shares. The 70,000,000 Warrants held by Mr. Or and the 24,000,000 Warrants held jointly with his spouse, Madam Wong expired on 5 July 2019.

(2) SHORT POSITIONS

The Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2019.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors independent.

CHARITABLE DONATIONS

During the year, the Group made charitable and other donations totalling approximately HKD30,000 (2018: HKD30,300).

EMOLUMENT POLICY

The Group's employee emolument policy is reviewed by the Board taking into account the qualifications and experience of the Group's employees and the market conditions.

The Group is committed to providing staff with a pleasant, safe and healthy working environment. Competitive remuneration package and share option incentive are provided to eligible employees.

附註：

1. 鄭先生持有Goldsilk全部已發行股本。於2019年12月31日，Goldsilk直接持有1,071,040,000股股份，Goldsilk持有的160,366,000份認股權證於2019年7月5日屆滿。鄭先生同時直接擁有72,380,000股股份，因此，他被視為持有1,143,420,000股股份。李女士為鄭先生的妻子，亦被視為持有1,143,420,000股股份。
2. 截至2019年12月31日，柯先生直接持有350,000,000股股份，其與配偶黃女士共同持有120,000,000股股份，故此，柯先生及黃女士被視為各持有合共470,000,000股股份。柯先生持有的70,000,000份認股權證及其與配偶黃女士共同持有的24,000,000份認股權證均於2019年7月5日屆滿。

(2) 短倉

於2019年12月31日，本公司概無獲得通知任何本公司已發行股本的其他相關權益或淡倉。

委任獨立非執行董事

根據上市規則第3.13條規定，本公司已取得各本公司獨立非執行董事的年度確認書，以確定其獨立性。本公司相信所有獨立非執行董事均為獨立人士。

慈善捐款

於年內，本集團作出的慈善及其他捐款合共約30,000港元（2018年：30,300港元）。

薪酬政策

本集團的僱員薪酬政策是由董事會經考慮本集團員工的資歷、經驗以及市場情況作出檢討。

本集團致力於為人才提供舒適、安全及健康的工作環境。本集團向合資格僱員提供有競爭力的薪酬待遇及購股權。

The emoluments of the directors of the Company are reviewed and recommended by the Remuneration Committee and approved by the Board, as authorised by shareholders at the annual general meeting, taking into account the operating results of the Group, individual performance and the market conditions.

The Remuneration Committee advises the Board on the emoluments of the directors and senior management. The Company has adopted share option scheme as incentive to directors and eligible employees, details of the Scheme are set out in Note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws, or the laws of Bermuda, 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.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 37 to 51 of this Annual Report.

SHAREHOLDERS' RIGHTS

Shareholders may convene a special general meeting in the following manner:

Shareholders holding not less than 10% of the paid up capital of the Company carrying the voting rights at general meetings of the Company shall at all times have the right, by written request to the Board or the company's secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such written request.

本公司董事的薪酬經薪酬委員會檢討及建議予董事會，並由股東於股東週年大會內經考慮本集團經營業績、個人表現及市場情況而授權。

薪酬委員會就有關董事及高層管理人員的薪酬向董事會作出建議。本公司已採納購股權計劃作為對董事及合資格僱員的獎勵，計劃詳情已載於本綜合財務報表附註35內。

優先購股權

本公司細則或百慕達法律均無刊載有關優先購股權條文，以規定本公司須按比例向現有股東提供發售新股。

充足公眾持股量

截至2019年12月31日止年度，本公司一直維持充足公眾持股量。

企業管治

本公司的企業管治原則及實務已載於本年報第37頁至第51頁的企業管治報告中。

股東權益

股東可依以下途徑召開特別股東大會：

持有本公司不少於百分之十的本公司已繳足股本而可於本公司股東大會享有投票權的股東，可隨時向董事會或公司秘書提交書面要求，要求董事會召開股東特別大會，處理書面要求內的事項。

MAJOR CUSTOMERS, SUPPLIERS AND DISTRIBUTORS

During the year, sales to the Group's five largest customers accounted for 18% of the total sales for the year and sales to the largest customer included therein amounted to 6%. The Group's five largest suppliers accounted for 95% of the Group's total purchases and amount which 76% is attribute to the largest supplier for the year.

The Group's largest supplier that accounts for 76% of the total purchases is Shanghai Descente. Shanghai Descente has appointed the Group's indirect non wholly-owned subsidiary Arena Shanghai to be its exclusive distributor for the People's Republic of China from 2017 to 2021. Shanghai Descente is contractually bound to supply swimwear products to arena Shanghai during the term of the distribution agreement. Further details are found in the Company's announcements dated 27 February 2017 and 22 March 2017.

To the best knowledge of the Directors, none of the Directors or any of their close associates or any shareholders who holds more than 5% of the Shares has any interests in the customers and suppliers disclosed above.

We are committed to offer a broad and diverse range of life-style, value-for-money and good quality products with our brand to our customers. We stay connected with our customers through maintaining VIP database, ongoing communications, telephone, emails, marketing materials and social media. Training are also provided to sales personnel to provide quality and value-added customer services.

In addition, the Group will continue to widen the customer base by utilizing and maximising current network.

We have developed long-standing relationships with our suppliers and take great care to ensure that they share our commitment to quality and ethics. We carefully select and assess our suppliers through track record, experience, reputation and ability to provide quality products.

主要客戶，供應商和分銷商

於年內，本集團的五大客戶的銷售額佔本年度內的總銷售額為18%，其中向最大客戶的銷售額佔6%。本集團的五大供應商佔本年度內總採購量為95%，其中最大供應商佔本年度總採購量為76%。

佔本集團總採購量為76%的最大供應商是上海迪桑特，上海迪桑特委任本集團的間接非全資擁有附屬公司阿瑞娜上海自2017年至2021年間為其中國獨家分銷商。上海迪桑特受合約約束須於分銷協議的期限內向阿瑞娜上海供應游泳產品。有關詳情請見本公司於2017年2月27日及2017年3月22日之公告。

就董事最佳的認知，並無董事或彼等的聯繫人士或持有本公司普通股5%以上的任何股東於上文所披露的客戶及供應商擁有任何權益。

我們致力提供多元化、物有所值及優質的品牌產品授予我們的客戶。我們亦與客戶通過維護VIP數據庫，持續溝通、電話、郵件、營銷材料及社交媒體等不同渠道與客戶保持溝通。我們亦提供培訓予其銷售人員，以提供優質及增值的客戶服務。

此外，本集團將繼續利用已有的網絡拓展客戶基礎。

我們已與多家供應商建立長期的合作關係，並盡力確保其遵守我們對質素及道德的承諾。我們審慎挑選供應商，並評估其往績記錄、經驗、聲譽及生產優質產品的能力。

We distribute certain products to end customers through third-party distributors. We work with our distributors like business partners and ensure that they also share our view for upholding brand value and customer services, specifically focusing on attracting and retaining customers in order to drive sales growth. We also monitor regularly the financial position and repayment history of these distributors and their sales performance.

AUDITOR

The financial statements have been audited by BDO Limited who will retire, and being eligible, offer themselves for reappointment. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as auditor of the Company.

On behalf of the Board

CHAIRMAN

Cheng Tun Nei

Hong Kong, 20 March 2020

我們透過第三方分銷商向終端消費者分銷產品。我們會以業務夥伴形式與分銷商合作以確保於提升品牌價值及客戶服務方面，尤其是專注於吸引和維繫消費者促進銷售增長達成一致的觀點。我們亦會定期監督分銷商的財務狀況、支付記錄及其零售表現。

核數師

於年內，核數師為香港立信德豪會計師事務所有限公司。在應屆股東周年大會上將提呈決議案重聘香港立信德豪會計師事務所有限公司為本公司核數師。

代表董事會

主席

鄭盾尼

香港，2020年3月20日

The Company firmly believes in the value and importance of achieving high standard of corporate governance through transparency, as well as effective risk and internal control system. With the merger and acquisition of new businesses, the corporate governance system is constantly reviewed and meticulously re-assessed, by the Board to ensure that shareholders' and stakeholders' interests are safeguarded. The Company has adopted and complied with the CG Code throughout the year ended 31 December 2019, except for the deviation from code provisions A.1.1, A.2.1 and A.4.1 of CG Code.

The Board continues to monitor and review the Company's corporate governance practices and makes necessary changes at appropriate times.

Under the code provision A.1.1, the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. Due to overseas travel which is required for ongoing business discussions of certain board members last year, three board meetings were held in last year. However, board members continued to participate in company matters through electronic means or group meetings.

Under the code provision A.2.1, the roles of the Chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheng Tun Nei currently serves as both the Chairman and Chief Executive Officer of the Company.

In view of the evolving business environment in which our Group operates, the Board is of the view that currently vesting the roles of both the chairman and chief executive of the Company on Mr. Cheng Tun Nei will provide the Group with strong and consistent leadership while permitting more effective and timely business planning and decision-making process.

本公司確信通過透明度及有效的風險與內部監控系統達致良好企業管治的價值和其重要性。隨著併購新業務，董事會不時就保障股東及其他持有者的利益而持續檢視及詳盡地重新評估有關企業管治機制。截至2019年12月31日止年度，本公司一直遵守企業管治守則，除偏離企業管治守則下條文第A.1.1，第A.2.1條及第A.4.1條外。

董事會將繼續監督及檢視公司的企業管治守則及不時於適當時間作出需要的改動。

根據守則條文第A.1.1條規定，董事會應定期舉行會議，而每年應最少舉行四次董事會會議，大約每季度舉行一次。由於去年若干董事會成員就正在進行的業務討論需要海外出差，因此於去年舉行了三次董事會會議。不過，董事會成員繼續透過電子方式或組別會議參與其公司事務。

根據守則條文第A.2.1條規定，主席及首席執行官之職責須有所區分，並不應由同一人出任。現時鄭盾尼先生同時擔任本公司主席及首席執行官之職務。

由於本集團面對不時轉變的商業環境，董事會認為賦予鄭盾尼先生出任本公司主席及首席執行官之職責，可為本集團帶來強勢及持續的領導提供更有效及即時作出業務規劃及決定過程。

Under code provision A.4.1, Non-Executive Directors should be appointed for a specific term and are subject to re-election.

All Non-Executive Directors of the Company were not appointed for specific term but are subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with Bye-law 87 of the Bye-laws of the Company.

BOARD OF DIRECTORS

The Board is responsible for leading, directing and supervising the Group's affairs to enable the long term success of the Group. It sets strategic objectives with focus on value creation and risk management. It also ensures the adequacy of resources, staff qualifications and experience for achieving internal control and transparency requirements.

As at 31 December 2019, the Board consisted of 6 Directors (including the Chairman of the Board), amongst which three are executive Directors and the remaining three are independent non-executive Directors.

Executive Directors are involved in the day-to-day operations of the Group. Independent non-executive directors ("INEDs") are involved in scrutinising the Group's performance in achieving agreed corporate goals and objectives and monitor performance reporting process. As they are not involved in the daily management of the Group, they bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct. Their presence help to enhance the Board's balance of skills, experience and diversity of perspectives.

根據守則條文第A.4.1條規定，委任非執行董事須列明指定任期，並須予以重選連任。

本公司全體非執行董事並無指定任期，惟本公司公司細則第87條訂明，董事須於本公司股東週年大會上輪值退任及重選。

董事會

董事會的職責包括引導、指引及監察本集團的事務，以確保集團長遠取得成功。本集團亦制定戰略目標，針對其價值創造及風險管理，同時確保提供充足資源、員工資歷及經驗符合內部監控及透明度要求。

於2019年12月31日，董事會由六名董事組成（包括董事會主席），當中三位為執行董事，餘下三位則為獨立非執行董事。

執行董事參與本集團日常運作。獨立非執行董事參與監察本集團的表現能實現既定企業目的及目標，並監督其相關匯報過程。由於他們不參與集團日常運作，他們在涉及策略、政策、表現、問責性、資源、主要委任及操守準則等事宜上，提供獨立意見。他們的出任能強化董事會成員在技巧、經驗及多元觀點方面的平衡。

Board diversity requirement is achieved through skills, professional or industry knowledge and experience, age, cultural and educational background, age, race, technical skills and experience. The Company will develop diversity based on its own business model and specific needs from time to time.

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all INEDs independent.

The Board has delegated the authority and responsibility for implementing business strategy and managing day-to-day administration and operations of the Group's business to the Chief Operating Officer and the senior management. While granting management with substantial autonomy to run and develop the business, the Board is proactive in reviewing the results of the delegated functions and work tasks on an ongoing basis.

Every newly appointed director will receive briefing and professional development so as to ensure that he has appropriate understanding of the Group's business and of his duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements.

The Company also provides regular updates and presentation on the business development of the Group. The Directors are regularly briefed on the latest development of the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices. All Directors are encouraged by the Company to participate in continuous professional Development to develop and refresh their professional knowledge and skills.

透過技巧、專業、行業知識及經驗、年齡、文化及教育背景、種族、專業技能及經驗，達致董事會多元化的需求。本公司亦將不時根據本身的業務模式及特定需要去發展多元化。

本公司已獲取各獨立非執行董事根據上市規則第3.13條規定就他們的獨立性發出的年度確認函，故相信他們均為獨立人士。

董事會已將本集團的業務策略下的執行、日常管理及營運的權力及職責交由首席營運官及高層管理人員負責。於營運及發展業務方面，管理層獲授予重大的自主權，董事會主動定期對該授權工作任務的成效進行持續檢視。

每名新委任之董事將獲得簡報及專業發展以確保他對本集團的業務及在上市規則和相關法定及監管規定下的職責及責任均有適當的理解。

本公司亦定期對本集團有關的業務發展提供最新的資訊，董事定期獲簡報有關上市規則及其他適用的法定規定的最新發展以確保他們遵守及維持良好的企業管治常規，此外，本公司一直鼓勵董事參與持續專業發展，以便發展和更新他們的專業知識和技能。

To enable them to be kept abreast of the latest changes in the business, legal and regulatory environment in which the Group conducts its business, the Company provides continuous professional training to Directors through circulating Hong Kong Stock Exchange updates to Directors.

本公司透過傳閱香港聯交所的最新資訊，提供持續培訓讓董事掌握本集團在經營業務下有關的業務、法律與規管環境下的最新變化提供持續專業發展。

Directors		Type of CPD programme*
董事		專業發展培訓的課程種類*
Executive Directors	執行董事	
Cheng Tun Nei	鄭盾尼	✓
Chan Kar Lee Gary	陳嘉利	✓
Lee Cheung Ming	李長銘	✓
Independent Non-executive Directors	獨立非執行董事	
Shum Pui Kay	沈培基	✓
Wah Wang Kei Jackie	華宏驥	✓
Chow Yu Chun Alexander	周宇俊	✓

* including briefings, regular information updates, reading materials relating to regulatory updates and business visits.

* 包括匯報、定期更新的資訊、閱讀有關規管的最新資料及業務探訪。

All Directors have full, timely and direct access to the services and advice from the company secretary of the Company.

全體董事均可全面、即時及直接向本公司的公司秘書直接取得及提供建議。

During the year, the Board conducted 3 meetings, attendance of the Directors at the board meetings and annual general meetings is set out as follows:

於年內，董事會共召開三次會議，董事於董事會及股東週年大會的會議出席紀錄如下：

Directors	董事	Number of meetings attended 出席會議之次數	
		Board 董事會	Annual General Meeting 股東週年大會
Executive Directors			
Cheng Tun Nei	鄭盾尼	3/3	1/1
Chan Kar Lee Gary	陳嘉利	3/3	1/1
Lee Cheung Ming	李長銘	3/3	1/1
Independent Non-executive Directors			
Shum Pui Kay	沈培基	3/3	1/1
Wah Wang Kei Jackie	華宏驥	3/3	1/1
Chow Yu Chun Alexander	周宇俊	3/3	1/1

COMPANY SECRETARY

Ms. Chow So Ying Anna, the Company Secretary of the Company, is a full time employee of the Group. She reports to the Chairman and Chief Executive Officer of the Company. She has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. Her biographical details are set out on page 23 of the annual report.

The Board delegates the responsibility for performing corporate governance duties to the committees. The core committees of the Board are nomination, audit and remuneration committees. The chair seat of the audit and remuneration committees are currently held by an INED. Majority members of the three committees are INEDs.

公司秘書

本公司的公司秘書周素瑛女士為本集團之全職僱員。周女士向本公司主席及首席執行官進行匯報。公司秘書已妥為遵守上市規則第3.29條下之相關專業培訓規定。她的詳細履歷載於本年度報告第23頁。

董事會委託委員會履行企業管治職責。董事會轄下的核心委員會有提名、審核及薪酬委員會。審核及薪酬委員會的主席現時為獨立非執行董事。三個委員會的大多數成員均為獨立非執行董事。

REMUNERATION COMMITTEE

The remuneration committee of the Company (“Remuneration Committee”) was set up for the purpose of advising the Board on and reviewing the remuneration benefit policy of the Board and senior management. The aim is to motivate, retain and attract the best talents for the Group so as to maximise shareholder value.

Remuneration package is performance-based and the recommended remuneration package includes salaries, discretionary bonus and share options. During the year, the Remuneration Committee reviewed and considered the remuneration packages of the Directors, taking into account the experience, qualifications, business performance, market practices and competitive market conditions. Non-executive Directors are compensated with the aim to fairly represent their efforts and time dedicated to the Board.

MEMBERS OF REMUNERATION COMMITTEE

Mr. Wah Wang Kei Jackie (*Chairman*)
Mr. Shum Pui Kay
Mr. Chow Yu Chun Alexander

AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) was established with specific written terms of reference. The Audit Committee oversees the audit process and provides an independent review of the effectiveness of the financial reporting process and the internal control procedures.

For the year ended 31 December 2019, the Audit Committee met in March and August to review with the Chief Financial Officer, the external auditor and senior management the interim and annual results of the Group. During those meetings, the accounting principles and practices being adopted together with auditing and financial reporting matters were discussed.

薪酬委員會

本公司薪酬委員會（「薪酬委員會」）的成立旨在向董事會建議及檢視所有董事與高級管理層的薪酬福利政策，目的以協助本集團激勵、保留及吸引最優秀的人才為股東創造最大價值。

薪酬待遇是按表現而釐定，建議的薪酬待遇包括工資、花紅及購股權。於年內，薪酬委員會已經檢視及考慮董事的薪酬待遇並參考經驗、資歷、業績表現、市場慣例及市場競爭情況。非執行董事的報酬旨在合理公平地反映在董事會所付出的貢獻及時間。

薪酬委員會成員

華宏驥先生（主席）
沈培基先生
周宇俊先生

審核委員會

本公司審核委員會（「審核委員會」）書面制定其職權範圍。其審核委員會主要負責監管審計程序，並對財務報告過程及內部監控程序的成效提供獨立檢討。

截至2019年12月31日止年度，其審核委員會已於三月及八月與首席財務官、外聘核數師及高級管理層審閱本集團的中期及全年業績。該會議期間，審議了所採用的會計原則和慣例以及審計和財務報告事宜。

An independent internal audit service provider also reviewed the risk management and internal control systems of the Group for the year ended 31 December 2019. No material findings had been identified.

MEMBERS OF AUDIT COMMITTEE

Mr. Chow Yu Chun Alexander (*Chairman*)
Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie

NOMINATION COMMITTEE

The nomination committee of the Company (“Nomination Committee”) is made up of three Directors, out of which 2 are INEDs. The key role of the Nomination Committee is recruitment of board members. It evaluates and assesses the optimal composition of the Board, taking into account the Group’s strategies and objectives. Apart from making recommendations on the proposed changes to the Board, assessing the independence of INEDs, making recommendation to the Board for the appointment or re-appointment of Directors, the Nomination Committee is mindful of the need to refresh the Board regularly to avoid entrenchment and attract fresh thinking.

NOMINATION POLICY

The Nomination Policy for the Directors is embedded in the Committee’s Terms of Reference. The policy stipulates the key nomination criteria and principles of the Company for nominating directors and provides what the Committee should do in order to give effect to the Policy:

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;

一名獨立內部審核服務供應商已檢視了本集團於截至2019年12月31日年度之風險管理及內部監控系統，並無識別有任何重大發現。

審核委員會成員

周宇俊先生 (*主席*)
沈培基先生
華宏驥先生

提名委員會

本公司提名委員會（「提名委員會」）有三名董事，其中兩位是獨立非執行董事。提名委員會的主要職責是招聘董事會成員，亦同時按照本集團的既定策略及目標，評核及評估董事會成員的最佳組合。除了向董事局建議董事會的變更及提供委任或重新委任董事的建議外，還評核非執行董事的獨立性，提名委員會亦注意定期更新董事會成員組合的需要，避免個別成員長期盤踞的現象，並使董事會能吸引新的思維。

提名政策

提名董事的政策包含在委員會的職權範圍內。政策列明公司在提名董事時的主要標準和原則，亦規範委員會為實施該政策應採取的有效措施：

- (a) 每年最少一次檢討董事會之架構、大小及組成（包括技能、知識及經驗方面），並就任何作出之變動向董事會提出建議以配合本公司的公司策略；

(b) identify individuals suitably qualified to become members of the Board and select or nominate or make recommendations to the Board on the selection of individuals nominated for directorships;

(C) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

(b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事會成員或就此向董事會提供意見；

(c) 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃的有關事宜向董事會提出建議；

MEMBERS OF NOMINATION COMMITTEE

Mr. Cheng Tun Nei (*Chairman*)

Mr. Shum Pui Kay

Mr. Wah Wang Kei Jackie

提名委員會成員

鄭盾尼先生（主席）

沈培基先生

華宏驥先生

BOARD/COMMITTEES MEETINGS AND MINUTES

During the year, management provided information to the Board members in a timely manner to keep them abreast of the latest developments of the Company. The attendance of individual members of the Board for the financial year ended 31 December 2019 is set out in the table below:

董事會／委員會會議及會議紀錄

於年內，管理層已適時向董事會成員提供資料，使其等能掌握本公司的最新發展。截至2019年12月31日止財政年度，各董事會成員的會議出席紀錄如下表：

Directors 董事		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Director Cheng Tun Nei	執行董事 鄭盾尼	N/A不適用	N/A不適用	1/1
Independent Non-executive Directors Shum Pui Kay	獨立非執行董事 沈培基	2/2	1/1	1/1
Wah Wang Kei Jackie	華宏驥	2/2	1/1	1/1
Chow Yu Chun Alexander	周宇俊	2/2	1/1	N/A不適用

Minutes of the Board meetings and Board Committees meetings have been recorded. Draft and final versions of minutes of the Board and other Board Committees were circulated to all Directors or Committees members for comments within a reasonable time after the meeting.

NOMINATION OF DIRECTORS

Under the Bye-laws, one-third of the Directors (including INEDs) must retire, from office by rotation and every Director shall be subject to retirement by rotation at least once every three years. The retiring Director shall be eligible for re-election at each annual general meeting. Mr. Cheng Tun Nei (“Mr. Cheng”) and Mr. Chow Yu Chun Alexander (“Mr. Chow”) will retire and being eligible, both Mr. Cheng and Mr. Chow offer themselves for re-election at the forthcoming annual general meeting.

Details of the biographies of Mr. Cheng and Mr. Chow are set out in the circular to be sent to the Shareholders.

CORPORATE GOVERNANCE, INTERNAL CONTROL, GROUP RISK MANAGEMENT

Risk identification and control is the Board’s responsibility. When the Board pursues the Group’s long term strategic objectives, it also deals with internal control issues including the Group’s risk appetite, risk and return trade-offs, risk management and internal control systems.

董事會及委員會的會議已充份地紀錄。會議紀錄的草稿及最終版本均已於會議後的合理時間內給予所有董事或委員會成員作出傳閱及評論。

董事提名

根據公司細則，三分之一董事（包括獨立非執行董事）必須輪值退任而每位董事最少三年一次須輪值退任。退任後的董事可於每年股東週年大會准予重選。鄭盾尼先生（「鄭先生」）及周宇俊先生（「周先生」）將會於應屆股東週年大會輪值退任並符合資格重選。

鄭先生及周先生的履歷詳情已載於本公司將派發予股東的通函內。

企業管治、內部監管、集團風險管理

辨識及控制風險是董事會的責任。當董事朝本集團的長期戰略目標進發時，亦同時處理內部監控事宜，包括本集團的風險承受能力、風險回報權衡、風險管理及內部監控系統等。

Procedures are designed to identify and manage risks that might adversely impact the Group's business operations. Through the establishment of policies and internal guidelines such as the approval of detailed operational and financial reports, budgets and plans provided by the management of the business operations; inhouse code for the approval and control of expenditures; periodic review of actual results against budget or forecast; annual review by the Audit Committee of the ongoing work of the Group's internal audit and risk management functions, the effectiveness of the internal control systems is ensured. An independent service provider was appointed to assist the Board to monitor the effectiveness of the risk management and internal control system of the Group. The service provider performed annual risk management and internal control review of the procedures, systems and controls of the Company in accordance with "Internal Control Integrated Framework". A Risk Management and Internal Control Review Report was submitted to the Audit Committee and the Board on a half-yearly basis so that remedial actions can be taken by formalizing management policies to manage risk in a systematic manner.

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those with significant impact on the Group. As far as the Company is aware of, the Group has complied, in material respect, with the relevant rules and regulations promulgated by the relevant regulatory bodies to which the Group operates its business in and holds the relevant required licences for conducting certain licensed activities.

透過制訂政策和內部程序以識別及管理可能對本集團業務存在不利影響，包括審批由業務管理層提交的詳盡營運與財務報告、預算和業務計劃；審批及控制內部守則開支；按預算審閱實際業績；由審核委員會年度審閱其本集團內部審核與風險管理職能的持續工作，內部監控系統的有效性等能夠得以確保。一名獨立服務供應商獲委任，以協助董事會監察本集團風險管理及內部監控系統的有效性。該服務供應商每年就本公司的程序、系統及監控根據「內部控制整合性架構」進行年度風險管理及內部監控檢討。一份風險管理及內部監控審核報告已按半年度基準下提交予審核委員會及董事會，以便規範管理政策以有系統方式下管理風險並採取適當的後續行動。

本集團已制定合規程序，以確保遵守特別對本集團產生重大影響的適用法例、規則及法規。據本公司所知，本集團已遵守，於重大層面，對其業務營運所在地的相關機構頒佈的相關規則及法規並持有若干受規管活動所需要的牌照。

AUDITOR'S REMUNERATION

A summary of remuneration paid to the external auditor of the Company, BDO Limited, for the audit services and non-audit services for the financial year ended 31 December 2019 is as follows:

		2019 HKD'000 千港元
<u>Nature of services</u>	<u>服務性質</u>	
Audit services	審計服務	2,030
Non-audit services	非審計服務	340

The Group's external auditor is BDO Limited, their independence is a fundamental governance principle.

The lead audit partner of BDO Limited is subject to rotation every seven years pursuant to the International Federation of Accountants rules on independence of external auditors. As part of the rotation, the current lead audit partner was first appointed for the 2017 financial year end audit.

SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, each of them confirmed his compliance with the required standard set out in the Model Code for the financial year ended 31 December 2019. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code.

核數師酬金

截至2019年12月31日止的財政年度，支付予本公司獨立核數師香港立信德豪會計師事務所有限公司所提供的審核服務及非審核服務的酬金綜合如下：

集團的獨立核數師為香港立信德豪會計師事務所有限公司，他們的獨立性是作為管治的基本原則。

香港立信德豪會計師事務所有限公司的主要合伙人是根據國際會計師聯合會內就獨立核數師的獨立性規定每七年輪值告退任，作為輪值退任的其中一部分，目前的主要合伙人於2017的財務年度審計中被首次委任。

證券交易

本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）經向全體董事作出具體查詢後，各董事確認，他們於截至2019年12月31日止年度內一直遵守標準守則所載之標準規定。可能擁有關於本集團尚未公開之股價敏感資料之有關僱員，同樣須遵守其內容不比標準守則寬鬆的指引。

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

With the assistance of the finance department, the Directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended 31 December 2019 and confirm that the consolidated financial statements contained herein give a true and fair view of the results and state of affairs of the Group for the period under review. The Directors consider that the financial statements have been prepared in conformity with the statutory requirements and the applicable accounting standards.

Further discussion and analysis of the Group's performance can be found in the Operation Review section of this annual report from page 10 to 16. Further explanation as to how the Company generates or preserves value over the longer term and the strategy for delivering the Company's objectives is found in the Chairman's Statement from page 2 to 9.

To maintain and promote better and effective control within the Group, the Directors have reviewed the soundness, adequacy and application of accounting, financial and other controls of the Company.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2019, the Group entered into the following disclosed connected transactions with its connected persons:

- (i) under a margin financing agreement collectively signed by Mr. Cheng Tun Nei ("Mr. Cheng") (a director of the Company), Goldsilk Capital Limited (a company wholly-owned by Mr. Cheng) and the subsidiary of the Company on 31 December 2018, the aggregate margin financing loan facility was set at HKD10,000,000 for a fixed term of three years;

董事對財務報表之責任

在財務部的協助下，董事確認知悉他們就編製本集團截至2019年12月31日止年度綜合財務報表的責任，並確認其綜合財務報表能真實公平地反映本集團於回顧期間的業績及事務狀況。董事認為，綜合財務報表是按照法規及適用的會計準則而編製。

有關本集團表現的進一步的討論與分析請見本報告第10頁至第16頁的業務回顧一節內。而有關本公司如何對長遠產生或保留價值的基礎及實現本公司所立目標的策略敘述請見第2頁至第9頁的主席報告一節。

為確保本集團內維持及促進良好有效的監控，董事已檢視本公司對會計、財務及其他監控的穩建性、足夠性及應用性。

持續關連交易

於截至2019年12月31日止年度，本集團與其關連人士訂立以下已披露關連交易：

- (i) 根據本公司董事鄭盾尼先生（「鄭先生」）、鄭先生全資擁有之公司Goldsilk Capital Limited及本公司之某一附屬公司於2018年12月31日共同簽訂之保證金融資協議，保證金融資貸款總融資額度定為10,000,000港元，為期三年；

- (ii) under a margin financing agreement signed by Ms. Fung Kim Wan Ewim, a director of the subsidiary of the Company and a subsidiary of the Company on 31 December 2018, the aggregate margin financing loan facility was set at HKD10,000,000 for a fixed term of three years.
- (iii) under a margin financing agreement signed by Mr. Lee Cheung Ming, a director of the Company and a subsidiary of the Company on 30 October 2019, the aggregate margin financing loan facility was set at HKD10,000,000 for a fixed term of three years.

The transactions adhere to the Margin Financing Policy of a subsidiary of the Company, which is defined as per guidance from the Securities & Futures Commission. All transactions (including but not limited to exposure limit and margin loan outstanding) are subject to review and monitoring on a daily basis by the Responsible Officer, whereby margin calls if any shall be followed up with remedial action accordingly.

- (iv) after conducting an annual review of the 2018 business performance of arena, an amendment to the JV agreement and Distribution Agreement (as supplemented by the Amendment Agreements, collectively the “Revised Agreements”) were entered into by the Group on 7 May 2019 under which the (a) the price for the “arena” products and (b) the minimum level of purchase for arena products were revised.

The price for the arena products is revised as the recommended retail price of the “arena” products times a rate specified in the Revised Agreements. The annual minimum level of purchase of the “arena” products was reduced to RMB60,345,000 (2019), RMB86,629,000 (2020) and RMB96,139,000 (2021) respectively. All the foregoing annual minimum level of purchase excludes tax. The minimum purchase for the contract years is adjusted taking into account the current China retail market conditions and it is foreseen that the adjustment will improve both the business performance and the flexibility of the joint venture.

Details of the Revised Agreements can be found in the announcements of the Company published on 8 May 2019.

- (ii) 根據本公司某一附屬公司之董事馮劍雲女士與本公司某一附屬公司於2018年12月31日簽訂之保證金融資協議，保證金融資貸款總融資額度定為10,000,000港元，為期三年。
- (iii) 根據本公司之董事李長銘先生與本公司某一附屬公司於2019年10月30日簽訂之保證金融資協議，保證金融資貸款總額度定為10,000,000港元，為期三年。

該等交易遵循某一附屬公司之保證金融資政策是按照證券及期貨事務監察委員會之指引所定義)。所有交易(包括但不限於風險限額及未償還保證金貸款等)須接受負責人員每日進行之檢視及監控，其中保證金催繳(如有)應予以跟進，並採取相應的補救行動。

- (iv) 對於2018年阿瑞娜的業務表現進行年度檢視後，本集團於2019年5月7日簽署經修訂合營企業及分銷協議(經修訂補充協議，統稱為「經修訂協議」)內對(a)「arena」產品之價格及(b)最低購買「arena」產品的金額作出修訂。

該「arena」產品之價格修訂為其建議零售價乘以一個經修訂協議內的比率。阿瑞娜年度最低購貨買「arena」產品分別金額的下調為人民幣60,345,000 (2019), 人民幣86,629,000 (2020)及人民幣96,139,000 (2021)。所有前述的年度最低購貨金額不包含稅項。該等最低購貨金額的調整已考慮到當前中國零售市場環境，並預計該調整將改善合營公司的業務表現及靈活性。

經修訂協議的內容詳見公司於2019年5月8日的公告。

The transactions are reviewed and monitored by designated internal team.

The INED of the Company believed that the above continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Company;
- (b) on normal commercial terms; and
- (c) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

BDO Limited, the Company's auditor, was engaged to report on the Group's disclosed continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. BDO Limited has issued its unqualified opinion letter containing its findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

SHAREHOLDERS' COMMUNICATION

The Board recognises the importance of maintaining an effective two-way communication with its stakeholders. Designated members of the management meet with institutional investors on an on-going basis providing them with the latest and comprehensive information about the corporate developments of the Group. In addition, stakeholders can click into the Company's website (www.symphonyholdings.com) to obtain updated information in a timely manner.

該等交易由內部指定團隊進行檢視及監督。

本公司獨立非執行董事相信以上已經簽署的持續關連交易是：

- (a) 為本公司一般及日常業務過程；
- (b) 按正常商業條款；及
- (c) 屬於公平、合理並符合本公司股東下之整體利益。

本公司核數師為香港立信德豪會計師事務所有限公司已獲聘並根據香港會計師公會頒佈的香港核證工作準則第3000號（經修訂）「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團已披露的持續關連交易作出報告。香港立信德豪會計師事務所有限公司已發出無保留意見函件，當中載有其對本集團按照上市規則第14A.56條於前述披露的持續關連交易作出發現及結論。核數師函件由本公司送呈至聯交所。

股東通訊

董事會認同跟其持份者須維持雙向溝通的重要性，並會指派管理人員定期與企業投資者會面，向他們提供本集團的最新消息及其企業發展的全面資訊。此外，持份者可登入本公司網址 www.symphonyholdings.com 查詢本集團以獲取定期更新的最新資訊。

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group realises the importance of environmental protection in pursuing long-term sustainability. In particular, the Group promotes water and energy saving, recycling of materials at its offices such as putting up notices in the restrooms and pantry reminding staff members to save water, switching off idle lightings, air-conditioning and electrical appliances. The Group also encourages the use of recycle papers and doubled sided printing. The Group is committed to improving environmental sustainability and will closely monitor the performance. In accordance with Rule 13.91 of and Appendix 27 to the Listing Rules, the Company's Environmental, Social and Governance Report will be available on its website within three months from the publication of this annual report.

DIVIDEND POLICY

The Company aims to provide consistent increases in dividends, linked to the earning performance of its business. The Board takes into account the Company's future business funding need and the Company's financial position when deciding the dividend amount to be paid.

Dividends are normally paid out once per year.

Shareholders who fail to receive their dividend warrant should notify the Company's Share Registrar by writing to them or complete a form which can be downloaded from the Share Registrar's website. A replacement dividend warrant or replacement dividend cheque will be sent to shareholders around 4 weeks from the date the Company's Share Registrar receive shareholders' notification of non-receipt of dividend warrants.

環境政策及表現

本集團意識到環境保護對追求長遠持續發展的重要性。由其本集團於辦公室內推廣珍惜用水、節能及回收材料，如在洗手間及職員休息室張貼告示，提示同事節約用水、關掉閒置照明設備、空調及電器。本集團亦鼓勵於印刷及影印時使用環保紙及將紙張雙面使用。本集團致力於提高環境方面的可持續發展並密切監察其表現。根據上市規則第13.91條及附錄27，本公司的環境、社會及管治報告將於本年度報告刊發後三個月內刊登於其網站。

股息政策

本公司的政策是提供股息的持續增長，與其業務的盈利業務表現掛鉤。同時董事會在考慮派發股息時，同時考慮本公司的未來業務的資金需求及公司財務狀況。

本公司通常每年派付一次股息。

未能收到股息單的股東應通過書面通知或填寫可從公司股份過戶處網站下載的表格通知公司股份過戶處。公司股份過戶處收到未收到股息單的通知之日起四週內，將發送替代股息單或替代股息支票。

Independent Auditor's Report

獨立核數師報告



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TO THE MEMBERS OF SYMPHONY HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

致新豐集團有限公司股東

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Symphony Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 65 to 322, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the 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.

意見

本核數師已完成審核新豐集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第65頁至第322頁的綜合財務報表。此綜合財務報表包括於2019年12月31日的綜合財務狀況表,及其截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括其主要會計政策概要。

本核數師認為,此綜合財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於2019年12月31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,並已符合《香港公司條例》的披露要求妥為編製。

意見基礎

本核數師已根據香港會計師公會所頒佈的香港審計準則(「香港審計準則」)進行審核。根據該等準則,本核數師的責任於本報告「核數師就審計綜合財務報表之責任」一節中進一步詳述。根據香港會計師公會之《專業會計師道德守則》(「該守則」),本核數師獨立於貴集團,並已遵循該守則履行其他道德責任。本核數師相信所獲得的審核憑證能充足及適當地為本核數師的意見提供基礎。

KEY AUDIT MATTERS

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

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

- Fair value of investment properties, leasehold land and buildings, and buildings classified as level 3 recurring fair value measurements;
- Impairment assessment of trade and other receivables and loans receivables; and
- Impairment assessment of goodwill and intangible assets.

FAIR VALUE OF INVESTMENT PROPERTIES, LEASEHOLD LAND AND BUILDINGS AND BUILDINGS CLASSIFIED AS LEVEL 3 RECURRING FAIR VALUE MEASUREMENTS

Refer to Notes 14 and 15 to the consolidated financial statements and the accounting policies on pages 111 and 116 respectively.

At 31 December 2019, the Group's investment properties, leasehold land and buildings and buildings which were classified as property, plant and equipment, with the carrying amounts of approximately HKD1,503,312,000, HKD308,288,000 and HKD1,345,473,000 (2018: HKD1,319,475,000, HKD299,780,000 and HKD331,295,000), were measured at fair values respectively. All of the fair value of these properties were classified as level 3 recurring fair value measurements under the definition of HKFRS13 "Fair Value Measurement" given that there were certain key inputs used for determining the fair values of these properties were not largely based on observable market data and involved management's significant judgements and high level of estimation uncertainty in the selection of key inputs incorporated in the valuations of these properties.

For the valuations of these properties, the management has engaged independent qualified professional valuers to support the fair value measurements of these properties with reasonable and appropriate key assumptions and methodologies.

關鍵審計事項

根據本核數師的專業判斷，關鍵審計事項為本核數師就審計本期間的綜合財務報表中最為重要的事項。該等事項是本核數師在進行審計整體綜合財務報表及作出本核數師的意見時已經得到處理，然而本核數師不會對該等事項提供獨立的意見。

本核數師在審核過程中所識別的關鍵審計事項總結如下：

- 分類為第三級經常性公平價值計量之投資物業、租賃土地及樓宇及樓宇的公平價值；
- 貿易及其他應收賬款及應收貸款減值評估；及
- 商譽及無形資產減值評估。

分類為第三級經常性公平價值計量之投資物業、租賃土地及樓宇及樓宇的公平價值

分別參閱綜合財務報表附註14及15以及第111及116頁的會計政策。

於2019年12月31日，貴集團的投資物業、分類為物業、廠房及設備的租賃土地及樓宇及樓宇之賬面值分別約為1,503,312,000港元、308,288,000港元及1,345,473,000港元（2018年：1,319,475,000港元、299,780,000港元及331,295,000港元）是按其公平價值計量。所有以公平價值計量的物業是根據香港財務報告準則第13號「公平價值計量」的定義下分類為第三級經常性公平價值計量，其用於釐定該等物業公平價值的若干重要輸入數據並非大幅度地依賴其可觀察市場數據及在選擇重要輸入數據時納入評估該等物業公平價值時牽涉管理層重大判斷及高度估計下的不確定性。

為了該等物業的估值時，管理層已聘請獨立合資格專業估值師，藉以重大假設及方法在合理及適當的情況下證明該等物業的公平價值。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

FAIR VALUE OF INVESTMENT PROPERTIES, LEASEHOLD LAND AND BUILDINGS AND BUILDINGS CLASSIFIED AS LEVEL 3 RECURRING FAIR VALUE MEASUREMENTS (CONTINUED)

The valuations of investment properties were determined by three separate methodologies: (i) direct comparison approach for Beijing, Shanghai and Chongqing properties, where all located in the People's Republic of China (the "PRC") and a Hong Kong property; (ii) discount of rental income approach for Tianjin property in the PRC; and (iii) capitalisation of rental receivables approach for a Hong Kong property. All of these methodologies required management's significant judgements by taking into accounts of the following factors: (i) characteristics of the properties, which included the location, size, timing, floor level, view, age and quality against comparable sales evidence available in the market nearby for the direct comparison approach; (ii) rental yield, rental growth rate, adjustment rates on the length of lease term or the Group's credit rating and market unit rent for the discount of rental income approach; and (iii) term yield, reversionary yield and market unit rent for the capitalisation of rental receivables approach before deriving appropriate amounts of fair value of the investment properties.

The valuations of leasehold land and buildings and buildings, which were classified as property, plant and equipment, were determined by two separate methodologies: (i) direct comparison approach for a Hong Kong property and a Shanghai property, where located in the PRC; and (ii) discount of rental income approach for Shenyang and Xiamen properties, where located in the PRC. Both methodologies required management's significant judgements by taking into accounts of the following factors: (i) characteristics of the properties, which included the location, size, timing, floor level, view, age and quality against comparable sales evidence available in the market nearby for the direct comparison approach; and (ii) rental yield and market unit rent for the discount of rental income approach before deriving appropriate amounts of fair value of the leasehold land and buildings and buildings.

關鍵審計事項 (續)

分類為第三級經常性公平價值計量之投資物業、租賃土地及樓宇及樓宇的公平價值 (續)

投資物業的估值是基於三種獨立方法釐定，包括：(i)直接比較法（就著所有位於中華人民共和國（「中國」）北京、上海及重慶物業及一個位於香港物業而言）；(ii)租金收入貼現法（就一個位於中國天津物業而言）；及(iii)應收租金資本化法（就一個位於香港物業而言）。在取得投資物業的合適公平價值金額前，所有該等方法均需要考慮以下因素後作出的管理層重大判斷如：(i)就直接比較法而言，須包括與鄰近市場可比較銷售證據的物業特性，當中包括地點、規模、時間、樓層、景觀、樓齡及質量；(ii)就租金收入貼現法而言，須包括租金收益率、租金增長率、租賃年期或本集團信貸評級的調整率及市場單位租金；及(iii)就應收租金資本化法而言，須包括年期收益率、復歸收益率及市場單位租金。

分類為物業、廠房及設備的租賃土地及樓宇及樓宇的估值是基於兩種獨立方法釐定：(i)直接比較法（就一個位於香港及中國上海物業而言）；及(ii)租金收入貼現法（就位於中國瀋陽及中國廈門物業而言）。在取得租賃土地及樓宇及樓宇的合適公平價值金額前，兩種方法均需要考慮以下因素後作出的管理層重大判斷如：(i)就直接比較法而言，須包括與鄰近市場可比較銷售證據的物業特性，當中包括地點、規模、時間、樓層、景觀、樓齡及質量；及(ii)就租金收入貼現法而言，須包括租金收益率及市場單位租金。

KEY AUDIT MATTERS (CONTINUED)

FAIR VALUE OF INVESTMENT PROPERTIES, LEASEHOLD LAND AND BUILDINGS AND BUILDINGS CLASSIFIED AS LEVEL 3 RECURRING FAIR VALUE MEASUREMENTS (CONTINUED)

We identified the fair value of investment properties, leasehold land and buildings and buildings classified as level 3 recurring fair value measurements as a key audit matter because of the management's significant judgements and high level of estimation uncertainty involved in the valuations of these properties and the carrying amounts involved are significant to the Group's consolidated financial statements.

Our audit response to the key audit matter:

- Assessed the competence, capabilities and objectivity of the independent qualified professional valuers;
- Assessed the appropriateness of methodologies and reasonableness of the key assumptions used in the valuations of the properties and whether they are consistent with our knowledge of current business operations and data available in the property markets;
- Performed testing, on a sample basis, on the accuracy and relevancy of the key inputs used in the valuation of properties provided by the management to the independent qualified professional valuers by checked to the available supporting documents and data available in property markets.

關鍵審計事項 (續)

分類為第三級經常性公平價值計量之投資物業、租賃土地及樓宇及樓宇的公平價值 (續)

本核數師已識別該等分類為第三級經常性公平價值計量之投資物業、租賃土地及樓宇為關鍵審計事項，因為評估該等物業估值時涉及管理層重大判斷及高度估計下的不確定性及其賬面值對本集團的綜合財務報表為之重大。

本核數師對該關鍵審計事項的回應：

- 評估獨立合資格專業估值師的能力、才能及客觀性；
- 就著本核數師對該等物業估值下作出的合適方法及合理重大假設下是否符合本核數師對現時商業營運的認知及物業市場可供的數據為之一致予以評估；及
- 對管理層在評估該等物業估值過程中向獨立合資格專業估值師提供的重大關鍵輸入數據的準確性及相關性經核對物業市場可供的證明文件下及數據進行抽樣測試。

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KEY AUDIT MATTERS (CONTINUED)

IMPAIRMENT ASSESSMENT OF TRADE AND OTHER RECEIVABLES AND LOANS RECEIVABLE

Refer to Notes 23 and 25 to the consolidated financial statements and the accounting policies from pages 140 to 145 respectively.

At 31 December 2019, the Group has trade and other receivables and loss allowances of approximately HKD190,369,000 and HKD15,395,000 (2018: HKD513,594,000 and HKD37,424,000) respectively. In addition, the Group has loans receivable and loss allowances of approximately HKD167,193,000 and HKD6,800,000 (2018: HKD166,088,000 and HKD6,800,000) respectively.

Under HKFRS 9 “Financial Instruments” (“HKFRS 9”), the expected credit loss (“ECL”) for these financial assets required the management’s significant judgements and involved high level of estimation uncertainty. It includes key assumptions such as probabilities of default rates, expected recovery rates from loss given default and forward-looking information specific to the debtors and macroeconomic environment.

We identified the impairment assessment of trade and other receivables and loans receivable as a key audit matter because of the management’s significant judgements and high level of estimation uncertainty involved in the development and implementation process of the ECL models and the carrying amounts involved are significant to the Group’s consolidated financial statements.

關鍵審計事項 (續)

貿易及其他應收賬款及應收貸款減值評估

參閱綜合財務報表附註23及25以及第140頁至145頁的會計政策。

於2019年12月31日，本集團擁有貿易及其他應收賬款及虧損撥備分別為約190,369,000港元及15,395,000港元（2018年：513,594,000港元及37,424,000港元）。此外，本集團擁有應收貸款及虧損撥備分別為約167,193,000港元及6,800,000港元（2018年：166,088,000港元及6,800,000港元）。

根據香港財務報告準則第9號「金融工具」（「香港財務報告準則第9號」），該等金融資產的預期信貸虧損（「預期信貸虧損」）要求管理層作出重大判斷及牽涉高度估計下的不確定性，包括重大假設，例如違約概率、預期因既定違約虧損的回復率及針對債務人及宏觀經濟環境下的前瞻性資訊。

本核數師已將貿易及其他應收賬款以及應收貸款減值評估識別為關鍵審計事項，因涉及制定及實施預期信貸虧損模型時涉及管理層重大判斷及高度估計下的不確定性，以及其賬面值對本集團綜合財務報表為之重大。

KEY AUDIT MATTERS (CONTINUED)

IMPAIRMENT ASSESSMENT OF TRADE AND OTHER RECEIVABLES AND LOANS RECEIVABLE (CONTINUED)

Our audit response to the key audit matter:

- Assessed the overall operating effectiveness of key controls over the design and implementation which govern the internal credit control, debt collections, recording and monitoring of the ECLs on the trade and other receivables and loans receivable;
- To assess the appropriateness of the ECL models, we challenged the reasonableness of key assumptions and inputs used by the management in estimating the ECLs, including performed testing, on a sample basis, on the accuracy and relevancy of the historical default rates whether they are appropriately adjusted based on the recent loss experience and forward-looking factors specific to the debtors and macroeconomic environment, including key economic parameters and assumptions used in different scenarios. We also examined whether the actual losses recorded during the year has caused any changes of the key assumptions and inputs used in the ECL models and assessed whether there was any indication of management's bias when forming the loss allowances on the trade and other receivables and loans receivable;
- For a sample of exposures that was subject to impairment assessment other than a simplified approach, we tested whether there is any significant increase in credit risk when categorising into different stages of default on the trade and other receivables and loans receivable against the criteria under HKFRS 9; and

關鍵審計事項 (續)

貿易及其他應收賬款及應收貸款減值評估 (續)

本核數師對該關鍵審計事項的回應：

- 評估對設計及實施方面對整體主要控制的運作有效性對其內部信用控制、收回債務、記錄及監控貿易及其他應收賬款以及應收貸款的預期信貸虧損計算過程；
- 在評估合適的預期信貸虧損模型，本核數師質疑管理層就估計預期信貸虧損所採用的重大假設及輸入數據，包括抽樣測試歷史違約率的準確性及相關性，評估歷史違約率是否已根據近期損失經驗及針對債務人及宏觀經濟環境下的前瞻性資訊（包括在不同情況所採用的主要經濟參數及假設）下作出調整。本核數師亦審查了本年內錄得的實際虧損是否引致其預期信貸虧損模型所採用的重大假設及輸入數據出現任何變動及評估於釐定貿易及其他應收賬款以及應收貸款的虧損撥備時管理層有否存有偏頗；
- 就受減值評估（不包括簡化法）影響的風險樣本而言，本核數師測試按照香港財務報告準則第9號的標準分類為貿易及其他應收賬款以及應收貸款的不同違約階段時信貸風險是否大幅增加；及

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KEY AUDIT MATTERS (CONTINUED)

IMPAIRMENT ASSESSMENT OF TRADE AND OTHER RECEIVABLES AND LOANS RECEIVABLE (CONTINUED)

- Verified the key inputs used by the management in assessing the probability of default rates against the internal documents and tested the recovery rates from loss given default in the ECLs calculations by taking into account the realisable value of collaterals on the trade and other receivables and loans receivable where appropriate.

IMPAIRMENT ASSESSMENT OF GOODWILL AND INTANGIBLE ASSETS

Refer to Notes 21 and 18 to the consolidated financial statements and the accounting policies on pages 105 and 127 respectively.

At 31 December 2019, the Group's goodwill and intangible assets with indefinite useful lives, net of impairment loss, with the carrying amount of approximately HKD141,401,000 and HKD194,733,000 (2018: HKD147,501,000 and HKD149,100,000) were required to be tested for impairment at the end of reporting period, irrespective of whether there is any indication of impairment. During the year, impairment loss on goodwill of approximately HKD6,100,000 (2018: HKD nil) was recognised in profit or loss given that the recent adverse financial performance of the healthcare product business in Hong Kong due to the outbreak of social incidents.

At 31 December 2019, the Group's intangible assets with finite useful lives amounted to approximately HKD46,754,000 (2018: HKD50,350,000) were required to be tested for impairment when there is an indication of impairment.

關鍵審計事項 (續)

貿易及其他應收賬款及應收貸款減值評估 (續)

- 證實管理層就評估內部文件的違約概率時所採用的重大關鍵輸入數據及測試在計算預期信貸虧損時所採用的因既定違約虧損的回復率，並已考慮貿易及其他應收賬款及應收貸款抵押品的可變現價值（如適當）。

商譽及無形資產減值評估

分別參閱綜合財務報表附註21及18以及第105及127頁的會計政策。

於2019年12月31日，貴集團的無限使用年期的商譽及無形資產（經扣除減值虧損）分別約為141,401,000港元及194,733,000港元（2018年：147,501,000港元及149,100,000港元），須於報告期末進行減值測試，無論有否可出現能減值跡象。於年內，無形資產經減值虧損約為6,100,000（2018年：無）在損益表確認基於最近保健產品於香港社運事件爆發對財務表現的負面影響。

於2019年12月31日，本集團的有限使用年期的無形資產約為46,754,000港元（2018年：50,350,000港元），於出現可能減值跡象時須進行減值測試。

KEY AUDIT MATTERS (CONTINUED)

IMPAIRMENT ASSESSMENT OF GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Management concluded that except for the impairment loss on goodwill arise from the acquisition of healthcare products business as explained above, there was no impairment loss in respect of the rest of goodwill and intangible assets at 31 December 2018 and 2019. This conclusion was based on the determination of the recoverable amounts of the cash generating units allocated based on the value-in-use calculations carried out by independent qualified professional valuers. The determination of recoverable amounts required management's significant judgements and key inputs used in the cash flow projections, including revenue projection, long-term growth rates, gross margins and discount rates.

We identified the impairment assessment of goodwill and intangible assets as a key audit matter because of the management's significant judgements and high level of estimation uncertainty involved in the determination of the recoverable amounts and useful lives and the carrying amounts involved are significant to the Group's consolidated financial statements.

Our audit response to the key audit matter:

- Checked the arithmetic accuracy of the cash flow projections used in the impairment assessment of goodwill and intangible assets;
- Assessed the reasonableness of key inputs used in the cash flow projections included revenue projection, long-term growth rates, gross margins and discount rates based on the knowledge of business for the impairment assessment of goodwill and intangible assets;

關鍵審計事項 (續)

商譽及無形資產減值評估 (續)

管理層得出的結論為，除上述收購保健養生產品產生的商譽減值虧損外，於2018年及2019年12月31日餘下商譽及無形資產並無減值虧損。該結論是以釐定獨立合資格專業估值師在進行使用價值計算時分配至現金產生單位的可收回金額為依據。釐定可收回金額需管理層作出重大判斷及現金流量預測下所採用的重大關鍵輸入數據（包括收入預測、長期增長率、毛利率以及貼現率）。

本核數師已將商譽及無形資產減值評估識別為關鍵審計事項，原因為釐定可收回金額涉及管理層重大判斷及高度估計下的不確定性以及相關賬面值對本集團綜合財務報表為之重大。

本核數師對該關鍵審計事項的回應：

- 核對商譽及無形資產的減值評估下所採用的現金流量預測的計算準確性；
- 基於有關商譽及無形資產減值評估的業務知識，評估現金流量預測下所採用的重大關鍵輸入數據（包括收入預測、長期增長率、毛利率以及貼現率）的合理性；

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KEY AUDIT MATTERS (CONTINUED)

IMPAIRMENT ASSESSMENT OF GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

- Discussed with the management about the current technological, market, economic and legal environment and the economic performance of each cash-generating units to assess whether the management has identified any impairment indicators of goodwill and intangible assets at the end of reporting period; and
- Checked the key inputs of cash flow projections against the internal documents, including the approved budgets, internal market research and analysis to assess whether there is any material difference against the budgets.

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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.

關鍵審計事項 (續)

商譽及無形資產減值評估 (續)

- 與管理層討論現時技術、市場、經濟及法律環境以及各現金產生單位的經濟表現，以評估管理層是否於報告期末識別商譽及無形資產有否任何減值跡象；及
- 核對內部文件在現金流量預測下的重大關鍵輸入數據，包括經批准的預算、內部市場研究及分析，方式以評估是否與預算有重大出入。

年報內的其他資料

董事需對其他資料負責。其他資料包括刊載於貴公司年報內的資料，但不包括綜合財務報表及本核數師的核數師報告。

本核數師對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

結合本核數師對綜合財務報表的審計，本核數師的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或本核數師在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於本核數師已執行的工作，如果本核數師認為其他資料存在重大錯誤陳述，本核數師需要報告該事實。在這方面，本核數師沒有任何報告。

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

董事就綜合財務報表須承擔的責任

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

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

董事亦負責監督貴集團的財務報告過程。審核委員會協助董事履行此方面的責任。

核數師就審計綜合財務報表之責任

本核數師的目標，是對綜合財務報表整體是否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，並出具包括本核數師意見的核數師報告。本核數師根據百慕達1981公司法第90條僅向全體股東報告我們的意見，除此以外，不可用作其他用途。本核數師概不就本報告書的內容，對任何其他人士負責或承擔責任。

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獨立核數師報告

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

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 judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表之責任 (續)

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或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。

在根據香港審計準則進行審計的過程中，本核數師運用了專業判斷，保持了專業懷疑態度。本核數師亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為本核數師意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

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

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

核數師就審計綜合財務報表之責任 (續)

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果本核數師認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則本核數師應當修訂本核數師的意見。本核數師的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 對 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。本核數師負責 貴集團審計的方向、監督和執行。本核數師為審計意見承擔全部責任。

Independent Auditor's Report

獨立核數師報告

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

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

核數師就審計綜合財務報表之責任 (續)

除其他事項外，本核數師與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括本核數師在審計中識別出內部控制的任何重大缺陷。

本核數師還向審核委員會提交聲明，說明本核數師已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響本核數師獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與董事溝通的事項中，本核數師確定那些事項那對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。本核數師在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在本核數師報告中溝通某事項造成的負面後果超過產生的公眾利益，本核數師決定不應在報告中溝通該事項。

BDO Limited

Certified Public Accountants

TANG Tak Wah

Practising Certificate Number: P06262

Hong Kong, 20 March 2020

香港立信德豪會計師事務所有限公司

執業會計師

鄧德華

執業證書編號：P06262

香港，2020年3月20日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2019 截至2019年12月31日止年度

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Revenue	收入	7	388,944	381,848
Cost of sales	銷售成本		(109,831)	(122,145)
Gross profit	毛利		279,113	259,703
Other income and gains	其他收入及收益	10(a)	132,422	168,558
Distribution and selling expenses	分銷及銷售開支		(114,086)	(126,363)
Administrative expenses	行政開支		(129,711)	(164,394)
Depreciation and amortisation expenses	折舊及攤銷開支		(54,254)	(53,099)
Finance costs	融資成本	8	(53,691)	(33,933)
Other expenses	其他開支	10(b)	(28,668)	(17,662)
Increase in fair value of investment properties	投資物業公平價值增加		44,217	112,267
Share of results of joint ventures	佔合營企業業績		5,315	19,955
Share of result of an associate	佔一間聯營企業業績		—	(2,326)
Profit before income tax expense	除所得稅開支前溢利	10(c)	80,657	162,706
Income tax credit/(expense)	所得稅抵扣/(開支)	9	1,248	(50,034)
Profit for the year	年度溢利	10(c)	81,905	112,672
Profit/(loss) for the year attributable to:	應佔全年溢利/(虧損):			
Owners of the Company	本公司擁有人		71,705	118,213
Non-controlling interests	非控股權益		10,200	(5,541)
			81,905	112,672
Earnings per share:	每股盈利:			
Basic earnings per share	每股基本盈利	13	HK2.41 cents 港仙	HK3.99 cents 港仙
Diluted earnings per share	每股攤薄盈利	13	HK2.41 cents 港仙	HK3.98 cents 港仙

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2019 截至2019年12月31日止年度

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Profit for the year	年度溢利	10(c)	<u>81,905</u>	<u>112,672</u>
Other comprehensive income for the year, net of tax	其他全面收入，除稅後			
Items that will not be reclassified to profit or loss:	不會重新分類至損益的項目：			
Surplus arising on revaluation of properties	物業重估所產生之盈餘		452,286	29,150
Deferred tax liability arising on revaluation of properties	物業重估所產生之遞延稅項負債		<u>(111,346)</u>	<u>(5,328)</u>
			<u>340,940</u>	<u>23,822</u>
Items that may be reclassified subsequently to profit or loss:	其後將會重新分類至損益的項目：			
Share of other comprehensive income of joint ventures	佔合營企業分佔其他全面收益		(542)	(2,763)
Exchange differences arising on translation of foreign operations	換算海外業務所產生的匯兌折算差異		<u>(32,457)</u>	<u>(124,727)</u>
Translation reserve released to profit or loss on disposal of subsidiaries	於出售附屬公司時回撥至損益的匯兌儲備		<u>-</u>	<u>27,273</u>
			<u>(32,999)</u>	<u>(100,217)</u>
Other comprehensive income for the year, net of tax	年度其他全面收益，除稅後		<u>307,941</u>	<u>(76,395)</u>
Total comprehensive income for the year	年度全面收益總額		<u>389,846</u>	<u>36,277</u>
Total comprehensive income for the year attributable to:	應佔全面收益總額：			
Owners of the Company	本公司擁有人		383,148	46,734
Non-controlling interests	非控股權益		<u>6,698</u>	<u>(10,457)</u>
			<u>389,846</u>	<u>36,277</u>

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019 於2019年12月31日

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,688,077	857,382
Investment properties	投資物業	15	1,503,312	1,319,475
Right-of-use assets	使用權資產	16	495,515	-
Prepaid lease payments	預付租賃款項	17	-	499,834
Intangible assets	無形資產	18	241,487	199,450
Interests in joint ventures	合營企業之權益	19	65,868	95,962
Interest in an associate	於一間聯營企業之權益	20	-	-
Goodwill	商譽	21	141,401	147,501
Deferred tax assets	遞延稅項資產	29	21,691	9,623
Club debenture	會所債券		1,876	1,876
Restricted bank deposits	受限制銀行存款	27(a)	3,356	34,814
Statutory deposits for financial services business	金融服務業務的法定存款		200	200
Total non-current assets	非流動資產總值		4,162,783	3,166,117
Current assets	流動資產			
Inventories	存貨	22	67,958	85,380
Trade and other receivables	貿易及其他應收賬款	23	190,369	513,594
Amounts due from joint ventures	應收合營企業款項	19	10,048	8,170
Amount due from an associate	應收一間聯營企業款項	20	18,081	35,343
Advances to customers in margin financing	提供予保證金融資客戶之墊款	24	122,648	144,145
Loans receivable	應收貸款	25	167,193	166,088
Prepaid lease payments	預付租賃款項	17	-	14,833
Financial assets at fair value through profit or loss	按公平值列入損益的金融資產	26	240,953	72,453
Restricted bank deposits	受限制銀行存款	27(a)	37,174	-
Bank balances and cash – held on behalf of customers	銀行結餘及現金 – 代客戶持有	27(b)	13,415	15,761
Bank balances and cash	銀行結餘及現金	27(c)	129,791	131,590
Total current assets	流動資產總值		997,630	1,187,357
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	28	309,054	231,908
Amount due to a related party	應付一間關聯公司款項	33	112	10,541
Lease liabilities	租賃負債	32	11,692	-
Finance lease payables	應付融資租賃	31	-	120
Bank borrowings	銀行貸款	30	198,822	307,026
Bank overdrafts	銀行透支	30	7,804	6,461
Tax payable	應付稅項		30,092	30,248
Total current liabilities	流動負債總值		557,576	586,304
Net current assets	流動資產淨值		440,054	601,053
Total assets less current liabilities	資產總值減流動負債		4,602,837	3,767,170

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2019 於2019年12月31日

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Non-current liabilities	非流動負債			
Loan from non-controlling interests	來自非控股權益貸款	47	2,114	9,249
Lease liabilities	租賃負債	32	173,207	–
Finance lease payables	應付融資租賃	31	–	531
Bank borrowings	銀行貸款	30	1,212,079	974,028
Deferred tax liabilities	遞延稅項負債	29	287,112	169,495
Total non-current liabilities	非流動負債總值		<u>1,674,512</u>	<u>1,153,303</u>
Net Assets	資產淨值		<u>2,928,325</u>	<u>2,613,867</u>
Equity	權益			
Share capital	股本	34	297,422	297,403
Reserves	儲備	37	2,620,065	2,273,425
Equity attributable to owners of the Company	本公司擁有人應佔權益		<u>2,917,487</u>	<u>2,570,828</u>
Non-controlling interests	非控股權益	47	<u>10,838</u>	<u>43,039</u>
Total Equity	權益總值		<u>2,928,325</u>	<u>2,613,867</u>

The consolidated financial statements on pages 65 to 322 were approved and authorised for issue by the board of directors on 20 March 2020 and are signed on its behalf by:

載於第65至第322頁的綜合財務報表乃由本公司董事會於2020年3月20日批核及授權刊發，並由下列董事代表簽署：

Cheng Tun Nei
鄭盾尼
Director
董事

Chan Kar Lee, Gary
陳嘉利
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019 截至2019年12月31日止年度

		Attributable to the owners of the Company 本公司擁有人應佔										
		Share capital	Contributed surplus	Share premium	Properties revaluation reserve	Share options reserve	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
		股本	實繳盈餘	股份溢價	物業重估儲備	購股權儲備	匯兌儲備	法定儲備	留存溢利	總計	非控股權益	總計
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note 34)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 47)	(Note 47)
		(附註34)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註47)	(附註47)
Balance at 1 January 2018 as originally presented	於2018年1月1日 初始呈列	295,581	523,213	1,056,760	219,956	1,102	28,340	2,479	416,436	2,543,867	53,496	2,597,363
Initial application of HKFRS 9	首次應用香港財務 報告準則第9號	-	-	-	-	-	-	-	(20,813)	(20,813)	-	(20,813)
Adjusted balance as at 1 January 2018 (as per below)	於2018年1月1日 已調整 (如下所示)	295,581	523,213	1,056,760	219,956	1,102	28,340	2,479	395,623	2,523,054	53,496	2,576,550
Profit/(loss) for the year	年度溢利/(虧損)	-	-	-	-	-	-	-	118,213	118,213	(5,541)	112,672
Surplus arising on revaluation of properties	物業重估所產生之 盈餘	-	-	-	29,150	-	-	-	-	29,150	-	29,150
Deferred tax liability arising on revaluation of properties	物業重估所產生之 遞延稅項負債	-	-	-	(5,328)	-	-	-	-	(5,328)	-	(5,328)
Share of other comprehensive income of joint ventures	佔合營企業其他 全面收入	-	-	-	-	-	(2,763)	-	-	(2,763)	-	(2,763)
Exchange differences arising on translation of foreign operations	換算海外業務 所產生的匯兌差異	-	-	-	-	-	(119,811)	-	-	(119,811)	(4,916)	(124,727)
Translation reserve released to profit or loss on disposal of subsidiaries	於出售附屬公司時 回撥至損益之 匯兌儲備	-	-	-	-	-	27,273	-	-	27,273	-	27,273
Other comprehensive income for the year	年度其他全面收入	-	-	-	23,822	-	(95,301)	-	-	(71,479)	(4,916)	(76,395)
Total comprehensive income for the year (as per below)	年度全面收入總額 (如下所示)	-	-	-	23,822	-	(95,301)	-	118,213	46,734	(10,457)	36,277
Adjusted balance as at 1 January 2018 (as per above)	於2018年1月1日 已調整 (如下所示)	295,581	523,213	1,056,760	219,956	1,102	28,340	2,479	395,623	2,523,054	53,496	2,576,550
Total comprehensive income for the year (as per above)	年度全面收入總額 (如下所示)	-	-	-	23,822	-	(95,301)	-	118,213	46,734	(10,457)	36,277
Share-based payments	以股份支付	-	-	-	-	328	-	-	-	328	-	328
Exercise of share options (Note 35)	行使購股權 (附註35)	1,500	-	11,824	-	(1,024)	-	-	-	12,300	-	12,300
Lapse of share options (Note 35)	購股權失效 (附註35)	-	-	-	-	(406)	-	-	406	-	-	-
Exercise of warrants (Note 36)	行使認股權證 (附註36)	322	-	2,900	-	-	-	-	-	3,222	-	3,222
Transfer from statutory reserve	轉自法定儲備	-	-	-	-	-	-	(2,479)	2,479	-	-	-
Dividend paid (Note 12)	已付股息(附註12)	-	-	-	-	-	-	-	(14,810)	(14,810)	-	(14,810)
Balance at 31 December 2018	於2018年12月31日	297,403	523,213	1,071,484	243,778	-	(66,961)	-	501,911	2,570,828	43,039	2,613,867

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

For the year ended 31 December 2019 截至2019年12月31日止年度

		Attributable to the owners of the Company 本公司擁有人應佔								
		Share capital	Contributed surplus	Share premium	Properties revaluation reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total
		股本	實繳盈餘	股份溢價	物業重估儲備	匯兌儲備	留存溢利	總計	非控股權益	總計
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note 34)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 37)	(Note 47)	(Note 47)
		(附註34)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註37)	(附註47)	(附註47)
Balance at 1 January 2019	於2019年1月1日	297,403	523,213	1,071,484	243,778	(66,961)	501,911	2,570,828	43,039	2,613,867
Profit for the year	年度溢利	-	-	-	-	-	71,705	71,705	10,200	81,905
Surplus arising on revaluation of properties	物業重估所產生之盈餘	-	-	-	452,286	-	-	452,286	-	452,286
Deferred tax liability arising on revaluation of properties	物業重估所產生之遞延稅項負債	-	-	-	(111,346)	-	-	(111,346)	-	(111,346)
Share of other comprehensive income of joint ventures	佔合營企業其他全面收入	-	-	-	-	(542)	-	(542)	-	(542)
Exchange differences arising on translation of foreign operations	換算海外業務所產生的匯兌差異	-	-	-	-	(28,955)	-	(28,955)	(3,502)	(32,457)
Other comprehensive income for the year	年度其他全面收入	-	-	-	340,940	(29,497)	-	311,443	(3,502)	307,941
Total comprehensive income for the year	年度全面收入總額	-	-	-	340,940	(29,497)	71,705	383,148	6,698	389,846
Exercise of warrants (Note 36)	行使購股權 (附註36)	19	-	173	-	-	-	192	-	192
Acquisition of non-controlling interests (Note 47)	收購非控股權益 (附註47)	-	-	-	-	(991)	-	(991)	(38,899)	(39,890)
Dividend paid (Note 12)	已付股息 (附註12)	-	-	-	-	-	(35,690)	(35,690)	-	(35,690)
Balance at 31 December 2019	於2019年12月31日	297,422	523,213	1,071,657	584,718	(97,449)	537,926	2,917,487	10,838	2,928,325

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

	NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Cash flows from operating activities	來自經營活動之現金流量		
Profit before income tax expense	除所得稅開支前之溢利	80,657	162,706
Adjustments for:	調整：		
Interest income	利息收入	(4,656)	(2,778)
Finance costs	融資成本	53,691	33,933
Share of results of joint ventures	佔合營企業業績	(5,315)	(19,955)
Share of result of an associate	佔一間聯營企業業績	-	2,326
Fair value gain on re-measurement of equity in a joint venture	重新計量某一合營企業權益的公平價值收益	49	(5,363)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32,548	34,751
Depreciation of right-of-use assets	使用權資產折舊	18,110	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	14,752
Amortisation of intangible assets	無形資產攤銷	3,596	3,596
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(42)	(290)
Write off of property, plant and equipment	物業、廠房及設備撇賬	292	830
Gain on disposal of investment properties	出售投資物業收益	-	(31,660)
Increase in fair value of completed investment properties	投資已建成物業的公平價值增加	(44,217)	(112,267)
Gain on disposal of subsidiaries	出售附屬公司收益	48	(117,764)
Fair value (gain)/loss on financial assets at fair value through profit or loss	按公平值列入損益的金融資產的公平值(收益)/虧損	(88,843)	2,443
Bad debts written off	已撇銷壞賬	304	331
Impairment loss on financial assets	金融資產減值虧損	3,023	7,184
Impairment loss on loan to an associate	貸款予一聯營企業減值虧損	-	3,670
Impairment loss on amount due from an associate	應收聯營企業款項減值虧損	11,631	1,761
Impairment loss on goodwill	商譽減值虧損	6,100	-
Gain on write back of other payables	回撥其他應付賬款的收益	(17,503)	-
Write off of obsolete inventories	陳舊存貨撇賬	12	13
Provision of allowance for inventories	存貨備抵撥備	8,951	838
Share-based payment expenses	以股份支付支出	-	328
Operating cash flows before movements in working capital	經營資金變動前的經營現金流	58,339	(20,615)
Decrease/(increase) in inventories	存貨減少/(增加)	8,191	(22,889)
Increase in trade and other receivables	貿易及其他應收賬款增加	(2,530)	(26,921)
Decrease/(increase) in advances to customers in margin financing	提供予保證金融資客戶之墊款減少/(增加)	21,497	(33,287)
(Increase)/decrease in loans receivable	應收貸款(增加)/減少	(1,105)	49,244
Increase in financial assets at fair value through profit or loss	按公平值列入損益的金融資產增加	(76,545)	(65,778)
Decrease in bank balances and cash - held on behalf of customers	銀行結餘及現金減少 - 代客戶持有	2,346	8,247
Increase in trade and other payables	貿易及其他應付賬款增加	(4,818)	39,851
Cash generated from/(used in) operations	來自經營業務產生/(所用)現金	5,375	(72,148)
The PRC and foreign tax paid	已付中國及海外稅項	(2,965)	(7,529)
Hong Kong Profits Tax paid	已付香港利得稅	(578)	(3,560)
Net cash from/(used in) operating activities	來自經營活動產生/(所用)的現金淨額	1,832	(83,237)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

	NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Cash flows from investing activities	來自投資活動之現金流量		
Acquisition of subsidiaries, net of cash acquired	收購附屬公司 (扣除所得之現金)	49 (10,000)	(54,673)
Disposal of subsidiaries, net of cash disposed of	出售附屬公司 (扣除所出售之現金)	48 -	250,505
Payment for acquisition of non-controlling interests	收購非控股權益開支	47 (40,490)	-
Advances to non-controlling shareholder of joint ventures	提供予非控股股權益 合營企業	(16,389)	-
Advances to joint ventures	提供合營企業墊款	(1,925)	(12,595)
Dividends received from joint ventures	自合營企業取得的股息	-	2,175
Repayment from/(advance to) an associate	收取/(提供)一間聯營企業 墊款	5,429	(11,157)
Proceeds from reduction in share capital of joint ventures	合營企業減少股本收益	34,867	-
Payments for additions of property, plant and equipment	添置物業、廠房及設備開支	(7,532)	(27,201)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備收入	49	904
Payments for additions of construction in progress and buildings	添置在建工程和建築物開支	(287,555)	(196,410)
Proceeds from refundable deposits for acquiring land-use rights	預付租賃款項的可退還訂金所得款項	41,667	13,585
Increase in refundable deposits on construction in progress	在建工程可退還訂金增加	-	(34,187)
Proceed from disposal of a completed investment property	出售已建成投資物業收益	-	52,360
Proceeds from disposals of investment properties under construction	出售在建投資物業收益	314,365	-
Payments for additions of intangible assets	添置無形資產支出	(45,633)	-
Increase in restricted bank deposits	受限制銀行存款增加	(5,915)	(9,849)
Interest received	已收利息	4,225	2,759
Net cash used in investing activities	用於投資活動現金淨額	(14,837)	(23,784)
Cash flow from financing activities	來自融資活動之現金流量		
Proceeds from issue of new shares under share option scheme	根據購股權計劃發行 新股份之收益	-	12,300
Proceeds from issue of new shares upon exercise of warrants	根據行使認股權證發行 新股份之收益	192	3,222
Principal element of finance lease payment	融資租賃款項的本金支出部分	-	651
Proceeds from bank borrowings	銀行貸款收益	299,947	639,041
Repayments of bank borrowings	銀行貸款還款	(163,584)	(516,141)
(Repayment to)/advance from a related party	來自一名關聯公司 (還款)/墊款	(10,369)	10,541
(Repayment to)/advance from non-controlling shareholder	來自非控股股東 (還款)/墊款	(6,485)	8,649
Repayments of lease liabilities	租賃負債還款	(11,516)	-
Dividend paid	已付股息	(35,690)	(14,810)
Interest paid	已付利息	(37,743)	(31,724)
Net cash from financing activities	來自融資活動現金淨額	34,752	111,729

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Net increase in cash and cash equivalents	現金及現金等價物增加		21,747	4,708
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	50(A)	125,129	137,326
Effect of foreign exchange rate changes on cash and cash equivalents	外匯匯率變動對現金及現金等價物之影響		<u>(24,889)</u>	<u>(16,905)</u>
Cash and cash equivalents at the end of the year, representing bank balances and cash and bank overdrafts	年終現金及現金等價物，即銀行結餘及現金及銀行透支	50(A)	<u>121,987</u>	<u>125,129</u>
Analysis of the balances of cash and cash equivalents:	現金及現金等價物結餘之分析			
– Bank balances and cash	– 銀行結餘及現金		129,791	131,590
– Bank overdrafts	– 銀行透支	30	<u>(7,804)</u>	<u>(6,461)</u>
			<u>121,987</u>	<u>125,129</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

1. GENERAL INFORMATION

Symphony Holdings Limited (the “Company”) was incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Main Board”) since 1 March 1995. The address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is 10th Floor, Island Place Tower, 510 King’s Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together the “Group”) are mainly consist of: (i) retailing and provision of sourcing services for branded apparel, swimwear and accessories, and sourcing, manufacturing and trading of healthcare products; (ii) development and management of “PONY” trademarks and the newly acquired “SKINS” trademarks; (iii) property investment and holding; (iv) management and operation of outlet malls; and (v) provision of financial services (including securities brokerage, margin financing, money lending, underwriting and placing of listed securities and financial consultancy services); and (vi) operation of duty free shops.

The principal activities of the Company’s principal subsidiaries are set out in Note 46 to the consolidated financial statements.

1. 一般資料

新豐集團有限公司(「本公司」)·是一間根據百慕達1981年公司法於1993年11月24日在百慕達註冊成立為獲豁免有限責任公司。其股份自1995年3月1日起於香港聯合交易所有限公司主板(「主板」)上市。本公司的註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda·主要營業地點為香港北角英皇道510號港運大廈10樓。

本公司為一間投資控股公司。本公司及其附屬公司(統稱「本集團」)主要業務主要包括:(i)品牌服裝、游泳服裝及配件及透過業務合併新收購的採購、製造及貿易保健產品業務;(ii)發展及管理「PONY」及新收購的「SKINS」商標;(iii)物業投資及持有物業;(iv)管理及經營尚栢奧特萊斯;(v)提供金融服務(包括證券經紀、保證金融資、放貸、包銷及配售上市證券及財務諮詢服務);及(vi)經營免稅品店。

本公司主要附屬公司之主要經營業務載於綜合財務報表附註46內。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019

The Group has adopted the following new and revised HKFRSs, which included Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) relevant to the Group’s accounting policies and business operations adopted for the first time prepared and presented on the Group’s consolidated financial statements for the financial year beginning on or after 1 January 2019:

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

2. 採納香港財務報告準則

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效

本集團已採納以下新訂及經修訂香港財務報告準則，該等準則包括香港會計師公會（「香港會計師公會」）頒佈之有關本集團就首次編製及呈列本集團於2019年1月1日或之後開始之財政年度之綜合財務報表而採納之會計政策及業務營運之香港財務報告準則、香港會計準則及詮釋：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）－詮釋第23號	所得稅處理之不確定性
香港會計準則第19號的修訂本	計劃修訂、縮減或結算
香港會計準則第28號的修訂本	於聯營企業及合營企業之長期權益
香港財務報告準則第9號的修訂本	具有負補償之預付特徵
香港財務報告準則2015年至2017年週期之年度改進	香港財務報告準則第3號的修訂本，業務合併
香港財務報告準則2015年至2017年週期之年度改進	香港財務報告準則第11號的修訂本，合營安排
香港財務報告準則2015年至2017年週期之年度改進	香港會計準則第12號的修訂本，所得稅
香港財務報告準則2015年至2017年週期之年度改進	香港會計準則第23號的修訂本，借貸成本

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 “Leases” (“HKAS 17”), HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” (“HK(IFRIC)-Int 4”), HK(SIC)-Int 15 “Operating Leases – Incentives” (“HK(SIC)-Int 15”) and HK(SIC)-Int 27 “Evaluating the Substance of Transactions Involving the Legal Form of a Lease” (“HK(SIC)-Int 27”). From a lessee’s perspective, almost all leases are recognised in the statement of financial position as a right-of-use asset and a lease liability, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases that have a lease term of 12 months or less. From a lessor’s perspective, the accounting treatment is substantially unchanged from HKAS 17 except when the Group act as an intermediate lessor detailed in section (iv) of this note. HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aims to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(i) 採納香港財務報告準則第16號之影響

香港財務報告準則第16號為租賃會計(主要為承租人之會計)之會計處理帶來重大變動。其取代香港會計準則第17號「租賃」(「香港會計準則第17號」)、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(國際財務報告詮釋委員會)－詮釋第4號」)、香港(準則詮釋委員會)－詮釋第15號「經營租賃－獎勵」(「香港(準則詮釋委員會)－詮釋第15號」)及香港(準則詮釋委員會)－詮釋第27號「評估涉及租賃法律形式交易之內容」(「香港(準則詮釋委員會)－詮釋第27號」)。從承租人角度來看,幾乎所有租賃均於財務狀況表確認為使用權資產及租賃負債,惟相關資產屬低價值或被釐定為短期租賃(租賃期為12個月或以下)之少數租賃可豁免遵守此原則。從出租人角度來看,會計處理與香港會計準則第17號大致相同,惟本附註第(iv)節所詳述之當本集團作為中間出租人時則除外。香港財務報告準則第16號亦引入額外定性及定量披露要求,旨在讓財務報表使用者可評估租賃對實體財務狀況、財務表現及現金流量之影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(i) *Impact of the adoption of HKFRS 16 (Continued)*

The Group has adopted HKFRS 16 by using the modified retrospective approach at 1 January 2019. Under this approach, HKFRS 16 is adopted retrospectively and recognised all of the cumulative effect of initial adoption as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information presented in 2018 has not been restated and continued to be reported under HKAS 17 and related interpretations as permitted under the transitional provisions in HKFRS 16. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group’s accounting policies and the transition method adopted by the Group as allowed under HKFRS 16, please refer to section (ii) to (v) of this note.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(i) *採納香港財務報告準則第16號之影響 (續)*

本集團使用經修訂追溯法採納香港財務報告準則第16號，並於2019年1月1日首次採納香港財務報告準則第16號。根據該方法，香港財務報告準則第16號已獲追溯採納，並將首次採納之所有累計影響確認為對於2019年1月1日之期初留存溢利結餘之調整，且按香港財務報告準則第16號特定過渡條文所准許，並無重列2018年呈列的比較資料，而繼續根據香港會計準則第17號及相關詮釋作出報告。有關香港財務報告準則第16號對租賃的新定義、其對本集團會計政策的影響及本集團按香港財務報告準則第16號項下所允許採納之過渡方法之詳情，請參閱本附註第(ii)至(v)節。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(ii) *The new definition of a lease*

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset. 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 adoption. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 was not reassessed. Therefore, the definition of lease under HKFRS 16 has been adopted only to contracts entered into or changed on or after 1 January 2019.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則—於2019年1月1日生效 (續)

(ii) *租賃的新定義*

根據香港財務報告準則第16號，合約為換取代價而給予在一段時間內轉讓一項資產（相關資產）的使用權時，則該租賃被定義為合約或合約的一部分。當客戶在整個使用期間均：(a)有權從使用該已識別資產獲得絕大部分經濟利益及(b)有權指示使用該已識別資產，則合約轉讓可於一段時間內控制使用該已識別資產之權利。本集團選擇使用過渡性實際權宜之方法，以允許該準則僅應用於先前已於首次採納日期應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號識別為租賃之合約。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）—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用於2019年1月1日或之後訂立或更改之合約。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(ii) *The new definition of a lease (Continued)*

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

The Group has elected not to separate the non-lease components and account for all each lease component and any associated non-lease components as a single lease component for all leases of which the Group is a lessee.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(ii) *租賃的新定義 (續)*

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

本集團已選擇不區分非租賃部分並就本集團為承租人之所有租賃將所有各租賃部分及任何相關非租賃部分入賬列作單一租賃部分。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iii) Accounting as a lessee

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

Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term. The Group recognised a right-of-use asset and a lease liability at the date of adoption of HKFRS 16 on 1 January 2019.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則—於2019年1月1日生效 (續)

(iii) 作為承租人之會計處理

根據香港會計準則第17號，承租人須根據租賃資產擁有權隨附風險及回報與出租人或承租人的相關程度將租賃分類為經營租賃或融資租賃。若租賃被釐定為經營租賃，承租人將於租賃期內將經營租賃項下的租賃付款確認為開支。租賃項下的資產將不會於承租人的財務狀況表內被確認。

根據香港財務報告準則第16號，所有租賃（不論作為經營租賃或融資租賃）須於財務狀況表資本化為使用權資產及租賃負債，惟香港財務報告準則第16號給予實體作出會計政策的選擇，以選擇不資本化(i)屬短期租賃之租賃及／或(ii)相關資產屬低價值之租賃。本集團已選擇不就低價值資產及於開始日期之租賃期為12個月以下之租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法確認開支。本集團已於2019年1月1日採納香港財務報告準則第16號日期確認使用權資產及租賃負債。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iii) Accounting as a lessee (Continued)

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use assets at cost, less any accumulated depreciation and any impairment loss, and adjusted for any re-measurement of lease liability. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use asset shall be depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. For right-of-use asset that meets the definition of an investment property, they are carried at fair value and for right-of-use asset that meets the definition of a lease hold land and buildings held for own use, they are carried at fair value.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(iii) 作為承租人之會計處理 (續)

使用權資產

使用權資產應按成本確認，並須包括：(i)初步計量租賃負債的金額（見下文有關將租賃負債入賬的會計政策）；(ii)於開始日期或之前作出的任何租賃付款減去任何已收取的租賃獎勵；(iii)承租人產生的任何初步直接成本；及(iv)承租人在將相關資產拆除及移除至租賃條款及條件所規定的狀況時所產生的成本進行估算，除非該等成本是生產存貨而產生。除符合投資物業或某類物業、廠房及設備（本集團就此應用重估模型）定義之使用權資產外，本集團應用成本模型計量使用權資產。根據成本模型，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債之任何重新計量作出調整。除非本集團合理確定於租賃期終止時取得其租賃資產之所有權，否則已確認使用權資產應於其預計可使用年期及租賃期（以較短者為準）內以直線法確認折舊。符合投資物業定義之使用權資產乃按公平價值列賬，而符合持作自用之租賃土地及樓宇定義之使用權資產乃按公平價值列賬。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iii) Accounting as a lessee (Continued)

Right-of-use asset (Continued)

For the Group, leasehold land and buildings that were held for rental or capital appreciation purpose would continue to be accounted for under HKAS 40 and would be carried at fair value. For leasehold land and buildings which is held for own use would continue to be accounted for under HKAS 16 and would be carried at fair value. The adoption of HKFRS 16 therefore does not have any significant impact on these right-of-use assets. Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgements and determines that it is a separate class of asset apart from the leasehold land and buildings which is held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(iii) 作為承租人之會計處理 (續)

使用權資產 (續)

就本集團而言，為出租或資本增值目的而持有之租賃土地及樓宇將繼續根據香港會計準則第40號入賬，並按公平價值列賬。就持作自用的租賃土地及樓宇而言，將繼續根據香港會計準則第16號入賬，並按公平價值列賬。因此，採納香港財務報告準則第16號對此等使用權資產並無任何重大影響。除上述使用權資產外，本集團亦已根據租賃協議租賃多項物業，而本集團行使判斷並釐定其為持作自用的租賃土地及樓宇以外的獨立類別資產。因此，租賃協議項下物業產生的使用權資產按折舊成本列賬。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iii) Accounting as a lessee (Continued)

Lease liability

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

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

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(iii) 作為承租人之會計處理 (續)

租賃負債

租賃負債應按於租賃開始日期尚未支付的租賃付款的現值作出確認。租賃付款將使用租賃中隱含的利率貼現得出（倘若該利率可輕易釐定）。倘若該利率不可輕易釐定，則本集團將使用本集團的增量借貸利率。

於租賃期內，於租賃開始日期尚未支付的相關資產使用權的以下付款均被視為租賃付款：(i) 固定付款減去任何應收的租賃獎勵；(ii) 取決於在租賃開始日期使用指數或利率初步計量的指數或利率的可變租賃付款；(iii) 承租人根據剩餘價值擔保的預期應付款項；(iv) 倘若承租人合理確定行使購買選擇權下的該選擇權行使價；及(v) 倘若租賃期反映承租人行使選擇權終止租賃下的終止租賃罰款付款。不依賴於指數或利率的可變租賃付款，乃於觸發付款的事件或條件發生的期間內確認為開支。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iii) Accounting as a lessee (Continued)

Lease liability (Continued)

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

(iv) Accounting as a lessor

The accounting policies applicable to the Group as a lessor remain substantially unchanged from the requirements under HKAS 17.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(iii) 作為承租人之會計處理 (續) 租賃負債 (續)

於開始日期之後，承租人應以以下列方式計量租賃負債：(i)增加其賬面值以反映租賃負債下的利息；(ii)減少賬面值以反映所作出的租賃付款；及(iii)重新計量其賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。

(iv) 作為出租人之會計處理

香港財務報告準則第17號關於本集團作為出租人的會計處理方式大致保持不變。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(iv) Accounting as a lessor (Continued)

At 1 January 2019, the Group has leased out its investment properties to various external of tenants and also sublease the leased properties to tenants. Except for the sublease contracts as explained below, the adoption of HKFRS 16 does not have a significant impact on the Group’s consolidated financial statements as the Group previously elected to apply HKAS 40 to account for all of its investment properties as at 31 December 2018. These investment properties continue to be carried at fair value.

Under HKFRS 16, when the Group acts as an intermediate lessor in a sublease arrangement, the Group is required to classify the sublease as a finance lease or an operating lease by reference to the right-of-use assets arising from the head lease, instead of by reference to the underlying asset. The adoption of HKFRS 16 does not have a significant impact on the Group’s consolidated financial statements in this regard.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(iv) 作為出租人之會計處理 (續)

於2019年1月1日，本集團已向若干租戶出租其投資物業，亦向租戶轉租租賃物業。除下文所述的轉租合約，採納香港財務報告準則第16號對本集團的綜合財務報表並無重大影響，原因為本集團先前選擇就其所有於2018年12月31日的投資物業應用香港會計準則第40號入賬。該等投資物業繼續按公平價值列賬。

根據香港財務報告準則第16號，當本集團於轉租安排下作為中間出租人時，本集團須參考原租約所產生之使用權資產（而非參考相關資產），將轉租分類為融資租賃或經營租賃。就此而言，採納香港財務報告準則第16號對本集團的綜合財務報表並無重大影響。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition

Same as disclosed in part (i) of this note, the Group has adopted HKFRS 16 using the modified retrospective approach and adjust the opening balance to recognise the right-of-use assets at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the existing lease contracts recognised in the consolidated statement of financial position immediately before 1 January 2019. There were no onerous lease contracts that would have required a significant adjustment to the right-of-use assets at the date of initial adoption on 1 January 2019. The comparative information is not restated and continued to be reported under HKAS 17 and the related interpretations as permitted by the specific transition provisions of HKFRS 16.

The Group has recognised the lease liabilities at the transition date of HKFRS 16 at 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and HK(IFRIC)-Int 4, and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate at 1 January 2019 and presented separately in the consolidated statement of financial position as at 31 December 2019.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡

如本附註第(i)節所披露，本集團已採用經修訂追溯法採納香港財務報告準則第16號及調整年初結餘，按相等於租賃負債的金額確認使用權資產，並就緊接2019年1月1日前在綜合財務狀況表中確認的現有租賃相關的任何預付或應付租賃款項金額作出調整。於2019年1月1日首次採納當日，概不存在任何虧損租賃合約導致須對使用權資產作出重大調整。比較資料並無重列並繼續根據香港會計準則第17號及香港財務報告準則第16號特定過渡條文准許的相關詮釋呈報。

本集團已就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）－詮釋第4號分類為經營租賃的租賃於香港財務報告準則第16號的過渡日2019年1月1日確認租賃負債，及使用2019年1月1日的承租人增量借款利率進行貼現下按剩餘租賃付款的現值去計量該等租賃負債，並於2019年12月31日的綜合財務狀況表中單獨呈列。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

The Group has elected to recognise all the right-of-use assets at 1 January 2019 for leases previously classified as operating leases under HKAS 17 as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate at the date of initial adoption. For those applied the fair value model in HKAS 40 “Investment Property” (“HKAS 40”) as if the right-of-use assets that meet the definition of investment property in HKAS 40. The carrying amount of right-of-use assets were measured at the amount of the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the consolidated statement of financial position immediately before 1 January 2019. All these right-of-use assets, the Group has applied HKAS 36 “Impairment of Assets” at 1 January 2019 to assess if there was any impairment as on that date.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

本集團已就先前根據香港會計準則第17號分類為經營租賃的租賃於2019年1月1日選擇確認全部使用權資產，猶如已自開始日期應用香港財務報告準則第16號，惟使用首次採納日期下的承租人增量借款利率貼現。就應用香港會計準則第40號「投資物業」（「香港會計準則第40號」）公平價值模型的該等使用權資產而言，猶如符合香港會計準則第40號投資物業定義的使用權資產。使用權資產的賬面值則按租賃負債金額計量，並就與緊接2019年1月1日前於綜合財務狀況表確認之租賃相關之任何預付或應付租賃款項金額作出調整。於2019年1月1日，本集團已就所有該等使用權資產應用香港會計準則第36號「資產之減值」以評估於該日期是否存在任何減值。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

The Group elected to present the right-of-use assets separately in the consolidated statement of financial position. This includes lease assets that recognised previously and included in property, plant and equipment and prepaid lease payments of approximately HKD747,000 and HKD514,667,000 respectively, being derecognised at 1 January 2019. In addition, newly recognised lease assets that meet the definition of investment properties under HKAS 40 measured at fair value of approximately HKD160,740,000 were recognised as part of the investment properties in the consolidated statement of financial position as at 1 January 2019.

The Group also leased its motor vehicle which was previously classified as a finance lease under HKAS 17 of HKD651,000. As the Group has elected to adopt the modified retrospective approach over the adoption of HKFRS 16, for this finance lease under HKAS 17, the right-of-use asset and corresponding lease liability at 1 January 2019 was the carrying amount of the lease asset and lease liability under HKAS 17 immediately before that date. For this lease, the Group has accounted for the right-of-use asset and the lease liability applying HKFRS 16 from 1 January 2019.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

本集團選擇於綜合財務狀況表中單獨呈列使用權資產。這包括先前確認並計入物業、廠房及設備以及預付租賃款項內分別約為747,000港元及514,667,000港元的租賃資產已於2019年1月1日終止確認。此外，符合香港會計準則第40號下投資物業定義並按公平價值計量的新確認租賃資產約160,740,000港元，於2019年1月1日的綜合財務狀況表內確認為投資物業的一部分。

本集團亦租賃其先前根據香港會計準則第17號分類為融資租賃651,000港元的汽車。由於本集團已選擇就香港會計準則第17號項下的此融資租賃於採納香港財務報告準則第16號時採納經修訂追溯法，故於2019年1月1日使用權資產及相應的租賃負債為緊接該日期前香港會計準則第17號項下租賃資產及租賃負債的賬面值。就該租賃而言，本集團自2019年1月1日起應用香港財務報告準則第16號將使用權資產及租賃負債入賬。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

The Group has applied the following practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; (ii) applied the exemption of not to recognise right-of-use assets and lease liabilities for leases with term that will end within 12 months of the date of initial adoption (1 January 2019) and accounted for those leases as short-term leases; (iii) exclude the initial direct costs from the measurement of the right-of-use asset at 1 January 2019; (iv) used hindsight in determining the lease terms if the contracts contain options to extend or terminate the leases; and (v) relied on its assessments of whether lease were onerous by applying HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” immediately before 1 January 2019 as an alternative to perform an impairment review.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group’s lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK (IFRIC)-Int 4.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

本集團已應用下列實際權宜方法：(i)對具有合理相似特徵的租賃組合應用單一貼現率；(ii)應用豁免不就租賃期將於首次採納日期(2019年1月1日)12個月內屆滿的租賃確認使用權資產及租賃負債，並將該等租賃入賬列作短期租賃；(iii)於2019年1月1日計量使用權資產時剔除初步直接成本；(iv)倘合約包含延長或終止租賃的選擇權，則於事後釐定租賃期；及(v)依賴其於緊接2019年1月1日前透過應用香港會計準則第37號「撥備、或然負債及或然資產」作為減值審閱的替代方案對租賃是否有虧損性的評估。

此外，本集團亦已應用實際權宜方法，就此：(i)對本集團先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」確認為租賃的所有租賃合約應用香港財務報告準則第16號及(ii)不對先前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)－詮釋第4號並非識別為包含租賃的合約應用香港財務報告準則第16號。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group, as a lessee, is required to recognise interest expenses accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previously policy of recognising the rental expenses incurred under the operating leases on a straight-line basis over the lease term. The result in a positive impact on the reported profit from operations in the Group’s consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

In the consolidated cash flow statements, the Group, as a lessee, is required to split rentals paid under capitalised leases into their capital element and interest element. These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. Although total cash flows are unaffected, the adoption of HKFRS 16 results in a significant change in presentation of cash flows within the consolidated statement of cash flow.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

於2019年1月1日首次確認使用權資產及租賃負債後，本集團（作為承租人）須確認租賃負債尚未償還結餘應計的利息開支及使用權資產折舊，而非按先前的政策，即於租賃期內按直線法確認經營租賃項下產生的租金開支。相比倘於年內已應用香港會計準則第17號而得出的結果，此舉對本集團綜合損益表所呈報的經營所得溢利產生正面影響。

於綜合現金流量表內，本集團（作為承租人）須將資本化租賃項下支付的租金分析為其資本部分及利息部分。與先前根據香港會計準則第17號分類為融資租賃的租賃處理方式類似，該等部分被分類為融資現金流出，而非如同香港會計準則第17號項下的經營租賃情況分類為經營現金流出。儘管現金流量總額不受影響，惟採納香港財務報告準則第16號對綜合現金流量表內的現金流量呈報帶來重大變動。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

Impact of the transition to HKFRS 16

The following table summarised the impact of transition to HKFRS 16 on the Group’s consolidated statement of financial position as of 31 December 2018 to that of 1 January 2019. The information presented for 2018 has not been restated.

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

過渡至香港財務報告準則第16號的影響

下表概述過渡至香港財務報告準則第16號對本集團截至2018年12月31日至截至2019年1月1日的綜合財務狀況表的影響。並無重列就2018年呈列的資料。

		HKD'000 千港元
Assets	資產	
Increase in right-of-use assets	使用權資產增加	521,306
Increase in investment properties	投資物業增加	160,740
Decrease in property, plant and equipment	物業、廠房及設備減少	(747)
Decrease in prepaid lease payments	預付租賃款項減少	(514,667)
Decrease in trade and other receivables	貿易及其他應收賬款減少	(46)
		<u>166,586</u>
Increase in total assets	總資產增加	<u>166,586</u>
Liabilities	負債	
Increase in lease liabilities	租賃負債增加	185,468
Decrease in finance lease payables	應付融資租賃款項減少	(651)
Decrease in trade and other payables	貿易及其他應付賬款減少	(18,231)
		<u>166,586</u>
Increase in total liabilities	總負債增加	<u>166,586</u>

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

Impact of the transition to HKFRS 16 (Continued)

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial adoption of HKFRS 16 recognised in the Group’s consolidated statement of financial position as at 1 January 2019:

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則—於2019年1月1日生效 (續)

(v) 過渡 (續)

過渡至香港財務報告準則第16號的影響 (續)

以下對賬闡述於2018年12月31日結束時應用香港會計準則第17號披露的經營租賃承擔與本集團於2019年1月1日的綜合財務狀況表所確認於首次採納香港財務報告準則第16號日期的租賃負債的對賬情況：

		HKD'000 千港元
Operating lease commitments as of 31 December 2018	截至2018年12月31日之經營租賃承擔	382,834
Weighted average lessee’s incremental borrowing rate as at 1 January 2019	於2019年1月1日之加權平均承租人增量借款利率	<u>6.85%</u>
Discounted operating lease commitments as at 1 January 2019	於2019年1月1日之已貼現經營租賃承擔	185,859
Less:	減去：	
Operating lease commitments relating to short-term leases for which lease terms end within 31 December 2019 and leases of low-value assets	與租賃期於2019年12月31日之前屆滿之短期租賃及低價值資產租賃相關之經營租賃承擔	(1,042)
Add:	增加：	
Finance lease payables recognised as of 31 December 2018	截至2018年12月31日確認之融資租賃應付款項	<u>651</u>
Total lease liabilities as at 1 January 2019	於2019年1月1日之租賃負債總額	<u>185,468</u>

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE 1 JANUARY 2019 (CONTINUED)

(v) Transition (Continued)

Impact of the transition to HKFRS 16 (Continued)

The carrying amount of the Group’s right-of-use assets and lease liabilities upon the transition of HKFRS 16 at 1 January 2019 and 31 December 2019, and the movements the year then ended are as follows:

		Right-of-use assets 使用權資產					
		Prepaid lease payments 預付租賃 款項 HKD'000 千港元	Buildings 樓宇 HKD'000 千港元	Property, plant and equipment 物業、廠房 及設備 HKD'000 千港元	Total 總計 HKD'000 千港元	Lease liabilities 租賃負債 HKD'000 千港元	
As at 1 January 2019	於2019年1月1日	514,667	5,892	747	521,306	185,468	
Additions	添置	–	1,614	–	1,614	1,614	
Depreciation	折舊	(14,112)	(3,843)	(155)	(18,110)	–	
Interest expenses	利息開支	–	–	–	–	12,762	
Repayments	還款	–	–	–	–	(11,516)	
Exchange realignment	匯兌重列	(9,228)	(67)	–	(9,295)	(3,429)	
As at 31 December 2019	於2019年12月31日	491,327	3,596	592	495,515	184,899	

The Group recognised rental expenses for short-term leases and leases of low-value assets of approximately HKD23,491,000 for the financial year ended 31 December 2019.

截至2019年12月31日止財政年度，本集團確認短期租賃及低價值資產租賃下的租金開支約為23,491,000港元。

2. 採納香港財務報告準則 (續)

(A) 採納新訂／經修訂香港財務報告準則－於2019年1月1日生效 (續)

(v) 過渡 (續)

過渡至香港財務報告準則第16號的影響 (續)

本集團於2019年1月1日及2019年12月31日過渡至香港財務報告準則第16號之使用權資產及租賃負債之賬面值以及截至該日止年度之變動情況如下：

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(B) NEW/REVISED HKFRSS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The following new/revised HKFRSs, potentially relevant to the Group’s accounting policies and business operations, have been issued, but are not yet effective and have not been early adopted by the Group to prepare the Group’s consolidated financial statements.

Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

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

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

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

Amendments to HKAS 1 and HKAS 8 – Definition of Material

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

2. 採納香港財務報告準則 (續)

(B) 已頒佈但尚未生效新／經修訂香港財務報告準則

本集團並無提早採納以下可能與本集團會計政策及業務營運相關的已頒佈但尚未生效的新訂／經修訂香港財務報告準則，以編製本集團綜合財務報表。

香港會計準則第1號及香港會計準則第8號的修訂本	重大性之定義 ¹
香港財務報告準則第3號的修訂本	業務之定義 ²
香港財務報告準則第10號及香港會計準則第28號的修訂本	投資者與其聯營企業或合營企業之間的資產出售或投入 ⁴

¹ 於2020年1月1日或之後開始的年度期間生效

² 對收購日期為2020年1月1日或之後開始的首個年度期間初或之後的業務合併及資產收購生效

³ 該等修訂本原擬於2018年1月1日或之後開始的期間生效。生效日期現已延遲／移除。該等修訂本仍可提早應用。

香港會計準則第1號及香港會計準則第8號的修訂本－重大性之定義

該等修訂本澄清「重大性」的定義及解釋，使所有香港財務報告準則之定義與概念框架之定義一致，且將香港會計準則第1號之支持性規定納入定義。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(B) NEW/REVISED HKFRSS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE (CONTINUED)

Amendments to HKFRS 3 – Definition of a Business

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”.

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions. An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

2. 採納香港財務報告準則 (續)

(B) 已頒佈但尚未生效新／經修訂香港財務報告準則 (續)

香港財務報告準則第3號的修訂本－業務之定義

該等修訂本澄清業務必須包括至少一項投入及一個實質性過程，而兩者共同對創造產出之能力有重大貢獻，並對「實質性過程」之定義提供廣泛指引。

此外，該等修訂本移除市場參與者是否有能力取代任何缺失之投入或過程及持續產出之評估，同時收窄「產出」及「業務」之定義範圍，重點關注向客戶銷售商品及服務所得之回報而非降低成本。該等修訂本亦加入選擇性之集中度測試，允許簡化所收購之一組活動及資產是否並非一項業務之評估。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(B) NEW/REVISED HKFRSS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE (CONTINUED)

Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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

The Group is in the process of making an assessment of what the potential impact of these new and amended HKFRSs is expected to be in the period of initial adoption in the future, and the directors of the Company (the “Directors”) are not yet in a position to assess whether these HKFRSs will have a significant impact on how the Group’s results of operations and financial position are prepared and presented. These HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

2. 採納香港財務報告準則 (續)

(B) 已頒佈但尚未生效新／經修訂香港財務報告準則 (續)

香港財務報告準則第10號及香港會計準則第28號的修訂本 – 投資者與其聯營企業或合營企業之間的資產出售或投入

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

本集團現正評估該等新訂及經修訂香港財務報告準則預期於未來首次採納期間可能產生的影響，而本公司董事（「董事」）並未就該等香港財務報告準則是否會對本集團經營業績及財務狀況的編製及呈列方式產生重大影響作出評估。該等香港財務報告準則未來可能會導致業績及財務狀況的編製及呈列方式產生變動。

3. BASIS OF PREPARATION

(A) STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance which concern the preparation of consolidated financial statements. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

(B) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared under the historical cost basis except for certain investment properties, leasehold land and buildings, and buildings and certain financial instruments, which are measured at fair values as explained in the Group’s accounting policies set out below.

(C) USE OF CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make critical accounting judgements, estimations and assumptions based on historical experience and various factors that are believed to be reasonable on the application of the Group’s accounting policies, which involved key sources of estimation uncertainty and significant risks of causing material adjustments to the carrying amounts of assets and liabilities presented in the Group’s consolidated financial statements when those areas have high degree of judgements or complexity of estimations since the actual results may differ from these judgements and estimations and not readily apparent from other sources.

3. 編製基準

(A) 合規聲明

綜合財務報表乃根據所有適用的香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（以下統稱「香港財務報告準則」）以及香港公司條例的披露要求編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則規定之適用披露（「主板上市規則」）。

(B) 計量基準

除以公平價值計量之若干投資物業租賃土地及樓宇、樓宇、及若干金融工具於下文載列之會計政策闡述外，綜合財務報表乃根據歷史成本基準而編製。

(C) 使用重大會計判斷及估計

編製符合香港財務報告準則的綜合財務報表要求管理層根據過往經驗及多項認為合理的因素對應用本集團的會計政策作出重大會計判斷、估計及假設，倘該等方面涉及較高程度判斷或估計複雜性，則涉及估計不明朗因素的主要來源及導致本集團綜合財務報表呈列的資產及負債賬面值出現重大調整的重大風險，原因為實際結果可能有別於該等判斷及估計而難以從其他途徑衡量。

3. BASIS OF PREPARATION (CONTINUED)

(C) USE OF CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS (CONTINUED)

As a result, the management review, on an ongoing basis, to revise any changes of those critical accounting judgements and estimations, and recognise in the period when it is revised or in the period of the revision and future periods as if the revision affects both. For details of the critical accounting judgements and estimations that have significant impact on the Group's consolidated financial statements are further discussed in Note 5 to the consolidated financial statements.

(D) FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Hong Kong dollars ("HKD"), which is the same as the functional currency of the Company.

4. SIGNIFICANT ACCOUNTING POLICIES

(A) BUSINESS COMBINATION AND BASIS OF CONSOLIDATION

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

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

3. 編製基準 (續)

(C) 使用重大會計判斷及估計 (續)

因此，管理層持續進行檢討，以修訂該等重大會計判斷及估計的任何變動，並於修訂期間或修訂及未來期間（猶如修訂影響兩者）確認。有關對本集團綜合財務報表產生重大影響的重大會計判斷及估計詳情，進一步於綜合財務報表附註5討論。

(D) 應用及呈列貨幣

綜合財務報表以港元（「港元」）呈列，港元亦為本公司功能貨幣。

4. 主要會計政策

(A) 業務合併及綜合基準

本綜合財務報表包含本公司及其附屬公司（「本集團」）的財務報表。所有集團內公司間的交易及結餘以及未變現溢利已於編製綜合財務報表時全數對銷。未變現虧損亦予對銷，除非有證據顯示交易的獲轉讓資產出現減值，則虧損於損益中確認。

年內購置或出售的附屬公司的業績已於收購日期或截至出售日期止（倘適用）於綜合損益表及綜合全面收益表內列賬。倘有需要，附屬公司的財務報表會作出調整，以切合本集團其他成員公司所採納的會計政策。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(A) BUSINESS COMBINATION AND BASIS OF CONSOLIDATION (CONTINUED)

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

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

4. 主要會計政策 (續)

(A) 業務合併及綜合基準 (續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日的公平價值總額計量。所收購的可識別資產及所承擔負債則主要按收購當日的公平價值計量。本集團先前所持被收購方的股權以收購當日的公平價值重新計量,而所產生的收益及虧損則於損益確認。本集團可按個別交易基準選擇按公平價值或按應佔被收購方可識別資產淨值的比例計量現時於附屬公司的擁有權權益的非控股權益。除非香港財務報告準則另有規定計量基準,否則所有其他非控股權益均按公平價值計量。所產生的收購相關成本列作開支,除非該等成本乃於發行股本工具時產生,在該情況下,有關成本乃從權益中扣除。

將由收購人轉讓的任何或然代價乃按收購日期之公平價值確認。倘有關收購日期公平價值的計量期間(最長為自收購日期起計12個月)所獲取新資料顯示調整,方會於收購成本中確認代價之其後調整。其他所有獲分類為資產或負債的或然代價其後調整乃於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(A) BUSINESS COMBINATION AND BASIS OF CONSOLIDATION (CONTINUED)

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

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

(B) SUBSIDIARIES

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

4. 主要會計政策 (續)

(A) 業務合併及綜合基準 (續)

當本集團喪失對附屬公司的控制權時，處置損益計算為(i)所收到的對價和任何保留權益的公平價值總額與(ii)附屬公司資產(包括商譽)和負債及任何非控股權益的原賬面金額之間的差額。以往於其他全面收益確認與附屬公司有關的金額，以相同方式入賬，猶如相關資產或負債已經出售。

收購後，現時於附屬公司的擁有權權益的非控股權益的賬面值為該等權益於初步確認時的款額加上有關非控股權益應佔權益其後變動的部分。即使會導致非控股權益出現虧絀結餘，全面收益總額乃歸屬於非控股權益。

(B) 附屬公司

附屬公司乃指本公司可對其行使控制權的被投資方。以下三個因素全部滿足時即表示本公司控制一名被投資方：對被投資方的權力、來自被投資方可變回報的風險或權利及利用其權力影響該等可變回報的能力。當有事實或情況顯示任何該等控制因素可能出現變動時，控制權會被重新評估。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(B) SUBSIDIARIES (CONTINUED)

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

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

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

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

4. 主要會計政策 (續)

(B) 附屬公司 (續)

倘本公司擁有實際能力引導被投資方相關活動，而毋須持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

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

於附屬公司的投資已按成本減減值虧損（如有）計入本公司的財務狀況表。附屬公司的業績由本公司根據於本年度呈報日期已收及應收股息基準列賬。

當收到來自該等投資的股息時，倘股息超過附屬公司在宣派股息期間的全面收益總額，或倘於獨立財務報表的投資賬面值超過被投資公司資產淨值（包括商譽）賬面值時，則須對於附屬公司的投資進行減值測試。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(C) ASSOCIATES

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policy decisions.

Associates are accounted for using the equity method whereby they are initially recognised at costs and thereafter, their carrying amounts are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless the Group has incurred legal or constructive obligations or made payments on behalf of the associates for those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying amount of the associate. Where unrealised losses provide evidence of impairment of the asset transferred, they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

4. 主要會計政策 (續)

(C) 聯營企業

聯營企業為本集團對其擁有重大影響力的實體，既非附屬公司，亦非合營企業。重大影響力指有權力參與被投資方的財務及經營決策，但並非對該等政策擁有控制或聯合控制權。

聯營企業乃採用權益法入賬，據此聯營企業按成本初步確認，此後其賬面值於聯營企業的資產淨值內調整以反映本集團應佔收購後變動，惟超過本集團於聯營企業的權益的虧損不會確認，除非集團已蒙受法律責任或已代替聯營企業付款有責任彌補該等虧損。

本集團與其聯營企業之間的交易產生的損益僅於不相關投資者於聯營企業擁有權益時方會確認。該等交易產生的投資者分佔聯營企業溢利及虧損與聯營企業的賬面值對銷。倘未變現虧損證明資產轉移的減值，則即時於損益賬中確認。

聯營企業已付任何溢價高於本集團應佔已收購可識別資產、負債及或然負債的公平價值撥充資本，計入聯營企業的賬面值。倘客觀證據證明聯營企業投資有減值，則投資的賬面值與其他非金融資產相同方式進行減值測試。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(C) ASSOCIATES (CONTINUED)

In the Company's statement of financial position, interest in an associate is carried at cost less impairment loss. The result of the associate is accounted for by the Company on the basis of dividend received and receivable during the year.

(D) JOINT ARRANGEMENTS

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the Group has both rights to assets and obligations for the liabilities of the joint arrangement.

4. 主要會計政策 (續)

(C) 聯營企業 (續)

本公司財務狀況表中，於一間聯營企業之權益按成本減減值虧損（如有）列賬。聯營企業的業績由本公司基於年內已收股息及應收股息入賬。

(D) 共同安排

倘一份合約安排賦予本集團及至少一名其他人士於相關安排活動的共同控制權，則本集團即為共同安排的一方。共同控制權的評估原則與附屬公司的控制權相同。

本集團將其於共同安排的權益分類為：

- 合營企業：倘本集團僅有權享有共同安排的資產淨值；或
- 聯合經營：倘本集團有權享有共同安排的資產及有義務承擔其負債。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(D) JOINT ARRANGEMENTS (CONTINUED)

In assessing the classification of interests in joint arrangements, the Group considers:

- the structure of the joint arrangement;
- the legal form of joint arrangements structured through a separate vehicle;
- the contractual terms of the joint arrangement agreement; and
- any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures in the same manner as interest in an associate (i.e. using the equity method – see Note 4(C) to the consolidated financial statements).

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in a joint venture. Where there is an objective evidence that the investment in a joint venture has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group accounts for its interests in joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

The Company's interests in joint ventures are stated at cost less impairment losses, if any. The results of the joint ventures are accounted for by the Company on the basis of dividends received and receivable during the year.

4. 主要會計政策 (續)

(D) 共同安排 (續)

於評估於共同安排權益的分類時，本集團會考慮：

- 共同安排的架構；
- 透過單獨工具構建的共同安排的法律形式；
- 共同安排協議的合約條款；及
- 任何其他事實及情況（包括任何其他合約安排）。

本集團於綜合財務報表中以於一間聯營企業之權益相同的方式（即採用權益法—見綜合財務報表附註4(C)）計算其在合營企業中的權益。

就於一間合營企業的投資之已付任何溢價高於本集團應佔已收購可識別資產、負債及或然負債的公平價值乃撥充資本，計入合營企業的投資的賬面值內。當有客觀證據證明於一間合營企業的投資已出現減值，則用與其他非金融資產相同的方法對投資的賬面值進行減值測試。

本集團透過確認其根據合約獲賦予的權利及責任而應佔的資產、負債、收益及開支將其於聯合經營的權益入賬。

本公司於合營企業的權益按成本減減值虧損呈列（如有）。於年內，其合營企業的業績已根據本公司收到股息及應收股息計算。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(E) GOODWILL

Where the fair value of identifiable assets and liabilities exceed the aggregation of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree on the acquisition date, the excess is recognised in profit or loss on the acquisition date immediately after the re-assessment.

Goodwill is measured at cost less impairment losses, if any. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to be benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount against its recoverable amount (see Note 4(S) to the consolidated financial statements), and whenever there is an indication that the unit may be impaired.

For goodwill arising from an acquisition during a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value-in-use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent period.

4. 主要會計政策 (續)

(E) 商譽

倘可識別資產、負債之公平價值高於所付代價之公平價值、於被收購方的任何非控股權益金額及收購方先前於被收購方持有的權益於收購日期的公平價值之總和，則超出部分於重估後於收購日期在損益即時確認。

商譽乃按成本減減值虧損（如有）計量。就減值測試而言，收購產生之商譽分配至預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位乃可識別之最小資產組合，其產生之現金流入基本獨立於其他資產或資產組合之現金流入。獲分配商譽之現金產生單位會每年透過比較其賬面值及其可收回金額（見綜合財務報表附註4(S)）及於有跡象顯示該單位可能出現減值時進行減值測試。

就於某一財政年度進行收購所產生的商譽而言，已獲分配商譽的現金產生單位會於該財政年度完結之前進行減值測試。倘現金產生單位的可收回金額低於該單位的賬面值，則減值虧損初步先分配至撇減分配予該單位的任何商譽賬面值，其後根據該單位內每項資產的賬面值按比例分配至該單位內其他資產。然而，分配至各項資產之虧損將不會令各資產之賬面值減至低於其公平價值減出售成本（如可計量）或其使用價值（如可釐定）（以較高者為準）。任何商譽減值虧損均於損益中確認，且不會於往後期間予以撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) REVENUE RECOGNITION

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

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

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment of performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or services.

4. 主要會計政策 (續)

(F) 收益確認

客戶合約收入於貨品或服務的控制權以反映本集團預期就交換該等貨品或服務而有權獲得之代價的金額(不包括代表第三方收取的金額)轉讓予客戶時確認。收入不包括增值稅及銷售相關稅項,並經扣除任何貿易折扣,批量回扣、退還權利或津貼。

貨品或服務的控制權在一段時間內或在某一時點轉移,取決於合約的條款約定與適用於合約的法律規定。貨品或服務的控制權是在一段時間內轉移,倘本集團履約過程中包括以下準則:

- 提供客戶同時收取且消耗的收益;
- 創造或增強客戶於本集團履約時控制的資產;或
- 不會創造對本集團具有可替代用途的資產,且本集團有強制執行權收取至今已履約部分的款項。

倘貨品或服務的控制權在一段時間內轉移,參照在整個合約期間已完成履約責任的進度進行收益確認。否則,收益於客戶獲得貨品或服務控制權的時間點確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) REVENUE RECOGNITION (CONTINUED)

When the contract contains a financing component which provides the customer 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 amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at the contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment 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.

(i) Sale of goods

Revenue from sale of goods directly to customers is recognised at a point in time when the control of goods have been passed to customers, which is primarily upon the goods are delivered to and have been accepted by customers. There is generally one performance obligation for sales of goods for all categories of customers. For goods sold to wholesale customers, payment is normally due from 30 to 60 days. For goods sold to retail customers, payment is normally due immediately when the customers purchase goods. For goods sold to e-trading customers, payment is normally due within 30 days.

4. 主要會計政策 (續)

(F) 收益確認 (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，收益按應收款項的現值計量，使用貼現率折現，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，該融資部分為本集團提供重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上加算的利息開支。就客戶付款至轉讓承諾商品或服務的期限為一年或更短的合約而言，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。

(i) 商品銷售

來自直接銷售商品予客戶的收益於商品控制權轉至客戶的時間點（主要於交付商品及客戶接獲商品時）確認。商品銷售予所有類別客戶而言一般只有一項履約責任。就售予批發客戶的商品而言，付款期限通常介乎於30日至60日。就售予零售客戶的商品而言，一般要求客戶於購買商品時即時付款。就售予電子商貿客戶的商品而言，付款期限通常為30日。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) REVENUE RECOGNITION (CONTINUED)

(i) Sale of goods (Continued)

Invoice amounts are net of value-added or other sales-related taxes. Sale contracts normally provides no trade discounts, volume rebates, rights of return, or allowances that may give rise to variable consideration in the sale contracts.

(ii) Commission income from concessionaire sales

Commission income from concessionaire sales is recognised over time when the underlying services are provided to the relevant retail stores located in the PRC outlet malls based on certain commission rate made by the concessionaire sales generated from the retails stores in accordance with the agreed terms of the contracts. No minimum guarantee income is restricted those retail stores to generate concessionaire sales during the contract. Invoices are issued on a monthly basis and are usually payable ranged from 30 to 60 days.

(iii) Royalty income

Royalty income represents licence fee for rights to access the Group's intellectual property right, not limited to design, manufacture, package, sale, distribution and marketing of the "PONY" and "SKINS" branded products in the foreign licensed territories. Most of the licensing agreements include minimum guarantee and sales-based royalty payments. Management considers that the intellectual property rights are significantly affected by the Group's activities. As a result, the minimum royalty guarantee element is recognised over time rateably over the terms of licence, any additional sales-based royalty element in excess of the minimum guaranteed element would be subject to the royalty exception and recognised in the period accordingly when the usage occurs.

4. 主要會計政策 (續)

(F) 收益確認 (續)

(i) 商品銷售 (續)

發票款項不含增值稅或其他與銷售有關稅項。銷售合約通常不提供可能在合同中引起有變化的代價如銷售折回、批量回扣、退貨權利或津貼。

(ii) 特許權銷售所得佣金收入

當相關服務根據合約協定條款提供予位於中國奧特萊斯的零售店舖(基於店舖所產生特許權銷售的若干佣金率)時,特許權銷售所得佣金收入隨時間確認。此等特許權銷售並無最低保證收入。發票按每月基準出具予零售店,且通常須於介乎30天至60天內支付。

(iii) 專利收入

專利收入指使用本集團知識產權權利(即於海外特許使用地區不限於設計、生產、包裝、銷售、分銷及推廣「PONY」及「SKINS」品牌產品)的特許使用費。大多數協議載有最低保證及銷售作基準專利費。管理層認為知識產權在很大程度上受本集團活動影響,因此最低保證原素於特許使用期限內按比例隨時間推移確認。任何超過最低保證原素的額外銷售專利費將屬特殊專利費,並於使用期間確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) REVENUE RECOGNITION (CONTINUED)

(iv) Brokerage commission

commission income from securities brokerage services, net of commission income waived for certain customers, is recognised on execution date of the trades at a point in time based on agreed commission rates of the transaction value of the trades executed in accordance with the agreed terms and conditions stated in the account opening agreements. Invoices are issued on a monthly basis to customers and payment is normally due within 30 days.

(v) Underwriting and placing income

Service income from underwriting, sub-underwriting and placing of listed securities for fund raising activities of the capital market which is recognised at a point in time in accordance with the agreed terms and conditions of the underwriting, sub-underwriting and placing agreements or mandate letters, where appropriate, once the relevant activities have been completed. Invoice are issued when the activities have been completed and payment is normally due within 60 days.

(vi) Financial consultancy income

Revenue from the provisions of financial consultancy services is recognised over time as the customers simultaneously receive and consume benefits when they request for any consultancy services not limited to legal and compliance, corporate finance or merger and acquisition advisory service from the Group. The services performed by the Group are normally charged at a fixed monthly fee regardless of any services performed. Invoices are issued on a monthly basis to customers and payment is normally due from 30 to 60 days.

4. 主要會計政策 (續)

(F) 收益確認 (續)

(iv) 證券經紀佣金

證券經紀服務的佣金收入(扣除就若干客戶放棄的佣金收入)乃於根據開戶協議的協定條款及協定的佣金率,並在進行相關交易時按交易日基準確認。本公司按月開具發票予客戶,客戶通常須於30日內支付。

(v) 包銷及配售收入

包銷、分包銷及於融資市場配售上市證券作集資用途的服務收入乃根據相關包銷、分包銷及配售協議之協定條款或交易授權信件(如適用)於相關重大行事完成時確認。本公司於該等行事完成時開具發票,通常須於60日內支付。

(vi) 財務諮詢收入

由於當客戶要求本集團提供任何諮詢服務(不限於法律及合規、企業融資或併購諮詢服務)時客戶同時收取及消耗利益,提供財務諮詢服務所得收入隨時間確認。無論提供任何服務,本集團所提供的服務通常按固定月費收費。發票按每月基準向客戶出具,且通常須於30天至60天內付款。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) REVENUE RECOGNITION (CONTINUED)

(vii) Other services income

Services income is recognised over time when the underlying services are rendered to customers. Invoices are issued on a monthly basis to customers and payment is normally due from 30 to 60 days.

(viii) Rental income

Rental income under operating leases is recognised on a straight-line basis over the relevant lease terms, except for the contingent rental income which is recognised when it arises.

(ix) Interest income

Interest income from a financial asset is accrued on a timely basis, with reference to the amount principal outstanding and calculated at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the asset on initial recognition.

(x) Dividend income

Dividend income is recognised when the Group's right to receive the dividend is established.

4. 主要會計政策 (續)

(F) 收益確認 (續)

(vii) 其他服務收入

當相關服務提供予客戶時，服務收入隨時間確認。發票按每月基準向客戶出具，且通常須於30天至60天內付款。

(viii) 租金收入

經營租賃項下租金收入乃按有關租賃年期以直線法確認，惟或然租金收入乃於產生時予以確認。

(ix) 利息收入

金融資產所產生的利息收入乃參考未償還本金及以所適用的實際利率按時間基準累計作計算，實際利率乃將金融資產在預計年期內的估計未來現金收入準確貼現至該資產首次確認時的賬面淨值的利率。

(x) 股息收入

股息收入乃於本集團收取股息的權利確定時確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(G) PROPERTY, PLANT AND EQUIPMENT

Owner-occupied leasehold land and buildings are stated at revaluation amounts less accumulated depreciation. Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from which would be determined using fair values at the end of the reporting period. Increases in value arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of “properties revaluation reserve”. Decreases in value arising on revaluation are first offset against increases on earlier valuations in respect of the same property and thereafter recognised in profit or loss. Any subsequent increases are recognised in profit or loss up to the amount previously charged and thereafter to the properties revaluation reserve.

Upon disposal, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the properties revaluation reserve to retained profits on the date of disposal of properties.

Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

4. 主要會計政策 (續)

(G) 物業、廠房及設備

業主自用租賃土地及樓宇按重估減累計折舊列賬。重估會充足地定期進行，以確保賬面值不會與於報告期末使用公平價值釐定者存在重大差異。重估增值於其他全面收益確認並於權益的物業重估儲備項下累計。重估減值首先對銷同一物業先前的估值增值，其後於損益中確認。其後任何增值以先前已扣除的金額為限計入損益之內，其後計入物業重估儲備。

於出售時，就之前估值已變現的重估儲備相關部分獲解除於出售日由物業重估儲備轉撥至留存溢利。

其他物業、廠房及設備乃按成本減累計折舊及累計減值虧損列賬，如適用。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(G) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of assets.

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

Other than construction in progress of the PRC outlet mall, property, plant and equipment are depreciated so as to write off their cost or revaluation amounts, net of expected residual value, over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted, if appropriate, at the end of each reporting period.

4. 主要會計政策 (續)

(G) 物業、廠房及設備 (續)

物業、廠房及設備的成本包括其購買價及收購該等資產直接應佔的成本。

其後的成本僅會於與該資產有關的未來經濟利益可能流入本集團，而該資產成本能可靠計量的情況下計入資產的賬面值，或確認為一項獨立資產（倘適用）。所取代部分的賬面值會終止確認。所有其他維修及保養於產生的期間內於損益內作為開支確認。

除在中國的奧特萊斯商場的在建工程外，物業、廠房及機器按其估計可使用年期使用直線法折舊，以將其成本或估值（扣除預計剩餘價值）於每一報告期末撇銷。於各報告期末，可使用年期，剩餘價值及折舊法會予以審閱及調整（如適用）。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(G) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The below items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, their annual depreciation rates are as follows:

Leasehold land and buildings in Hong Kong and the PRC	Shorter of useful lives and the remaining lease term
Buildings	Shorter of useful lives and the remaining lease term
Leasehold improvements	Shorter of useful lives and the remaining lease term
Plant and machinery	9% – 45%
Furniture, fixtures and equipment	9% – 20%
Motor vehicles	16% – 20%
Vessel	10%

If an item of property, plant and equipment becomes an investment property because its usage has changed as evidenced by the end of owner-occupation, any difference between the carrying amount and the fair value of that item, at the date of transfer, is recognised in other comprehensive income and accumulated in properties revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits on the date of sale or retirement.

4. 主要會計政策 (續)

(G) 物業、廠房及設備 (續)

以下物業、廠房及設備項目(不包括在建工程)按其估計可使用年期並經考慮其估計剩餘價值後,以直線法計算折舊如下:

於香港及中國的租賃土地及樓宇	可使用年期及剩餘租賃年期的較短者
樓宇	可使用年期及剩餘租賃年期的較短者
租賃物業裝修	可使用年期及剩餘租賃年期的較短者
廠房及機器	9%–45%
傢俱、裝置及設備	9%–20%
汽車	16%–20%
船隻	10%

倘因項目擁有人的佔用期完結而改變用途,使一項物業、廠房及設備項目成為一項投資物業,該項目的賬面值與其公平價值之間的任何差額會在轉移日期於其他全面收益中確認,並於物業重估儲備中累計。於日後出售或報廢該資產時,相關的重估儲備將會於出售或報廢日直接轉移至留存溢利。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(G) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceed and the carrying amount of the asset, which is recognised in profit or loss on the date of disposal or determined as no future economic benefit.

An item of property, plant and equipment is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount. Details of the determination of recoverable are set out in Note 4(S) to the consolidated financial statements.

Asset held under a finance lease is depreciated over its expected useful life on the same basis as owned assets, or where shorter, the relevant lease term. Upon the initial adoption of HKFRS 16 on 1 January 2019, the asset is depreciated the finance lease asset under the category of right-of-use asset from the commencement date to the end of useful life of the underlying asset if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term.

4. 主要會計政策 (續)

(G) 物業、廠房及設備 (續)

一項物業、廠房及設備於出售或預期繼續使用該資產不能產生未來經濟利益時，將取消確認。出售或報廢一項物業、廠房及設備而產生的任何收益或虧損乃釐定為銷售所得款項淨額及資產賬面值之間的差額，於出售日或預期繼續使用該資產不能產生未來經濟利益時於損益中確認。

倘物業、廠房及設備項目的賬面值高於該資產的估計可收回金額，則即時將其撇減至其可收回金額。關於決定可收回金額的詳情見綜合財務報表附註4(S)。

根據融資租賃持有的資產按與自置資產相同的基準以預計可使用年期或相關租賃期限（以較短者為準）折舊。於2019年1月1日首次採納香港財務報告準則第16號後，倘租賃於租期結束前將相關資產的擁有權轉讓予承租人，則須於開始日期至相關資產可使用年期結束期間對使用權資產類別項下的融資租賃資產計提折舊。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(G) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Construction in progress is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

(H) INVESTMENT PROPERTIES

Investment properties are properties held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include land held for a currently undetermined future use and property that is being constructed or development for future use as an investment property.

When the Group holds property interests under an operating lease to earn rental income, which has met the definition of investment properties, the Group should classify and account for the property interests as an investment property using the fair value model.

4. 主要會計政策 (續)

(G) 物業、廠房及設備 (續)

在建工程乃按成本減減值虧損列賬。成本包括直接建築成本及於建設及安裝期間資本化之借貸成本。當資產投入擬定用途所需的準備工作大致完成時，該等成本即不再資本化，而在建工程則轉撥至物業、廠房及設備之合適類別。在建工程於竣工及可作擬定用途前，並不計提任何折舊。

(H) 投資物業

投資物業乃指持有以賺取租金或作資本增值用途或兩者兼有，但並非於日常業務過程中持作銷售、持作生產或供應貨品或服務或行政用途的物業。這包括土地持作現時未可釐定將來用途在建或將來發展作投資物業。

倘本集團以經營租賃持有物業權益以賺取租金收入，且符合投資物業的定義，本集團應將該等物業以權益分類及公平價值入賬為投資物業。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(H) INVESTMENT PROPERTIES (CONTINUED)

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value models, unless they are still in the course of construction or development at the reporting date and their fair value cannot be reliably determined at that time. Gains or losses arising from changes in fair value of the investment properties are included in profit or loss for the period in which they arise.

For any construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction, if any.

If an investment property becomes an item of property, plant and equipment because its usage has changed as evidenced by the commencement of owner-occupation, the property's deemed cost for subsequent accounting is determined with reference to its fair value at the date of change in use.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the investment property, calculated as the difference between the net disposal proceeds and the carrying amount of the property is included in profit or loss for the period in which the item is derecognised or deemed as no future economic benefits will be derived.

4. 主要會計政策 (續)

(H) 投資物業 (續)

投資物業首次以成本計量，包括任何直接應佔開支。首次確認以後，除非於報告日期投資物業仍在興建或開發中而其公平價值於當時不能可靠計量，否則投資物業會以公平價值模式按公平價值計量。投資物業公平價值變動所產生的收益或虧損會在其產生的期間計入損益。

興建中的投資物業產生的任何建造成本乃資本化為興建中的投資物業賬面值的一部分（如有）。

倘投資物業因業主自用而變動其用途成為物業、廠房及設備項目，被視為物業成本，就其後入賬而言，於用途變動日期參考其公平價值決定。

投資物業於出售或投資物業永久不再使用及預期不能由其出售獲取任何未來經濟利益時取消確認。因取消確認該投資物業而產生之任何損益（按出售所得款項淨額與資產賬面值的差額計算）於取消確認該項目或預期不能由其出售獲取任何未來經濟利益的期間計入損益。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING

For the accounting policies applied from 1 January 2019

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

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

4. 主要會計政策 (續)

(I) 租賃

自2019年1月1日起適用的會計政策

本集團於合約開始時評估合約是否為租賃或包含租賃。倘合約為換取代價而轉讓在一段時間內控制已識別資產使用的權利，則該合約為租賃或包含租賃。當客戶有權指示使用該已識別資產，且從使用中獲得絕大部分經濟利益時，控制權被轉讓。

倘合約包含租賃部分及非租賃部分，本集團已就所有租賃選擇不分析非租賃部分，並將各租賃部分及任何相關的非租賃部分作為一項單一的租賃部分進行會計處理。

所有租賃（不論為經營租賃或融資租賃）均須於綜合財務狀況表資本化為使用權資產及租賃負債，惟實體就：(i)屬短期租賃之租賃及／或(ii)相關資產屬低價值之租賃選擇不資本化時存在會計政策選擇。本集團已選擇不就低價值資產及於開始日期之租賃期為12個月以下之租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已按租賃期以直線法為開支。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied from 1 January 2019 (Continued)

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses (see Note 4(S) to the consolidated financial statements), and adjusted for any remeasurement of lease liability. For right-of-use asset that meets the definition of an investment property, they are carried at fair value and for right-of-use asset that meets the definition of a leasehold land and buildings held for own use, they are carried at fair value.

4. 主要會計政策 (續)

(I) 租賃 (續)

自2019年1月1日起適用的會計政策 (續)

使用權資產

使用權資產應按成本確認，並須包括：(i)初步計量租賃負債的金額（見下文有關將租賃負債入賬的會計政策）；(ii)於開始日期或之前作出的任何租賃付款減去任何已收取的租賃獎勵；(iii)承租人產生的任何初步直接成本；及(iv)承租人在將相關資產拆除及移除至租賃條款及條件所規定的狀況時所產生的成本進行估算，除非該等成本是生產存貨而產生。除符合投資物業或某類物業、廠房及設備（本集團就此應用重估模型）定義之使用權資產外，本集團應用成本模型計量使用權資產。根據成本模型，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債之任何重新計量作出調整（詳情參考綜合財務報表附註4(S)）。符合投資物業定義之使用權資產乃按公平價值列賬，而符合持作自用之租賃土地及樓宇定義之使用權資產乃按公平價值列賬。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied from 1 January 2019 (Continued)

Right-of-use asset (Continued)

The Group accounts for leasehold land and buildings that are held for rental or capital appreciation purpose under HKAS 40 and are carried at fair value. The Group accounts for leasehold land and buildings which is held for own use under HKAS 16 and are carried at fair value. Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgements and determines that it is a separate class of asset apart from the leasehold land and buildings which is held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expenses is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策 (續)

(I) 租賃 (續)

自2019年1月1日起適用的會計政策 (續)

使用權資產 (續)

就本集團而言，為出租或資本增值目的而持有之租賃土地及樓宇將繼續根據香港會計準則第40號入賬，並按公平價值列賬。就持作自用的租賃土地及樓宇而言，將繼續根據香港會計準則第16號入賬，並按公平價值列賬。除上述使用權資產外，本集團亦已根據租賃協議租賃多項物業，而本集團行使判斷並釐定其為持作自用的租賃土地及樓宇以外的獨立類別資產。因此，租賃協議項下物業產生的使用權資產按折舊成本列賬。

租賃負債

租賃負債應按於租賃開始日期尚未支付的租賃付款的現值作出確認。租賃付款將使用租賃中隱含的利率貼現得出（倘若該利率可輕易釐定）。倘若該利率不可輕易釐定，則本集團將使用本集團的增量借貸利率。於首次確認後，租賃負債按攤銷成本計量及利息開支採用實際利率法計算。不取決於某一指數或比率的可變租賃付款不計入租賃負債的計量內，因此於其產生在會計期間自損益扣除。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied from 1 January 2019 (Continued)

Lease liability (Continued)

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

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the substance of fixed lease payments or a change in assessment to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The Group presents the right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the consolidated statement of financial position.

4. 主要會計政策 (續)

(I) 租賃 (續)

自2019年1月1日起適用的會計政策 (續)

租賃負債 (續)

於租賃期內，於租賃開始日期尚未支付的相關資產使用權的以下付款均被視為租賃付款：(i)固定付款減去任何應收的租賃獎勵；(ii)取決於在租賃開始日期使用指數或利率初步計量的指數或利率的可變租賃付款；(iii)承租人根據剩餘價值擔保的預期應付款項；(iv)倘若承租人合理確定行使購買選擇權下的該選擇權行使價；及(v)倘若租賃期反映承租人行使選擇權終止租賃下的終止租賃罰款付款。

於開始日期之後，承租人應以下列方式計量租賃負債：(i)增加其賬面值以反映租賃負債下的利息；(ii)減少賬面值以反映所作出的租賃付款；及(iii)重新計量其賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。按此方式重新計量租賃負債時，會對使用權資產的賬面值作出相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

本集團將不符合投資物業定義的使用權資產及租賃負債分別呈列於綜合財務狀況表。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied from 1 January 2019 (Continued)

Accounting as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying asset to the lessee. If this is not the case, the lease is classified as an operating lease.

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.

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

When the Group is an intermediate lessor, the sub-lease are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption criteria, then the Group classifies the sub-lease as an operating lease.

4. 主要會計政策 (續)

(I) 租賃 (續)

自2019年1月1日起適用的會計政策 (續)

作為出租人之會計處理

當本集團作為出租人時，其於租賃開始時釐定每項租賃是否為融資租賃或經營租賃。倘租賃將相關資產的所有權隨附的絕大部分風險及回報轉移至承租人，則其分類為融資租賃。倘非如此，該租賃則分類為經營租賃。

當合約包含租賃及非租賃部分時，本集團按相對獨立售價基準將合約代價分配至各個部分。

本集團已將其投資物業出租予多名租戶。經營租賃的租金收入乃按有關租賃年期以直線法於損益中確認。於磋商及安排經營租賃時產生的初步直接成本計入租賃資產的賬面值，並按租賃期以直線法確認為開支。

當本集團為中間出租人時，轉租參考原租約所產生之使用權資產分類為融資租賃或經營租賃。倘原租約屬本集團應用豁免標準之短期租賃，則本集團將轉租分類為經營租賃。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied until 31 December 2018

In the comparative period, leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

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

The Group as lessee

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

The total rentals payable under the operating leases are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

4. 主要會計政策 (續)

(I) 租賃 (續)

適用至2018年12月31日止的會計政策

在比較期間，當租賃條款將所涉及擁有權的絕大部分風險及回報轉移予承租人時租賃會被分類為融資租賃。所有其他租賃會被分類為經營租賃。

本集團作為出租人

經營租賃的租金收入乃按有關租賃年期以直線法於損益中確認。於磋商及安排經營租賃時產生的初步直接成本乃加入租賃資產的賬面值，並按租賃年期以直線法確認為開支。

本集團作為承租人

根據融資租賃持有的資產初步按公平價值或最低租賃款項現值（如金額較低）確認為資產。相應租賃承擔列作負債。租賃款項按資本及利息分析。利息部分於租期內在損益扣除，以得出租賃負債的一個固定比例為方式計算。資本部分則扣除結欠出租人的結餘。

經營租賃項下之應付租金總額乃以直線基準，按租期確認為開支，但如另有系統性基準較時間性模式更具代表性，租賃資產的經濟效益據此被消耗則除外。經營租賃所產生的或然租金在產生當期作為開支確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied until 31 December 2018 (Continued)

The Group as lessee (Continued)

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Investment properties

For the property held under operating leases that would otherwise meet the definition of an investment property was classified as an investment property on a property-by-property basis and, if classified as an investment property, was accounted for as if held under a finance lease (see Note 4(H) to the consolidated financial statements).

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

4. 主要會計政策 (續)

(I) 租賃 (續)

適用至2018年12月31日止的會計政策 (續)

本集團作為承租人 (續)

倘訂立經營租賃可以獲得租賃優惠，該等優惠作為負債確認。優惠整體利益以直線法確認為扣減租金開支。然而如另有系統性基準較時間性模式更具代表性，租賃資產的經濟效益據此被消耗則除外。

投資物業

根據經營租賃持有但符合投資物業定義的物業按個別物業基準分類為投資物業，及倘獲分類為投資物業，則按猶如根據融資租賃（見綜合財務報表附註4(H)）持有的方式入賬。

租賃土地及樓宇

當租賃包括土地及樓宇部分，本集團根據對附於各部分所有權的絕大部分風險及回報是否已轉移至本集團的評估，分別將各部分的分類獨立評估為融資或經營租賃，除非清楚顯示兩者均屬經營租賃，則整項租賃獲分類為經營租賃。具體而言，最低繳付租金（包括任何一筆過預付款項）於租約訂立時按租賃土地部分及樓宇部分中的租賃權益相對公平價值比例於土地與樓宇部分間分配。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) LEASING (CONTINUED)

For the accounting policies applied until 31 December 2018 (Continued)

Payments for leasehold land held for own use under operating lease

To the extent that the allocation of the lease payments for acquiring a long-term interest of lessee-occupied property can be measured reliably, interest in leasehold land arise from the payment is accounted for as an operating lease and presented as “prepaid lease payments” in the consolidated statement of financial position. It is stated at cost on the initial recognition and is amortised over the relevant lease term, on a straight-line basis, except for that is classified and accounted for as an investment property under the fair value model.

(J) INTANGIBLE ASSETS (OTHER THAN GOODWILL)

(i) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, and intangible assets with indefinite useful lives are carried at costs less accumulated impairment losses. For the details of impairment assessment are set out in Note 4(S) to the consolidated financial statements.

4. 主要會計政策 (續)

(I) 租賃 (續)

適用至2018年12月31日止的會計政策 (續)

根據經營租賃持有自用租賃土地的開支

如租賃款項能可靠地計量用於獲取承租人長期權益前期租賃付款分配，租賃權益支出的利息會被計入綜合財務報表的「預付租賃款項」內。除了分類和根據交易入賬為以公平價值入賬的投資物業外，始初確認時會以成本入賬並在相關租賃期內以直線基準攤銷。

(J) 無形資產 (除商譽外)

(i) 所收購無形資產

單獨收購的無形資產初步按成本確認。業務合併中所收購的無形資產的成本為收購日期的公平價值。其後，具有有限使用年期的無形資產按成本減累計攤銷及累計減值虧損入賬，而具無限使用年期的無形資產按成本減累計減值虧損列賬。關於減值的評估見綜合財務報表附註4(S)。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) INTANGIBLE ASSETS (OTHER THAN GOODWILL) (CONTINUED)

(i) *Acquired intangible assets (Continued)*

Intangible assets with finite useful lives

For the intangible assets with finite useful lives, amortisation is provided on a straight-line basis over their useful lives, and amortisation expense recognised in profit or loss. The following intangible assets with finite useful lives are amortised from the date when they are available for use and their estimated useful lives are as follows.

Customer relationship	15 years
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Both of the period and method of amortisation are reviewed at the end of each reporting period.

Intangible assets with indefinite useful lives

For the intangible assets with indefinite useful lives comprise of: (i) the intellectual property right, not limited to the design, manufacture, package, sale, distribution and marketing of the “PONY” and “SKINS” branded products, which are granted for licensing periods ranged from 7 to 15 years by the local government agencies in the foreign licensed territories; (ii) the rights to manufacture, market, distribute and sell of the healthcare products under certain patents and trademarks in Hong Kong, with a renewal option when the licensed periods expired; and (iii) trading rights granted by the Hong Kong Exchange and Clearing Limited, which allows the Group to trade securities on or through The Stock Exchange of Hong Kong Limited and Hong Kong Futures Exchange Limited.

4. 主要會計政策 (續)

(J) 無形資產 (除商譽外) (續)

(i) *所收購無形資產 (續)*

具有限使用年期的無形資產就具有限使用年期的無形資產而言，於可使用年期內按直線基準攤銷並於損益內確認如下。以下具有限可使用年期的無形資產自其可使用日起及估計可使用年期攤銷。

客戶關係	15年
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期限和攤銷方法兩項都會於每一報告期末檢視。

具無限使用年期的無形資產

具無限可使用年期的無形資產包括：(i)當地政府機構所授出於外國特許地區的特許期為7至15年的知識產權（不限於「PONY」及「SKINS」品牌產品的設計、生產、包裝、銷售、分銷及營銷）；(ii)於香港以若干專利及商標生產、營銷、分銷及銷售保健養生產品的權利（可於特許期屆滿時予以續期）；及(iii)香港交易及結算所有限公司授出允許本集團於或透過香港聯合交易所有限公司及香港期貨交易所有限公司買賣證券的交易權。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) INTANGIBLE ASSETS (OTHER THAN GOODWILL) (CONTINUED)

(i) *Acquired intangible assets (Continued)*

Intangible assets with indefinite useful lives (Continued)

According to the past experience, all of those patents, trademarks and trading rights can be renewed indefinitely at little or even no cost to the Group, and are expected to generate net cash inflows to the Group in an indefinite manner. The Group intends to renew those patents, trademarks and trading rights indefinitely given by the evidence to support its ability and intentions. As a result, they are regarded as having indefinite useful lives.

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

4. 主要會計政策 (續)

(J) 無形資產 (除商譽外) (續)

(i) *所收購無形資產 (續)*

具無限使用年期的無形資產 (續)

根據過往經驗，所有該等專利、商標及交易權可無限期續期，對本集團而言費用不高甚至毋須費用及預期為本集團產生無限現金流入淨額。本集團擬無限期重續該等專利、商標及交易權，而事實證明其有能力及意圖重續該等專利、商標及交易權。因此，該等專利、商標及交易權被視為具有無限可使用年期。

無形資產可使用年期被評估為無限時，無形資產不作攤銷。無形資產的可使用年期屬無限的任何結論於各報告期末予以檢討，以釐定事件及情況是否繼續支持該資產具有無限可使用年期的評估。否則，自變更日期起就可使用年期從無限轉為有限的評估按前瞻基準，並根據上文所載對可使用年期有限的無形資產的攤銷政策入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) INTANGIBLE ASSETS (OTHER THAN GOODWILL) (CONTINUED)

(ii) Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use (if any) are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (see Note 4(S) to the consolidated financial statements).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount; however, the carrying amount should not be increased above the lower of its recoverable amount and the carrying amount that would have resulted had no impairment loss been recognised for the asset in prior years. All reversals are recognised in the profit or loss immediately.

4. 主要會計政策 (續)

(J) 無形資產 (除商譽外) (續)

(ii) 減值

具有有限使用年期的無形資產乃於有跡象顯示資產可能出現減值時進行減值測試。具無限使用年期的無形資產每年進行減值測試，而不論是否有跡象顯示資產可能出現減值。無形資產乃透過將其賬面值與可收回金額比較以測試是否出現減值（見綜合財務報表附註4(S)）。

倘資產的可收回金額估計低於其賬面值，則資產的賬面值會被減少至其可收回金額。

減值虧損即時確認為開支，除非相關資產按重估金額列賬，在此情況下，減值虧損會視作重估調減處理，以其重估盈餘為限。

於其後撥回減值虧損時，資產之賬面值可增加至其可收回金額之經修訂估計數字，然而，增加後之賬面值不得超過其可收回金額與該資產倘於過往年度並無確認減值虧損所釐定之賬面值兩者之較低者。所有撥回立即於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(K) FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions entered into by these group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the exchange rate ruling when the transactions occur. At the end of reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are retranslated at the rates ruling on the date when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary assets and liabilities, and on the retranslation of monetary assets and liabilities, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary asset or liability that forms part of the Company’s net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity under the heading of “translation reserve” and will be reclassified from translation reserve to profit or loss on disposal date of the foreign operation. Exchange differences arising on the retranslation of non-monetary assets and liabilities carried at fair value are included in profit or loss for the period, except for exchange differences arising on the retranslation of non-monetary assets and liabilities in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised in other comprehensive income.

4. 主要會計政策 (續)

(K) 外幣

於編製各個別集團實體的財務報表時，以該等集團實體經營的主要經濟環境的貨幣（「功能貨幣」）以外的貨幣訂立的交易均會按交易發生時所適用現行匯率記賬。於報告期末，以外幣計值的貨幣資產及負債均按當日現行匯率換算。按公平價值入賬以外幣計值的非貨幣項目乃以公平價值釐定當日現行匯率重新換算。以外幣的歷史成本計量的非貨幣資產及負債則毋須重新換算。

結算及重新換算貨幣資產及負債所產生的匯兌差額於其產生期間在損益確認，惟構成本公司海外業務淨投資的貨幣資產或負債所產生之匯兌差額則除外，此類匯兌差額於其他全面收益內確認及於匯兌儲備累計，並將於出售海外業務時由「匯兌儲備」重新分類至損益。以公平價值入賬的非貨幣資產及負債重新換算所產生的匯兌差額乃計入期間損益，惟重新換算非貨幣資產及負債產生的匯兌差額除外，其收益及虧損乃直接於其他全面收益確認，於此等情況下，匯兌差額亦於其他全面收益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(K) FOREIGN CURRENCIES (CONTINUED)

For the purposes of presenting the consolidated financial statements, all assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HKD) at the exchange rate ruling at the end of reporting period, and income and expenses of foreign operations are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates approximating to those ruling when the transactions took place are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in translation reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of the group entities' separate financial statements on the translation of long-term monetary assets and liabilities forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation, of which the retained interest becomes a financial asset), all of the exchange differences accumulated in translation reserve in respect of that operation attributable to the owners of the Company that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss of such disposals. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing its control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposal of an associate or a joint arrangement that does not result in the Group losing a significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss up to the date of disposal.

4. 主要會計政策 (續)

(K) 外幣 (續)

為呈列綜合財務報表，本集團海外業務的所有資產及負債乃按報告期末的現行匯率換算為本集團的呈列貨幣（即港元），而海外業務的收入及開支項目乃按年度的平均匯率進行換算，除非年內匯率大幅波動，而在此情況下，乃使用與交易發生時現行匯率相若的匯率。產生的匯兌差額（如有）會於其他全面收益中確認並於匯兌儲備中累計（歸屬於少數權益（倘適用））。構成本集團相關海外業務淨投資的長期貨幣資產及負債換算所產生於集團實體獨立財務報表之損益確認的匯兌差額，重新分類至其他全面收益並於匯兌儲備累計。

出售海外業務時（即出售本集團海外業務的全部權益，或出售涉及包含海外業務的附屬公司而導致喪失其控制權，或部分出售於包含海外業務的共同安排或聯營企業的權益，其中保留權益為一項金融資產），與本公司擁有人應佔該業務有關的累計直至出售前於匯兌儲備的所有匯兌差額重新分類至損益，作為出售損益之一部分。此外，倘部份出售附屬公司並未導致本集團失去對該附屬公司的控制權，則按比例將累計匯兌差額重新分配至非控股權益，且不會於損益確認。就所有其他部分出售而言（即部分出售聯營企業或共同安排並無造成本集團失去重大影響力或共同控制權者），截至出售日前則按比例將累計匯兌差額重新分類至損益。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(K) FOREIGN CURRENCIES (CONTINUED)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

(L) CAPITALISATION OF BORROWING COSTS

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets until such assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs being capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(M) EMPLOYEE BENEFITS

(i) *Short term employee benefits*

Short term employee benefits are employee benefits (other than termination benefits) including salaries, discretionary bonus, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. The related salaries, welfare and other expenses are recognised in profit or loss when the employees render the related service. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

4. 主要會計政策 (續)

(K) 外幣 (續)

於2005年1月1日或以後，收購海外業務產生的有關所收購可識別資產的商譽及公平價值調整乃處理為該海外業務的資產及負債，並按於報告期末的現行匯率進行換算。產生的匯兌差額乃於匯兌儲備內確認。

(L) 借貸成本資本化

因收購、建設或生產合資格資產（需要一段較長時間方能達致其擬定用途或出售）應佔直接成本乃資本化為該等資產成本的一部分，直至該等資產大部分可用作其擬定用途或出售為止。其開支有待計入該等資產的特定借貸的短期投資所賺取的收益乃於資本化借貸成本中扣除。所有其他借貸成本於產生時在期內損益表確認。

(M) 僱員福利

(i) *短期僱員福利*

短期僱員福利乃，預計於僱員提供相關服務之年度報告期末後十二個月以前悉數結算之僱員福利（終止福利除外），包括薪金，花紅，有薪年假，界定供款退休計劃及非貨幣福利的成本。相關的薪金，僱員福利及其他費用於僱員提供相關服務之年度內確認。當付款或和解遇延遲而影響重大，此等款項以現值呈列。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(M) EMPLOYEE BENEFITS (CONTINUED)

(ii) *Defined contribution retirement plans*

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

(iii) *Termination benefits*

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

(N) INCOME TAX

Income tax expense for the year represents the sum of tax currently payable and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities is recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

For both income tax currently payable and movements in deferred tax, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and also take into account when the Group intends to settle on a net basis and they related to the same taxable entity and realise the significant amounts of deferred tax arise from different taxable entities with the intention to realise and settle the current tax assets and liabilities on a net basis or simultaneously.

4. 主要會計政策 (續)

(M) 僱員福利 (續)

(ii) *界定供款退休計劃*

向界定供款退休計劃作出之供款於僱員提供服務時於損益內確認為開支。

(iii) *終止福利*

終止福利於本集團不能撤回該等福利時以及本集團確認重組成本(涉及支付終止福利)時(以較早日期為準)確認。

(N) 所得稅

年度所得稅開支包括本期應付稅項及遞延稅項資產與負債總和。本期稅項及遞延稅項資產與負債的變動均於損益內確認，惟倘與於其他全面收益或直接於權益中確認的項目有關，則有關稅項金額分別於其他全面收益或直接於權益中確認。

本期應付所得稅及遞延稅項變動均獨立呈列，且不予抵銷。倘本集團具備可依法強制執行的權利將本期稅項資產與本期稅項負債抵銷，並經計及當本集團擬按淨值基準結算且彼等與相同應課稅實體有關，以及變現不同應課稅實體產生的遞延稅項重大金額以按淨值基準或同時變現及清償本期稅項資產及負債，則本期稅項資產與本期稅項負債相抵銷，而遞延稅項資產則與遞延稅項負債抵銷。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) INCOME TAX (CONTINUED)

Current tax

The tax currently payable is expected based on the taxable profits arise from ordinary activities for the year and any adjustment to the tax payable in respect of prior year. Taxable profits differs from accounting profits as reported in the consolidated statement of profit or loss for financial reporting purposes because it excludes income or expenses that are non-taxable or non-deductible for tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes, and unused tax losses accumulated in prior financial years. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period. The measurement of deferred tax should reflect the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle that carrying amount of its assets and liabilities.

4. 主要會計政策 (續)

(N) 所得稅 (續)

本期稅項

本期應付稅項乃按年內普通業務產生的應課稅溢利以及過往年度應付稅項的任何調整預計。由於應課稅溢利不包括毋須課稅或不可扣稅的收入或開支，並使用於報告期末已頒佈或實質上已頒佈的稅率計算，故就財務報告目的而言，應課稅溢利與綜合損益表所呈報的會計溢利不同。

分派股息產生的額外所得稅於確認支付相關股息的責任時確認。

遞延稅項

遞延稅項乃因就財務報告而言之資產及負債之賬面值與就稅務而言之相應數值之暫時差異而確認而相對款項用作稅務及以往財政年度累積的未使用稅項虧損用途。遞延稅項乃按適用於變現或償付資產或負債賬面值的預期方式及於報告期末已頒佈或實質上已頒佈的稅率計量。遞延稅項的計量應反映按照本集團預期於報告期末可收回或償付其資產及負債賬面值的方式計算的稅務結果。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) INCOME TAX (CONTINUED)

Deferred tax (Continued)

Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same tax authority and the same taxable entity, and are expected to reverse in either in the same period as the expected reversal of the deductible temporary differences or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to be reverse in a period, or periods, in which the tax loss can be utilised.

4. 主要會計政策 (續)

(N) 所得稅 (續)

遞延稅項 (續)

除不影響會計處理或應課稅溢利的商譽及已確認資產與負債之外，會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產於可能有可用於抵銷可動用的可扣減暫時差額的未來應課稅溢利的範圍內確認。可支持確認可扣減暫時差額所產生的遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額將產生者，惟該等差額與同一稅務機關及同一應課稅實體有關，並預期在可扣減暫時差額預計撥回的同一期間或可撥回或結轉遞延稅項資產所產生稅項虧損的期間內撥回。在釐定現有應課稅暫時差額是否支持確認未動用稅項虧損產生的遞延稅項資產時，會採納同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期於稅項虧損可動用的一個或多個期間內撥回，則予以考慮該等差額。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) INCOME TAX (CONTINUED)

Deferred tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are not recognised if those temporary differences arise from goodwill not deductible for tax purposes, the initial recognition (other than in a business combination) of assets and liabilities that affect neither accounting nor taxable profit, and temporary differences relating to investments in subsidiaries, associates and joint controlled entities to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 “Investment Property”. Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of reporting period. Deferred tax assets and liabilities are not discounted.

4. 主要會計政策 (續)

(N) 所得稅 (續)

遞延稅項 (續)

倘該等暫時差額產生自不可扣稅的商譽、不影響會計處理或應課稅溢利的資產及負債的首次確認(於業務合併內則除外)，以及有關投資於附屬公司、聯營公司及共同控制實體的暫時差額，惟就應課稅差額而言，本集團可控制撥回時間，且於可見將來不大可能撥回差額，或就可扣減差額而言，除非有關差額可能會於日後撥回，則確認遞延稅項資產及負債的少數例外情況不予確認。

倘投資物業根據香港會計準則第40號「投資物業」按公平價值列賬，則可豁免遵守釐定用於計量遞延稅項金額之適用稅率之一般規定。除非假設遭駁回，否則該等投資物業之遞延稅項金額於報告日期使用按其賬面值出售該等投資物業所應用的稅率計量。倘投資物業可予折舊，且於目的為隨時間而非透過銷售消耗該物業絕大部分經濟收益的業務模式內持有，則有關假設遭駁回。在其他情況下，已確認的遞延稅項金額按照資產與負債賬面值的預期變現或清償方式，採用於報告期末已頒佈或實質上已頒佈的稅率計量。遞延稅項資產與負債均不作貼現。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) INCOME TAX (CONTINUED)

Deferred tax (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to be reversed in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the related tax benefit to be utilised. Any such deduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

(O) CLUB DEBENTURE

Club debenture is carried at cost less any subsequent accumulated impairment loss.

(P) INVENTORIES

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all of the costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present locations and conditions. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale readily.

4. 主要會計政策 (續)

(N) 所得稅 (續)

遞延稅項 (續)

遞延稅項負債就於附屬公司、聯營企業及共同控制實體之投資產生之應課稅暫時差額確認，惟本集團可控制暫時差額之撥回及暫時差額很大可能不會於可見將來撥回時除外。與該等投資相關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之利益且預計於可見將來可以撥回時確認。

於報告期末，本集團會檢討遞延稅項資產的賬面值，並將其扣減至使其不再可能有足夠應課稅溢利以使用全部或部分資產為止。任何所得稅撥回可能會引致自足夠的應課稅。

(O) 會所債券

會所債券乃按成本減任何其後累計減值虧損列賬。

(P) 存貨

存貨初步按成本確認，其後按成本及可變現淨值兩者中之較低者確認。成本包括所有採購成本、轉換成本及將存貨送至現有地點及達致現有狀況所需之其他成本。成本按加權平均法計算。可變現淨值指日常業務過程中之估計售價減估計完工成本及進行銷售必要之估計成本。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(P) INVENTORIES (CONTINUED)

Then inventories are sold, the carrying amount of those inventories is recognised as an expenses in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(Q) FINANCIAL INSTRUMENTS

Financial instruments included financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the financial instrument.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. For a trade receivable without a significant financing component, it is initially measured at the transaction price.

4. 主要會計政策 (續)

(P) 存貨 (續)

其後存貨獲出售，該等存貨的賬面值於確認有關收入期間確認為開支。

任何將存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間確認為開支。任何存貨撇減的任何撥回金額乃於撥回發生期間確認為已確認為開支的存貨金額的減少。

(Q) 金融工具

金融工具包括金融資產及金融負債，並在一集團方成為金融工具內合約條款的合約一方時在綜合財務狀況中確認。

金融資產（除非是沒有重大融資成分的貿易應收賬款）及金融負債以公平價值初始計量。收購或發行金融資產及金融負債（按公平價值計入損益的金融資產及金融負債則除外）的應佔直接交易成本乃於初步確認時加入或扣自金融資產或金融負債（倘適合）的公平價值。收購按公平價值列入損益之金融資產或金融負債的直接應佔交易成本會即時於損益中確認。對於不具有重大融資成分的貿易應收賬款，本集團按交易價格進行初始計量。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. The Group's financial assets are classified into the categories of financial assets as fair value through profit or loss ("FVTPL") and amortised cost. All regular purchases or sales of financial assets are recognised or derecognised on the trade date basis, i.e. the date when the Group commits to purchase or sell the asset. A regular way purchases or sales is purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest, if applicable.

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

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產

本集團視乎收購資產之目的而於初步確認時將金融資產分類。本集團之金融資產分類為按公平價值列入損益之金融資產以及按攤銷成本計量的金融資產。所有金融資產買賣概於交易日(亦即本集團承諾購買或出售資產之日)予以確認或終止確認。一般買賣乃指金融資產買賣,其規定須於市場規例或慣例所一般設立的期間內交付資產。當釐定包含衍生的財務資產的現金流是限於償還本金及利息(如適用)時,該等資產以整體考慮。

其後計量債務工具視乎本集團管理資產的業務模式及資產的現金流量特徵。本集團將其金融資產分為以下兩種計量類別:

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Amortised cost:

Financial assets at amortised cost including trade and other receivables, amounts due from joint ventures, amount due from an associate, advances to customers in margin financing, loans receivable, restricted bank deposits and bank balances and cash. These assets are non-derivative financial assets not quoted in an active market that are held for collection of contractual cash flows in a fixed or determinable manner where those cash flows represent solely payments of principal and interest are measured at amortised cost. They arise principally through the provisions of goods or services to customers and also incorporate other categories of contractual monetary assets. Subsequent to initial recognition, they are carried at amortised costs using the effective interest rate method, less any identified impairment losses (see accounting policy on “impairment loss on financial assets” as defined below).

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest income recognised on an effective interest basis, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss in which the period of derecognition incurred.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

攤銷成本

按攤銷成本計量的金融資產包括貿易及其他應收賬款、應收合營企業款項、應收聯營企業款項、提供予保證金融資客戶之墊款、應收貸款、受限制銀行存款以及銀行結餘及現金。該等資產為並非於活躍市場報價的非衍生金融資產，按攤銷成本計量，其以固定及可釐定方式持作收取合約現金流量，其中有關現金流量純粹指本金及利息付款。彼等主要透過向客戶提供貨品或服務而產生，亦包含其他類型的合約貨幣資產。於初步確認後，彼等按攤銷成本減任何已識別減值虧損（見下文所述有關「金融資產減值虧損」之會計政策）以實際利率法列賬。

實際利率法指計算金融資產的攤銷成本及於相關期間分配利息收入的方法。實際利率指透過金融資產的預計年期或（倘適用）較短期間將估計未來現金收入（包括所有已付或已收且構成實際利率組成部分的費用、交易成本及其他溢價或折讓）準確貼現至其初步確認時的賬面淨值的利率。利息收入按實際利息基準確認，外匯損益及減值於損益確認。解除確認時的任何收益於發生解除確認時於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Fair value through profit or loss ("FVTPL"):

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

Equity investments:

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

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

按公平價值列入損益 (「按公平價值列入損益」)

按公平價值列入損益之金融資產包括持作買賣金融資產、於初次確認時指定為按公平價值列入損益或強制要求按公平價值計量的金融資產。倘金融資產為於近期作出售或購回目的而收購，則被分類為持作買賣之金融資產。衍生金融工具（包括嵌入式衍生工具）除已指定為對沖工具，已分類為持作出售。現金流量並非僅為支付本金及利息之金融資產分類為及按公平價值列入損益計量，而不論其業務模式如何。儘管如上文所述債務工具可分類為按攤銷成本或按公平價值列入其他全面收入，債務工具於初步確認時可指定為按公平價值列入損益，前提是此舉能夠消除或大幅減少會計錯配。

股本投資：

於首次確認並非持作買賣用途之股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平價值之後續變動。該選擇乃按逐項投資作出。按公平價值列入其他全面收益之股本投資按公平價值計量。除非股息收入明確表示收回部分投資成本，否則股息收入於損益確認。其他收益及虧損淨額於其他全面收益確認，且不會重新分類至損益。所有其他股本工具乃分類為按公平價值列入損益，據此，公平價值變動、股息及利息收入於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss (“ECL”) on trade receivables and other financial assets measured at amortised cost, except the financial assets at FTVPL not subject to the ECL assessment. The ECLs are measured on either of the following bases: (1) 12-months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

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

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產的減值虧損

本集團就按攤銷成本計量的貿易應收賬款及金融資產確認預期信貸虧損(「預期信貸虧損」)虧損撥備，惟按公平價值列入損益的金融資產除外。預期信貸虧損乃按下列任一基準計量：(1)12個月預期信貸虧損：報告日期後12個月內可能發生的違約事件而導致的預期信貸虧損；及(2)全期預期信貸虧損：金融工具預計年內所有可能違約事件而導致的預期信貸虧損。估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按根據合約應付本集團的所有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計量。預期現金短缺約以資產原先有效利息打折。估計預期信貸虧損最長合約期限為集團承受信貸風險的最長合約期間。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Impairment loss on financial assets (Continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future macroeconomic conditions. ECLs are measured on either of the following bases: (i) 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and (ii) lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on historical credit loss experience, time value of money and adjustments on the reasonable and supportive forward-looking information specific to the debtors and macroeconomic environment where the debtors operate available to the Group.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產的減值虧損 (續)

於計量預期信貸虧損時，本集團會考慮無須付出過多成本或努力即可獲得的合理及可靠資料。此包括有關過往事件、現時狀況及未來宏觀經濟狀況預測的資料。預期信貸虧損乃按以下基準計量：(i) 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及(ii) 全期預期信貸虧損：指預期信貸虧損模式適用項目的預計年期內所有可能發生的違約事件而導致的預期虧損。

本集團選擇採用香港財務報告準則第9號簡化法計量貿易應收賬款的虧損撥備，並按全期預期信貸虧損計算預期信貸虧損。本集團已基於本集團過往信貸虧損經驗確立撥備矩陣，貨幣時間價值以及針對債務人的合理和支持性前瞻性信息以及本集團可利用的債務人經營的宏觀經濟環境的調整。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Impairment loss on financial assets (Continued)

For other financial assets at amortised cost, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk of the financial assets since initial recognition, the loss allowances will be based on the lifetime ECLs.

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

The following information has also taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant determination in a financial asset's external or internal credit rating (if available);

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產的減值虧損 (續)

就其他以攤銷成本金融資產而言，預期信貸虧損乃按12個月預期信貸虧損計算。然而，倘信貸風險自首次確認以來有大幅增加，則將按全期預期信貸虧損計提撥備。

於釐定金融資產的信貸風險自首次確認以來有否大幅增加並估計預期信貸虧損時，本集團會考慮相關及無須付出過多成本或努力即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出之定量及定性資料分析，並包括針對欠債人及總體經濟環境於報告期末現在及先前瞻性質資料。

評估信貸風險是否由初始確認時顯著上升時會考慮以下資料：

- 在合約到期日無法償還本金或利息；
- 金融資產外部或內部信貸評級（如有）的實際或預期顯著惡化；

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Impairment loss on financial assets (Continued)

- an actual or expected significant determination in the operating results of the debtor; and
- existing or forecast changes in the technological market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial assets, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial assets are grouped based shared credit risk characteristics, such as past due status and credit risk ratings.

The Group rebutted the presumption of default under ECL model mainly for trade and other receivables, loans receivable, advances to customers in margin financing, and amounts due from joint ventures and an associate over 90 days past due based on the good repayment records for those customers or counterparties having a continuous business with the Group. They are assessed collectively based on provision matrix with reference to historical credit loss experience, adjusted by current and forward-looking factors. The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising securities collateral, if any is held; or (2) the financial asset is more than 180 days past due.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產的減值虧損 (續)

- 債務人經營業績實際或預期顯著惡化；及
- 債務人的技術市場、經濟或監管環境有實際或預期的重大變動，導致債務人償還本集團的債務能力下降。

視乎金融資產的性質而定，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘若評估為按共同基準進行，金融資產則按共同的信貸風險特徵（如逾期狀況及信貸風險評級）進行分組。

本集團根據與本集團持續進行業務的客戶的良好還款記錄，主要就逾期超過90天的貿易及其他應收賬款、應收貸款、提供予保證金融資產客戶之墊款、提供予聯營公司之貸款、應收合營企業及聯營公司款項推翻預期信貸虧損模式下的違約假設。本集團基於參考過往信貸虧損經驗並就現在及前瞻性因素作出調整的撥備矩陣對客戶進行集體評估。本集團認為金融資產於下列情況下已出現信貸減值：(1) 借款人不大可能在本集團無追索權採取行動（如變現抵押擔保（如持有））之情況下向本集團悉數履行其信貸責任；或(2)該金融資產逾期超過180天。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Financial assets (Continued)

Impairment loss on financial assets (Continued)

Despite the foregoing, the Group assumes the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial asset is determined to have low credit risk if: (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in near term; and (iii) adverse changes in economic and business conditions in the longer term may but will not necessarily, reduce the ability of the borrowers to fulfil its contractual cash flow obligations.

ECLs are re-measured at each reporting date to reflect changes in the financial asset's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

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

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產的減值虧損 (續)

儘管有上述規定，倘一項金融資產於報告日期被釐定為信貸風險較低，則本集團假設該項金融資產的信貸風險自初始確認以來並無顯著上升。在下列情況下，一項金融資產被釐定為具有較低的信貸風險：(i)其違約風險較低；(ii)借款人近期具充分履行合約現金流量責任能力；及(iii)長遠經濟及業務狀況的不利變動可能但未必會降低借款人履行合約現金流量責任能力。

預期信貸虧損乃於各報告日期重新計量，以反映金融資產之信貸風險自首次確認以來之變動。預期信貸虧損之任何金額變動均於損益中確認為減值收益或虧損。本集團就所有金融資產確認減值收益或虧損，並透過虧損撥備賬對其賬面值作出相應調整。

信貸虧損金融資產的利息收入乃按金融資產的攤銷成本（即賬面總值減虧損撥備）計算。至於無信貸虧損金融資產，利息收入乃按賬面總值計算。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(i) *Financial assets (Continued)*

Write-off policy of financial assets

The Group writes off a financial asset when there is reasonable and supportable information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still subject to enforcement activities under the Group's recovery procedures, taking into account of legal advice where appropriate. Subsequent recoveries made of a financial asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) *Financial liabilities and equity instruments*

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable costs incurred. Equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(i) 金融資產 (續)

金融資產之撇銷政策

本集團在有合理及可靠資料顯示交易對方陷入嚴重財務困難且無實際收回可能之時(例如交易對方遭受清盤或已進入破產程序)撇銷金融資產。在考慮法律意見(如適當)後,已撇銷金融資產仍可根據本集團之收回程序實施強制執行。任何收回款項直接於損益中確認。以往撇賬的財務資產於往後索回於期內以撥回損益中的減值確認。

(ii) 金融負債及股本工具

集團實體發行的金融負債及股本工具乃按照所訂立的合約安排內容及金融負債及股本工具的定义而分類。

按攤銷成本計量的金融負債初步按公平價值計量,扣除直接應佔已產生成本。股本工具乃證明於扣除所有負債後於本集團資產中擁有剩餘權益的任何合約。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(ii) *Financial liabilities and equity instruments (Continued)*

Financial liabilities at amortised cost

The Group classifies its financial liabilities at initial recognition, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised cost including trade and other payables, amount due to a related party, bank borrowings, bank overdrafts and loan from non-controlling interests are subsequently measured at amortised cost, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The related interest expenses is recognised in profit or loss on an effective interest basis.

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

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(ii) 金融負債及股本工具 (續)

按攤銷成本計量之金融負債

本集團於初步確認時視乎負債產生之目的將金融負債分類。按攤銷成本計量之金融負債(包括貿易及其他應付賬款、應付一間關連公司款項、銀行貸款、銀行透支及來自非控股權益貸款)其後按攤銷成本以實際利率法計量。

實際利率法是計算金融負債攤銷成本及將利息收入分配於有關期間的一種方法。實際利率指實際用於將估計未來現金付款按金融負債的預計年期或(如適用)較短期間折算的利率。利息開支以實際利率基準於損益確認。

倘金融負債透過攤銷過程被取消確認，則於損益內確認盈虧。

股本工具

本公司發行之股本工具按所收取之所得款項扣除直接發行成本入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(iii) *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments at the time the guarantee is issued to reimburse the holder for a loss it incurs because of a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at FVTPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with the principles set out above; and (ii) the amount initially recognised less, where appropriate, the cumulative amortisation recognised in accordance with the principles of HKFRS 15 “Revenue from contracts with customers”.

The fair value of financial guarantee contract is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation. Where guarantee in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(iii) *財務擔保合約*

財務擔保合約乃規定簽發人於發出擔保時須支付指定金額的合約，以補償持有人由於特定債務人未有根據債務工具原有或經修訂條款支付到期付款而蒙受的損失。

由本集團發出的並非指定為按公平價值列入損益計量的財務擔保合約初步按公平價值減發出財務擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量財務擔保合約：(i)虧損撥備金額，以預期信貸虧損模式釐定；及(ii)初步確認金額減（如適當）根據香港財務報告準則第15號「客戶合約收入」確認的累計攤銷。

財務擔保合約的公平價值乃根據債務工具項下所需合約付款與並無擔保情況下所需付款之間的現金流量差額現值，或就第三方承擔責任而應付第三方的估計金額釐定。倘聯營企業貸款或其他應付款項擔保為無償提供，相關公平價值入賬列作注資，並確認為投資成本一部分。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(iv) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial assets expires or when the financial assets has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss when the financial asset is derecognised.

Financial liabilities is derecognised when the obligation specified in the relevant contract is either discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss when the financial liability is derecognised.

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

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(iv) 終止確認

當金融資產的未來現金流量的合約權利屆滿，或金融資產已予轉讓而有關轉讓根據香港財務報告準則第9號符合終止確認標準時，本集團會終止確認金融資產。於終止確認金融資產時，資產的賬面值與已收及應收代價及已於其他全面收益內確認並於權益內累計的累計收益或虧損總和的差額，於損益內確認。

當相關合約指定的債務被解除、註銷或屆滿時，金融負債則會終止確認。終止確認金融負債賬面值與已付及應付代價的差額，於損益內確認。

倘本集團因重新磋商金融負債條款而向債權人發行其本身的股本工具以全部或部分清償該負債，則所發行股本工具為已付代價，初步按金融負債或其部分於消除當日的公平價值確認及計量。倘所發行股本工具的公平價值不能可靠計量，則計量股本工具以反映所消除金融負債的公平價值。所消除金融負債或其部分的賬面值與已付代價之間的差額於年度損益內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(Q) FINANCIAL INSTRUMENTS (CONTINUED)

(v) *Offsetting of financial instruments*

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position, if and only 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 at the reporting date.

(R) SHARE-BASED PAYMENTS EXPENSES

Where share options are awarded to directors, key management personnel, employees and others providing similar services, the fair value of the services received is measured by reference to the fair value of the options at the date of grant. Such fair value is recognised in profit or loss over the vesting period with a corresponding increase in the share options reserve within the equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of each reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all non-market vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

4. 主要會計政策 (續)

(Q) 金融工具 (續)

(v) *抵銷金融工具*

倘及僅於有法定可執行權利可抵銷已確認金額，並有意圖按淨額基準結清或同時變現資產及結清負債時，有關金融資產與負債可互相抵銷，並於報告期日於綜合財務狀況表列報淨額。

(R) 以股份支付開支

凡向董事、主要管理人員、僱員及提供類似服務之其他人士授出購股權，所收取服務之公平價值乃參照購股權於授出當日之公平價值計量。有關公平價值於歸屬期間在損益內確認，並於權益內之購股權儲備中作相應增加。非市場歸屬條件會一併考慮，方法為調整於各報告期末預期歸屬之股本工具數目，使於歸屬期間確認之累積數額最終根據最後歸屬之購股權數目確認。市場歸屬條件為授出購股權之公平價值計算因素之一。只要符合所有非市場歸屬條件，不論是否符合市場歸屬條件，均會作出扣除。累計開支不會因市場歸屬條件未能達成而調整。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(R) SHARE-BASED PAYMENTS EXPENSES (CONTINUED)

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also recognised in profit or loss over the remaining vesting period.

Equity-settled share-based payment expenses transactions with parties other than directors, key management personnel, employees and others are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the services. The fair value of goods or services received is recognised in profit or loss unless the goods or services qualify for recognition as assets. A corresponding increase in equity is recognised. For cash-settled share based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is re-measured, with any changes in fair value recognised in profit or loss.

4. 主要會計政策 (續)

(R) 以股份支付開支 (續)

凡在歸屬前修訂購股權之條款及條件，在緊接修訂前後計算之購股權公平價值之增加，亦於餘下歸屬期間內在損益中確認。

與除僱員以外之各方進行之以股本結算並以股份支付之交易乃按所收取貨品或服務之公平價值計量，惟當公平價值未能可靠估計時除外，於此情況下，乃以於本集團獲得商品或交易對方提供服務當日所授出之股本工具之公平價值計量。所收取貨品或服務之公平價值於損益確認，除非貨品或服務合資格確認為資產則作別論。權益亦會確認相應增加。至於現金結算之以股份支付，負債乃按所購入之貨品或服務確認，初步按負債之公平價值計量。於清償負債前之各報告期末及於清償當日，負債之公平價值重新計量，而公平價值之任何變動則於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(S) IMPAIRMENT OF ASSETS (OTHER THAN FINANCIAL ASSETS)

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

- property, plant and equipment under cost model;
- Intangible assets;
- goodwill;
- right-of-use assets (applicable from 1 January 2019)
- prepaid lease payments (applicable until 31 December 2018);
- investments/interests in subsidiaries, an associate and joint ventures; and
- club debenture

If any such indication exists, the assets' recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

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

4. 主要會計政策 (續)

(S) 資產之減值 (金融資產除外)

於各報告期末，本集團檢討以下非金融資產之賬面值，以決定是否有任何跡象顯示該等資產蒙受減值虧損或過去被確認的減值虧損是否不再存在或可能被減少：

- 根據成本模型計算的物業、廠房及設備；
- 無形資產
- 商譽
- 使用資產權(2019年1月1日起適用)
- 預付租賃款項(適用至2018年12月31日止)；
- 於附屬公司、聯營企業及合營企業的投資權益；及
- 會所債券

倘存在任何有關跡象，則會對資產的可收回金額進行估計。此外，就尚未可供使用及具無限可使用年期的商譽、無形資產而言，無論是否有任何減值跡象，每年均會對可收回金額進行估計。

如果資產的可收回金額(即公允價值減去處置成本和使用價值中的較高者)估計小於其賬面價值，則該資產的賬面價值將減至其可收回金額。減值虧損會立即確認為開支，除非相關資產根據另一項香港財務報告準則以重估金額列賬，在這種情況下，減值虧損被視為該香港財務報告準則下的重估減少。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(S) IMPAIRMENT OF ASSETS (OTHER THAN FINANCIAL ASSETS) (CONTINUED)

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or cash generating unit (see Note 4(E) to the consolidated financial statements), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

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

4. 主要會計政策 (續)

(S) 資產之減值 (金融資產除外) (續)

使用價值是基於預期從資產或現金產生單位獲得的估計未來現金流量 (參見合併財務報表附註4(E))，並使用稅前折現率折現至其現值。它反映了當前對貨幣時間價值和資產或現金產生單位特定風險的市場評估。如果資產產生的現金流入在很大程度上不獨立於其他資產的現金流入，則為獨立產生現金流入的最小資產組 (即現金產生單位) 確定可收回金額。

除商譽外，倘減值虧損隨後撥回，該資產的賬面值可增加至其可收回金額的經修訂估計，惟該增加的賬面值不可高於該資產於過往年度未有確認減值虧損釐定的賬面值。撥回減值虧損會即時被確認為收入，惟相關資產根據另一香港財務報告準則按重估金額列賬則除外，在此情況下，撥回減值虧損根據該香港財務報告準則被視作重估增加。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(T) PROVISIONS AND CONTINGENT LIABILITIES

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

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

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided that the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined as aforesaid. Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed as aforesaid.

4. 主要會計政策 (續)

(T) 撥備及或然負債

當本集團因過往事件須承擔法定義務或推定義務，其將可能導致經濟利益流出，而可合理地估計時，為未確定時間或金額的負債確認撥備。

當可能毋須流出經濟利益時，或金額不可能被可靠地估計時，除非經濟利益流出的可能性極微，否則須披露該義務為或然負債。潛在義務的存在僅能以一項或數項未來事件的發生或不發生而證實者，除非經濟利益流出的可能性極微，否則亦須披露為或然負債。

倘公平價值能夠可靠計量，於業務合併中所承擔的或然負債（於收購日期屬現存責任）初步按公平價值確認。於初步按公平價值確認後，該等或然負債按初步確認的金額減累計攤銷（倘適用）與上文釐定的金額的較高者確認。於業務合併中所承擔的不能可靠計量公允價值或於收購日期並非現存責任的或然負債則按上述披露。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(U) GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(V) RELATED PARTIES

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.

4. 主要會計政策 (續)

(U) 政府補助

政府補助於合理保證將可收取及本集團將遵照所附有關條件時予以確認。就所產生的開支向本集團補償的補助，於開支產生期間有系統於損益中確認為收入。以要求本集團購買、建造或收購非流動資產為主要條件的補助乃於綜合財務狀況表確認為遞延收入並按系統及合理基準於相關資產的可使用年期內轉撥至損益中。作為已產生開支或損失的補償或為給予本集團即時財務支援且無日後相關成本的應收政府補助，乃於其應收期間在損益中確認。

(V) 關連人士

- (a) 一名人士或該名人士的近親於以下情況為本集團的關連人士：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司的主要管理層成員之一。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(V) RELATED PARTIES (CONTINUED)

- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).

4. 主要會計政策 (續)

(V) 關連人士 (續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營企業或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營企業或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營企業。
 - (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職後福利計劃。
 - (vi) 該實體受(a)所識別人士控制或共同控制。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(V) RELATED PARTIES (CONTINUED)

(b) An entity is related to the Group if any of the following conditions apply: (Continued)

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

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

4. 主要會計政策 (續)

(V) 關連人士 (續)

(b) 倘符合下列任何條件，即實體與本集團有關連：(續)

(vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

(viii) 該實體，或其所屬集團之任何成員公司，向本集團或本集團母公司提供主要管理層服務。

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員並包括：

- (i) 該名人士的子女及配偶或家庭夥伴；
- (ii) 該名人士的配偶或家庭夥伴的子女；及
- (iii) 該名人士或該名人士的配偶或家庭夥伴的受養人。

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(W) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management and also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flow.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

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

4. 主要會計政策 (續)

(W) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構的活期存款以及可隨時兌換為已知金額現金的短期高流動性投資，而其價值變動風險不大，在收購時於三個月內到期。須按要求償還的銀行透支構成本集團現金管理的組成部分，亦作為現金及現金等價物的一部分計入綜合現金流量表。

5. 主要會計判斷及估計不明朗因素 的主要來源

在應用本集團之會計政策時，董事須對無法從其他途徑得知之資產及負債之賬面值進行判斷、估計及假設。估計及相關假設乃根據歷史經驗及其他認為相關之因素決定。實際結果與該等估計有別。

估計及相關假設乃以持續基準審閱。倘修訂會計估計僅影響某一期間，則於修訂有關估計之期間內確認修訂；倘修訂同時影響本期及未來期間，則於本期作出修訂及未來期間均須確認有關修訂。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES

(i) *Classification between investment properties and owner-occupied properties*

The Group has developed criteria required management's significant judgements and estimations to determine whether a property qualifies as an investment property. According to the accounting policies as set out in Notes 4(G) and 4(H) to the consolidated financial statements, investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group's management considers whether a property generates cash flows independently from the Group's other assets used and services provided, whereas owner-occupied property generate cash flows attributable not only to the property but also to the Group's other assets used and service provided. If the Group provides any ancillary services to the occupants of a property it holds, the Group shall treat such a property as investments property only if the services are insignificant to the operation arrangements as a whole.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷

(i) 投資物業與自用物業間的分類

本集團已制定需要管理層作出重大判斷及估計以釐定物業是否合資格作為投資物業的準則。根據綜合財務報表附註4(G)及4(H)所載的會計政策，投資物業為就賺取租金或作資本增值或兩者兼得而持有之物業。因此，本集團管理層會考慮該物業是否獨立於本集團所運用的其他資產及所提供的服務而產生現金流量，而業主自用物業是否產生物業及本集團所運用的其他資產及所提供的服務均應佔的現金流量。倘本集團為其持有的物業的佔有人提供任何輔助服務，則僅於該等服務對整項經營安排而言並不重大時，本集團可視該物業為投資物業。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(i) *Classification between investment properties and owner-occupied properties (Continued)*

Included in the carrying amounts of the Group's right-of-use assets (2018: prepaid lease payments) and buildings which was classified as property, plant and equipment as at 31 December 2019 were approximately HKD491,326,000 and HKD1,345,473,000 (2018: HKD514,667,000 and HKD331,295,000) related to the leasehold land and building interests for the outlet malls where located in Shenyang and Xiamen, the PRC. Based on the operation models, the concessionaire sales generated is largely dependable on the performance of retail business of the retail stores located in the PRC, which the Group has the power to exercise significant operating and financing decisions regarding to the daily operations of the outlet malls. As a result, the directors of the Company are in the opinion that the outlet malls is in the nature of owner-occupied properties in accordance with the Group's accounting policies as set out in Note 4(G) to the consolidated financial statements.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(i) *投資物業與自用物業間的分類 (續)*

本集團於2019年12月31日分類為物業、廠房及設備之建築物及使用權資產賬面值(2018年:預付租賃款項)分別約491,326,000港元及1,345,473,000港元(2018年:514,667,000港元及331,295,000港元)以及位於中國瀋陽及廈門的奧特萊斯的土地及樓宇部分。根據經營模式,所產生的特許權銷售主要依賴位於中國的零售店的零售業務表現,而本集團有權對奧特萊斯的日常營運行使重大經營及融資決定。因此,本公司的董事認為根據綜合財務報表附註4(G)所載的本集團會計政策,奧特萊斯屬業主自用物業性質。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(ii) *Useful lives of property, plant and equipment*

The Group's management determines the estimated useful lives and related depreciation expenses for the Group's property, plant and equipment based on the historical experience and the expected usage of property, plant and equipment with similar nature and functions. The Group's management takes into account and will revise the depreciation expenses where the useful lives changed from those previously estimated, or whether it will further write-off or write-down its carrying amount as if there is any technological obsolescence, changes in the market demand or service outputs has been reduced significantly to abandon or sell the assets.

(iii) *Useful lives of intangible assets*

According to the Group's accounting policies as set out in Note 4(J) to the consolidated financial statements, the Group's management takes into account of historical experience and market information whether the events and circumstances continue to support for those intangible assets with indefinite useful lives.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(ii) *物業、廠房及設備之可使用年期*

本集團管理層根據過往經驗及性質及用途類似的物業、廠房及設備的預期使用情況，釐定本集團物業、廠房及設備的估計可使用年期及相關折舊開支。本集團管理層計及並將修訂可使用年期較先前所估計的可使用年期有所改變的折舊開支，或其是否將進一步撇銷或撇減其賬面值，猶如因任何技術過時、市場需求改變或服務產量大幅減少而放棄或出售資產。

(iii) *無形資產之可使用年期*

根據綜合財務報表附註4(J)所載的本集團會計政策，本集團管理層於釐定事件及情況是否繼續支持該等具有無限可使用年期的無形資產時計及過往經驗及市場資料。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(iii) Useful lives of intangible assets (Continued)

For the intangible assets with indefinite useful lives comprise of: (i) the intellectual property right, not limited to design, manufacture, package, sale, distribution and marketing of the “PONY” and “SKINS” branded products, with licensing periods from 7 to 15 years (2018: 7 to 15 years) granted by the local government agencies in the foreign licensed territories; (ii) the rights to manufacture, market, distribute and sell of the healthcare products under certain patents and trademarks in Hong Kong, with a renewal option when the licensed periods expired; and (iii) trading rights granted by the Hong Kong Exchange and Clearing Limited, which allows the Group to trade securities on or through The Stock Exchange of Hong Kong Limited and The Hong Kong Futures Exchange Limited.

According to the past experience, all of those patents, trademarks and trading rights can be renewed indefinitely at little or even no cost to the Group, and are expected to generate net cash inflows to the Group in an indefinite manner. The Group intends to renew those patents, trademarks and trading rights indefinitely given by the evidence to support its ability and intentions. As a result, they are regarded as having indefinite useful lives.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(iii) 無形資產之可使用年期 (續)

具無限可使用年期的無形資產包括：(i)當地政府機構所授出於外國特許地區的特許期為7至15年(2018年：7至15年)的知識產權(不限於「PONY」及「SKINS」品牌產品的設計、生產、包裝、銷售、分銷及營銷)；(ii)於香港以若干專利及商標生產、營銷、分銷及銷售保健養生產品的權利(可於特許期屆滿時予以續期)；及(iii)香港交易及結算有限公司授出允許本集團於或透過香港聯合交易所有限公司及香港期貨交易所有限公司買賣證券的交易權。

根據過往經驗，所有該等專利、商標及交易權可無限期續期，對本集團而言費用不高甚至毋須費用及預期為本集團產生無限現金流入淨額。本集團擬無限期重續該等專利、商標及交易權，而事實證明其有能力及意圖重續該等專利、商標及交易權。因此，該等專利、商標及交易權被視為具有無限可使用年期。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(iii) Useful lives of intangible assets (Continued)

For both “PONY” and “SKINS” trademarks acquired through business combinations, the Group’s management has also considered the fact that the Group is expected to hold and support both trademarks for an indefinite period in terms of spending a relatively significant amount on consumers’ marketing and promotional support since both trademarks are well-known and accumulated public awareness throughout their creations over many years and considered to provide considerable and stable economic benefits to the Group. Given that the Group has demonstrated its financial ability to protect the legal rights in the absence of any regulatory, economic or competitive factors that could truncate the useful lives assessments.

However, the directors of the Company are aware that any changes of strategic decision, not limited to withdrawal of marketing support from these trademarks or weakening of customers’ preferences may result changes in the assessments of useful lives from indefinite to finite. When an intangible asset is defined as having a definite life, annual amortisation expenses will be recognised that would reduce both operating profits and the carrying amounts of intangible assets presented in the Group’s consolidated financial statements.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(iii) 無形資產之可使用年期 (續)

就透過業務合併收購的「PONY」及「SKINS」商標而言，本集團管理層亦已考慮到本集團於消費者市場推廣及促銷支持方面的支出相對較大，預期將無限期持有及支持該等商標，蓋因該等商標為人熟知及多年來在其創建過程中逐漸獲得公眾認知，並認為其可為本集團提供可觀及穩定的經濟利益。鑑於本集團已證明其保護合法權利的財務能力，並無任何可縮短可使用年期評估之監管、經濟或競爭因素。

然而，本公司董事意識到任何策略性決定的改變（不限於撤銷對該等商標的市場推廣支持或客戶喜好減弱）可能會導致可使用年期的評估由無限轉為有限。當無形資產被界定為有確定年期時，將確認年度攤銷開支，這會減低本集團綜合財務報表所呈列的經營溢利及無形資產賬面值。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(iii) Useful lives of intangible assets (Continued)

For those patents and trademarks of healthcare products business and trading rights granted by the Hong Kong Exchange and Clearing Limited, the Group's management expects the renewal costs is little or even no cost to the Group and expected it can generate net cash inflows to the Group in an indefinite manner given by the evidence to support its ability and intentions.

The useful lives of intangible assets are reviewed at the end of each reporting period to determine whether the indefinite useful life assessments continue to be supportable. If not, the change in the useful life assessment from indefinite to definite is accounted for prospectively from the date of change and in accordance with the Group's accounting policies as set out in Note 4(G) to the consolidated financial statements.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(iii) 無形資產之可使用年期 (續)

就保健養生產品業務的該等專利及商標以及香港交易及結算所有限公司授出的交易權而言，鑑於事實證明本集團有能力及意圖，本集團管理層預期續期費用對本集團而言不高甚至毋須費用，及預期其可為本集團產生無限現金流入淨額。

無形資產的可使用年期於各報告期末予以檢討，以釐定無限可使用年期的評估是否繼續可靠。否則，自變更日期起就可使用年期從無限轉為有限的評估按前瞻基準，並根據綜合財務報表附註4(G)所載的本集團會計政策入賬。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(iv) *Income and other taxes*

The Group is subject to taxation exposures mainly in Hong Kong, the PRC and foreign tax jurisdictions. The Group's management significant judgements and estimations is required to determine an appropriate amount of provisions for taxes and the timing of the related payments. Significant extent of transactions and calculations may exist for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises provisions for taxes only to the extent for the anticipated tax amounts based on prevailing tax regulations and estimations of additional taxes to be due. Where the final tax outcome is different from the amounts initially recorded, such differences will impact on the provisions for taxes in the period in which such determination is made.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(iv) *所得稅及其他稅項*

本集團須繳納香港、中國及海外稅務司法區域之所得稅及其他稅項。在釐定所得稅撥備時，本集團管理層須作出重大判斷。在日常業務過程中，可能存在最終稅項難以明確釐定的交易及計算。本集團須估計未來會否繳納額外稅項，從而確認對預期稅項事宜之責任。倘該等事宜之最終稅項結果與起初入賬之金額不同，該等差額將影響稅項釐定期內之稅項及遞延稅項撥備。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(iv) Income and other taxes (Continued)

Providing that the Group has recognised a significant amount of deferred tax assets arise from the unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The Group's management significant judgements and estimations is required to determine an appropriate amount of deferred tax assets to be recognised based on the likelihood of timing and level of future taxable profits to be generated, together with the consideration of future tax planning strategies in accordance with the accounting policies as set out in Note 4(N) to the consolidated financial statements.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(iv) 所得稅及其他稅項 (續)

倘本集團已確認未動用稅項虧損產生的大量遞延稅項資產，則以可能有未來應課稅溢利可用於抵銷未動用稅項虧損為限。為確定將予確認的遞延稅項資產的適當金額，本集團管理層須根據將產生未來應課稅溢利的可能時間及水平，連同按照綜合財務報表附註4(N)所載的會計政策考慮未來稅務規劃策略作出重大判斷及估計。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(v) *Determination of control of subsidiaries, joint control of joint arrangements and power to exercise significant influence*

The directors of the Company is required to exercise significant judgements and estimations to determine when the Group has control of subsidiaries, joint control of joint arrangements and power to exercise significant influence. This require an assessment of the relevant activities and when the decision in relation to these activities are under the control of the Group, require unanimous consent under the joint arrangements or exercise significant influence in an investment of an entity.

In determining the classification of a joint arrangement between a joint venture and a joint operation, evaluations of rights and obligations arising from such joint arrangement is required. Where the Group holds less than 20% of voting rights in an investment of an entity but the Group has the power to exercise significant influence, such investment of an entity is treated as an associate. Alternatively, when the Group holds over 20% of voting rights (but not over 50%) and the Group does not have the power to exercise significant influence, such investment of an entity is classified as a financial instrument in accordance with the requirement of HKFRS 9. Differing conclusions around these judgements and estimations may materially affect how these investments presented in the consolidated financial statements, either in a full consolidation method, an equity method or a proportionate consolidation method.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(v) *釐定附屬公司控制權、共同安排之共同控制權及行使重大影響力之能力*

為確定本集團何時對附屬公司擁有控制權、對共同安排擁有共同控制權及擁有行使重大影響力之權力，本公司董事須行使重大判斷及估計。這需要對有關活動作出評估，且當與該等活動有關的決策權由本集團控制時，需要取得共同安排項下的一致同意或行使於一間實體的一項投資的重大影響力。

在釐定共同安排應分類為合營企業或共同經營時，須評估有關安排所產生的權利及責任。倘本集團於一項投資持有少於20%投票權但擁有行使重大影響力之權力，則該項投資被視為聯營企業。另外，當本集團持有高於20%的投票權（但不高於50%）且本集團無權行使重大影響力，則該實體投資根據香港財務報告準則第9號的規定分類為金融工具。有關該等判斷及估計的不同結論可能對該等投資於綜合財務報表中的呈列方式（根據悉數合併法、權益法或比例合併法）造成重大影響。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(A) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(vi) *Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the group entities, judgement is required to determine the currency that mainly influences sales prices for goods or services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods or services. The functional currencies of the group entities are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

(vii) *Acquisition of subsidiaries*

The Group determines whether an acquisition of subsidiaries defined as an acquisition of business in accordance with HKFRS 3 "Business Combination" ("HKFRS 3") through business combination or as an acquisition of assets. The Group's management require to exercise significant judgements and consider the nature and substance of the acquired subsidiaries to determine whether it is a business under the requirement of HKFRS 3. In case the acquisition of subsidiaries is not a business, it shall be classified as an acquisition of assets.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(A) 應用會計政策之主要判斷 (續)

(vi) *釐定功能貨幣*

本集團以本公司及其附屬公司各自之功能貨幣計量外幣交易。在釐定集團實體之功能貨幣時須作出判斷，以確定主要影響貨品或服務之銷售價格之貨幣，及其競爭力及法規主要決定貨品及服務之銷售價格之國家之貨幣。集團實體之功能貨幣乃根據管理層對於實體營運之經濟環境及實體決定銷售價格之程序之評估來釐定。

(vii) *收購附屬公司*

本集團根據香港財務報告準則第3號「業務合併」(「香港財務報告準則第3號」)釐定收購附屬公司是否屬於收購業務或收購資產。本集團管理層須作出專業判斷及考慮，如收購附屬公司的本質是否根據香港財務報告準則第3號為一項業務。然而該收購附屬公司不是一項業務則被分類為一項收購資產。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY

In addition to information disclosed elsewhere in the consolidated financial statements, other key sources of estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities presented in the Group's consolidated financial statements within the next financial year as follows:

(i) *Impairment of interests in joint ventures*

The Group determines whether interests in joint ventures has any impairment indicators with reference to the requirements under HKFRS 11 "Joint Arrangements" and HKAS 36 "Impairment of Assets" and involves management's significant judgements and estimations. In order to assess the impairment indicators, the Group's management estimates the recoverable amounts of the interests, being the higher of fair value less costs of disposal and value-in-use. The value-in-use of the underlying business of the interests is determined based on the share of present values of future estimated cash flows to be generated from the underlying business and proceeds to be received upon the ultimate disposal of the interests, discounted by suitable discount rates.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源

除綜合財務報表其他部分披露的資料外，估計不明朗因素的其他主要來源（涉及導致下個財政年度本集團綜合財務報表所呈列的資產及負債的賬面值出現大幅調整的重大風險）如下：

(i) *於合營企業權益的減值*

本集團根據香港財務報告準則第11號之規定「合營安排」及香港會計準則第36號「資產減值」及管理層的重大判斷和估計確定是否對共同權益合資企業有任何減值指標。集團的管理層估計可收回金額權益（公允價值減去處置成本和使用價值中的較高者）以評估減值指標。相關業務的使用價值是根據分配從相關業務和在最終出售權益的收益，並以適當的折現率進行折算已估計的未來現金流量。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(i) Impairment of interests in joint ventures (Continued)

Among the cash flow projections, management's significant judgements and estimations is required such as long-term growth rates, discount rates and fair value of the interests upon the ultimate disposal is required to be taken into account. Independent qualified professional valuers may be required when it involves fair value estimations of the interests and value-in-use calculations, where appropriate. Where the actual cash flows are less than the expected cash flows projections, impairment loss may arise in the profit or loss to the extent when the recoverable amounts exceed the carrying amount of the interests in joint ventures.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(i) 於合營企業權益的減值 (續)

在預測現金流量時，管理層需要作出的重大判斷和估計，例如必須予以考慮長期增長率，最終出售權益的公允價值。當涉及權益的公平價值估計和使用價值計算時，可能需要獨立的合格專業估值師。倘實際現金流量少於預期現金流量預測，減值虧損會確認在損益中，以可收回金額超過合營企業權益之賬面值為限。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(ii) *Impairment of goodwill and intangible assets*

Determining whether goodwill and intangible assets has suffered any impairment required management's significant judgements and estimations. According to the accounting policies as set out in Notes 4(E) and 4(J) to the consolidated financial statements, the recoverable amounts of the cash-generating units where allocated to both goodwill and intangible assets have been determined based on value-in-use calculations. These calculations require the Group's management significant judgements and estimations on the expected future cash flows arise from the cash-generating units or assets, and determine suitable discount rates in order to calculate the present values of those cash flows with the assistance of independent qualified professional valuers. The Group's management has also taken into account on the past performance and expectations of market development by identifying any specific risks is relevant to the businesses when determining appropriate growth rates and discount rates in the underlying cash flow forecasts, exit prices of intangible assets, marketing costs to maintain the intangible assets and various macroeconomic factors affecting the goodwill and intangible assets. These significant assumptions and estimations reflect the management's best predictions but it involved inherent uncertainties, which is outside the control by the management.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(ii) *商譽及無形資產減值*

釐定商譽及無形資產是否減值須估計獲分配商譽及無形資產的現金產生單位的使用價值。根據綜合財務報表附註4(E)及4(J)所載的會計政策，分配給商譽及無形資產的現金產生單位的可收回金額已根據其入賬確定價值。這些計算需要本集團管理層對來自現金產生單位或資產的預期未來現金流量作出重大判斷和估計，並確定適當的折現率，以便在獨立的合格專業估值師的協助下計算這些現金流量的現值。本集團管理層在確定基本現金流量預測的適當增長率和折現率，無形資產的退出價格，營銷成本時，通過確定與業務相關的任何特定風險，也考慮了過去的業績和市場發展的預期維持無形資產和影響商譽和無形資產的各種宏觀經濟因素。這些重要的假設和估計反映了管理層的最佳預測，但涉及固有的不確定性，這是管理層無法控制的。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(iii) Fair value measurement

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data)

The classification of an item into the above levels of the fair value hierarchy is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period when they occur.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(iii) 公平價值計量

本集團綜合財務報表中的多項資產及負債須以公平價值計量及／或披露公平價值。

本集團財務及非金融資產及負債的公平價值計量於可行範圍內盡量使用市場可觀察輸入數據及數據。於釐定公平價值計量時使用的輸入數據，根據所運用估值技術中使用的輸入數據的可觀察程度，分類為不同層級（「公平價值層級」）：

- 層級1：相同項目於活躍市場的報價（未作調整）；
- 層級2：直接或間接可觀察的輸入數據（不包括層級1輸入數據）；
- 層級3：不可觀察的輸入數據（即並非源自市場數據）。

項目於上述公平價值層級的分類乃根據所使用的對該項目之公平價值計量有重大影響的輸入數據的最低層級確定。項目在層級之間的轉移於發生期間確認。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(iii) Fair value measurement (Continued)

The Group measures a number of items at fair value as follows at the end of the reporting period:

- Leasehold land and buildings (Note 14);
- Buildings (Note 14)
- Investment properties (Note 15); and
- Financial assets at fair value through profit or loss (Note 26).

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes to the consolidated financial statements.

(iv) Provision for inventories

The Group reviews the carrying amounts of inventories at the end of reporting date to determine whether the inventories are carried at lower of cost and net realisable value in accordance with the Group's accounting policy set out in Note 4(P) to the consolidated financial statements. Management estimates the provisions for inventories based on ageing analysis and estimated net realisable value, with reference to historical experience and current market situation on similar inventories. This assessment involves management's significant judgements and estimations. When the actual outcome in the future is different from the original judgements and estimations. When the actual outcome in the future is different from the original judgements and estimations, such difference will impact the carrying amount of inventories and provision to be recognised or reversed, which will affect the Group's profit and net asset value in which such judgements and estimations has been changed.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(iii) 公平價值計量 (續)

本集團於報告期末以公平價值計量以下項目：

- 租賃土地及樓宇 (附註14)；
- 樓宇 (附註14)；
- 投資物業 (附註15)；及
- 按公平值列入損益的金融資產 (附註26)。

關於上述項目公平價值計量的進一步詳情，請參照綜合財務報表之適用附註。

(iv) 存貨撥備

本集團於報告日期結束時檢討存貨之賬面值，以釐定存貨是否按照綜合財務報表附註4(P)所載的本集團會計政策以成本及可變現淨值兩者中之較低者入賬。管理層參照過往經驗及類似存貨的現行市況，根據賬齡分析及估計可變現淨值估計存貨撥備。該評估涉及管理層的重大判斷及估計。當未來的實際結果與原先判斷及估計不同時，有關差額將影響存貨的賬面值及將予確認或撥回的撥備，這將影響有關判斷及估計有所改變的本集團溢利及資產淨值。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(v) *ECL assessment of financial assets at amortised cost*

The Group's management exercise significant judgements and estimations for measuring the loss allowances of financial assets at amortised cost by using the ECL models to calculate the risks of default and ECL rates of debtors. According to the Group's accounting policies as set out in Note 4(Q) to the consolidated financial statements, when the Group's management measure the loss allowances and determines whether there is any increase in credit risk of a financial asset at amortised cost has been increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue costs or effort. This include both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including current and forward-looking information specific to the debtor and the macroeconomic environment at the end of reporting period. If those financial assets at amortised cost is pledged by collaterals, the Group's management takes into account of its market value when performing the assessment.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(v) *按攤銷成本計量之金融資產的預期信貸虧損評估*

本集團管理層透過使用預期信貸虧損模式計算應收賬款的違約風險及預期信貸虧損率，運用重大判斷及估計計量按攤銷成本計量之金融資產的虧損撥備。根據綜合財務報表附註4(Q)所載本集團的會計政策，當本集團管理層計量虧損撥備及釐定按攤銷成本計量之金融資產的信貸風險自首次確認起是否大幅增加，本集團會考慮相關及無須付出過多成本或努力即可獲得的合理及可靠資料，包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料分析，並包括於報告期末就應收賬款及宏觀經濟環境而言特定的現時及前瞻性資料。倘該等按攤銷成本計量之金融資產以抵押品抵押，則本集團管理層在進行評估時，會考慮其市場價值。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(v) ECL assessment of financial assets at amortised cost (Continued)

In order to determine the most appropriate ECL models in estimating the loss allowances for each category of financial assets at amortised cost, the Group's management identifies appropriate key drivers of credit risks as well as future movements of different economic drivers and how these drivers affect each other in the contractual period of financial assets at amortised cost. Where the judgements and estimations is different from the original, such difference will affect the carrying amounts of financial assets at amortised cost and thus the loss allowance in the period in which such judgements and estimations is changed. The Group regularly reassesses the ECL models of financial assets at amortised cost in the contractual period.

6. OPERATING SEGMENT INFORMATION

In accordance with the Group's internal financial reporting to both directors and key management personnel, the Group is broadly classified into six different operating segments based on the categories of major products and services provided in different geographical locations, with reference to the requirements of HKFRS 8 "Operating Segments". The operating segments are identified by the directors and senior management of the Company (together as "Chief Operating Decision Maker") to monitor the results separately among the operating segments for the purpose of making decisions on the resources allocation and performance assessment of each unit. Financial information of segment revenue and results classified by business segments and disaggregation of revenue, segment assets, segment liabilities, other segment information, geographical information and information about major customers is regularly provided to the Chief Operating Decision Maker to serve the above purpose.

5. 主要會計判斷及估計不明朗因素的主要來源 (續)

(B) 估計不明朗因素的主要來源 (續)

(v) 按攤銷成本計量之金融資產的預期信貸虧損評估 (續)

為確定就估計各類按攤銷成本計量之金融資產的虧損撥備而言最為適當的預期信貸虧損模型，本集團管理層須識別於按攤銷成本計量之金融資產之合約期間內信貸風險的適當主要推動因素及不同經濟推動因素的未來變動以及該等推動因素如何互相影響。倘判斷及估計與原先不同，有關差額將會影響按攤銷成本計量之金融資產的賬面值，從而影響有關判斷及估計變更期間的虧損撥備。本集團於合約期間定期重新評估按攤銷成本計量之金融資產的預期信貸虧損模型。

6. 經營分部資料

根據本集團向董事及主要管理人員兩方作出的內部財務報告，本集團已參考香港財務報告準則第8號「經營分部」的規定並按照不同地區市場所提供的主要產品及服務類別約畧的劃分為六個不同經營分部。該等經營分部由本公司董事及高級管理層（統稱為「主要營運決策者」）確定，以個別監察經營分部的業績，從而對各部門的資源分配及績效評估作出決策。為達成上述目的，有關商業分部及業額細分收入及業績、分部資產、分部負債的財務資料、其他分部資料、地區資料及有關主要客戶資料會定期向主要營運決策者提供。

6. OPERATING SEGMENT INFORMATION (CONTINUED)

A summary of the Group's reportable segments under HKFRS 8 is as follows:

- Retailing and sourcing: (i) retailing and provisions of sourcing services for branded apparel, swimwear and accessories in the PRC region; and (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong;
- Branding: development and management of "PONY" and the newly acquired "SKINS" trademarks to derive revenue from sale of goods and royalty income in a worldwide basis;
- Property investment and holding: rental income from investment properties in Hong Kong and the PRC;
- Outlet malls: commission income from concessionaire sales by managing and operating outlet malls in the PRC;
- Financial services: service income or interest income from the provisions of securities brokerage, margin financing, money lending, underwriting and placing of listed securities and financial consultancy services in Hong Kong; and
- Duty-free: sale of goods in Taiwan

6. 經營分部資料 (續)

根據香港財務報告準則第8號，本集團可報告分部的摘要如下：

- 零售及採購：(i)在中國地區的品牌服裝、游泳服裝及配件的零售與提供採購服務；及(ii)在香港採購、製造及買賣保健養生產品；
- 品牌推廣：發展及管理「PONY」及新收購的「SKINS」商標以於全球產生商品銷售收益及專利收入；
- 物業投資及持有物業：香港及中國的投資物業所得租金收入；
- 奧特萊斯：透過管理及經營中國奧特萊斯的特許權銷售所得佣金收入；
- 金融服務：於香港提供證券經紀、保證金融資、放貸、包銷及配售上市證券以及財務諮詢服務之服務收入或利息收入；及
- 免稅業務：於台灣的商品銷售。

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(A) SEGMENT REVENUE AND RESULTS (BUSINESS SEGMENTS)

The following is an analysis of the Group's reportable segment revenue and results of different operating segments as follows:

For the year ended 31 December 2019

6. 經營分部資料 (續)

(A) 分部營業額及業績 (商業分部)

以下為可報告分部呈列之本集團營業額及業績分析：

截至2019年12月31日止年度

		Retailing and sourcing 零售與採購	Branding 品牌推廣	Property investment and holding 物業投資及持有物業	Outlet malls 奧特萊斯 (Note) (附註)	Financial services 金融服務	Duty-free 免稅業務	Consolidated 綜合
		HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元
Revenue from external customers	自外部客戶的收入	210,746	17,867	65,342	54,441	40,548	-	388,944
Inter-segment revenue	分部間收入	1,362	-	4,323	156	-	-	5,841
Reportable segment revenue	可報告分部收入	212,108	17,867	69,665	54,597	40,548	-	394,785
Reportable segment profit/(loss)	可報告分部溢利/(虧損)	5,439	4,367	51,112	(42,636)	102,144	(64)	120,362
Reconciliations:	對賬:							
Interest income	利息收入							4,656
Gain on write back of other payables	回撥其他應付賬款的收益							17,503
Central administrative expenses	中央行政開支							(55,548)
Share of results of joint ventures	佔合營企業業績							5,315
Impairment loss on amount due from an associate	應收一間聯營企業款項的減值虧損							(11,631)
Profit before income tax expense	除所得稅開支前溢利							80,657
Note:	附註:							
The revenue from outlet malls segment is analysed as follows:	奧特萊斯分部的收入分析如下:							
Gross revenue from concessionaire sales	特許權銷售總收入							514,698
Commission income from concessionaire sales	特許權銷售所得佣金收入							54,441

6. OPERATING SEGMENT INFORMATION
(CONTINUED)

6. 經營分部資料(續)

(A) SEGMENT REVENUE AND RESULTS
(BUSINESS SEGMENTS) (CONTINUED)

For the year ended 31 December 2018

(A) 分部營業額及業績(商業分部)
(續)

截至2018年12月31日止年度

		Retailing and sourcing	Branding	Property investment and holding	Outlet malls	Financial services	Duty-free	Consolidated
		零售與採購	品牌推廣	物業投資及 持有物業	奧特萊斯 (Note) (附註)	金融服務	免稅業務	綜合
		HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元
Revenue from external customers	自外部客戶的收入	199,153	27,771	64,062	39,623	35,069	16,170	381,848
Inter-segment revenue	分部間收入	14,669	-	4,370	362	-	-	19,401
Reportable segment revenue	可報告分部收入	213,822	27,771	68,432	39,985	35,069	16,170	401,249
Reportable segment (loss)/profit	可報告分部(虧損)/溢利	(18,328)	6,165	248,689	(39,962)	4,081	(9,319)	191,326
Reconciliations:	對賬:							
Interest income	利息收入							2,778
Fair value gain on re-measurement of equity in a joint venture	重新計量某一合營企業權益的公平價值收益							5,363
Central administrative expenses	中央行政成本							(48,959)
Share of results of joint ventures	佔合營企業業績							19,955
Share of result of an associate	佔聯營企業業績							(2,326)
Impairment loss on loan to an associate	貸款予一間聯營企業的減值虧損							(3,670)
Impairment loss on amount due from an associate	應收一間聯營企業款項的減值虧損							(1,761)
Profit before income tax expense	除所得稅開支前溢利							162,706
Note:	附註:							
The revenue from outlet malls segment is analysed as follows:	奧特萊斯分部的收入分析如下:							
Gross revenue from concessionaire sales	特許權銷售總收入							367,236
Commission income from concessionaire sales	特許權銷售所得佣金收入							39,483

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(A) SEGMENT REVENUE AND RESULTS (BUSINESS SEGMENTS) (CONTINUED)

The accounting policies across different operating segments are the same as the Group's accounting policies. Segment results is evaluated based on different reportable segment profit/(loss), which is a common measure of profit or loss incurred of each operating segment, with the adjustments of profit/(loss) before income tax expense. The adjusted profit/(loss) before income tax expense of each operating segment is measured consistently with the Group's profit before income tax expense except for the exclusion of corporate income and expenses, including interest income, gain on write back of other payables, fair value gain on re-measurement of equity in a joint venture, central administrative expenses, share of results of joint ventures and an associate, and impairment losses on loan to an associate and amount due from an associate.

(B) SEGMENT REVENUE AND RESULTS (DISAGGREGATION OF REVENUE)

In the following tables, reportable segment revenue and results are disaggregated by primary geographical markets, major products and services and timing of revenue recognition. The tables also include a reconciliation of the disaggregated revenue of the Group's operating segments, mainly into two categories: (i) revenue from contracts with customers within the scope of HKFRS 15; and (ii) revenue from other sources not within the scope of HKFRS 15.

6. 經營分部資料 (續)

(A) 分部營業額及業績 (商業分部) (續)

經營分部的會計政策與本集團的會計政策相同。分部表現是根據分部溢利／(虧損)而作出的評估，同時是一種對各個經營分部所賺取的溢利或產生的虧損經對除所得稅開支前溢利／(虧損)作出調整後的計量。除所得稅開支前經調整溢利／(虧損)的計量方式與本集團計量除所得稅開支前溢利一致，惟企業收入及開支(包括利息收入、回撥其他應付賬款的收益、重新計量某一合營企業權益的公平價值收益、中央行政開支、佔合營企業及一間聯營企業業績及貸款予一間聯營企業和應收一間聯營企業款項的減值虧損)的分配會從該計量中剔除。

(B) 分部營業額及業績 (營業額細分)

於下表內，可供報告的營業額及業績乃按主要地區市場、主要產品及服務線以及確認收入的時間下細分。下表亦包括本集團在本年度可報告營業分部內經細分營業額分為兩種類別：(i) 與香港財務報告準則第15號範圍內的客戶合約收入；及(ii)不在香港財務報告準則第15號範圍內的來自其他來源收入。

6. OPERATING SEGMENT INFORMATION
(CONTINUED)

6. 經營分部資料 (續)

(B) SEGMENT REVENUE AND RESULTS
(DISAGGREGATION OF REVENUE)
(CONTINUED)(B) 分部營業額及業績 (營業額細分)
(續)

For the year ended 31 December 2019

截至2019年12月31日止年度

Revenue from contracts with customers within the
scope of HKFRS 15香港財務報告準則第15號範圍內的客
戶合約收入

	Retailing and sourcing	Branding	Property investment and holding 物業投資及 持有物業	Outlet malls	Financial services	Duty-fee	Consolidated
	零售與採購 HKD'000 千港元	品牌推廣 HKD'000 千港元	持有物業 HKD'000 千港元	奧特萊斯 HKD'000 千港元	金融服務 HKD'000 千港元	免稅業務 HKD'000 千港元	綜合 HKD'000 千港元
Primary geographical markets: 主要地區市場:							
The People's Republic of China (the "PRC")	192,166	-	-	54,441	-	-	246,607
Hong Kong (Place of domicile)	18,580	29	-	-	4,434	-	23,043
United States of America	-	6,526	-	-	-	-	6,526
Other Asia countries (Note)	-	7,716	-	-	-	-	7,716
Others (Note)	-	3,596	-	-	-	-	3,596
Total	210,746	17,867	-	54,441	4,434	-	287,488
Major products and services: 主要產品及服務:							
Sales of goods	209,497	4,990	-	-	-	-	214,487
Commission income from concessionaire sales	-	-	-	54,441	-	-	54,441
Royalty income	-	12,877	-	-	-	-	12,877
Brokerage commission	-	-	-	-	2,388	-	2,388
Underwriting and placing income	-	-	-	-	536	-	536
Financial consultancy income	-	-	-	-	1,510	-	1,510
Other services income	1,249	-	-	-	-	-	1,249
Total	210,746	17,867	-	54,441	4,434	-	287,488
Timing of revenue recognition: 確認收入時間:							
At a point in time	209,497	4,990	-	-	2,924	-	217,411
Transferred over time	1,249	12,877	-	54,441	1,510	-	70,077
Total	210,746	17,867	-	54,441	4,434	-	287,488

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(B) SEGMENT REVENUE AND RESULTS (DISAGGREGATION OF REVENUE) (CONTINUED)

For the year ended 31 December 2019 (Continued)

Revenue from other sources not within the scope of HKFRS 15

6. 經營分部資料 (續)

(B) 分部營業額及業績 (營業額細分) (續)

截至2019年12月31日止年度 (續)

香港財務報告準則第15號範圍外的客戶合約收入

	Retailing and sourcing 零售與採購 HKD'000 千港元	Branding 品牌推廣 HKD'000 千港元	Property investment and holding 物業投資及持有物業 HKD'000 千港元	Outlet malls 奧特萊斯 HKD'000 千港元	Financial services 金融服務 HKD'000 千港元	Duty-free 免稅業務 HKD'000 千港元	Consolidated 綜合 HKD'000 千港元
Primary geographical markets: 主要地區市場:							
The PRC 中國	-	-	57,567	-	-	-	57,567
Hong Kong (Place of domicile) 香港 (原居地)	-	-	7,775	-	36,114	-	43,889
Total 總計	-	-	65,342	-	36,114	-	101,456
Major products and services: 主要產品及服務:							
Rental income 租金收入	-	-	65,342	-	-	-	65,342
Interest income 利息收入	-	-	-	-	36,114	-	36,114
Total 總計	-	-	65,342	-	36,114	-	101,456

6. OPERATING SEGMENT INFORMATION
(CONTINUED)

6. 經營分部資料 (續)

(B) SEGMENT REVENUE AND RESULTS
(DISAGGREGATION OF REVENUE)
(CONTINUED)

For the year ended 31 December 2018

Revenue from contracts with customers within the
scope of HKFRS 15(B) 分部營業額及業績 (營業額細分)
(續)

截至2018年12月31日止年度

香港財務報告準則第15號範圍內的客
戶合約收入

		Retailing and sourcing 零售與採購 HKD'000 千港元	Branding 品牌推廣 HKD'000 千港元	Property investment and holding 物業投資及 持有物業 HKD'000 千港元	Outlet malls 奧特萊斯 HKD'000 千港元	Financial services 金融服務 HKD'000 千港元	Duty-fee 免稅業務 HKD'000 千港元	Consolidated 綜合 HKD'000 千港元
Primary geographical markets:	主要地區市場							
The PRC	中國	181,614	-	-	39,623	-	-	221,237
Taiwan	台灣	-	-	-	-	-	15,916	15,916
Hong Kong (Place of domicile)	香港 (原居地)	17,539	-	-	-	10,288	254	28,081
United States of America	美國	-	6,192	-	-	-	-	6,192
Other Asia countries (Note)	其他亞洲國家 (附註)	-	16,716	-	-	-	-	16,716
Others (Note)	其他 (附註)	-	4,863	-	-	-	-	4,863
Total	總計	199,153	27,771	-	39,623	10,288	16,170	293,005
Major products and services:	主要產品及服務:							
Sales of goods	銷售貨品	197,987	11,234	-	-	-	16,170	225,391
Commission income from concessionaire sales	特許權銷售所得佣金收入	-	-	-	39,483	-	-	39,483
Royalty income	專利收入	-	16,537	-	-	-	-	16,537
Brokerage commission	經紀佣金	-	-	-	-	4,262	-	4,262
Underwriting and placing income	包銷及配售收入	-	-	-	-	3,898	-	3,898
Financial consultancy income	財務諮詢收入	-	-	-	-	2,128	-	2,128
Other services income	其他服務收入	1,166	-	-	140	-	-	1,306
Total	總計	199,153	27,771	-	39,623	10,288	16,170	293,005
Timing of revenue recognition:	確認收入時間:							
At a point in time	某個時間點	197,987	11,234	-	-	8,160	16,170	233,551
Transferred over time	一段時間內轉移	1,166	16,537	-	39,623	2,128	-	59,454
Total	總計	199,153	27,771	-	39,623	10,288	16,170	293,005

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(B) SEGMENT REVENUE AND RESULTS (DISAGGREGATION OF REVENUE) (CONTINUED)

For the year ended 31 December 2018 (Continued)

Revenue from other sources not within the scope of HKFRS 15

6. 經營分部資料 (續)

(B) 分部營業額及業績 (營業額細分) (續)

截至2018年12月31日止年度 (續)

香港財務報告準則第15號範圍外來自其他來源收入

	Retailing and sourcing 零售與採購 HKD'000 千港元	Branding 品牌推廣 HKD'000 千港元	Property investment and holding 物業投資及持有物業 HKD'000 千港元	Outlet malls 奧特萊斯 HKD'000 千港元	Financial services 金融服務 HKD'000 千港元	Duty-free 免稅業務 HKD'000 千港元	Consolidated 綜合 HKD'000 千港元
Primary geographical markets: 主要地區市場:							
The PRC 中國	-	-	56,049	-	-	-	56,049
Hong Kong (Place of domicile) 香港 (原居地)	-	-	8,013	-	24,781	-	32,794
Total 總計	-	-	64,062	-	24,781	-	88,843
Major products and services: 主要產品及服務:							
Rental income 租金收入	-	-	64,062	-	-	-	64,062
Interest income 利息收入	-	-	-	-	24,781	-	24,781
Total 總計	-	-	64,062	-	24,781	-	88,843

Note: The geographical information for the revenue attributed to each country is not available as the associated cost to capture such information would be excessive

附註：鑑於獲取有關資料的有關成本高昂，故無呈列每個國家／地區應佔收入的地區資料。

6. OPERATING SEGMENT INFORMATION
(CONTINUED)

6. 經營分部資料(續)

(C) SEGMENT ASSETS

The following is an analysis of the Group's reporting segment assets of different operating segments:

(C) 分部資產

以下為按本集團不同經營分部呈列的可報告分部資產的分析：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Retailing and sourcing	零售與採購	106,214	132,565
Branding	品牌推廣	197,917	150,062
Property investment and holding	物業投資及持有物業	2,008,662	2,133,548
Outlet malls	奧特萊斯	1,966,040	1,176,308
Financial services	金融服務	593,695	443,603
Duty-free	免稅業務	-	10
Total segment assets	分部資產總值	4,872,528	4,036,096
Unallocated	未分配	287,885	317,378
Consolidated total assets	綜合資產總值	5,160,413	4,353,474

Similar to the purpose of reporting segment revenue and results to the Chief Operating Decision Maker as disclosed in Note 6(A) to the consolidated financial statements, all of the Group's assets are allocated into different operating segments, excluding interests in joint ventures, interest in an associate, deferred tax assets, club debenture, amounts due from joint ventures, amount due from an associate, restricted bank deposits and bank balances and cash, which are classified as corporate assets as these assets are managed on a group basis by the management.

與綜合財務報表附註6(A)所披露的主要營運決策者報告分部表現的目的類似，除合營企業權益、聯營企業之權益、遞延稅項資產、會所債券、應收合營企業款項、應收聯營企業款項、受限制銀行存款以及銀行結餘及現金因此等資產按整體基準管理而分類為企業資產外，所有資產均被管理層分配至不同經營分部。

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(D) SEGMENT LIABILITIES

The following is an analysis of the Group's reportable segment liabilities of different operating segments:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Retailing and sourcing	零售與採購	27,803	45,635
Branding	品牌推廣	15,328	11,048
Property investment and holding	物業投資及持有物業	207,159	90,080
Outlet malls	奧特萊斯	225,723	63,970
Financial services	金融服務	17,886	20,906
Duty-free	免稅業務	45	263
Total segment liabilities	分部負債總值	493,944	231,902
Unallocated	未分配	1,738,144	1,507,705
Consolidated total liabilities	綜合負債總值	2,232,088	1,739,607

Similar to the purpose of reporting segment revenue and results to the Chief Operating Decision Maker as disclosed in Note 6(A) to the consolidated financial statements, all of the Group's liabilities are allocated into different operating segments, excluding amount due to a related party, finance lease payables, bank borrowings, bank overdrafts, tax payable, loan from non-controlling interests, deferred tax liabilities and dividend payable (included in other payables), which are classified as corporate liabilities as these liabilities are managed on a group basis by the management.

6. 經營分部資料 (續)

(D) 分部負債

以下為按本集團不同經營分部呈列的可報告經營分部負債的分析：

與綜合財務報表附註6(A)所披露的主要營運決策者報告分部表現的目的類似，除應付一名關聯人士款項、融資租賃應付款項、銀行貸款、銀行透支、應付融資租賃、應付稅項、來自非控股權益貸款、遞延稅項負債及應付股息（計入其他應付賬款）因此等負債按整體基準管理而分類為企業負債外，所有負債均被管理層分配至不同經營分部。

6. OPERATING SEGMENT INFORMATION
(CONTINUED)

6. 經營分部資料 (續)

(E) OTHER SEGMENT INFORMATION

For the year ended 31 December 2019

(E) 其他分部資料

截至2019年12月31日止年度

	Retailing and sourcing 零售與採購 HKD'000 千港元	Branding 品牌推廣 HKD'000 千港元	Property investment and holding 物業投資及 持有物業 HKD'000 千港元	Outlet malls 奧特萊斯 HKD'000 千港元	Financial services 金融服務 HKD'000 千港元	Duty-fee 免稅業務 HKD'000 千港元	Consolidated 綜合 HKD'000 千港元
Amounts included in the measures of segment results, segment assets and segment liabilities:	計入計量分部業績、分部 資產及負債的款項：						
Capital expenditure (Note)	1,166	135	1,220	419,580	3	-	422,104
Depreciation of property, plant and equipment	2,981	137	10,545	18,534	351	-	32,548
Depreciation of right-of-use assets	3,843	-	155	14,112	-	-	18,110
Amortisation of intangible assets	3,596	-	-	-	-	-	3,596
Gain on disposals of property, plant and equipment	-	-	(40)	(2)	-	-	(42)
Write off of property, plant and equipment	286	-	2	4	-	-	292
Increase in fair value of investment properties	-	-	(44,217)	-	-	-	(44,217)
Fair value gain on financial assets at fair value through profit or loss	-	-	-	-	(88,843)	-	(88,843)
Impairment loss on financial assets	2,068	-	455	-	500	-	3,023
Impairment loss on goodwill	-	-	6,100	-	-	-	6,100
Bad debts (reversed)/ written off, net	(396)	-	-	700	-	-	304
Write off of obsolete inventories	12	-	-	-	-	-	12
Provision of allowances for inventories	8,951	-	-	-	-	-	8,951
Penalty expenses	-	-	-	-	6,300	-	6,300
Interest income	-	-	-	-	(36,114)	-	(36,114)
Interest expenses	753	-	47,731	5,046	161	-	53,691

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(E) OTHER SEGMENT INFORMATION (CONTINUED)

For the year ended 31 December 2018

6. 經營分部資料 (續)

(E) 其他分部資料 (續)

截至2018年12月31日止年度

		Retailing and sourcing	Branding	Property investment and holding	Outlet malls	Financial services	Duty-fee	Consolidated
		零售與採購 HKD'000 千港元	品牌推廣 HKD'000 千港元	物業投資及持有物業 HKD'000 千港元	奧特萊斯 HKD'000 千港元	金融服務 HKD'000 千港元	免稅業務 HKD'000 千港元	綜合 HKD'000 千港元
Amounts included in the measures of segment results, segment assets and segment liabilities:	計入計量分部業績、分部資產及負債的款項：							
Capital expenditure (Note)	資本開支 (附註)	4,720	72	1,089	217,725	5	-	223,611
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,255	330	9,712	18,975	404	2,075	34,751
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	-	-	14,752	-	-	14,752
Amortisation of intangible assets	無形資產攤銷	3,596	-	-	-	-	-	3,596
Gain on disposals of subsidiaries	出售子公司收益	-	-	(117,764)	-	-	-	(117,764)
Gain on disposal of a completed investment properties	出售已建成投資物業收益	-	-	(31,660)	-	-	-	(31,660)
(Gain)/loss on disposals of property, plant and equipment	出售物業、廠房及設備 (收益)/虧損	(248)	-	(180)	-	-	138	(290)
Written off of property, plant and equipment	物業、廠房及設備撇賬	716	11	98	5	-	-	830
Increase in fair value of investment properties	投資物業公平價值增加	-	-	(112,267)	-	-	-	(112,267)
Fair value loss on financial assets at fair value through profit or loss	按公平價值列入損益的金融資產之公平價值虧損	-	-	-	-	2,443	-	2,443
Impairment loss on financial assets	金融資產減值虧損	1,688	-	411	-	5,085	-	7,184
Bad debts written off	壞賬撥備	9	-	322	-	-	-	331
Written off of obsolete inventories	陳舊存貨撇賬	13	-	-	-	-	-	13
Provision/(reversal) of allowances for inventories	存貨備抵撥備/(撥回)	1,464	-	-	-	-	(626)	838
Interest income	利息收入	-	-	-	-	(24,781)	-	(24,781)
Interest expenses	利息開支	229	-	33,577	-	127	-	33,933

Note: Capital expenditure includes additions of property, plant and equipment and interest expenses of bank borrowings and directly attributable costs being capitalised to construction in progress of the outlet mall located in Xiamen, the PRC, which is classified as property, plant and equipment. During the year, the construction in progress was reclassified to buildings within the category of property, plant and equipment when the construction work was completed.

附註：資本開支包括添置物業、廠房及設備及銀行貸款利息開支及直接投入成本（即資本化入分類為物業、廠房及設備的中國廈門奧特萊斯在建工程）。於年內，倘施工完工，在建工程被重新分類為物業、廠房及設備類別的樓宇。

6. OPERATING SEGMENT INFORMATION (CONTINUED)

(F) GEOGRAPHICAL INFORMATION

The Group's revenue from external customers by geographical locations based on the delivery destinations and information about the Group's non-current assets by geographical locations are analysed as follows:

		Revenue from external customers 自外部客戶的收入		Non-current assets located in (Note) 非流動資產所在地 (附註)	
		2019 HKD'000 千港元	2018 HKD'000 千港元	2019 HKD'000 千港元	2018 HKD'000 千港元
The PRC	中華人民共和國	304,174	277,286	3,116,403	2,125,711
Taiwan	台灣	-	15,916	-	-
Hong Kong (Place of domicile)	香港 (原居地)	66,932	60,875	763,823	753,976
United States of America	美國	6,526	6,192	-	-
Other Asian countries	其他亞洲國家	7,716	16,716	-	-
Others countries	其他國家	3,596	4,863	191,642	146,031
		388,944	381,848	4,071,868	3,025,718

Notes:

Non-current assets located in different geographical locations, excluding interests in joint ventures, interest in an associate, deferred tax assets and restricted bank deposits.

(G) INFORMATION ABOUT MAJOR CUSTOMERS

No revenue from transactions with a single external customer, in aggregate, representing 10% or more of the Group's total revenue for the year ended 31 December 2018 and 2019.

6. 經營分部資料 (續)

(F) 地區資料

本集團自外部客戶的收入按運送目的地地區分類及其非流動資產資料按資產所在地區分類的詳情如下：

附註：

非流動資產並不包括於合營企業之權益、於聯營公司之權益、遞延稅項資產及受限制銀行存款。

(G) 有關主要客戶資料

截至2018及2019年12月31日止年度，沒有與單一外部客戶的交易收入佔本集團營業額10%或以上。

7. REVENUE

Revenue includes the net invoiced amounts of goods sold, commission income from concessionaire sales, royalty income, brokerage commission, underwriting and placing income, financial consultancy income and other services income, rental income and interest income. The amounts of each significant categories of revenue recognised during the year are as follows:

7. 營業額

收入包括已售商品的發票淨值、特許權銷售所得佣金收入、專利收入、經紀佣金、包銷及配售收入、財務諮詢收入及其他服務收入、租金收入及利息收入於年內確認的營業額的各重大類別的款項如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	香港財務報告準則第15號範圍內從客戶合約中的收入：		
Sale of goods	商品銷售	214,487	225,391
Commission income from concessionaire sales	特許權銷售所得佣金收入	54,441	39,483
Royalty income	專利收入	12,877	16,537
Brokerage commission	經紀佣金	2,388	4,262
Underwriting and placing income	包銷及配售收入	536	3,898
Financial consultancy income	財務諮詢收入	1,510	2,128
Other services income	其他服務收入	1,249	1,306
		287,488	293,005
Revenue from other sources not within the scope of HKFRS 15:	非香港財務報告準則第15號範圍內的收入：		
Rental income	租金收入	65,342	64,062
Interest income	利息收入	36,114	24,781
		101,456	88,843
Total	總計	388,944	381,848

8. FINANCE COSTS

An analysis of the financial costs was as follows:

8. 融資成本

融資成本分析如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Interest expenses of bank borrowings	銀行貸款的利息開支	62,171	41,046
Interest expenses of loan from non-controlling interests	從非控股權益貸款的利息開支	213	229
Interest expenses of bank overdrafts	銀行透支的利息開支	161	127
Interest expenses of lease liabilities	租賃負債的利息開支	12,762	-
Others	其他	-	63
		75,307	41,465
Less: Interest expenses being capitalised (<i>Note</i>)	減：被資本化的利息開支 (附註)	(21,616)	(7,532)
		53,691	33,933

Note: Interest expenses of bank borrowings of approximately HKD62,171,000 (2018: HKD41,046,000) included a total amount of approximately HKD21,616,000 (2018: HKD7,532,000) being capitalised to construction in progress of the outlet mall located in Xiamen, the PRC, which is classified as property, plant and equipment. During the year, the construction in progress was reclassified to buildings within the category of property, plant and equipment when the construction work was completed. All of the interest expenses have been capitalised for specific bank borrowings and no general bank borrowings is related to support the capital expenditure of construction work for both years.

附註： 銀行貸款的利息開支約為62,171,000港元（2018年：41,046,000港元），當中合共約21,616,000港元（2018年：7,532,000港元）資本化入分類為物業、廠房及設備的中國廈門奧特萊斯在建工程。於年內，倘施工完工，在建工程被重新分類為物業、廠房及設備類別的樓宇。特定銀行貸款的所有利息開支經已資本化，且兩個年度內概無有關支持施工資本開支的一般銀行貸款。

9. INCOME TAX CREDIT/(EXPENSE)

The amount of income tax credit/(expense) in the consolidated statement of profit or loss represents:

9. 所得稅抵扣／（開支）

綜合損益表內的所得稅抵扣／（開支）金額指：所得稅支出

		2019 HKD'000 千港元	2018 HKD'000 千港元
Current tax	本期稅項		
Hong Kong	香港		
– Profits Tax	– 利得稅		
– Provision for the year	– 本年度撥備	(710)	(1,071)
The PRC and other jurisdictions	中國及其他司法權區		
– PRC Enterprise Income Tax	– 中國企業所得稅		
– Provision for the year	– 本年度撥備	(2,590)	(23,561)
– Over provision in respect of prior years	– 過往年度超額撥備	–	80
– Foreign tax	海外稅項		
– Provision for the year	– 本年度撥備	(459)	(686)
		(3,759)	(25,238)
Deferred tax (Note 29)	遞延稅項（附註29）		
Hong Kong and the PRC	香港及中國		
– Profits Tax and PRC Enterprise Income Tax	– 利得稅及中國企業所得稅		
– Reversal/(provision) for the year	– 本年度回撥／（撥備）	5,007	(24,796)
Income tax credit/(expense)	所得稅抵扣／（開支）	1,248	(50,034)

9. INCOME TAX CREDIT/(EXPENSE) (CONTINUED)

HONG KONG PROFITS TAX

The provisions for Hong Kong Profits Tax was calculated by applying the statutory tax rate of 16.5% (2018: 16.5%) on the basis of the estimated assessable profits arising in Hong Kong for both years. According to the definition of “connected entity” under the Two-tiered Profits Tax Regime, the Group has elected one of its subsidiaries to apply the two-tiered tax rates to calculate its provisions for Hong Kong Profits Tax based on its estimated assessable profits for both years in the following manner.

For this elected subsidiary, the first HKD2,000,000 of the estimated assessable profits arising in Hong Kong was taxed at 8.25%, and the remaining estimated assessable profits was taxed at 16.5%. The provisions for Hong Kong Profits Tax on the elected subsidiary was calculated on the same basis for both years.

PRC ENTERPRISE INCOME TAX

All of the group companies operating in the PRC were subject to the statutory tax rate of 25% (2018: 25%) on the basis of the estimated assessable profits arising in the PRC for both years, except for a subsidiary incorporated in Hong Kong engaged in property investment business in the PRC, which is subject to the withholding tax rate of 10% (2018: 10%) on its gross rental income, net of value-added tax, earned in the PRC for both years, based on the existing legislation, interpretation and practices in the PRC.

9. 所得稅抵扣／（開支）（續）

香港利得稅

香港利得稅撥備是根據於兩個年度就於香港產生的估計應課稅溢利按法定稅率16.5%（2018年：16.5%）計算得出。根據兩級制利得稅制度項下「關連實體」的定義，本集團已選擇其旗下的一間附屬公司應用兩級制稅率，根據其於兩個年度的估計應課稅溢利按下列方式計算其香港利得稅。

就該被選定的附屬公司而言，其估計應課稅溢利的首2,000,000港元是按8.25%計算稅項，而餘下估計應課稅溢利則按16.5%計算稅項。該被選定的附屬公司的香港利得稅撥備於兩個年度按相同基準計算。

中國企業所得稅

於兩年度內中國營運的所有集團公司須就在中國產生的估計應課稅溢利按法定稅率25%（2018年：25%）計算稅項，惟一間於香港註冊成立並於中國從事物業投資業務的附屬公司除外，根據有關現行中國稅務法規、詮釋及慣例，該附屬公司須於兩年度就於中國所賺取的租金收入總額按預扣所得稅稅率10%（2018年：10%）計算稅項（扣除增值稅）。

9. INCOME TAX CREDIT/(EXPENSE) (CONTINUED)

PRC ENTERPRISE INCOME TAX (CONTINUED)

Up to date, the above subsidiary engaged in property investment business in the PRC has not yet filed any tax returns for reporting its PRC Enterprise Income Tax to the PRC tax authority in respect of its rental income earned in the PRC. The PRC tax authority has a right to levy penalty for any late filing of tax returns. The amount of such potential penalty cannot be reliably estimated as the range of which is wide. Since the financial year of 2016, for all new signed tenancy agreements, a new clause has been added in the agreements to require tenants to pay the PRC Enterprise Income Tax on behalf of the Group. According to the management experience for the above measures adopted, the amount of such potential penalty, will not be material to the Group's consolidated financial statements. In addition, pursuant to the signed sales and purchase agreement in respect of the acquisition of that subsidiary in the financial year of 2014, both vendor and its guarantor have undertaken to indemnify the Group for any tax liability arising from the above late filing of tax returns prior to the completion date of the acquisition.

FOREIGN TAX

Taxation arising in other jurisdictions were calculated by applying the statutory tax rates in the relevant jurisdictions.

9. 所得稅抵扣／（開支）（續）

中國企業所得稅（續）

直至本日，上述於中國從事物業投資業務的附屬公司尚未就其於中國所賺取的租金收入向中國稅務機構提交中國企業所得稅納稅申報表。中國稅務機關有權就較晚提交納稅申報表處以罰款。有關潛在罰款金額因範圍廣泛而無法可靠估計。自2016年財政年度起，所有新簽訂的租賃協議已新增加一項條款，要求租戶須代表本集團支付其中國企業所得稅。根據本集團管理層對上述採納的措施的經驗，有關潛在罰款金額對本集團的綜合財務報表而言將並不重大。此外，根據於2014年財政年度有關收購該附屬公司所簽訂的買賣協議，賣方及其擔保人已經承諾彌償本集團於收購事項完成日期前因上述較晚提交納稅申報表而引致的任何稅項責任。

海外稅項

其他司法權區所產生的稅項，是使用相關司法權區適用的法定稅率計算。

9. INCOME TAX CREDIT/(EXPENSE) (CONTINUED)

The amount of income tax credit/(expense) for the year can be reconciled to the profit before income tax expense in consolidated statement of profit or loss as follows:

9. 所得稅抵扣／（開支）（續）

年度所得稅抵扣／（開支）款項可與綜合損益表中除所得稅支出前溢利對賬如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Profit before income tax expense	除所得稅開支前溢利	80,657	162,706
Tax expense calculated at statutory tax rate	依法定稅率計算之稅務支出	(13,143)	(27,216)
Tax effect of expenses not deductible for tax purposes	不獲扣減稅項之開支之稅務影響	(14,886)	(11,510)
Tax effect of revenue not taxable for tax purposes	無須課稅的收入之稅務影響	35,226	67,176
Tax effect of share of results of joint ventures	佔合營企業業績之稅務影響	877	3,293
Tax effect of share of result of an associate	佔聯營企業業績之稅務影響	-	(384)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	(17,718)	(88,543)
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時差額之稅務影響	318	902
Tax effect of utilisation of tax losses previously not recognised	動用過去未確認稅務虧損之稅務影響	4,834	3,166
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司不同稅率之影響	5,740	3,002
Over provision in respect of prior years	過往年度超額撥備	-	80
Income tax credit/(expense)	所得稅抵扣／（開支）	1,248	(50,034)

In addition to the amount charged to profit or loss, deferred tax liability relating to the surplus arising on revaluation of properties of approximately HKD111,346,000 (2018: HKD5,328,000) has been charged directly to other comprehensive income during the year as disclosed in Note 29 to the consolidated financial statements.

除自損益扣除的金額外，有關重估本集團租賃土地及樓宇的遞延稅項負債約111,346,000港元（2018年：5,328,000港元）已直接於年內自其他全面收益中扣除或計入（於綜合財務報表附註29披露）。

10. PROFIT FOR THE YEAR

10. 年度溢利

(A) OTHER INCOME AND GAINS

(A) 其他收入及收益

		2019 HKD'000 千港元	2018 HKD'000 千港元
Gain on disposals of subsidiaries	出售附屬公司收益	–	117,764
Gain on disposals of a completed investment property	出售已建成投資物業收益	–	31,660
Gain on disposals of property, plant and equipment, net	出售物業、廠房及設備淨收益	42	290
Fair value gain on re-measurement of equity in a joint venture	重新計量某一合營企業權益的公平價值收益	–	5,363
Fair value gain on financial assets at fair value through profit or loss	按公平價值列入損益的金融資產之公平價值收益	88,843	–
Dividend income from financial assets at fair value through profit or loss	來自金融資產股息收入（以公平價值透過收益或虧損）	40	38
Foreign exchange gains, net	外幣匯兌收益、淨額	1,495	–
Interest income	利息收入	4,656	2,778
Government grant (Note)	政府補助 (附註)	2,003	2,030
Gain on write back of other payables	回撥其他應付賬款的收益	17,503	–
Reimbursement income from operation of outlet malls	營運奧特萊斯償還收入	8,970	3,892
Others	其他	8,870	4,743
		132,422	168,558

Note: The Group has received government grants from the relevant PRC local government authorities for supporting the Group's retailing and sourcing business in the PRC. There was no unfulfilled condition to receive such government grants for both years.

附註：本集團獲授來自中國相關當地政府部門的政府補助，以支持本集團於中國的零售及採購業務。就兩個年度內所取得的政府補助而言，並無未完成的條件。

10. PROFIT FOR THE YEAR (CONTINUED)

10. 年度溢利 (續)

(B) OTHER EXPENSES

(B) 其他開支

		2019 HKD'000 千港元	2018 HKD'000 千港元
Bad debts written off	壞賬撇賬	304	331
Impairment loss on financial assets	金融資產減值虧損	3,023	7,184
Impairment loss on loan to an associate	貸款予一間聯營企業的 減值虧損	-	3,670
Impairment loss on amount due from an associate	應收一間聯營企業款項的 減值虧損	11,631	1,761
Impairment loss on goodwill	商譽減值虧損	6,100	-
Write off of property, plant and equipment	物業、廠房及設備撇賬	292	830
Fair value loss on financial assets at fair value through profit or loss	以公平價值列入損益的 金融資產的公平價值虧損	-	2,443
Penalty expenses	罰款開支	6,300	-
Others	其他	1,018	1,443
		28,668	17,662

10. PROFIT FOR THE YEAR (CONTINUED)

10. 年度溢利 (續)

(C) PROFIT FOR THE YEAR IS ARRIVED AT:

(C) 年度溢利達致：

		2019 HKD'000 千港元	2018 HKD'000 千港元
After charging	已扣除		
Directors' emoluments (<i>Note 11(A)</i>)	董事薪酬 (<i>附註11(A)</i>)	6,859	6,967
Employees' costs (excluding directors' emoluments) comprise:	僱員成本 (不包括董事袍金)		
– Salaries	包括： – 薪金	59,730	60,925
– Welfare and other expenses	– 福利及其他開支	3,586	4,575
– Contributions to defined contribution retirement plans	– 供款界定為供款退休計劃	9,562	9,343
– Share-based payment expenses (<i>Note 35</i>)	– 以股份支付的開支 (<i>附註35</i>)	–	328
		79,737	82,138
Auditor's remuneration	核數師酬金	2,030	2,000
Amortisation of prepaid lease payments	預付租賃款項攤銷	–	14,752
Amortisation of intangible assets	無形資產攤銷	3,596	3,596
Cost of inventories recognised as expenses	確認為開支的存貨成本	109,831	122,145
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32,548	34,751
Depreciation of right-of-use assets	使用權資產折舊	18,110	–
Write off of obsolete inventories	陳舊存貨撇賬	12	13
Provision of allowance for inventories	存貨備抵撥備	8,951	838
Foreign exchange (gains)/losses, net	匯兌 (收益)/虧損, 淨額	(1,495)	2,971
Minimum and contingent lease payments under non-cancellable operating leases previously classified as operating leases under HKAS 17	不可取消經營租賃的最低及或然租賃款項以往在香港會計準則第17號分類作營運租賃	–	45,826
Short-term and low-value leases expenses	短期及低價值租賃支出	23,491	–

10. PROFIT FOR THE YEAR (CONTINUED)

10. 年度溢利 (續)

(C) PROFIT FOR THE YEAR IS ARRIVED AT:(CONTINUED)

(C) 年度溢利達致：(續)

		2019 HKD'000 千港元	2018 HKD'000 千港元
After crediting	已計入		
Gross rental income from investment properties	投資物業租金收入總額	65,342	64,062
Less: Direct operating expenses relating to:	減：所產生的直接經營開支		
– Investment properties that generate rental income	– 產生租金收入的投資物業	(14,769)	(11,764)
– Investment properties that did not generate rental income	– 並無產生租金收入的投資物業	(13)	(17)
		<u>50,560</u>	<u>52,281</u>
Interest income from:	利息收入來自：		
– Bank deposits	– 銀行存款	3,909	1,488
– Others	– 其他	747	1,290
– Loans receivable and advances to customers in margin financing	– 來自保證金客戶墊款及應收貸款	36,114	24,781
		<u>36,114</u>	<u>24,781</u>
Increase in fair value of investment properties:	投資物業的公平價值增加：		
– Investment properties classified as other than held for sale	– 分類為非持作出售的投資物業	44,217	29,105
– Investment properties classified as held for sale	– 分類為持作出售的投資物業	–	83,162
		<u>44,217</u>	<u>112,267</u>

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(A) DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and Chief Executive's emoluments were disclosed as follows:

For the year ended 31 December 2019

	Executive Directors 執行董事			Independent Non-executive Directors 獨立非執行董事			Total 合共 HKD'000 千港元
	Cheng Tun Nei (Note a) 鄭盾尼 (附註a) HKD'000 千港元	Chan Kar Lee, Gary 陳嘉利 HKD'000 千港元	Lee Cheung Ming (Note b) 李長銘 (附註b) HKD'000 千港元	Shum Pui Kay 沈培基 HKD'000 千港元	Wah Wang Kei Jackie 華宏驥 HKD'000 千港元	Chow Yu Chun Alexander 周宇俊 HKD'000 千港元	
Directors' fees:				160	170	170	500
Other emoluments:							
Salaries, welfare and other benefits	2,400	1,980	1,440	-	-	-	5,820
Discretionary bonus (Note d)	200	165	120	-	-	-	485
Contributions to defined contribution retirement plans	18	18	18	-	-	-	54
Total emoluments	2,618	2,163	1,578	160	170	170	6,859

11. 董事及僱員薪酬

(A) 董事及主要行政人員薪酬

董事及主要行政人員薪酬載列如下：

截至2019年12月31日止年度

For the year ended 31 December 2018

截至2018年12月31日止年度

	Executive Directors 執行董事			Independent Non-executive Directors 獨立非執行董事				Total 合共 HKD'000 千港元
	Cheng Tun Nei 鄭盾尼 HKD'000 千港元	Chan Kar Lee, Gary 陳嘉利 HKD'000 千港元	Hong Kim Cheong (Note c) 方錦祥 (附註c) HKD'000 千港元	Lee Cheung Ming (Note b) 李長銘 (附註b) HKD'000 千港元	Shum Pui Kay 沈培基 HKD'000 千港元	Wah Wang Kei Jackie 華宏驥 HKD'000 千港元	Chow Yu Chun Alexander 周宇俊 HKD'000 千港元	
Directors' fees:					160	170	170	500
Other emoluments:								
Salaries, welfare and other benefits	2,382	1,962	442	1,158	-	-	-	5,944
Discretionary bonus (Note d)	200	165	-	99	-	-	-	464
Contributions to defined contribution retirement plans	18	18	5	18	-	-	-	59
Total emoluments	2,600	2,145	447	1,275	160	170	170	6,967

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(A) DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

Notes:

- (a) Mr. Cheng Tun Nei also act as Chairman and Chief Executive Officer of the Company;
- (b) Mr. Lee Cheung Ming was appointed as an executive director of the Company effective on 1 January 2019;
- (c) Mr. Hong Kim Cheong retired as an executive director of the Company and did not offer himself for re-election on 8 June 2018; and
- (d) The distribution amounts of discretionary bonus was determined based on the individual's performance during the year after the review and approval from the remuneration committee of the Company.

No actual or accrued compensation was recognised for any loss of office as a director of the Company in connection with the management of affairs towards the Group for both years.

No actual or accrued payment to any of the director of the Company in respect of an inducement to accept office as the director of the Company for both years.

Except for the contributions to defined contribution retirement plans, no other retirement benefit was paid or payable to and received or receivable by the directors of the Company for the management of affairs towards the Group. None of the directors of the Company was waived for emoluments for both years.

Salaries, welfare and other expenses paid or payable to the Executive Directors of the Company is general emoluments in respect of their services rendered in connection with the management of affairs towards the Group.

11. 董事及僱員薪酬 (續)

(A) 董事及主要行政人員薪酬 (續)

附註：

- (a) 鄭盾尼先生同時擔任公司主席及首席執行官；
- (b) 李長銘先生自2019年1月1日起被委任為公司執行董事；
- (c) 方錦祥先生退任公司執行董事並沒於2018年6月8日要求重選；及
- (d) 酌情花紅按個別人士於年內表現經本公司薪酬委員會批核。

於兩個年度內，概無本公司董事因解除與本集團管理事務有關的職務而獲支付任何實際或累計款項。

於兩個年度內，並無就引入本公司任何董事出任本公司董事職務而向其支付任何實際或累計款項。

於兩個年度內，除界定供款退休計劃之供款外，本公司董事概無就管理本集團事務而已獲支付或應獲支付以及已收取或應收取其他退休福利，亦無公司獲豁免有關薪酬。

給予公司執行董事之薪金，福利與其他支出屬一般根據有關人士從事與本集團之管理事務有關的服務而釐定。

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(A) DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

During the year ended 31 December 2018, one of the Executive Directors of the Company retired and did not offer himself for re-election and his outstanding share options was lapsed accordingly on his retirement date, and a new Executive Director was thereby appointed effective on 1 January 2019.

(B) EMPLOYEES' EMOLUMENTS

Among the five individuals of the Group with the highest emoluments, which included the Chief Executive Officer and two directors (2018: the Chief Executive Officer and one director) of the Company. Their emoluments are disclosed in Note 11(A) to the consolidated financial statements. The emoluments of the remaining two (2018: three) individuals during the year were disclosed as follows:

11. 董事及僱員薪酬 (續)

(A) 董事及主要行政人員薪酬 (續)

截至2018年12月31日止年度，本公司其中一名執行董事退任並未要求重選，故其尚未行使購股權於其退任日期失效，及一名新執行董事於2019年1月1日獲委任。

(B) 僱員薪酬

本集團最高薪酬的5名人士，包括首席執行官及2名董事（2018年：首席執行官及1名董事），彼等的薪酬已於上文綜合財務報表附註11(A)披露。其餘2名（2018年：3名）人士於年度的薪酬如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Salaries, welfare and other expenses	薪金、福利及其他開支	2,873	4,415
Contributions to defined contribution retirement plans	退休福利計劃供款	36	54
		2,909	4,469

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(B) EMPLOYEES' EMOLUMENTS (CONTINUED)

The aggregate of the emoluments in respect of the remaining two (2018: three) individuals with the highest emoluments paid or payable during the year were within the following bands:

		2019 No. of employees 僱員人數	2018 No. of employees 僱員人數
HKD1,000,001 to HKD1,500,000	1,000,001港元至 1,500,000港元	1	1
HKD1,500,001 to HKD2,000,000	1,500,001港元至 2,000,000港元	1	2

11. 董事及僱員薪酬 (續)

(B) 僱員薪酬 (續)

年內已付或應付本公司最高薪酬的餘下兩名(2018年:三名)人士的合計薪酬介乎下列範圍:

12. DIVIDENDS

		2019 HKD'000 千港元	2018 HKD'000 千港元
2018 final dividend of HKD0.012 (2018: 2017 final dividend of HKD0.005) per ordinary share declared and paid	年內已派付2018期末股息 每股普通股0.012港元 (2018年: 2017年期末股息 每股普通股0.005港元)	35,690	14,810

12. 股息

No interim dividend was declared and paid to the Company's shareholders for both years. During the year ended 31 December 2019, the Company's board of directors recommends the payment of final dividend of HKD0.008 (2018: HKD0.012) per ordinary share to the Company's shareholders of approximately HKD23,794,000 (2018: HKD35,688,000).

於最近兩財政年度均無向本公司股東宣派或派付中期股息。截至2019年12月31日止財政年度,董事會建議向本公司股東派付期末股息每股普通股0.008港元(2018年:每股普通股0.012港元),約合共為23,794,000港元(2018年:35,688,000港元)。

13. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃依下列數據計算：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Earnings	盈利		
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	<u>71,705</u>	<u>118,213</u>
		2019 Number of shares 股份數目 '000 千股	2018 Number of shares 股份數目 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的普通股加權平均數	<u>2,974,066</u>	2,964,675
Effect of dilutive potential ordinary shares (Note):	潛在攤薄普通股之影響 (附註):		
– Share options	– 購股權	–	681
– Warrants	– 認股權證	–	4,854
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均數	<u>2,974,066</u>	<u>2,970,210</u>
Earnings per share	每股盈利		
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	<u>2.41</u>	<u>3.99</u>
Diluted earnings per share (HK cents)	每股攤薄盈利 (港仙)	<u>2.41</u>	<u>3.98</u>

13. EARNINGS PER SHARE (CONTINUED)

Note: After the Company's share options were fully exercised or lapsed on 31 December 2018 and warrants was fully expired on 5 July 2019, there was no outstanding share options and warrants as at 31 December 2019. The Company's warrants did not give rise to any potential dilutive effect on the basic earnings per share presented for the period from 1 January 2019 to 5 July 2019 (the "Period") as the exercise price of the Company's warrants outstanding during the Period was higher than the average market price of the Company's shares.

The Company's share options and warrants as at 31 December 2018 gave rise to potential dilutive effect on the basic earnings per share presented for the year then ended as the exercise price of both of the Company's share options and warrants outstanding during the year then ended was lower than the average market price of the Company's shares.

13. 每股盈利 (續)

附註: 本公司的購股權於2018年12月31日獲悉數行使或失效及認股權證於2019年7月5日全部失效後，於2019年12月31日，並無尚未行使的購股權及認股權證。本公司的認股權證對就2019年1月1日至2019年7月5日期間（「該期間」）所呈列的每股基本盈利並無產生任何潛在攤薄影響，因於該期間本公司尚未行使的認股權證的行使價高於本公司股份平均市場價。

本公司於2018年12月31日的購股權及認股權證對截至該年度止所呈列的每股基本盈利產生了潛在攤薄影響，原因為本公司截至該年度止的尚未行使購股權及認股權證的行使價低於本公司股份的平均市場價。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold land and buildings in Hong Kong 於香港的租賃土地及樓宇 HKD'000 千港元	Leasehold land and buildings in the PRC 於中國的租賃土地及樓宇 HKD'000 千港元	Buildings 樓宇 HKD'000 千港元	Leasehold improvements 租賃物業裝修 HKD'000 千港元	Construction in progress 在建工程 HKD'000 千港元	Plant and machinery 廠房及機器 HKD'000 千港元	Furniture, fixtures and equipment 傢俱、裝置及設備 HKD'000 千港元	Motor vehicles 汽車 HKD'000 千港元	Vessel 船隻 HKD'000 千港元	Total 總額 HKD'000 千港元
Cost or revaluation:	成本或估值										
At 1 January 2018	於2018年1月1日	257,000	27,400	339,806	98,587	2,893	485	24,027	4,769	2,930	757,897
Additions	添置	-	-	14,294	23,502	182,116	73	2,375	1,251	-	223,611
Acquired through business combination (Note 49)	透過業務合併收購 (附註49)	-	-	-	537	-	1,393	213	-	-	2,143
Surplus arising on revaluation of properties	重估物業產生的盈餘	16,000	786	(5,111)	-	-	-	-	-	-	11,675
Disposals	出售	-	-	-	(7,097)	-	(9)	(1,726)	(1,734)	-	(10,566)
Write off	撇賬	-	-	-	(12,923)	-	-	(4,296)	(12)	-	(17,231)
Exchange realignment	匯兌重列	-	(1,406)	(17,694)	(4,661)	(22)	171	(864)	(127)	-	(24,603)
At 31 December 2018	於2018年12月31日	273,000	26,780	331,295	97,945	184,987	2,113	19,729	4,147	2,930	942,926
Representing:	重新呈列:										
At cost	成本	-	-	-	97,945	184,987	2,113	19,729	4,147	2,930	311,851
At revaluation - 2018	估值 - 2018年	273,000	26,780	331,295	-	-	-	-	-	-	631,075
		273,000	26,780	331,295	97,945	184,987	2,113	19,729	4,147	2,930	942,926
At cost or revaluation:	成本或估值:										
At 31 December 2018 as originally presented	於2018年12月31日 初始呈列	273,000	26,780	331,295	97,945	184,987	2,113	19,729	4,147	2,930	942,926
Initial adoption of HKFRS 16 (Note 2(A))	首次採納香港財務報告準則第16號 (附註2(A))	-	-	-	-	-	-	-	(773)	-	(773)
Adjusted balance at 1 January 2019	於2019年1月1日結餘 已調整	273,000	26,780	331,295	97,945	184,987	2,113	19,729	3,374	2,930	942,153
Additions	添置	-	-	13,147	1,710	401,425	58	4,063	1,701	-	422,104
Transfer from construction in progress to buildings	轉自在建工程和建築物 轉入建築物	-	-	583,072	-	(583,072)	-	-	-	-	-
Surplus arising on revaluation of properties	重估物業產生的盈餘	9,000	-	423,977	-	-	-	-	-	-	432,977
Disposals	出售	-	-	-	-	-	-	-	(241)	-	(241)
Write off	撇賬	-	-	-	(489)	-	-	(267)	-	-	(756)
Exchange realignment	匯兌重列	-	(492)	(6,018)	(1,696)	(3,340)	(1)	(181)	(43)	-	(11,771)
At 31 December 2019	於2019年12月31日	282,000	26,288	1,345,473	97,470	-	2,170	23,344	4,791	2,930	1,784,466
Representing:	重新呈列:										
At cost	成本	-	-	-	97,470	-	2,170	23,344	4,791	2,930	130,705
At revaluation - 2019	估值 - 2019年	282,000	26,288	1,345,473	-	-	-	-	-	-	1,653,761
		282,000	26,288	1,345,473	97,470	-	2,170	23,344	4,791	2,930	1,784,466
Accumulated depreciation:	累計折舊										
At 1 January 2018	於2018年1月1日	-	-	-	73,972	-	407	19,744	3,107	755	97,985
Provided for the year	年度撥備	7,058	1,220	9,768	13,620	-	145	1,972	675	293	34,751
Acquired through business combination (Note 49)	透過業務合併收購 (附註49)	-	-	-	504	-	1,125	140	-	-	1,769
Write back on revaluation of properties	重估物業後回撥	(7,058)	(1,156)	(9,261)	-	-	-	-	-	-	(17,475)
Eliminated on disposals	出售時抵銷	-	-	-	(6,791)	-	(9)	(1,646)	(1,506)	-	(9,952)
Eliminated on write off	撇賬抵銷	-	-	-	(12,479)	-	-	(3,910)	(12)	-	(16,401)
Exchange realignment	匯兌重列	-	(64)	(507)	(3,977)	-	7	(504)	(88)	-	(5,133)

14. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

14. 物業、廠房及設備 (續)

		Leasehold land and buildings in Hong Kong 於香港的 租賃土地及 樓宇 HKD'000 千港元	Leasehold land and buildings in the PRC 於中國的 租賃土地及 樓宇 HKD'000 千港元	Buildings 樓宇 HKD'000 千港元	Leasehold improvements 租賃物業 裝修 HKD'000 千港元	Construction in progress 在建工程 HKD'000 千港元	Plant and machinery 廠房及機器 HKD'000 千港元	Furniture, fixtures and equipment 傢俱· 裝置及設備 HKD'000 千港元	Motor vehicles 汽車 HKD'000 千港元	Vessel 船隻 HKD'000 千港元	Total 總額 HKD'000 千港元
At 31 December 2018 as originally presented	於2018年12月31日 初始呈列	-	-	-	64,849	-	1,675	15,796	2,176	1,048	85,544
Initial adoption of HKFRS 16 (Note 2(A))	首次採納香港財務報告 準則第16號(附註2(A))	-	-	-	-	-	-	-	(26)	-	(26)
Adjusted balance at 1 January 2019	於2019年1月1日結餘 已調整	-	-	-	64,849	-	1,675	15,796	2,150	1,048	85,518
Provided for the year	年度撥備	7,303	1,167	11,097	9,685	-	182	2,100	721	293	32,548
Write back on revaluation of properties	重估物業後回撥	(7,303)	(1,149)	(10,857)	-	-	-	-	-	-	(19,309)
Eliminated on disposals	出售時抵銷	-	-	-	-	-	-	-	(234)	-	(234)
Eliminated on write off	撇賬抵銷	-	-	-	(287)	-	-	(177)	-	-	(464)
Exchange realignment	匯兌重列	-	(18)	(240)	(1,249)	-	(2)	(132)	(29)	-	(1,670)
At 31 December 2019	於2019年12月31日	-	-	-	72,998	-	1,855	17,587	2,608	1,341	96,389
Net book value:	賬面淨值:										
At 31 December 2019	於2019年12月31日	282,000	26,288	1,345,473	24,472	-	315	5,757	2,183	1,589	1,688,077
At 31 December 2018	於2018年12月31日	273,000	26,780	331,295	33,096	184,987	438	3,933	1,971	1,882	857,382

During the year, the carrying amount of construction in progress of approximately HKD583,072,000 related to the outlet mall located in Xiamen, the PRC was reclassified to buildings when the construction work was completed. Additions of construction in progress of approximately HKD401,425,000 (2018: HKD182,116,000) was related to the interest expenses of bank borrowings and directly attributable costs being capitalised during the year.

本年內，當建築工程被認證時已完成時，位於中國廈門的奧特萊斯約583,072,000港元的在建工程被重新分類為樓宇。新增的在建工程約401,425,000港元(2018年：182,116,000港元)是與本年度資本化的銀行貸款利息支出及直接可歸屬成本有關。

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2018 and 2019, the fair value measurements of leasehold land and buildings and buildings, where located in Hong Kong and Shanghai, Shenyang and Xiamen, the PRC were carried out by independent qualified professional valuers not connected to the Group, namely Greater China Appraisal Limited, Prudential Surveyors (Hong Kong) Limited and 深圳市戴德梁行土地房地產評估有限公司 apart from the fair value measurement of outlet mall building, where located in Shenyang, the PRC was carried out by Prudential Surveyors (Hong Kong) Limited. The valuation approach of the outlet mall building located in Shenyang, the PRC was changed from depreciated replacement cost approach to discount of rental income approach due to more observable data is available for adopting this valuations basis.

According to the result of fair value measurements, the Group recognised a total surplus arising on revaluation of properties of approximately HKD452,286,000 (2018: HKD29,150,000) and the related deferred tax liability of approximately HKD111,346,000 (2018: HKD5,328,000) directly recognised to other comprehensive income during the year. The significant increase of surplus arising on revaluation of properties was mainly due to the completion of construction work of outlet mall building located in Xiamen, the PRC and improved value of other comparable properties located in Hong Kong and the PRC.

14. 物業、廠房及設備 (續)

於2018年及2019年12月31日，就位於香港以及中國上海、瀋陽及廈門的租賃土地及樓宇而言，彼等的公平價值計量分別由與本集團並無關連的獨立合資格專業估值師漢華評估有限公司、測建行香港有限公司及深圳市戴德梁行土地房地產評估有限公司進行，除位於中國瀋陽的奧特萊斯大樓的公平價值計量乃由測建行香港有限公司進行。位於中國瀋陽的奧特萊斯大樓的估值方法由折舊重置成本法更改為租金收入貼現法，原因為有更多可觀察的數據提供採用此估值基準。

根據公平價值計量結果，本集團於年內其他全面收入直接確認物業重估產生的盈餘總額約452,286,000港元（2018年：29,150,000港元）以及相關遞延稅項負債約111,346,000港元（2018年：5,328,000港元）。物業重估產生的盈餘大幅增加，主要由於位於中國廈門的奧特萊斯大樓竣工，以及位於香港及中國內地的其他可比較物業升值。

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2018 and 2019, the fair value measurements of leasehold land and buildings, where located in Hong Kong and Shanghai, the PRC were adopted direct comparison approach with reference to the current market price of comparable sales evidence available in the market nearby with significant adjustments for the differences in the characteristics of the Group's properties. The fair value measurements of outlet mall buildings, where located in Shenyang and Xiamen, the PRC were both adopted discount of rental income approach (2018: depreciated replacement cost approach for Shenyang outlet mall building) with reference to rental yield and market unit rent of comparable properties available for rental purposes nearby.

The above fair value measurements of properties were based on the highest and best use of both leasehold land and buildings and buildings, which did not differ from their actual usage for both years.

14. 物業、廠房及設備 (續)

於2018年及2019年12月31日，位於香港及中國上海的租賃土地及樓宇的公平價值計量經參考鄰近市場可供比較銷售市場價後採納直接比較法，並就本集團物業特性之差異作出重大調整。位於中國瀋陽及廈門的奧特萊斯大樓的公平價值計量經參考鄰近可作租賃用途的可供比較物業的租金收益率及市場單位租金均採納租金收入貼現法（2018年：就瀋陽奧特萊斯大樓採納折舊重置成本法）。

於兩個年度內，上述物業的公平價值計量乃以租賃土地及樓宇及樓宇的最高及最佳用途而其間並無任何改變為基準。

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

14. 物業、廠房及設備 (續)

Reconciliations of the opening and closing fair values for both years are provided as follows:

兩個年度的年初及年終公平價值對賬如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Level 3 recurring fair value:	第三級經常性公平價值：		
At 1 January	於1月1日	631,075	624,206
Additions	添置	13,147	14,294
Transfer from construction in progress to buildings	由在建工程轉撥至樓宇	583,072	-
Surplus arising on revaluation of properties included in other comprehensive income	重估計入其他全面收入的物業產生的盈餘	452,286	29,150
Depreciation provided for the year	年度折舊撥備	(19,567)	(18,046)
Exchange realignment	匯兌重列	(6,252)	(18,529)
At 31 December	於12月31日	<u>1,653,761</u>	<u>631,075</u>

As at 31 December 2018 and 2019, all of the fair values of leasehold land and buildings and buildings of approximately HKD1,653,761,000 (2018: HKD631,075,000) were classified as level 3 recurring fair value measurements in accordance with the definitions set out in Note 5(B)(iii) to the consolidated financial statements. There was no transfer between different levels of the fair value hierarchy for both years as the key inputs used by the independent qualified professional valuers were remained as unobservable and subject to significant fair value adjustments before deriving appropriate amounts of fair values of the properties.

於2018年及2019年12月31日，所有樓宇和租賃土地及樓宇的公平價值約1,653,761,000港元(2018年：631,075,000港元)根據綜合財務報表附註5(B)(iii)的定義分類為第三級經常性公平價值計量。鑑於估值師所使用的重大輸入數據依然不可觀察及於得出物業的適當公平價值前受重大公平價值調整所規限，於兩個年度公平價值層級並無轉撥。

14. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

14. 物業、廠房及設備 (續)

INFORMATION ABOUT FAIR VALUE
MEASUREMENTS USING SIGNIFICANT
UNOBSERVABLE INPUTS:

有關使用重大不可觀察輸入數據的公平價值計量的資料：

Properties 物業	Valuation approach 估值方法	Notes 附註	Significant unobservable inputs 重大不可觀察輸入數據	Range of estimates 估計範圍	
				2019	2018
Hong Kong 香港	Direct comparison approach 直接比較法	(i)	(Discount)/premium on characteristics of the properties 物業特性的(折讓)/溢價	-15% to 15%	-15% to 15%
			Average market price of similar properties (HKD/sq. feet) 相似物業的平均市價(港元/平方米)	22,479	18,195
Shanghai, the PRC 中國上海	Direct comparison approach 直接比較法	(i)	Discount on characteristics of the properties 物業特性的(折讓)/溢價	-1%-0%	-0.5%-0%
			Average market price of similar properties (RMB/sq. metre) 相似物業的平均市價(人民幣/平方米)	32,146	32,000
Shenyang, the PRC 中國瀋陽	Depreciated replacement cost approach 折舊重置成本法	(ii)	Construction costs of similar construction site (RMB/sq. metre) 相似土地的建造成本(人民幣/平方米)	N/A	6,600 – 8,400
			Discount of rental income approach 租金收入貼現法	(iii) Rental yield 租金收益率	6%
		Market unit rent per month (RMB/sq. metre) 市場單位每月租金收入(人民幣/平方米)		114-128	N/A
Xiamen, the PRC 中國廈門	Discount of rental income approach 租金收入貼現法	(iii)	Rental yield 租金收益率	5%	N/A
			Market unit rent per month (RMB/sq. metre) 市場單位每月租金收入(人民幣/平方米)	160-193	N/A

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS: (CONTINUED)

Notes:

- (i) The direct comparison approach takes into accounts of the characteristics of the properties, which included the location, size, timing, floor level, view, age and quality against comparable sales evidence available in the market nearby.

A significant increase/(decrease) in the discount on characteristics of the properties, or a significant (decrease)/increase in the premium on characteristics of the properties or market prices of similar properties, would result in a significant (decrease)/increase in the fair value of leasehold land and buildings.

- (ii) The depreciated replacement cost approach takes into account of the estimated construction costs of erecting a building or a modern substitute building where having similar area against the existing buildings held by the Group to be revalued at current market values. The construction costs may include all of fees, finance charges and other associated expenses directly related to the construction of a building.

A significant increase/(decrease) in the construction costs of similar construction costs nearby, would result in a significant increase/(decrease) in the fair value of the buildings.

- (iii) The discount of rental income approach takes into account of the future rental income arising from the retail shops located in the outlet mall buildings located in Shenyang and Xiamen, where located in the PRC for the remaining lease terms. This approach also consider different factors, such as rental yield and market unit rent of comparable properties available for rental purposes nearby.

A significant increase/(decrease) in rental yield and market unit rent of the property, would result in a significant increase/(decrease) in the fair value of the buildings.

14. 物業、廠房及設備 (續)

有關使用重大不可觀察輸入數據的公平價值計量的資料：(續)

附註：

- (i) 直接比較法計及與鄰近市場可得之可供比較銷售資料相比較之物業特性，包括地點、規模、時間、樓層、景觀、樓齡及質量。

物業特性貼現的顯著增加／(減少)或物業特性溢價或類似物業的市場價的顯著(減少)／增加會導致租賃土地及樓宇公平價值的顯著(減少)／增加。

- (ii) 折舊重置成本法考慮建設與本集團所持將按目前市場價重新估值的現有樓宇有類似面積的樓宇或現代替代樓宇的估計建築成本。建築成本可包括與樓宇建設直接相關的所有費用、融資開支及其他相關開支。

鄰近相似建築的建築成本顯著增加／(減少)會導致樓宇公平價值的顯著增加／(減少)。

- (iii) 租金收入貼現法計及位於中國瀋陽及廈門的奧特萊斯大樓的零售店就餘下租賃期所產生的未來租金收入。此方法亦考慮不同因素，如鄰近可作租賃用途的可資比較物業的租金收益率及市場單位租金。

物業的租金收益率及市場單位租金的顯著增加／(減少)會導致樓宇公平價值的顯著增加／(減少)。

14. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)INFORMATION ABOUT FAIR VALUE
MEASUREMENT USING SIGNIFICANT
UNOBSERVABLE INPUTS: (CONTINUED)

Had the leasehold land and buildings and buildings not been revalued by the independent qualified professional valuers, and recognised in the consolidated statement of financial position, at historical cost less accumulated depreciation and impairment loss, if any, their net book value would be approximately HKD954,836,000 (2018: HKD378,918,000).

14. 物業、廠房及設備 (續)

有關使用重大不可觀察輸入數據的公平價值計量的資料：(續)

倘位於香港租賃土地及樓宇並無由獨立及合資格專業估值師重新估值，將會以歷史成本扣減累計折舊值及減值虧損（如適用），其賬面淨值則為約954,836,000港元（2018年：378,918,000港元）確認並計入綜合財務報表。

		2019 HKD'000 千港元	2018 HKD'000 千港元
Leasehold land and buildings in Hong Kong	於香港的租賃土地及樓宇	82,567	83,914
Leasehold land and buildings in PRC	於中國的租賃土地及樓宇	21,968	23,645
Buildings located in PRC	位於中國的樓宇	<u>850,301</u>	<u>271,359</u>
		<u>954,836</u>	<u>378,918</u>

One of the leasehold land and buildings located in Hong Kong, at fair value, of approximately HKD282,000,000 (2018: HKD273,000,000) was pledged to a bank for securing a banking facility granted to the Group as set out in Note 30 to the consolidated financial statements.

於香港一租賃土地及樓宇公平價值約282,000,000港元（2018：273,000,000港元）已抵押予一間銀行以擔保授予本集團的銀行貸款及一般銀行信貸融通（於綜合財務報表附註30披露）。

15. INVESTMENT PROPERTIES

15. 投資物業

		HKD'000 千港元
Fair value:	公平價值：	
At 1 January 2018	於2018年1月1日	1,365,656
Increase in fair value recognised in profit or loss	於損益確認的公平價值增加	29,105
Disposals	出售	(20,700)
Exchange realignment	匯兌重列	<u>(54,586)</u>
At 31 December 2018 and 1 January as originally presented	於2018年12月31日及1月1日原始呈列	1,319,475
Initial adoption of HKFRS 16 (Note 2(A))	首次採立香港財務報告準則第16號 (附註2(A))	<u>160,740</u>
Adjusted balance at 1 January 2019	2019年1月1日調整結餘	1,480,215
Increase in fair value recognised in profit or loss	於損益確認的公平價值增加	44,217
Exchange realignment	匯兌重列	<u>(21,120)</u>
At 31 December 2019	於2019年12月31日	<u>1,503,312</u>

As at 31 December 2018 and 2019, the Group's investment properties were located in Shenyang, Beijing, Shanghai, Chongqing and Tianjin, the PRC and Hong Kong, which were held under either a medium or long-term lease and for the purpose of either earning rental income or capital appreciation. They were measured by using fair value models carried out by different independent qualified professional valuers.

於2018年及2019年12月31日，本集團位於中國瀋陽、北京、上海、重慶、天津及香港的投資物業是按中或長期租賃予以持有，並以賺取租金收入及作資本增值為目的。若干獨立合資格專業估值師使用公平價值方法對其進行計量。

15. INVESTMENT PROPERTIES (CONTINUED)

Upon the initial adoption of HKFRS 16 on 1 January 2019, the Group classified its lease of the community mall located in Tianjin, the PRC as an investment property of approximately HKD160,740,000 was recognised at fair value given that it satisfied the definition as an investment property under HKAS 40 as it is for the purpose of earning rental income. The subsequent fair value gain of approximately HKD17,207,000 was recognised in the profit or loss during the year.

During the year ended 31 December 2018, the Group disposed an industrial building, where located in Hong Kong and three parcels of spare land, where located in Shenyang, the PRC, of which the three parcels of spare land was classified as asset held for sale as at 1 January 2018. The fair value of those properties were approximately HKD20,700,000 and HKD538,721,000 and determined based on the valuations carried out by independent qualified professional valuers, namely Greater China Appraisal Limited and Prudential Surveyors (Hong Kong) Limited respectively. During the year ended 31 December 2018, a total of fair value gain of those properties of approximately HKD1,000,000 and HKD83,162,000 were recognised on their respective dates of disposal.

As at 31 December 2018 and 2019, the fair value measurements of commercial and industrial properties and leased community mall, where located in Shenyang, Beijing, Shanghai, Chongqing and Tianjin, the PRC and Hong Kong were carried out by independent qualified professional valuers not connected to the Group, namely Prudential Surveyors (Hong Kong) Limited, 深圳市戴德梁行土地房地產評估有限公司成都分公司 and Greater China Appraisal Limited. There were no key changes in the valuation approach carried out by the independent qualified professional valuers for both years.

15. 投資物業 (續)

於2019年1月1日首次採納香港財務報告準則第16號後，本集團將其位於中國天津的社區商場是以收取租金為目的下符合租賃根據香港會計準則第40號的定義分類為投資物業的約160,740,000港元的投資物業，並於年內於損益確認期後公平價值收益約17,207,000港元。

於截至2018年12月31日止年度，本集團出售位於香港的工業大樓及位於中國瀋陽的三幅閒置土地（於2018年1月1日分類為持作出售資產）。由獨立合資格專業估值師漢華評估有限公司及測建行香港有限公司進行的公平價值估計約為20,700,000港元及538,721,000港元。於截至2018年12月31日止年度，於其各自出售日期確認該物業的公平價值收益合共約1,000,000港元及83,162,000港元。

於2018年及2019年12月31日，位於中國瀋陽、北京、上海、重慶及天津和香港的商業及工業物業及社區商場的公平價值由獨立合資格且與本集團沒有關聯的專業估值師（測建行香港有限公司、深圳市戴德梁行土地房地產評估有限公司成都分公司及漢華評估有限公司）計量。該等獨立合資格專業估值師於兩個年度內所用的估值方法並沒有改變。

15. INVESTMENT PROPERTIES (CONTINUED)

According to the result of fair value measurements, the Group recognised a total of fair value gain arising on revaluation of investment properties classified as other than held for sale of approximately HKD44,217,000 (2018: HKD112,267,000) directly to profit or loss during the year. The reduction of fair value gain was mainly due to the result of fair value measurement of three parcels of land classified as held for sale, where located in Shenyang, the PRC of approximately HKD83,162,000 was recognised given that the residential properties and supporting facilities were developed rapidly in the prior year of which increased the average price of land.

As at 31 December 2018 and 2019, the fair value measurements of investment properties, where located in Shenyang, Beijing, Shanghai and Chongqing, the PRC and one in Hong Kong were adopted direct comparison approach with reference to the current market price of comparable sales evidence available in the market nearby with significant adjustments for the differences in the characteristics of the Group's investment properties. The fair value measurement of an investment property, where located in Hong Kong was adopted capitalisation of rental receivables approach by taking into account of the rental receivables outstanding during the residual period of the existing tenancy, which is then capitalised at an appropriate capitalisation rate with due allowance for the reversionary interests after the expiry of the tenancy with reference to term yield and reversionary yield of the existing tenancy and average market unit rent of comparable properties available for rental purposes nearby.

In addition, the fair value measurement of an investment property, where located in Tianjin, the PRC was adopted discount of rental income approach with reference to the future rental income arising from the subleasing of retail shops accommodated in the community mall, where located in Tianjin, the PRC which is then discount at an appropriate discount rate.

15. 投資物業 (續)

根據公平價值計量，本集團於本年度損益內合共確認自非分類為持作出售的投資物業重估公平價值收益約為44,217,000港元（2018：112,267,000港元）。公平價值收益減少主因中國瀋陽分類為持作出售的三幅土地公平價值約83,162,000港元已確認，而剩餘的住宅物業及支援設施已於以往年度增加了土地平均價值。

於2018年及2019年12月31日，於中國瀋陽，北京，上海及重慶及香港一處投資物業的公平價值計量採用直接比較法，並參考在附近當前市場價格可比較的銷售證據，且就本集團投資物業特徵之差異作出重大調整。位於香港的投資物業的公平價值計量是採用應收租金資本化方法，並考慮現有租賃的剩餘期限的應收租金，並就租賃屆滿後的復歸權益作出適當撥備，而有關應收租金隨後以適當比率資本化為價值，然後將其以適當的資本化率資本化，並在租賃期滿後的復歸收益撥備，參考現有租賃的年期收益率和復歸收益，以及附近可用於租賃目的的比價的平均市場單位租金。

此外，位於中國天津的投資物業的公平價值計量採納租金收入貼現法，參考其後按適當貼現率貼現的轉租位於中國天津的社區商場的零售店所產生的未來租金收入。

15. INVESTMENT PROPERTIES (CONTINUED)

The above fair value measurements of investment properties were based on the highest and best use of investment properties, which did not differ from their actual usage for both years.

As at 31 December 2018 and 2019, all of the fair values of investment properties were classified as level 3 recurring fair value measurements. Reconciliations of the opening and closing fair value for both years are provided as follows:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Level 3 recurring fair value:	第三級經常性公平價值		
Original balance at 1 January	首次1月1日年初結餘	1,319,475	1,365,656
Initial adoption of HKFRS 16 (Note 2(A))	首次採用香港財務報告準則第16號(附註2(A))	<u>160,740</u>	<u>–</u>
Adjusted balance at 1 January	1月1日經調整結餘	1,480,215	1,365,656
Increase in fair value recognised in profit or loss	於損益確認公平價值增加	44,217	29,105
Disposal	出售	–	(20,700)
Exchange realignment	滙兌重列	<u>(21,120)</u>	<u>(54,586)</u>
Balance at 31 December	12月31日結餘	<u>1,503,312</u>	<u>1,319,475</u>

There was no transfer between different levels of the fair value hierarchy for both years as the key inputs used by the independent qualified professional valuers were remained as unobservable and subject to significant fair value adjustments before deriving appropriate amounts of fair values of the properties.

15. 投資物業(續)

於兩個年度內，上述投資物業的公平價值計量乃以投資物業的最高及最佳用途(與其實際用途並無差別)為基準。

於2018年及2019年12月31日，所有投資物業的公平價值均分類為第三級經常性公平價值計量。兩個年度的年初及年終公平價值對賬如下：

在兩種情況下的不同公允價值層級之間沒有轉移是因為在推導適當數額的物業公允價值前獨立專業的評估師使用的關鍵數據仍然是不可觀察及受進行重大公允價值調整的。

15. INVESTMENT PROPERTIES (CONTINUED)

15. 投資物業 (續)

Information about fair value measurements using significant unobservable inputs:

有關使用重大不可觀察輸入數據的公平價值計量的資料：

Properties 物業	Valuation approach 估值方法	Notes 附註	Significant unobservable inputs 重大不可觀察輸入數據	Range of estimates 範圍	
				2019	2018
Shenyang, the PRC 中國瀋陽	Direct comparison approach 直接比較法	(i)	(Discount)/premium on characteristics of the properties 物業特性的(折讓)/溢價	N/A	-5% to 4%
			Market prices of similar land (RMB/sq. metre) 相似土地的市價(人民幣/平方米)	N/A	500-1,350
Beijing, the PRC 中國北京	Direct comparison approach 直接比較法	(i)	Premium on characteristics of the properties 物業特性溢價	0%-0.7%	0%
			Average market prices of similar properties (RMB/sq. metre) 相似物業的平均市價(人民幣/平方米)	44,667	45,000
Shanghai, the PRC 中國上海	Direct comparison approach 直接比較法	(i)	Discount on characteristics of the properties 物業特性折讓	-1%-0%	-0.5%-0%
			Average market prices of similar properties (RMB/sq. metre) 相似物業的平均市價(人民幣/平方米)	32,146	32,000
Chongqing, the PRC 中國重慶	Direct comparison approach 直接比較法	(i)	Average market prices of similar properties (RMB/sq. metre) 相似物業的平均市價(人民幣/平方米)	19,820 (Commercial) (商業部份)	19,010 (Commercial) (商業部份)
				1,940 (Carpark) (車位部份)	1,930 (Carpark) (車位部份)
Tianjin, the PRC 中國天津	Discount of rental income approach 租金收入貼現法	(iii)	Rental yield 租金收益率	6%	N/A
			Rental growth rate 租金增長率	2%	N/A
			Adjustment rate on the length of lease term 物業租賃期的調整率	0.42%	N/A
			Adjustment rate on the Group's credit rating 本集團信貸評級的調整率	0.42%	N/A
			Market unit rent per month (RMB/sq. metre) 市場每月租金收入(人民幣/平方米)	60-110	N/A

15. INVESTMENT PROPERTIES (CONTINUED)

15. 投資物業 (續)

Information about fair value measurements using significant unobservable inputs: (Continued)

有關使用重大不可觀察輸入數據的公平價值計量的資料：(續)

Properties 物業	Valuation approach 估值方法	Notes 附註	Significant unobservable inputs 重大不可觀察輸入數據	Range of estimates 範圍	
				2019	2018
Hong Kong 香港	Direct comparison approach 直接比較法	(i)	(Discount)/premium on characteristics of the properties 物業特性的(折讓)/溢價 Average market prices of similar properties (HKD/sq. feet) 相似物業的平均市價(港元/平方呎)	-20% to 3.5%	-10% to 2%
	Capitalisation of rental receivables approach 應收租金資本化法	(ii)	Term yield 年期收益 Reversionary yield 復歸收益 Average market unit rent per month (HKD/sq. metre) 市場每月租收入(港幣/平方米)	4,507 2.0% 2.5% 517	3,862 2.1% 2.6% 501

15. INVESTMENT PROPERTIES (CONTINUED)

Information about fair value measurements using significant unobservable inputs: (Continued)

Notes:

- (i) The direct comparison approach takes into accounts of the characteristics of the properties, which included the location, size, timing, floor level, view, age and quality against comparable sales evidence available in the market nearby.

A significant increase/(decrease) in the discount on characteristics of the properties, or a significant (decrease)/increase in the premium on characteristics of the properties or market prices of similar land or properties, would result in a significant (decrease)/increase in the fair value of the investment properties.

- (ii) The capitalisation of rental receivables approach takes into account of the rental receivables outstanding during the residual period of the existing tenancy, which is then capitalised at an appropriate capitalisation rate with due allowance for the reversionary interests after the expiry of the tenancy.

A significant increase/(decrease) in both term yield and reversionary yield of the property, or a significant (decrease)/increase in the average market unit rent of the property would result in a significant (decrease)/increase in the fair value of the investment properties.

- (iii) The discount of rental income approach takes into account of the future rental income arising from the subleasing of retail shops accommodated in the community mall of Tianjin, the PRC.

A significant (decrease)/increase in rental yield, rental growth rate and market unit rent of the property, or a significant increase/(decrease) in the adjustment rates on the length of lease term and the Group's credit rating of the property, would result in a significant (decrease)/increase in the fair value of the investment properties.

Except for the investment properties located in Shanghai and Tianjin, the PRC, the remaining investment properties of approximately HKD1,314,428,000 (2018: HKD1,305,971,000) were pledged to various banks for securing series of banking facilities granted to the Group as set out in Note 30 to the consolidated financial statements.

15. 投資物業 (續)

有關使用重大不可觀察輸入數據的公平價值計量的資料：(續)

附註：

- (i) 直接比較法考慮該等物業特性，包括在附近市場可供的比較銷售交易之地點、規模、時間、樓層、樓齡及質量。

物業特性折讓的顯著增加／(減少)或物業特性溢價的顯著(減少)／增加或相似土地或物業的市價會導致投資物業公平價值的顯著(減少)／增加。

- (ii) 應收租金資本化法計及現有租賃的剩餘期限的應收租金，並就租賃屆滿後的復歸權益作出適當撥備，而有關應收租金隨後以適當比率資本化為價值。

物業的復歸收益率的顯著增加／(減少)或物業的年期收益率及市場單位租金的顯著(減少)／增加會導致投資物業公平價值的顯著(減少)／增加。

- (iii) 租金收入貼現法計及轉租位於中國天津社區商場的零售店所產生的未來租金收入。

租金收益率、信貸評級及市場單位租金的顯著(減少)／增加及物業租賃期的調整率的顯著增加／(減少)會導致投資物業公平價值的顯著(減少)／增加。

除位於中國上海和天津的投資性房地產外，其餘投資物業約1,314,428,000港元(2018年：1,305,971,000港元)已質押給多家銀行作擔保作為向集團提供的一系列銀行貸款(如綜合財務報表附註30披露)。

16. RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets categorised by class of underlying assets was as follows:

		Prepaid lease payments 預付租賃款項 HKD'000 千港元 (Note 17) (附註17)	Buildings 樓宇 HKD'000 千港元	Motor vehicles 汽車 HKD'000 千港元 (Note 14) (附註14)	Total 總計 HKD'000 千港元
At 1 January 2019	於2019年1月1日	514,667	5,892	747	521,306
Additions	添置	–	1,614	–	1,614
Depreciation	折舊	(14,112)	(3,843)	(155)	(18,110)
Exchange realignment	匯兌重列	(9,229)	(66)	–	(9,295)
At 31 December 2019	於2019年12月31日	491,326	3,597	592	495,515

The Group has adopted HKFRS 16 by using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17.

Upon the initial adoption of HKFRS 16 on 1 January 2019, the carrying amounts of the following items were identified as right-of-use assets: (i) leasehold land interests held in Xiamen and Shenyang, the PRC under medium lease terms (Note 17); (ii) right to use of office premises, warehouses and retail shops, where located in Hong Kong and the PRC under non-cancellable operating lease contracts, with lease terms ranged from one year to three years (Note 41); (iii) a motor vehicle held under a finance lease which was previously included in property, plant and equipment (Note 14).

The Group does not have any options to renew or terminate the existing lease agreements and no major lease incentives was received from the lessor and landlords for both years.

During the year, the Group entered into new lease contracts, which caused additions of right-of-use assets of approximately HKD1,614,000.

16. 使用權資產

按相關資產分類的使用權資產的淨賬面值分析如下：

於2019年1月1日，本集團已通過採用經修訂追溯法採納香港財務報告準則第16號確認使用權資產及先前根據香港會計準則第17號分類為經營租賃的有關租賃的租賃負債。

於2019年1月1日，首次採納香港財務報告準則第16號本集團已識別下列項目為使用權資產，包括：(i)位於中國瀋陽及廈門的租賃土地權益（附註17）；(ii)透過多項租賃期為一至三年的租賃安排而租賃主要位於中國及香港的倉庫、零售店及辦公室物業的使用權（附註41）；(iii)一項原分類為物業、廠房及設備融資租賃項下的汽車（附註14）。

於兩年內，集團沒有任何續約或終止的選擇現有租賃協定，及出租人和業主並無給予重大租賃激勵措施。

於年內，本集團簽署新租賃協議，以致使用權資產添置約1,614,000港元。

16. RIGHT-OF-USE ASSETS (CONTINUED)

Details of total cash outflows for leases and the maturity analysis of lease liabilities are set out in Notes 51(C) and 32 to the consolidated financial statements.

16. 使用權資產 (續)

租賃現金流出總額及租賃負債的到期情況分析詳情載於綜合財務報表附註51(C)及32。

17. PREPAID LEASE PAYMENTS

17. 預付租賃款項

		2019 HKD'000 千港元	2018 HKD'000 千港元
Leasehold land interests held in the PRC under medium-term lease terms:	於中國中期租約租賃土地條款		
Balance at 1 January as originally presented	於1月1日結餘初始呈列	514,667	556,463
Initial adoption of HKFRS 16 (Note 2(A))	首次應用香港財務準則第16號 (附註2(A))	(514,667)	-
Adjusted balance at 1 January	於1月1日經調整結餘	-	556,463
Amortisation	攤銷	-	(14,752)
Exchange realignment	匯兌重列	-	(27,044)
Balance at 31 December	於12月31日結餘	-	514,667
Analysed for reporting purposes as:	為報告目的而分析為：		
Portion classified as current asset	分類為流動資產的部分	-	14,833
Portion classified as non-current asset	分類為非流動資產的部分	-	499,834
Balance at 31 December	於12月31日結餘	-	514,667

At 31 December 2018, the carrying amount of prepaid lease payments comprise of the leasehold land interests held in Xiamen and Shenyang, in the PRC under medium lease terms ranged from 40 years to 48 years, which was stated at cost on the initial recognition and is amortised over the relevant lease term.

Upon the initial adoption of HKFRS 16 on 1 January 2019, the carrying amount of prepaid lease payments of approximately HKD514,667,000 reclassified to right-of-use assets.

截至2018年12月31日，預付租賃賬面值包括持有由40年到48年中期租賃期限的位於中國廈門和瀋陽的土地，該土地按首次確認時的成本，並按相關租賃期限攤銷。

香港財務報告準則第16號於2019年1月1日首次採立時，預付租賃款帳面金額約514,667,000港元重新分類為使用資產。

17. PREPAID LEASE PAYMENTS (CONTINUED)

At 31 December 2018, one of the leasehold land interest held in Xiamen, the PRC was pledged to a bank for securing a banking facility granted to the Group as set out in Note 30 to the consolidated financial statements.

17. 預付租賃款項 (續)

2018年12月31日，在中國廈門持有的一塊租賃土地抵押給一家銀行用作擔保其中貸款（如綜合財務報表附註30披露）。

18. INTANGIBLE ASSETS

18. 無形資產

		Trading rights 交易權 HKD'000 千港元	Trademarks 商標 HKD'000 千港元	Customer relationships 客戶關係 HKD'000 千港元	Total 總額 HKD'000 千港元
Cost:	成本				
At 1 January 2018	於2018年1月1日	599	145,818	–	146,417
Acquired through business combination (Note 49)	透過業務合併收購 (附註49)	–	2,683	53,946	56,629
At 31 December 2018	於2018年12月31日	599	148,501	53,946	203,046
Additions	添置	–	45,633	–	45,633
At 31 December 2019	於2019年12月31日	599	194,134	53,946	248,679
Accumulated amortisation:	累計攤銷				
At 1 January 2018	於2018年1月1日	–	–	–	–
Provided for the year	年度撥備	–	–	3,596	3,596
At 31 December 2018	於2018年12月31日	–	–	3,596	3,596
Provided for the year	年度撥備	–	–	3,596	3,596
At 31 December 2019	於2019年12月31日	–	–	7,192	7,192
Net book value:	賬面淨值				
At 31 December 2019	於2019年12月31日	599	194,134	46,754	241,487
At 31 December 2018	於2018年12月31日	599	148,501	50,350	199,450

18. INTANGIBLE ASSETS (CONTINUED)

During the year, the Group acquired an international sports brand from an independent external party, including the global trademarks and patents of core technologies of “SKINS” branded products to globally develop, manufacture, promote and distribute “SKINS” branded products, which is designed and produced for athletes and sports enthusiasts (the “SKINS trademark”). The consideration of this acquisition was approximately USD5,000,000, equivalent to approximately HKD45,612,000 was recognised initially at cost.

As a result, the carrying amount of intangible assets at 31 December 2019 was comprised of: (i) intellectual property right, not limited to design, manufacture, package, sale, distribution and marketing of “PONY” and “SKINS” branded products, with licensing periods from 7 to 15 years (2018: 7 to 15 years) granted by the local government agencies in the foreign licensed territories; (ii) right to manufacture, market, distribute and sell of healthcare products under certain patents and trademarks in Hong Kong, together with customer relationships for a portfolio of long-term customers relationships established since the commencement of business; and (iii) trading rights granted by the Hong Kong Exchanges and Clearing Limited, which allows the Group to trade listed securities on or through the Stock Exchange and The Hong Kong Futures Exchange Limited

18. 無形資產 (續)

於年內，本集團向一名獨立外部人士收購一個國際運動品牌，包括「SKINS」品牌產品的核心技術專利，以於全球開發、生產、推廣及分銷專為運動員和體育愛好者設計及製造的「SKINS」品牌產品。本次收購事項的代價約為5,000,000美元約等於45,612,000港元已初次確認為成本。

於2019年12月31日，無形資產包括：(i)當地政府機構所授出於外國特許地區的特許期為7至15年（2018：7至15年）的知識產權（不限於「PONY」及「SKINS」品牌產品的設計、生產、包裝、銷售、分銷及營銷）；(ii)於香港以若干專利及商標生產、營銷、分銷及銷售保健養生產品的權利及從業務中建立的長期關係組合的客戶關係；及(iii)香港交易及結算所有限公司授出允許本集團於或透過香港聯合交易所有限公司及香港期貨交易所有限公司買賣證券的交易權。

18. INTANGIBLE ASSETS (CONTINUED)

The “PONY” and “SKINS” trademarks, patents and trademarks of healthcare product business and trading rights described above are considered by the Group’s management as having indefinite useful lives since they are expected to generate net cash inflows indefinitely to the Group, and therefore, they are required to be tested for impairment at the end of reporting period. The customer relationships of healthcare product business is considered by the Group’s management as having an estimated useful life of 15 years (2018: 15 years).

Saved for the purpose of impairment testing in respect of both “PONY” and “SKINS” trademarks, patents and trademarks of healthcare product business have been allocated to the respective cash-generating units of both branding and retailing and sourcing segments. Their recoverable amounts were determined based on the value-in-use calculations carried out by an independent qualified professional valuers not connected to the Group, namely Prudential Surveyors (Hong Kong) Limited, Ascent Partners Valuation Services Limited and Greater China Appraisal Limited.

For the “PONY” trademark, it covers a detailed 10-years (2018: 10 years) budget plan, plus an extrapolated cash flows projection by applying a long-term growth rate subsequent to the 10-years (2018: 10 years) budget plan, with a post-tax discount rate of 11.5% (2018: 12.8%).

18. 無形資產 (續)

本集團管理層認為「PONY」及「SKINS」商標、保健養生產品業務的專利及商標以及交易權擁有無限使用年期，預期將為本集團產生無限現金流入淨額；因而須於各報告期末進行減值測試。本集團管理層認為保健養生產品業務的客戶關係擁有估計15年（2018年：15年）的估計使用年期。

就「PONY」及「SKINS」商標以及保健養生產品業務的專利及商標的減值測試而言，彼等分別分配至品牌推廣分部以及零售及採購分部的現金產生單位。彼等可收回金額乃根據由測建行香港有限公司、艾升評估諮詢有限公司及漢華評估有限公司進行的使用價值計算予以釐定，而彼等均為與本集團並無關連的獨立合資格專業估值師。

就「PONY」商標而言，其涵蓋詳細的10年（2018年：10年）預算計劃，加上於10年（2018年：10年）預算計劃後採用長期增長率推算的現金流預測，稅後貼現率為11.5%（2018年：12.8%）。

18. INTANGIBLE ASSETS (CONTINUED)

The key assumptions used in the budget plan are:

- i. Cash flows beyond the 10-years budget plan are extrapolated by using an estimated 6% (2018: 3%) long-term growth rate;
- ii. Gross profit margin will be maintained at its current level throughout the 10-years budget plan;

For the newly acquired “SKINS” trademark, it covers a detailed 5-years budget plan, plus an extrapolated cash flow projection by applying a long-term growth rate subsequent to the 5-years budget plan, with a post-tax discount rate of 16.7%.

The key assumptions used in the budget plan are:

- i. Cash flows beyond the 5-years budget plan are extrapolated by using an estimated 2.9% long-term growth rate;
- ii. Gross profit margins will be maintained at its current level throughout the 5-years budget plan;

For the patents and trademarks of healthcare product business, it covers a detailed 10-years (2018: 5-years) budget plan, plus an extrapolated cash flow projection by applying a long-term growth rate subsequent to the 10-years (2018: 5-years) budget plan, with a post-tax discount rate of 14.8% (2018: 15.3%).

The key assumptions used in the budget plan are:

- i. Cash flows beyond the 10-years (2018: 5-years) budget plan are extrapolated by using an estimated 3% (2018: 3%) long-term growth rate;
- ii. Gross margins will be maintained at its current level throughout the 10-years (2018: 5-years') budget plan;

18. 無形資產 (續)

兩年度之預算計劃使用的主要假設如下：

- i. 超過10年期間之現金流量乃使用估計6% (2018年：3%)之長期增長率推算。
- ii. 於整個10年預算計劃期間，毛利率將維持現有水平。

就新收購的「SKINS」商標而言，其涵蓋詳細的5年預算計劃，加上於5年預算計劃後採用長期增長率推算的現金流預測，稅後貼現率為16.7%。

預算計劃使用的主要假設如下：

- i. 超過5年期間之現金流量乃使用估計2.9%之長期增長率推算。
- ii. 於整個5年預算計劃期間，毛利率將維持現有水平。

就保健產品的商標而言，其涵蓋詳細的10年預算計劃專利及(2018年：5年)，加上於10年(2018年：5年)預算計劃後採用長期增長率推算的現金流預測，稅後貼現率為14.8% (2018年：15.3%)。

預算計劃使用的主要假設如下：

- i. 超過10年(2018年：5年)期間的現金流量乃使用估計3% (2018：3%)的長期增長率推算；
- ii. 於整個10年(2018年：5年)預算計劃期間，毛利率將維持現有水平。

18. INTANGIBLE ASSETS (CONTINUED)

The Group's management concluded that all of the cash-generating units identified respectively in each of the businesses were sufficiently demonstrated the amount of discounted cash flows were fully covered against the carrying amounts of "PONY" and "SKINS" trademarks, patents and trademarks of healthcare product business. As a result, no provision of loss allowance was identified for both years.

18. 無形資產 (續)

本集團管理層認為所產生現金的單位已證明包含足夠現金流支持「PONY」及「SKINS」商標及專利賬面值和保健產品的商標賬面值，因此於兩個年度毋須就此作出沖銷虧損撥備。

**19. INTERESTS IN JOINT VENTURES/
AMOUNTS DUE FROM JOINT VENTURES****19. 合營企業之權益／貸款予合營企業款項**

		2019 HKD'000 千港元	2018 HKD'000 千港元
Interests in joint ventures:	合營企業權益：		
At 1 January	於1月1日	95,962	167,058
Step-up acquisition (Note 49)	進一步收購 (附註49)	-	(108,300)
Fair value gain on re-measurement of equity interests	重新計算股本權益的公平價值收益	-	5,363
Transfer of equity interests	股本權益轉移	-	16,824
Reduction in share capital	股本削減	(34,867)	-
Share of profit for the year	分佔年度溢利	5,315	19,955
Dividends received for the year	年度股息	-	(2,175)
Exchange realignment	匯兌重列	(542)	(2,763)
At 31 December	於12月31日	<u>65,868</u>	<u>95,962</u>

19. INTERESTS IN JOINT VENTURES/ AMOUNTS DUE FROM JOINT VENTURES (CONTINUED)

Details of the Company's joint ventures at 31 December 2018 and 2019:

Name of joint ventures 合營企業名稱	Place of incorporation/ registration and operation 註冊成立／登記及 經營地點	Particulars of registered share capital 註冊股本詳情	Effective interest in issued and paid-up capital indirectly held by the Company 本集團間接持有的 擁有已發行及 已繳足股本權益百分比		Principal activities 主營活動
			2019	2018	
武漢喬尚實業發展有限公司	The PRC (natural person investment or holding) 中國(自然人投資或控股)	Registered paid-up capital of RMB50,000,000 註冊資本50,000,000人民幣	25%	25%	Investment holding 投資控股
安陽喬尚柏奧萊商業管理有限公司	The PRC (Taiwan, Hong Kong or Macau and domestic joint venture) 中國(台、港、澳合資)	Registered paid-up capital of RMB10,000,000 註冊資本10,000,000人民幣	50%	50%	Operation and management of outlet malls 經營及管理奧特萊斯
安陽國旅尚柏奧萊置業有限公司	The PRC (domestic and foreign joint venture) 中國(本地及外商合資)	Registered paid-up capital of RMB60,000,000 (2018: RMB90,000,000) 註冊資本60,000,000人民幣(2018: 90,000,000人民幣)	50%	50%	Property investment 物業投資

The contractual arrangements provide the Group joint controls of the contractual arrangements with the rights to the net assets to share the net outcome generated by the economic activities from the joint ventures, whereas the rights to the assets and obligations for the liabilities under the joint arrangements rested primarily on the joint ventures. Under the requirement of HKFRS 11 "Joint Arrangements", the equity interests in these joint arrangements are classified as interests in joint ventures and accounted for using the equity method at 31 December 2018 and 2019.

19. 合營企業之權益／貸款予合營企業款項(續)

於2018年及2019年12月31日，本集團持有以下合營企業權益：

合約安排令本集團僅享有共同控制權，即擁有資產淨值之權利以分享合營企業經濟活動所產生的成果。享有合營安排資產之權利及負債之義務主要取決於上述合營企業。根據香港財務報告準則第11號「合營安排」，該等合營安排被分類為合營企業，並已採用2018及2019年12月31日的權益法於綜合財務報表入賬。

19. INTERESTS IN JOINT VENTURES/ AMOUNTS DUE FROM JOINT VENTURES (CONTINUED)

At 31 December 2018 and 2019, the Company indirectly held 50% of the equity interests in both 安陽喬尚尚柏奧萊商業管理有限公司 and 安陽國旅尚柏奧萊置業有限公司 and 25% of the equity interest in 武漢喬尚實業發展有限公司 and its wholly-owned subsidiary, 安陽國旅實業發展有限公司, which in aggregate held the remaining 50% equity interest in both 安陽喬尚尚柏奧萊商業管理有限公司 and 安陽國旅尚柏奧萊置業有限公司.

During the year, the board of directors of the joint venture company, namely 安陽國旅尚柏奧萊置業有限公司 had resolved to reduce the amount of share capital from RMB90,000,000 to RMB60,000,000. The reduction of share capital of approximately HKD34,867,000 (2018: HKD nil) has been received during the year.

19. 合營企業之權益／貸款予合營企 業款項 (續)

於2018年及2019年12月31日本集團間接持有安陽喬尚尚柏奧萊商業管理有限公司及安陽國旅尚柏奧萊置業有限公司之50%股權。此外，本集團間接持有武漢喬尚實業發展有限公司及其全資附屬公司安陽國旅實業發展有限公司之25%股權，後者則持有安陽喬尚尚柏奧萊商業管理有限公司及安陽國旅尚柏奧萊置業有限公司餘下之50%股權。

於年內，合營企業名為安陽國旅尚柏奧萊置業有限公司的董事會經決議降低其合營企業的資本由90,000,000人民幣至60,000,000人民幣。於年度收到其股本約為34,867,000港元（2018年：無）的股本退款。

19. INTERESTS IN JOINT VENTURES/ AMOUNTS DUE FROM JOINT VENTURES (CONTINUED)

Aggregate financial information of the joint ventures that are not individually material

		2019 HKD'000 千港元	2018 HKD'000 千港元
Share of profits for the year	本集團分佔年度溢利	5,315	19,955
Share of other comprehensive income for the year	本集團分佔年度其他全面收入	(542)	(2,763)
Share of total comprehensive income for the year	本集團分佔年度全面收入總額	4,773	17,192
Amounts due from joint ventures		10,048	8,170
		2019 HKD'000 千港元	2018 HKD'000 千港元
Amounts due from joint ventures		10,048	8,170

During the year, the joint venture company has fully repaid the gross amount of approximately HKD11,400,000 which was unsecured and interest-bearing at 5% per annum at 31 December 2018.

As at 31 December 2019, the carry amount of amount due from joint venture of approximately HKD10,480,000 (2018: HKD8,170,000) was unsecured, interest-free and repayable on demand.

19. 合營企業之權益／貸款予合營企業款項 (續)

個別而言並非重大之合營企業的合計財務資料

於年內，合營企業已全數償還總額約11,400,000港元的款項。有關款項為無抵押，於2018年12月31日的年利率為5%。

於2019年12月31日合營企業應付款項帳面值約10,480,000港元（2018年：8,170,000港元）結餘為無抵押、無計息及須按要求償還。

20. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE

20. 聯營企業之權益／應收聯營企業款項

		2019 HKD'000 千港元	2018 HKD'000 千港元
Interest in an associate	聯營企業之權益	—	—

Details of the Company's associate 31 December 2018 and 2019, which was an unlisted corporate entity whose quoted market price is not available, were disclosed as follows:

於2018及2019年12月31日，本集團於以下聯營企業的權益詳情，由於有關聯營企業是非上市公司所以無法判定市值：

Name of associate 聯營企業	Place of incorporation/ registration and operation 註冊成立／登記及 經營地點	Particulars of issue and paid-up share capital 已發行及已繳足 股份類別	Effective interest in issued and paid-up capital indirectly held by the Company 本公司持有的 擁有權益百分比		Principal activities 主營活動
			2019	2018	
Just Dawn Limited	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD30 普通股30美元	30%	30%	Investment holding 投資控股

AGGREGATE FINANCIAL INFORMATION OF THE ASSOCIATE THAT IS NOT INDIVIDUALLY MATERIAL

個別而言並非重大之聯營企業的合計財務資料

		2019 HKD'000 千港元	2018 HKD'000 千港元
Share of loss for the year	本集團分佔年度虧損	—	(2,326)
Loan to an associate	貸款予一間聯營企業	—	—
Amount due from an associate	應收一間聯營企業款項	18,081	35,343

20. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE (CONTINUED)

AGGREGATE FINANCIAL INFORMATION OF THE ASSOCIATE THAT IS NOT INDIVIDUALLY MATERIAL (CONTINUED)

During the year ended 31 December 2018, the carrying amount of loan to an associate of approximately HKD5,996,000 was reduced by the provision of loss allowance of loan to an associate of approximately HKD3,670,000 after share of loss of the associate of approximately HKD2,326,000 was recognised.

At 31 December 2019, the carrying amount of amount due from an associate of approximately HKD18,081,000 (2018:HKD35,343,000) was unsecured, non-interest bearing and repayable on demand. During the year, the Group recognised the provision of loss allowance of amount due from an associate of approximately HKD11,631,000 (2018: HKD1,761,000).

20. 聯營企業之權益／應收聯營企業款項 (續)

個別而言並非重大之聯營企業的合計財務資料 (續)

於2018年12月31日的年度內向聯營企業提供的貸款帳面值約為5,996,000港元。虧損撥備減少約3,670,000港元至已確認虧損約2,326,000港元。

截至2019年12月31日，應收聯營企業款項帳面值約為18,081,000港元（2018年：35,343,000港元）為無抵押、不計息及須按要求償還。年內，本集團確認應收一間聯營企業款項的虧損撥備約11,631,000港元（2018：1,761,000港元）。

21. GOODWILL

21. 商譽

		2019 HKD'000 千港元	2018 HKD'000 千港元
Cost:	成本		
At 1 January	於1月1日	147,501	33,796
Acquired through business combination (Note 49)	透過業務合併收購 (附註49)	—	113,705
		<u>147,501</u>	<u>147,501</u>
At 31 December	於12月31日	147,501	147,501
Accumulated impairment loss:	累計減值損失		
At 1 January	於1月1日	—	—
Provided for the year	年度撥備	6,100	—
		<u>6,100</u>	<u>—</u>
At 31 December	於12月31日	6,100	—
Net book value:	賬面淨值		
At 31 December	於12月31日	<u>141,401</u>	<u>147,501</u>

21. GOODWILL (CONTINUED)

On 12 October 2018, the Group completed the acquisition of the remaining 40% equity interests in Aggressive Resources Limited, of which the Group was previously owned 60% equity interests before the date of acquisition, for a consideration of HKD72,200,000 satisfied by cash as further disclosed in Note 49 to the consolidated financial statements. The Group therefore recognised a goodwill of approximately HKD113,705,000 arising from such business combination. In addition, there was a goodwill arising from the previous business combination of the financial services business of approximately HKD33,796,000 in the financial year of 2014.

Both of the carrying amount of goodwill were allocated to their respective cash-generating units for the purpose of impairment testing at the end of reporting period. During the year, impairment loss on goodwill was recognised in profit or loss of approximately HKD6,100,000 (2018: HKD nil) given that the recent adverse financial performance of the healthcare product business in Hong Kong due to the outbreak of social incidents.

(I) FINANCIAL SERVICES BUSINESS

For the purposes of impairment testing of the financial services business, the recoverable amount of the cash-generating unit allocated was determined based on value-in-use calculation, covering a detailed 5-years (2018: 5 years) budget plan, plus an extrapolated cash flows projection by applying a long-term growth rate subsequent to the 5-years (2018: 5 years) budget plan, with a pre-tax discount rate of 19.5% (2018: 19.5%).

The key assumptions used in the budget plan are:

- i. Cash flows beyond the 5-years budget plan are extrapolated by using an estimated zero (2018: zero) terminal growth rate; and
- ii. Gross profit margins will be maintained at its current level throughout the 5-years budget plans.

21. 商譽 (續)

於2018年10月12日，本集團以價值72,200,000港元現金完成收購Aggressive Resources Limited餘下40%股本權益，在收購進行前，本集團持有有關公司60%股本權益，詳情於綜合財務報表附註49進一步披露。於年內，本集團業務合併確認商譽約113,705,000港元。此外，於2014財政年度就金融服務業務的業務合併產生的商譽為約33,796,000港元。

於報告期末，上述商譽賬面值結餘分配至其各自現金產生單位，以於報告期末進行減值測試。於年內，由於香港社會事件導致保健產品在香港的生意產生不利財務表現，集團確認約6,100,000港元（2018年：無）商譽減值。

(I) 金融服務業務

就對金融服務業務商的減值測試而言，可收回金額已確定分配的現金產生單位基於使用價值計算，包括詳細的5年預算計劃（2018年：5年），加上於5年（2018年：5年）詳細計劃後採用長期增長率推算的現金預測釐定，稅前貼現率為19.5%（2018年：19.5%）。

預算計劃使用的主要假設如下：

- i. 超過五年期間的現金流乃使用估計零（2018年：零）增長率推算；及
- ii. 於整個5年預算計劃期間，毛利率將維持現有水平。

21. GOODWILL (CONTINUED)**(II) HEALTHCARE PRODUCT BUSINESS**

For the purposes of impairment testing of healthcare product business, the recoverable amount of the cash-generating unit allocated was determined based on value-in-use calculation, covering a detailed 10-years (2018: 5-years) budget plan, plus an extrapolated cash flows projection by applying a long term growth rate subsequent to the 10-years (2018: 5-years) plan, with a pre-tax discount rate of 16.8% (2018: 16.3%).

The key assumptions used in the budget plan for both years are:

- i. Cash flow beyond the 10-years (2018: 5-years) budget plan are extrapolated by using an estimated 3% (2018: 3%) growth rate; and
- ii. The gross margins will be maintained at its current level throughout the 10-years (2018: 5-years) budget plan.

Except for the impairment loss of goodwill arising from the business combination of the healthcare products business in Hong Kong was recognised in profit or loss of approximately HKD6,100,000 (2018: HKD nil) during the year, the Group's management concluded that there was no impairment required for the financial service business as the recoverable amount exceeds its carrying amount of related goodwill for both years.

21. 商譽 (續)**(II) 保健產品業務**

就對保健產品業務商譽減值測試而言保健產品業務，已確定分配的現金產生單位的可收回金額基於使用價值計算，包括10年(2018年：5年)詳細預算計劃，加上通過應用10年(2018年：5年)詳細計劃後採用長期增長率推算的現金預測釐定，稅前貼現率16.8% (2018年：16.3%)。

兩個年度的的預算計劃使用的主要假設如下：

- i. 超過10年(2018年：5年)：年期間的現金流乃使用估計3% (2018年：3%) 增長率推算；及
- ii. 於整個10年(2018年：5年)預算計劃期間，毛利率將維持現有水平。

於年內，除由業務合併導致保健產品業務商譽減值虧損約6,100,000港元於年內損益確認(2018年：無)集團管理層基於兩年的有關商譽的可收回金額大於基賬面值，因此於金融服務業務並無減值需要。

22. INVENTORIES

22. 存貨

		2019 HKD'000 千港元	2018 HKD'000 千港元
Raw materials	原材料	4,323	4,898
Work-in-progress	在製品	333	350
Finished goods	製成品	83,255	91,355
		87,911	96,603
Provision of allowance	存貨備抵撥備	(19,953)	(11,223)
		67,958	85,380

Movements of provision of allowance of inventories during the year were as follows:

年內存貨備抵撥備變動如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
At 1 January	於1月1日	11,223	10,191
Provision of allowance	存貨備抵撥備	8,951	838
Exchange realignment	匯兌重列	(221)	194
At 31 December	於12月31日	19,953	11,223

A provision of allowances of inventories of approximately HKD8,951,000 (2018: HKD838,000) was recognised during the year mainly arising from the decrease in the net realisable value of certain types of inventories caused by the reduction of estimated scrap value of inventories subject to changes in consumers' preferences and macroeconomic environment against the demand of inventories.

年內於損益確認存貨備抵撥備約8,951,000港元(2018年:838,000港元)，主要因估計殘值減少導致若干商品的可變現淨值減少，此乃受消費者喜好及宏觀經濟環境變化所影響。

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收賬款

		31 December 2019 2019年 12月31日 HKD'000 千港元	1 January 2019 2019年 1月1日 HKD'000 千港元	31 December 2018 2018年 12月31日 HKD'000 千港元
Trade receivables arising from:	從以下產生貿易 應收賬款			
– Other than financial services segment	– 金融服務分部除外	39,929	75,818	75,818
– Financial services segment	– 金融服務分部	12,647	8,048	8,048
Total gross amount of trade receivables	貿易應收賬款總額	52,576	83,866	83,866
Less: Loss allowance	減：虧損撥備	(6,575)	(29,450)	(29,450)
Total trade receivables, net of loss allowance	應收賬款總額 扣除虧損撥備	46,001	54,416	54,416
Other receivables, deposits and prepayments	其他應收賬款， 訂金及預繳	153,188	467,106	467,152
Less: Loss allowance on other receivables	減：其他應收款虧損 撥備	(8,820)	(7,974)	(7,974)
Total other receivables, net of loss allowance	其他應收賬款總額， 扣除虧損撥備	144,368	459,132	459,178
Total trade and other receivables, net of loss allowance	貿易及其他應收賬款 總額，扣除虧損撥備	190,369	513,548	513,594

On the date of transition to HKFRS 16 at 1 January 2019, the prepaid operating leases expenses of approximately HKD46,000 previously included in other receivables were adjusted to right-of-use assets recognised at 1 January 2019. Details of the impact of the transition to HKFRS 16 are disclosed in Note 2(A) to the consolidated financial statements.

於2019年1月1日下採用香港財務報告準則第16號，租賃預付款項約46,000港元，以往包含在其他應收賬款，於2019年1月1日在使用權資產內確認。財務報告準則第16號下，有關的過渡影響詳情見綜合財務報表附註2(A)。

23. TRADE AND OTHER RECEIVABLES (CONTINUED)

TRADE RECEIVABLES ARISING FROM THOSE OTHER THAN FINANCIAL SERVICES SEGMENT

The Group allows an average credit period ranged from 60 to 90 days (2018: 60 to 90 days) for its trade debtors arising from those other than the financial services segment.

TRADE RECEIVABLES ARISING FROM FINANCIAL SERVICES SEGMENT

23. 貿易及其他應收賬款 (續)

來自金融服務分部以外的貿易應收賬款

本集團提供介乎60至90日(2018: 60至90日)的平均信貸期予貿易客戶(不包括金融服務分部客戶)。

來自金融服務分部的貿易收賬款

		2019 HKD'000 千港元	2018 HKD'000 千港元
Trade receivables arising from the ordinary course of business of dealing in securities:	證券買賣一般業務過程產生的貿易應收賬款		
– Cash clients	– 現金客戶	3,220	326
– Clearing house	– 結算所	532	–
– Others	– 其他	–	88
		3,752	414
Trade receivables arising from the ordinary course of business of provision of:	提供一般業務過程產生的貿易應收賬款		
– Money lending	– 放貸	9,395	7,634
		13,147	8,048
Total gross amount of trade receivables	應收賬款總額		
Less: Loss allowance on money lending	減: 放貸虧損撥備	(500)	–
		12,647	8,048
Total trade receivables, net of loss allowance	總應收賬款減虧損撥備		

23. TRADE AND OTHER RECEIVABLES (CONTINUED)

TRADE RECEIVABLES ARISING FROM FINANCIAL SERVICES SEGMENT (CONTINUED)

Movement of loss allowance of trade receivables arising from financial services segment during the year was as follows:

		2019 HKD'000 千港元	2018 HKD'000 千港元
At 1 January	於1月1日	–	–
Provision of loss allowance	虧損撥備	500	–
At 31 December	於12月31日	500	–

Save for the credit period allowed by the Group, the settlement terms of trade receivables arising from the ordinary course of business of dealing in securities are either one or two trading days after the trade date depending on the categories of the underlying securities transactions are executed. Although the Group did not hold any securities or other credit enhancement over these balances pledged by cash clients and clearing house. In the view of the fact that those receivables related to a number of diversified cash clients and clearing house and no significant increase in credit risk since initial recognition and not credit-impaired of the respective balances at the end of reporting period, therefore, the amount of loss allowance under lifetime ECL assessment was immaterial to be recognised for both years.

23. 貿易及其他應收賬款 (續)

來自金融服務分部的貿易應收賬款 (續)

於年內來自金融服務分部的應收賬款虧損撥備變動如下：

除本集團允許的信貸期外，一般證券交易業務的應收款結算是交易日後一個或兩個交易日，具體取決於證券交易的類別執行。儘管該集團沒有持有任何證券或對這些客戶及交易餘額的提升信貸。鑒於與多種現金有關的應收款項客戶和結算所初始確認後，並無重大集中信貸風險，不存在信用減值報告期末餘額，因此，在預期信貸虧損評估下的虧損撥備，這兩年的評估都並不重大。

23. TRADE AND OTHER RECEIVABLES (CONTINUED)

TRADE RECEIVABLES ARISING FROM FINANCIAL SERVICES SEGMENT (CONTINUED)

Trade receivables from money lending business was due on the agreed settlement dates in accordance with the respective money lending agreements. Similar to the balance of loans receivable as disclosed in Note 25 to the consolidated financial statements, the Group is allowed to dispose of the borrowers' properties and listed equity securities to settle any overdue balance of interest payments due to the Group. Based on the result of ECL calculation and market value of securities provided by the borrowers, a loss allowance of approximately HKD500,000 (2018: HKD nil) was recognised during the year.

The following is an ageing analysis of the trade receivables, net of loss allowances, arising from those other than financial services segment and financial service segment, which is presented based on the invoice date or transaction date, where applicable, at the end of the reporting period:

23. 貿易及其他應收賬款 (續)

來自金融服務分部的貿易應收賬款 (續)

由貸款業務產生的應收款餘額根據各自的貸款協定。類似於本集團綜合財務報表附註25所披露的貸款業務的應收款餘額，本集團可處置借款人的物業及上市股本證券，以結算任何逾期利息餘額應付集團款項。基於預期信用虧損的結果及借款人抵押品的市價，虧損撥備約500,000港元（2018年：零港元）於年內獲認可。

於報告期末，本集團以發票日期或交易日期（倘適用）為基準呈列的金融服務分部及非金融服務分部貿易應收賬款扣除虧損撥備的賬齡分析如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
0 to 30 days	0至30天	19,929	27,780
31 to 60 days	31至60天	8,766	7,216
61 to 90 days	61至90天	2,482	2,407
Over 90 days	逾90天	<u>14,824</u>	<u>17,013</u>
		<u>46,001</u>	<u>54,416</u>

**23. TRADE AND OTHER RECEIVABLES
(CONTINUED)****TRADE RECEIVABLES ARISING FROM FINANCIAL
SERVICES SEGMENT (CONTINUED)**

Movements of loss allowance of trade receivables arising from those other than financial services segment and financial services segment during the year were as follows:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Original balance at 1 January under HKAS 39	在香港會計準則第39號 的年初結餘	29,450	23,664
Initial adoption of HKFRS 9	首次採立香港財務報告準則 第9號	—	4,098
Adjusted balance as at 1 January	於1月1日調整結餘	29,450	27,762
Provision of loss allowance	虧損撥備	2,568	1,688
Written off	撇賬	(23,664)	—
Exchange realignment	匯兌重列	(1,779)	—
Balance at 31 December	於12月31日結餘	6,575	29,450

The Group has measured the loss allowance of trade receivables arising from those other than financial services segment and financial services segment by using HKFRS 9 simplified approach as of 1 January 2018 assuming that all of the trade debtors shared a similar credit risk characteristic under the lifetime ECL assessment. Provision matrix is used to measure the loss allowance of trade receivables for both years. The default rates are based on the past due days by grouping of customers arising from different operating segments with similar loss patterns. The ECL calculation reflects the probability-weighted outcome, time value of money and adjustments on the reasonable and supportive forward-looking information available to the Group. Generally, the balance of trade receivables is written off in full as if it is past due more than 180 days and are not subject to any credit enhancement activity imposed by the Group.

During the year, the Group recognised loss allowance of trade receivables of approximately HKD2,568,000 (2018: HKD1,688,000) in accordance with the result of ECL calculation.

23. 貿易及其他應收賬款 (續)**來自金融服務分部的貿易應收賬款
(續)**

於年內其他來自非金融服務分部及金融服務分部的應收賬款的虧損撥備變動如下：

本集團於2018年1月1日已使用香港財務報告準則第9號的簡化方法計量來自非金融服務分部及金融服務分部的貿易應收賬款的虧損撥備，當中假設所有客戶於全期預期信貸虧損計算項下的信貸風險特性類似。本集團採用撥備矩陣計量貿易應收賬款的虧損撥備。違約率乃基於具有類似虧損模式的多個不同營業分部客戶組別的逾期天數釐定。該計算反映或然率加權結果、貨幣時間價值及可得的有關過往事項、當前狀況及未來總體經濟狀況預測的合理及可靠資料。一般而言，倘貿易應收賬款結餘逾期超過180天，且不受執行工作規限，則予以悉數撇銷，且不受限於集團的提升信貸活動。

於年內，根據預期信用虧損的結果計算本集團就貿易應收賬款損失撥備304,000港元(2018年：331,000港元)和2,568,000港元(2018年：1,688,000港元)根據預期信用虧損的結果計算。

23. TRADE AND OTHER RECEIVABLES (CONTINUED)

TRADE RECEIVABLES ARISING FROM FINANCIAL SERVICES SEGMENT (CONTINUED)

Movements of loss allowance of other receivables during the year were as follows:

At 1 January	1月1日結餘
Provision of loss allowance	虧損撥備
Exchange realignment	匯兌重列
At 31 December	於12月31日

The amount of loss allowance of other receivables was limited to 12-month ECL assessment, except for those are classified as stage 3 under the lifetime ECL assessment as disclosed below, given that there has not been a significant increase in credit risk since initial recognition and not credit-impaired balance at the end of reporting period. Therefore, the total gross amount of other receivables of approximately HKD153,188,000 (2018: HKD467,152,000) was classified as stage 1 under the definition disclosed in Note 25 to the consolidated financial statements.

The provision of loss allowance of other receivables recognised above is related to certain counterparties who are slow in settlement and none of the balances are expected to be recovered in the remaining lifetime of the balances. At 31 December 2019, the gross amount of those credit-impaired receivables classified as stage 3 under the lifetime ECL assessment was approximately HKD8,820,000 (2018: HKD7,974,000) and loss allowance of approximately HKD455,000 (2018: HKD nil) was recognised during the year.

23. 貿易及其他應收賬款 (續)

來自金融服務分部的貿易應收賬款 (續)

於年內其他應收賬款的減值虧損撥備變動如下：

	2019 HKD'000 千港元	2018 HKD'000 千港元
At 1 January	7,974	7,974
Provision of loss allowance	455	—
Exchange realignment	391	—
At 31 December	8,820	7,974

其他應收款損失撥備金額為僅限於12個月的預期信用虧損評估，但以下所披露的被歸類為第3階段預期信用虧損評估，考慮到自首次確認以來信用風險沒有顯著增加以及報告期末沒有信用減值。因此，其他應收款項總額約153,188,000港元（2018年：467,152,000港元）被列為綜合財務報表附註25披露的第1階段定義聲明。

上述已確認的其他應收賬款的沖銷虧損撥備與結算較慢的若干交易對方有關，且預期無結餘可予收回。於2019年12月31日有關信貸減值應收賬款的總額為約8,820,000港元（2018年：7,974,000港元）分類為全期預期信貸虧損第3階段，而年內確認的虧損撥備為約455,000港元（2018年：無）。

24. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

24. 提供予保證金融資客戶之墊款

		2019 HKD'000 千港元	2018 HKD'000 千港元
Directors and their associates	董事及其聯繫人士	18,036	8,915
Other margin clients	其他保證金客戶	104,612	135,230
		122,648	144,145

At 31 December 2019, the carrying amount of advances to customers in margin financing from the margin financing business in Hong Kong was secured by listed equity securities in Hong Kong, carried interest rates ranged from Prime Rate to Prime Rate plus 3% (2018: Prime Rate to Prime Rate plus 3%) per annum in average and repayable on demand.

The amounts of credit facilities granted to the margin clients are determined on the basis of the discounted market value of listed equity securities accepted by the Group. The Group maintains a list of approved stocks for margin lending at certain specified loan-to-collateral ratios. Any excess in the aforesaid ratio will trigger a margin call for the margin client to settle the margin shortfall.

At 31 December 2019, the total undiscounted market value of listed equity securities pledged in respect of the margin lending to the margin clients was approximately of HKD506,214,000 (2018: HKD570,105,000). According to the Clients' Account Opening Agreements, the Group is allowed to dispose of the listed equity securities pledged to settle clients' outstanding obligations due to the Group.

截至2019年12月31日，由香港的融資業務產生的提供予保證金融資客戶之墊款的賬面值，由香港上市權益證券擔保，附帶利率從優惠利率到優惠利率再加上3%（2018年：優惠年平均利率加上3%），以及按需償還。

給予保證金客戶的信貸額度根據貼現的市場價值按照本集團接受的上市權益性證券決定。本集團備有一份經準予的保證金股票清單以特定的貸款與抵押品比率放貸。任何超過上述比率將觸發保證金客戶追加保證金以解決保證金不足。

截至2019年12月31日，未貼現市場總額就向保證金客戶提供的保證金貸款約為506,214,000港元（2018年：570,105,000港元）。根據客戶的開戶協定，本集團允許處置其質押上市的股本證券，以償還客戶尚欠本集團的未償債務。

24. ADVANCES TO CUSTOMERS IN MARGIN FINANCING (CONTINUED)

Based on the result of ECL calculation and the discounted market value of listed equity securities, no provision of loss allowance was recognised for both years given that no significant default events of failure to repay the margin call from any margin clients and the discounted market value of listed equity securities provided were sufficiently covered the outstanding balances of advances to customers in margin financing as at 31 December 2018 and 2019.

No ageing analysis is disclosed for advances to customers in margin financing, as in the opinion of the directors of the Company, an ageing analysis is not meaningful in view of the business nature of margin financing. The maximum exposure of credit risk against the Group is the carrying amount of advances to customers in margin financing at the end of reporting period.

25. LOANS RECEIVABLE

Secured balance before loss allowances 未計入虧損撥備有擔保結餘
Less: Loss allowances 減：虧損撥備

At 31 December 2019, the carrying amount of loans receivable arising from the money lending business in Hong Kong was secured by mortgages over the borrowers' properties and listed equity securities in Hong Kong, carried at interest rates ranged from 8% to 36% (2018: 5%-18%) per annum and repayable within one year from the respective dates of advances to the borrowers or on demand for both years.

24. 提供予保證金融資客戶之墊款 (續)

根據預期信用虧損計算結果和貼現上市權益證券市值，於兩個年度無沖銷虧損撥備確認，鑒於沒有保證金客戶未能償還追加保證金的重大違約事件。截至2018年和2019年12月31日，上市的股本證券的貼現市場金額足夠蓋過預付保證金客戶的未付融資結餘。

本公司董事認為，鑒於保證金融資的業務性質，賬齡分析並無意義，故並無披露提供予保證金融資客戶之墊款賬齡分析。本集團的最大信用風險敞口是年末融資融券墊款報告。

25. 應收貸款

	2019 HKD'000 千港元	2018 HKD'000 千港元
Secured balance before loss allowances	173,993	172,888
Less: Loss allowances	<u>(6,800)</u>	<u>(6,800)</u>
	<u>167,193</u>	<u>166,088</u>

截止2019年12月31日，從放貸人業務產生應收貸款賬面值乃由借款人的物業／或金融資產（主要由香港上市證券）的質押作擔保，這兩個年度內，按年利率8%至36%（2018年：5%－18%），計息及須於墊款日期起一年內或按要求支付。

25. LOANS RECEIVABLE (CONTINUED)

25. 應收貸款 (續)

Movement of loss allowances of loans receivable during the year were as follows:

以下為年內應收貸款的虧損撥備的變動：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Original balance at 1 January under HKAS 39	在香港會計準則第39號下 1月1日的年初結餘	–	16,000
Initial adoption of HKFRS 9	首次採用香港財務報告準則 第9號	–	16,715
Adjusted balance at 1 January	於1月1日調整結餘	6,800	32,715
Write off	撇賬	–	(32,715)
Provision of loss allowance	虧損撥備	–	6,800
Balance at 31 December	12月31日結餘	6,800	6,800

Analysis of the gross carrying amount and allowance of loans receivable under different stages of default as at 31 December 2018 and 2019 were as follows:

以下為2018年及2019年12月31日各違約階段應收貸款的賬面值總額及撥備賬面值的分析：

		Stage 1 階段一 HKD'000 千港元	Stage 2 階段二 HKD'000 千港元	Stage 3 階段三 HKD'000 千港元	Total 總和 HKD'000 千港元
Gross carrying amount:	賬面值總額				
At 1 January 2018	於2018年1月1日	129,012	–	124,120	253,132
New loans originated	新產生貸款	19,363	–	–	19,363
Write off	撇賬	–	–	(76,000)	(76,000)
Repayments of loans	償還貸款	(21,200)	–	(2,407)	(23,607)
At 31 December 2018	於2018年12月31日	127,175	–	45,713	172,888
New loans originated	新產生貸款	55,000	–	–	55,000
Repayments of loans	償還貸款	(53,439)	–	(456)	(53,895)
At 31 December 2019	於2019年12月31日	128,736	–	45,257	173,993

25. LOANS RECEIVABLE (CONTINUED)

25. 應收貸款 (續)

		Stage 1 階段一	Stage 2 階段二	Stage 3 階段三	Total 總和
		HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元
Loss allowance:	減值虧損				
At 1 January 2018	於2018年1月1日	-	-	32,715	32,715
Write off	撇賬	-	-	(32,715)	(32,715)
Provision of loss allowance	虧損撥備	-	-	6,800	6,800
At 31 December 2018 and 2019		-	-	6,800	6,800

For a total amount of loans receivable of approximately HKD128,736,000 (2018: HKD127,175,000) classified as stage 1 defined under the stages of default, there is a limited exposure of credit risk given that there has not been a significant increase in credit risk since initial recognition and not credit-impaired of the respective balance at the end of reporting period. Therefore, the amount of loss allowance was limited to 12-month ECL assessment and was immaterial to be recognised for both years.

For a total amount of loans receivable of approximately HKD45,257,000 (2018: HKD45,713,000) classified as stage 3 defined under the stages of default, there has a significant increase in credit risk since initial recognition and credit-impaired of the respective balance at the end of reporting period. Therefore, the amount of loss allowance is subject to lifetime ECL assessment and is immaterial to be recognised during the year (2018: HKD6,800,000).

Definition of stage 1, stage 2 and stage 3, collectively known as stages of default under the requirement of HKFRS 9 are as follows:

應收貸款總額約為128,736,000港元(2018年:127,175,000港元)分類根據違約階段下定義的階段1,由於自首次採立後信貸風險未有重大增加並於期末報告時未有信用減值,信貸風險有限。因此,虧損撥備金額僅限於12個月的預期信用虧損評估,並不重要致需於兩年度要被確認。

應收貸款總額約為45,257,000港元(2018年:45,713,000港元)歸類在違約階段3下,在報告期末,自首次確認和信用減值以來各自的結餘信用風險顯著增加。因此,虧損撥備的金額以預期信用虧損評估,在兩年都不重要不致於兩年度內要被確認(2018年:港幣6,800,000元)。

階段1、階段2和階段3的定義,統稱為根據香港財務報告準則第9號的要求,違約階段為具體如下:

25. LOANS RECEIVABLE (CONTINUED)

Stage 1: Exposures where the outstanding loan balance has not been recorded a significant increase in credit risk since the initial recognition and is not deemed to be credit-impaired at the end of reporting period, the proportion of lifetime ECL assessment associated with the probability of default events occurring within the next 12 months after the end of reporting period is recognised in profit or loss when it incurred.

Stage 2: Exposures where the outstanding loan balance has been recorded a significant increase in credit risk since the initial recognition but is not deemed to be credit-impaired at the end of reporting period, the lifetime ECL assessment which reflects the remaining lifetime of the associated balance is recognised in profit or loss when it incurred.

Stage 3: Exposures where the outstanding loan balance is deemed as credit-impaired at the end of reporting period, the lifetime ECL assessment is implemented when there is one or more events identified that have a detrimental impact against the repayment of interest and/or principal of the loan balance in the remaining lifetime of the loan balance was incurred.

25. 應收貸款 (續)

第一階段：當自首次採立但於報告期末不被視為信用減值，未償還貸款餘額未有以大幅增加記錄，會使用未來12個月內違約事件發生的可能性作為相關的全期預期信貸虧損於損益中確認。

第2階段：當自首次採立但於報告期末不被視為信用減值，未償還貸款餘額以信貸風險大幅增加記錄。全期預期信用虧損評估（即反映餘下期限的相關結餘在發生時在損益中確認）。

第3階段：未償貸款餘額為在報告期末被視為信用減值，當一個或多於一個被識別為對償還餘下貸款結餘利息及／或本金具有損害時，將實行全期預期信用虧損評估。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

26. 按公平值列入損益的金融資產

		2019 HKD'000 千港元	2018 HKD'000 千港元
Listed equity securities in Hong Kong	香港上市的股本證券	66,012	6,676
Unlisted equity investments outside Hong Kong	香港境外非上市股本投資	174,941	65,777
		240,953	72,453

Both of the listed equity securities in Hong Kong and unlisted equity investments outside Hong Kong are classified as financial assets at fair value through profit or loss under the definition of HKFRS 9. For the key inputs of fair value measurements of those listed equity securities in Hong Kong and unlisted equity investments outside Hong Kong are disclosed in Note 39(C) to the consolidated financial statements.

During the year, the fair value gain on financial assets at fair value through profit or loss of approximately HKD88,843,000 (2018: fair value loss of approximately HKD2,443,000) was recognised in profit or loss subject to increase (2018: decrease) of market value of comparable companies and other inputs.

於香港上市的股本證券及於香港境外的非上市股本投資以香港財務報告準則第9號定義分類為金融資產按公平值列入損益均分類為持作買賣。採用香港財務報告準則第9號後，該等投資被分類為按公平價值列入損益的金融資產。有關前述股，上市股本證券及非上市股本投資估值的主要輸入數據披露於綜合財務報表附註39(C)。

於年內約88,843,000港幣(2018年：公平價值損失約2,443,000港幣)按公平價值列入損益的金融資產公平價值淨收益於損益表中確認，受制可作比較公司市場價值及其他輸入數據的增加(2018年：減少)。

27. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH

(A) RESTRICTED BANK DEPOSITS

As at 31 December 2019, a restricted bank deposit of approximately HKD3,356,000 (2018: HKD3,418,000) was classified as a non-current asset, denominated in Renminbi (“RMB”) and carried at a fixed interest of 2.75% (2018: 2.75%) per annum. The use of restricted bank deposit was restricted by one of the tenants located in the outlet mall, where located in Shenyang, the PRC.

As at 31 December 2019, a restricted bank deposit of HKD20,000,000 (2018: HKD20,000,000) was classified as a current asset (2018: non-current asset) denominated in HKD and carried a fixed interest of 2.0% (2018: 0.3%) per annum. The restricted bank deposit is used to secure a banking facility of HKD170,000,000 granted to the Group. During the year, it was reclassified from a non-current to a current asset given that the banking facility will be expired within one year from the end of reporting period and the bank borrowings will be repaid on the expiry date of the banking facility.

As at 31 December 2019, a restricted bank deposit of approximately HKD17,174,000 (2018: HKD11,396,000) was classified as a current asset (2018: non-current asset) denominated in RMB and carried a fixed interest at 1.95% (2018: 1.95%) per annum. The restricted bank deposit is used to secure a banking of RMB350,000,000 (2018: RMB300,000,000). During the year, it was reclassified from a non-current asset to a current asset given that the banking facility will be expired within one year from the end of reporting period and the bank borrowings will be repaid on the expiry date of the banking facility.

27. 受限制銀行存款／銀行結餘及現金

(A) 受限制銀行存款

作2019年12月31日分類為非流動資產之受限制銀行存款約3,356,000港元(2018年:3,418,000港元)以人民幣計值,以固定年利率2.75%(2018年:2.75%)計息。動用銀行存款須本集團中國瀋陽奧特萊斯的租戶之一同意方可作實。

於2019年12月31日,分類為流動資產(2018年:非流動資產)之受限制銀行存款約20,000,000港元(2018年:20,000,000港元)以港幣計值,以固定年利率2.0%(2018年:0.3%)計息分類為流動資產。該受限制銀行存款用於作為擔保一項170,000,000港元提供予本集團的銀行融資。於年內,該存款重新被分類為非流動資產,由於該銀行融資於年末到期日起計一年內到期及在銀行融資到期日清還。

於2019年12月31日,分類為非流動資產之(2018年:流動資產)受限制銀行存款約17,174,000港元(2018年:11,396,000港元)以人民幣計值,分類為流動資產(2018年:非流動資產)以固定年利率1.95%(2018年:1.95%)計息。該受限制銀行存款用於作為抵押一項350,000,000人民幣(2018年:300,000,000人民幣)的銀行融資。於年內,該存款重新被分類為非流動資產,由於該銀行貸款於由本報告期間起計一年內到期及在銀行融資到期日清還。

27. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH (CONTINUED)

(B) BANK BALANCES AND CASH – HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated trust accounts with bank to hold bank balances held on behalf of customers from the regulated activities restricted under the SFO. The Group has recognised the related amounts as “bank balances and cash – held on behalf of customers” and the corresponding trade payables due to the respective cash and margin clients and clearing house (Note 28) in the consolidated statement of financial position as the Group is liable for any loss or misappropriation of clients’ monies. At 31 December 2019, the balance of bank balances and cash held on behalf of customers was HKD13,415,000 (2018: HKD15,761,000).

(C) BANK BALANCES AND CASH

As at 31 December 2019, the bank balances and cash comprised of time deposits with banks of approximately HKD19,483,000 (2018: HKD53,586,000), which carried at fixed interest rates ranged from 0.33% to 3% (2018: 0.57% to 2.22%) per annum during the year and will be withdrawn upon their respective dates of maturity. The remaining balance of bank balances of approximately HKD110,308,000 (2018: HKD78,004,000), carried at prevailing market interest rates ranged from 0.01% to 0.85% (2018: 0.01% to 0.35%) per annum during the year.

27. 受限制銀行存款／銀行結餘及現金 (續)

(B) 銀行結餘及現金－代客戶持有

本集團於銀行開設其獨立信託賬戶以代表客戶存置因證券及期貨條例所限制的規範活動所產生的銀行結餘。本集團將相關金額確認為「銀行結餘及現金－代表客戶持有」於業務過程中相應貿易應付款現金及保證金客戶及結算所(附註28)在綜合財務報表中披露原因是本集團會為客戶資金的任何損失或挪用需負責。2019年12月31日，銀行結餘和代客戶持有為13,415,000港元(2018年：15,761,000港元)。

(C) 銀行結餘及現金

於2019年12月31日，銀行結餘及現金包括以固定年利率0.33%至3%(2018年：0.57%至2.22%)計息及到期時提取的定期存款約19,483,000港元(2018：53,586,000港元)。其餘部分為銀行結餘約為110,308,000港元(2018年：78,004,000港元)，以現行年市場利率0.01%至0.35%(2018年：0.01%至0.35%)於年內計息。

27. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH (CONTINUED)**(C) BANK BALANCES AND CASH (CONTINUED)**

As at 31 December 2019, the bank balances and cash, and restricted bank deposit held in the bank accounts located in the PRC and denominated in RMB were approximately HKD71,211,000 (2018: HKD48,508,000). RMB is not freely convertible into any of the foreign currencies in the PRC. Under the Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations governed by the State Administration of Foreign Exchange in the PRC, the Group is permitted to exchange RMB into foreign currencies through banks' authorisation to conduct foreign exchange businesses.

27. 受限制銀行存款／銀行結餘及現金 (續)**(C) 銀行結餘及現金 (續)**

於2019年12月31日，以人民幣計值在中國銀行受限制銀行賬戶持有的銀行結餘及現金（包括受限制銀行存款）達約71,211,000港元（2018年：48,508,000港元）。人民幣於中國不能自由兌換為外幣。根據中國國家外匯管理局監管之「《外匯管理條例》」及「《結匯、售匯及付匯管理規定》」，本集團獲許通過獲授權經營外匯業務的銀行，將人民幣兌換為外幣。

28. TRADE AND OTHER PAYABLES**28. 貿易及其他應付賬款**

		31 December 2019 2019年 12月31日 HKD'000 千港元	1 January 2019 2019年 1月1日 HKD'000 千港元	31 December 2018 2018年 12月31日 HKD'000 千港元
Trade payables arising from:	貿易應付賬款產生			
– Other than financial services segment	– 金融服務分部除外	87,871	63,747	63,747
– Financial services segment	– 金融服務分部	13,731	15,937	15,937
Total trade payables	貿易應付賬款總數	101,602	79,684	79,684
Other payables, temporary receipts, accruals and receipts in advance	其他應付賬款、臨時收款、應計賬款以及墊款	207,452	133,993	152,224
Total trade and other payables	貿易及其他應付賬款總額	309,054	213,677	231,908

28. TRADE AND OTHER PAYABLES (CONTINUED)

The following is an ageing analysis of trade payables arising from those other than financial services segment, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period.

		2019 HKD'000 千港元	2018 HKD'000 千港元
0 to 30 days	0-30天	41,203	31,329
31 to 60 days	31-60天	46,589	20,517
61 to 90 days	61-90天	7	4,120
Over 90 days	逾90天	72	7,781
		<u>87,871</u>	<u>63,747</u>

The average credit period granted by the suppliers or service providers arising from those other than financial services segment is approximately 90 days (2018: 90 days).

TRADE PAYABLES ARISING FROM FINANCIAL SERVICES SEGMENT

		2019 HKD'000 千港元	2018 HKD'000 千港元
Trade payables arising from the ordinary course of business of dealing in securities:	證券買賣日常業務過程產生的貿易應付賬款：		
– Cash clients	– 現金客戶	11,973	11,919
– Margin clients	– 保證金客戶	1,758	3,813
– Clearing house	– 結算所	–	205
		<u>13,731</u>	<u>15,937</u>

28. 貿易及其他應付賬款 (續)

於本報告期末，本集團以發票日期或交易日期（倘適用）為基準呈列的非金融服務分部貿易應付款的賬齡分析如下。

供貨商或服務供應商來自非金融服務分部提供的平均信貸期為90天（2018年：90天）（金融服務分部除外）。

來自金融服務分部的貿易應付賬款

**28. TRADE AND OTHER PAYABLES
(CONTINUED)****TRADE PAYABLES ARISING FROM FINANCIAL
SERVICES SEGMENT (CONTINUED)**

The balances of trade payables arising from finance services segment represented the outstanding amounts due to cash and margin clients and clearing house in respect of the bank balances temporarily received in the segregated trust accounts held on behalf of the clients and clearing house arising from regulated activities restricted under the SFO. As at 31 December 2019, the balance of the segregated trust account was approximately HKD13,415,000 (2018: HKD15,761,000).

The settlement terms of trade payables arising from the dealing in securities are within one or two trading days after the trade date depending on the categories of the underlying securities transactions are executed. No ageing analysis is disclosed for those trade payables, as in the opinion of the directors of the Company, an ageing analysis is not meaningful in the view of business nature of dealing in securities and margin financing.

29. DEFERRED TAXATION

The following table is the analysis of the deferred tax balances for financial reporting purposes as at 31 December 2018 and 2019:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Deferred tax assets	遞延稅項資產	(21,691)	(9,623)
Deferred tax liabilities	遞延稅項負債	<u>287,112</u>	<u>169,495</u>
		<u>265,421</u>	<u>159,872</u>

28. 貿易及其他應付賬款 (續)**來自金融服務分部的貿易應付賬款
(續)**

來自金融服務分部的貿易應付賬款，涉及於香港證券及期貨條例下的監管活動以代該等地點及保證金客戶及授權機構結算所暫時於獨立信託戶口收取及持有之賬戶結餘，該等活動受證券及期貨條例限制。於2019年12月31日該獨立信託戶口的結餘約13,415,000港元（2018：15,761,000港元）。

該等於證券交易客戶及結算所貿易應付賬款之結算期為其交易日期後一日或兩日內。視乎所涉及已執行的證券交易類別。鑑於證券買賣及保證金融資的業務性質，董事認為，賬齡分析並無意義，因此毋須披露賬齡分析。

29. 遞延稅項

於2018及2019年12月31日，藉以財務報告用途的遞延稅項結餘分析如下：

29. DEFERRED TAXATION (CONTINUED)

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements thereon during the year were disclosed as follows:

29. 遞延稅項 (續)

本集團已於綜合財務報表確認的主要遞延稅項(資產)/負債部份及其等於年度的變動情況如下表:

		Revaluation of leasehold land and buildings 租賃土地及 樓宇重估 HKD'000 千港元	Revaluation of investment properties 投資物業 重估 HKD'000 千港元	Accelerated tax depreciation 加速稅項 折舊 HKD'000 千港元	Undistributed earnings of PRC subsidiaries 中國附屬公司 未分派盈利 HKD'000 千港元	Tax losses 稅項虧損 HKD'000 千港元	Fair value adjustment on intangible assets 無形資產之 公平價值調整 HKD'000 千港元	Total 總額 HKD'000 千港元
At 1 January 2018	於2018年1月1日	86,251	68,820	9,551	73	(29,191)	7,366	142,870
Acquired through business combination (Note 49)	透過業務合併收購(附註49)	-	-	-	-	-	8,307	8,307
Disposal of subsidiaries (Note 48)	出售附屬公司(附註48)	-	(18,940)	-	-	-	-	(18,940)
Charge to profit or loss	扣減損益	-	24,051	-	-	745	-	24,796
Charge to other comprehensive income	扣減其他全面收入	5,328	-	-	-	-	-	5,328
Exchange realignment	匯兌重列	(22)	(2,469)	2	-	-	-	(2,489)
		<u>91,557</u>	<u>71,462</u>	<u>9,553</u>	<u>73</u>	<u>(28,446)</u>	<u>15,673</u>	<u>159,872</u>
At 31 December 2018	於2018年12月31日	91,557	71,462	9,553	73	(28,446)	15,673	159,872
Charges/(Credited) to profit or loss	扣減/(計入)	-	6,081	-	-	(11,088)	-	(5,007)
Charge to other comprehensive income	扣減其他全面收入	111,346	-	-	-	-	-	111,346
Exchange realignment	匯兌重列	(607)	(135)	(48)	-	-	-	(790)
		<u>202,296</u>	<u>77,408</u>	<u>9,505</u>	<u>73</u>	<u>(39,534)</u>	<u>15,673</u>	<u>265,421</u>
At 31 December 2019	於2019年12月31日	202,296	77,408	9,505	73	(39,534)	15,673	265,421

29. DEFERRED TAXATION (CONTINUED)

At 31 December 2019, the Group had a total amount of unused tax losses of approximately HKD797,389,000 (2018: HKD565,660,000) arise from different group entities, which were available to offset against their respective future assessable profits. To the extent of approximately HKD239,600,000 (2018: HKD172,400,000) in respect of the unused tax losses was recognised as deferred tax assets at 31 December 2019. During the year, the Group had recognised deferred tax assets arising from the unused tax losses of approximately HKD11,088,000 and did not write-off or impaired the balance of deferred tax assets. For the year ended 31 December 2018, the Group had utilised the deferred tax assets arising from the unused tax losses of approximately HKD745,000 and also did not write off or impaired the balance of deferred tax assets.

DEFERRED TAX ASSETS NOT RECOGNISED

In accordance with the Group's accounting policy as set out in Note 4(N) to the consolidated statements, the Group has not recognised deferred tax assets in respect of the remaining unused tax losses of approximately HKD557,789,000 (2018: HKD393,260,000) due to the unpredictability of future profit streams of certain group entities against which the unused tax losses can be utilised available in the relevant tax jurisdictions. All of the amount of unused tax losses may be carried forward indefinitely except for those arising from the PRC subsidiaries of approximately HKD335,022,000 (2018: HKD225,345,000) which may be carried forward for five years from the initial recognition date.

29. 遞延稅項 (續)

於2019年12月31日，本集團未動用稅項虧損約797,389,000港元（2018年：565,660,000港元），由本集團的不同實體產生。可供抵銷未來應課稅溢利。為數約239,600,000港元（2018年：172,400,000港元）的未動用稅項虧損於2019年12月31日獲確認為遞延稅項資產。於年內，本集團由未動用稅項虧損獲確認為遞延稅項資產的金額約為11,088,000港元，此結餘並沒有撇賬或減值。而2018年12月31日年內，本集團利用遞延稅項資產約745,000港元。此結餘亦沒有撇賬或減值。

不被確認的遞延稅資產

按照本集團的會計政策（附註4(N)），剩餘的未動用稅項虧損約557,789,000港元（2018：393,260,000港元）不被確認為遞延稅資產。由於本集團無法預料某些集團公司的未來溢利流量，因此，無法確定能夠於有關的司法權區利用有關的未動用稅項虧損。除由中國的附屬公司所產生的未動用稅項，約335,022,000港元（2018：225,345,000港元）只能由最初確認日可結轉五年外，其餘未動用稅項虧損均可無限期結轉。

30. BANK BORROWINGS AND BANK OVERDRAFTS

30. 銀行貸款及銀行透支

		2019 HKD'000 千港元	2018 HKD'000 千港元
Current portion			
流動部分			
Secured variable interest-rate bank borrowings that are repayable:	附有浮動利率的有抵押 銀行貸款須於：		
– Within one year	– 於一年內償還	198,822	307,026
Unsecured variable interest-rate bank overdrafts that are repayable:	附有浮動利率的無抵押 銀行透支須於：		
– On demand	– 按要求償還	7,804	6,461
		<u>206,626</u>	<u>313,487</u>
Non-current portion			
非流動部分			
Secured variable interest-rate bank borrowings that are repayable:	附有浮動利率的有抵押 銀行貸款須於：		
– Over one year but within two years	– 多於一年但未超過二年	1,108,669	207,714
– Over two years but within five years	– 多於二年但未超過五年	103,410	766,314
		<u>1,212,079</u>	<u>974,028</u>
Total	總和	<u>1,418,705</u>	<u>1,287,515</u>

30. BANK BORROWINGS AND BANK OVERDRAFTS (CONTINUED)

At 31 December 2019, the Group had secured variable interest-rate bank borrowings, which carried at interest rates ranged from approximately 4.10% to 6.03% (2018: 2.38% to 5.94%) per annum. The weighted average effective interest rate charged during the year was approximately 4.7% (2018: 4.0%) per annum. The carrying amount of bank borrowings of approximately HKD1,410,901,000 (2018: HKD1,281,054,000) was secured by mortgages over certain of the Group's leasehold land and buildings, investment properties, right-of-use assets (2018: prepaid lease payments) and restricted bank deposits, with the respective carrying amounts of approximately HKD282,000,000, HKD1,314,428,000, HKD269,063,000 and HKD37,174,000 (2018: HKD273,000,000, HKD1,305,971,000, HKD281,470,000 and HKD31,396,000) to various banks in Hong Kong and the PRC.

At 31 December 2019, the Group had unsecured variable interest-rate bank overdrafts, which carried at interest rate of 4.75 (2018: 4.75%) per annum and repayable on demand to a bank in Hong Kong.

At 31 December 2019, the Group was offered banking facilities of approximately HKD1,416,004,000 (2018: HKD1,409,409,000) and HKD10,000,000 (2018: HKD10,000,000) for the usage of bank borrowings and bank overdrafts by the Group. The Group had utilised the banking facilities to the extent of 1,410,901,000 (2018: HKD1,281,054,000) and HKD7,804,000 (2018: HKD6,461,000) used as bank borrowings and bank overdrafts respectively.

At 31 December 2019, the remaining undrawn banking facilities of approximately HKD5,103,000 (2018: HKD128,355,000) and HKD2,196,000 (2018: HKD3,539,000) for the usage of bank borrowings and bank overdrafts, which were both available either for the usage of daily operating activities or to settle capital commitments in the future.

30. 銀行貸款及銀行透支 (續)

於2019年12月31日，本集團附有浮動息率的有抵押銀行貸款，年利率乃介乎於4.10%至6.03%（2018年：每年2.38%至5.94%）。銀行貸款之有效加權平均年利率約為4.7%（2018年：4.0%）。銀行貸款的賬面價值約為1,410,901,000港元（2018年：1,281,054,000港元）由本集團某些租賃土地和建築物，投資物業，使用權資產（2018年：預付租賃款項）和受限制銀行存款的抵押提供抵押，賬面價值約為282,000,000港元，1,314,428,000港元，269,063,000港元及37,174,000港元（2018：273,000,000港元，1,305,971,000港元，281,470,000港元及31,396,000港元）給香港和中國的多家銀行。

於2019年12月31日，本集團附有浮動息率的無抵押銀行透支，年利率為4.75%（2018：4.75%）並按要求償還給香港的一家銀行。

於2019年12月31日，本集團獲給予的銀行額度約1,416,004,000港元（2018：1,409,409,000）及港元10,000,000港元（2018年：10,000,000港元）分別用作銀行貸款和銀行透支。本集團已分別動用1,410,901,000港元（2018年：1,281,054,000港元）及7,804,000港元（2018年：6,461,000港元）的銀行信貸用作銀行貸款及銀行透支。

於2019年12月31日，其餘約未使用的銀行融資5,103,000港元（2018年：128,355,000港元）和2,196,000港元（2018年：3,539,000港元）用於銀行貸款和銀行透支，既可以用於日常運營活動或用於將來的資本承諾結算。

31. FINANCE LEASE PAYABLES

31. 應付融資租賃

		2018 HKD'000 千港元
Total future minimum lease payments fall due:	最低未來租賃支付總額：	
Within one year	於一年內到期	149
In the second to fifth years	於二至五年到期	582
		<u>731</u>
Less: Total future interest expenses	減：融資租賃的未來融資開支	(80)
		<u>651</u>
Present value of finance lease payables	應付融資租賃負債的現值	651
Present value of minimum lease payments fall due:	最低未來租賃款項的現值：	
Within one year	於一年內到期	120
In the second to fifth years	於第二至第五年到期	531
		<u>651</u>
Less: Portion classified as current liabilities	減：分類為流動負債的部份	(120)
		<u>531</u>
Portion classified as non-current liabilities	分類為非流動負債的部份	531

During the year ended 31 December 2018, the Group has entered into a finance lease contract for leasing a motor vehicle classified as property, plant and equipment of approximately HKD773,000. At the end of lease term, the Group has an option to purchase the leased motor vehicle at a price that is expected to be sufficiently lower than the fair value of the leased motor vehicle for it to be reasonably certain to exercise the option.

於截至2018年12月31日止年度，本集團已就分類為物業、廠房及設備的汽車訂立融資租賃合同約為773,000港元。於租賃期結束時，本集團有權選擇於租賃期結束時按預計遠低於所租賃汽車公平價值的價格購買所租賃的汽車，使其可合理確認使用該選擇權。

31. FINANCE LEASE PAYABLES (CONTINUED)

As at 31 December 2018, the finance lease payable bore at a fixed interest rate of 2.5% per annum. The weighted average interest rate and liquidity risk arise from the finance lease payables are disclosed in Note 39(B)(iv) to the consolidated financial statements.

The balance of finance lease payables is secured by the underlying motor vehicle and the right to use the leased motor vehicle will be reverted to the lessor in the event of default of repayment by the Group.

Upon the initial adoption of HKFRS 16 on 1 January 2019, the carrying amount of finance lease payables of approximately HKD651,000 was reclassified to lease liabilities and subsequently recognised the interest expenses of approximately HKD29,000 in profit or loss arising from the amortisation of lease liabilities in accordance with the remaining lease term of motor vehicle during the year.

32. LEASE LIABILITIES

The Group has adopted HKFRS 16 by using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the existing lease contracts recognised in the consolidated statement of financial position immediately before 1 January 2019.

The comparative information is not restated and continued to be reported under HKAS 17 and the related interpretations as permitted by the specific transition provisions of HKFRS 16 as further disclosed in Note 2(A) to the consolidated financial statements.

31. 應付融資租賃 (續)

於2018年12月31日，應付融資租賃按固定利率計息，實際年利率為2.5%。本集團應付融資租賃的利率加權平均值及流動資金風險載於綜合財務報表附註39(B)(iv)。

融資租賃應付款項的餘額是以的汽車為抵押，原因為倘本集團拖欠還款，租賃資產的權利將復歸予出租人。

於2019年1月1日首次採用香港財務報告準則第16號後，應付融資租賃的賬面值約651,000港元重新分類為租賃負債，隨後根據汽車的剩餘租賃期限攤銷其租賃負債列入損益的利息支出約29,000港元。

32. 應付租賃

本集團採納了香港財務報告準則第16號經修訂的追溯方法並調整於2019年1月1日的期初結餘並確認使用權資產對等的租賃負債金額，根據2019年1月1日之前的綜合財務狀況表中確認的現有租賃合同下有關的任何預付或應付租賃款項進行調整。

比較資料未經重列，並繼續根據香港會計準則第17號報告以及香港財務報告準則第16號之特定過渡條文所允許之相關詮釋（於綜合財務報表附註2(A)中進一步披露）。

32. LEASE LIABILITIES (CONTINUED)

The following table shows the total remaining future minimum lease payments under non-cancellable operating lease contracts, being the Group's lease liabilities at the date of initial adoption of HKFRS 16 at 1 January 2019 and 31 December 2019, which were fall due as follows:

32. 應付租賃 (續)

於下表內顯示了不可撤銷的經營租賃合同下未來剩餘的最低租賃款項，即本集團於2019年1月1日和2019年12月31日首次採用香港財務報告準則第16號時的租賃負債，其到期日如下：

		31 December 2019 2019年12月31日		1 January 2019 2019年1月1日	
		Present		Present	
		value of the minimum lease payments 最低融資 租賃的 款項現值 HKD'000 千港元	Total minimum lease payments 最低融資 租賃款項 總和 HKD'000 千港元	value of the minimum lease payments 最低融資 租賃的 款項現值 HKD'000 千港元	Total minimum lease payments 最低融資 租賃款項 總和 HKD'000 千港元
Within one year	於一年內	<u>11,692</u>	<u>12,493</u>	<u>12,990</u>	<u>13,880</u>
Over one year but within two years	多於一年 但未超過二年	<u>9,419</u>	<u>10,755</u>	<u>11,692</u>	<u>13,350</u>
Over two years but within five years	多於二年 但未超過五年	<u>33,018</u>	<u>46,002</u>	<u>29,964</u>	<u>41,747</u>
Over five years	多於五年	<u>130,770</u>	<u>299,996</u>	<u>130,822</u>	<u>331,084</u>
		<u>173,207</u>	<u>356,753</u>	<u>172,478</u>	<u>386,181</u>
		<u>184,899</u>	<u>369,246</u>	<u>185,468</u>	<u>400,061</u>
Less: Total future interest expenses	減：未來利息 總支出		<u>(184,347)</u>		<u>(214,593)</u>
Present value of lease liabilities	租賃負債的現值		<u>184,899</u>		<u>185,468</u>

32. LEASE LIABILITIES (CONTINUED)

The reconciliation of lease liabilities recognised in the consolidated statement of financial position at the date of initial adoption of HKFRS 16 at 1 January 2019 and 31 December 2019 were as follows:

32. 應付租賃 (續)

於2019年1月1日及2019年12月31日首次採用香港財務報告準則第16號時於綜合財務狀況表確認的租賃負債如下：

		Buildings 樓宇 HKD'000 千港元	Property, plant and equipment 物業、廠房 及設備 HKD'000 千港元	Total 總和 HKD'000 千港元
At 1 January 2019	於2019年1月1日	184,817	651	185,468
Additions (Note 16)	添置 (附註16)	1,614	–	1,614
Interest expenses	利息支出	12,733	29	12,762
Lease payments	租賃款項	(11,367)	(149)	(11,516)
Exchange realignment	匯兌重列	(3,429)	–	(3,429)
At 31 December 2019	於2019年12月31日	184,368	531	184,899

32. LEASE LIABILITIES (CONTINUED)

The present value of remaining future minimum lease payments under non-cancellable operating lease contracts is analysed as follows:

		2019 HKD'000 千港元
Current liabilities	流動負債	11,692
Non-current liabilities	非流動負債	<u>173,207</u>
		<u>184,899</u>

32. 應付租賃 (續)

不可撤銷的經營租賃合同下剩餘的未來最低租賃付款項的現值分析如下：

33. AMOUNT DUE TO A RELATED PARTY

		2019 HKD'000 千港元	2018 HKD'000 千港元
At 31 December	於12月31日	<u>112</u>	<u>10,541</u>

As at 31 December 2018 and 2019, the amount due to a related company, which is commonly controlled by Mr. Cheng, who act as Chairman, Chief Executive Officer and a substantial shareholder of the Company, which was unsecured, interest-free and repayable on demand.

33. 應付一間關聯公司款項

於2018年及2019年12月31日，該結餘是應付本公司主席、首席執行官及主要股東鄭先生所共同控制的一間關聯公司。有關結餘為無抵押、免息及可按要求還款。

34. SHARE CAPITAL

34. 股本

		Number of shares 股份數目 (‘000) (千股)	Nominal value 面值 HKD‘000 千港元
Authorised:	法定：		
<i>Ordinary shares of HKD0.10 each (2018: HKD0.10 each)</i>	<i>每股面值0.10港元的 普通股 (2018： 每股面值0.10港元)</i>		
At 1 January 2018, 31 December 2018 and 31 December 2019	於2018年1月1日、 2018年12月31日及 2019年12月31日	20,000,000	2,000,000
Issued and fully paid:	已發行及繳足：		
<i>Ordinary shares of HKD0.10 each (2018: HKD0.10 each)</i>	<i>每股面值0.10港元的 普通股 (2018： 每股面值0.10港元)</i>		
At 1 January 2018	於2018年1月1日	2,955,812	295,581
Exercise of warrants (Note i)	行使認股權證 (附註i)	3,222	322
Exercise of share options (Note ii)	行使購股權 (附註ii)	15,000	1,500
At 31 December 2018	於2018年12月31日	2,974,034	297,403
Exercise of warrants (Note i)	行使認股權證 (附註i)	192	19
At 31 December 2019	於2019年12月31日	2,974,226	297,422

Notes:

- (i) During the year, the qualifying shareholders had exercised their subscription rights attached with the bonus warrants to subscribe shares at subscription price of HKD1.00 per warrant share and therefore approximately 192,000 units (2018: 3,222,000 units) of ordinary shares was thereby issued by the Company and a total of approximately HKD19,000 and HKD173,000 (2018: HKD322,000 and HKD2,900,000) were credited to share capital and share premium account respectively.

附註：

- (i) 於年度內，合資格股東按每持有五股股份獲發一份認股權證之基準行使其發行紅利認股權證（每股1港元）。因此，約192,000股（2018年：3,222,000股）本公司發行的普通股和總共約19,000港元和173,000港元（2018年：322,000港元和2,900,000港元）分別計入股本及股份溢價賬。

34. SHARE CAPITAL (CONTINUED)

Notes: (Continued)

- (ii) During the year ended 31 December 2018, a total number of 15,000,000 share options was exercised to subscribe for 15,000,000 ordinary shares of the Company, at an aggregate cash consideration, before share-based payment expenses of approximately HKD12,300,000, of which HKD1,500,000 and HKD10,800,000 were credited to share capital and share premium account respectively. Upon the exercise of share options, approximately HKD1,024,000 was transferred from the share options reserve to share premium account accordingly.

35. SHARE OPTION SCHEME

On 10 June 2011, the shareholders of the Company have approved and adopted a share option scheme (the "Scheme") for the purpose of providing eligible participants with the opportunity to acquire the proprietary interests of the Company. The Scheme aims to encourage the eligible participants to work towards to enhance the value of shares of the Company for the benefit of the Company and its shareholders as a whole. All of the directors of the Company, full-time employees and any other persons within the Group who, at the sole discretion of the board of directors of the Company, have contributed to the Group, are eligible to participate in the Scheme.

Pursuant to the Scheme, the total number of shares of the Company which may be issued upon exercise of all share options to be granted under the Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 10% of the aggregate shares of the Company for issue on the date of adoption of the Scheme. Share options lapsed in accordance with the terms of the Scheme and any other share option scheme adopted by the Company will not be counted for the purpose of calculating the 10% limit.

34. 股本 (續)

附註：(續)

- (ii) 於2018年12月31日止年度，共有15,000,000份購股權行使購股權以認購15,000,000股本公司普通股，現金代價，扣除以股份支付的費用之前為約12,300,000港元，其中1,500,000港元和10,800,000港元分別記入股本和股份溢價賬。購股權獲行使後，約1,024,000港元已自購股權儲備轉撥至股份溢價賬。

35. 購股權計劃

於2011年6月10日，本公司股東批准及採納購股權計劃（「該計劃」），旨在提供機會予合資格參與者取得本公司的資本權益，並鼓勵參與者以本公司及其股東的整體利益為依歸，致力提高本公司及其股份的價值。所有本公司董事、全職僱員及按董事會酌情認為已經或將會對本集團作出貢獻的任何本集團內其他人士均符合資格參與該計劃。

根據該計劃，因按該計劃行使或任何其他本公司已採納的購股權計劃而獲授出的所有購股權後可能發行的所有公司股份，合共不可超過本公司於採納該計劃日期的已發行總股份的10%。購股權根據該計劃及公司採納的任何其他購股權計劃，本公司將不會計入10%上限之中。

35. SHARE OPTION SCHEME (CONTINUED)

With the approval of the shareholders of the Company in general meeting, the Company may renew the 10% limit at any time provided that the total number of shares of the Company which may be issued upon the exercise of all of the share options to be granted under the Scheme and any other share option scheme adopted by the Company shall not exceed 10% of shares of the Company for issue on the date of approval of the renewed limit. For the share options previously granted under the Scheme and any other share option scheme adopted by the Company will not be counted for the purpose of calculating the renewed limit.

The board of directors of the Company may, with the approval of the shareholders of the Company, grant the share options in excess of the 10% limit to the eligible participants. In such situation, the Company is required to issue a circular to the shareholders containing a generic description of the eligible participants who may be granted such share options, the number and terms of such share options to be granted and the purpose of granting such share options to the eligible participants with an explanation of how the terms of the share options will serve the purpose. The total number of shares of the Company which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Scheme or any other share option scheme adopted by the Company shall not exceed 30% of the shares of the Company for the issue from time to time. No share options may be granted under the Scheme or any other share option scheme adopted by the Company if it will result the limit to be exceeded.

35. 購股權計劃 (續)

隨著本公司股東在週年大會的批准，本公司可在購股權計劃下授予的購股權全數行使下的本公司總股份數目不能超過在更新其限額的日期下超出10%的限額下於任何時間內更新其10%的限額。所有本公司在計算其更新限額的所有在購股權計劃及任何其他相關的購股權計劃下已經授予的購股權將不被納入計算。

本公司的董事會在本公司股東的同意下，可在超過10%的限額下授予購股權給合資格人士。在前述情況下，本公司須要給了股東發行通函並對可能授予購股權的合資格人士、可授予購股權的數目及條款及授予購股權的目的作出其概述，並解釋就該購股權如何達致其目的。在行使所有購股權及在購股權計劃及任何其他相關的購股權計劃下未經行使的購股權而有可能發行的本公司總股份數目不能超過在任何時間內本公司發行股份的30%。如果導致超出10%限額時不能授予在購股權計劃及任何其他相關的購股權計劃下的購股權。

35. SHARE OPTION SCHEME (CONTINUED)

Unless approved by the shareholders of the Company in a general meeting with the issue of a circular to the shareholders specifying the identity of the eligible participants, the number and terms of the share options to be granted or previously granted to the eligible participants, the board of directors of the Company shall not grant any share options to any eligible participants which, if exercised, would result the eligible participants becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares of the Company already issued or to be issued upon the exercise of the share options granted to the eligible participants (including those exercised or unexercised share options) under the Scheme or any other share option scheme adopted by the Company in any 12-month period shall not exceed 1% of the shares of the Company for issue on the date of approval.

The period within the share options must be exercised will be specified by the Company when the share options was granted. This period must be expired no later than 10 years from the date of grant of the share options. When the share options granted, the Company may specify a minimum period for which share options must be held before it can be exercised. The offer of share options to be granted may be accepted within 14 days from the date when the letter containing the offer is delivered to the eligible participant and the notional amount payable on such acceptance of share options to be granted is HKD1.00.

The subscription price of the shares of the Company to be issued upon the exercise of share options shall be no less than the higher of: (i) the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediate preceding the date of grant; and (iii) the nominal value of a share of the Company on the date of grant. The subscription price of the shares of the Company will be approved by the board of directors of the Company at the time when the share options is offered to the eligible participants.

35. 購股權計劃 (續)

除非在週年大會內向本公司股東發出通函指明其合資格人士的身份、將獲授予或以前授予購股權的數目及條款獲得本公司股東的批准外，否則本公司董事會不能向合資格人士授予任何購股權，如經行使後，會導致合資格人士在批准日不能超過在購股權計劃及任何其他相關的購股權計劃下經採用的十二個月將被給予權利認購若干數目的股份佔本公司股份數目超過1%。

購股權必須行使的期限將由本公司在授出時指定。此期限必須由授出購股權當日起不遲於10年內屆滿。於授出購股權時，本公司可訂明購股權可獲行使前必須持有的最短期限。有關授出購股權的授予建議，參與者可於載有有關授權建議的函件的寄發日期起計14天內接受該建議，而每次接納購股權時應付款項1.00港元。

就著行使購股權的將會發行本公司股份的發行價值時，必須高於其：(i)在授予購股權日內載於聯交所每日行情的本公司收市價格；(ii)在五個交易日前在聯交所每日行情的平均收市價格；(iii)在授予購股權日的本公司股份的面值。其本公司股份的發行價值將於購股權授予合資格人士時經過本公司董事會獲得批准。

35. SHARE OPTION SCHEME (CONTINUED)

No share options was granted, exercised, lapsed or cancelled by the eligible participants in accordance with the Scheme for both years. No share options may be granted under the Scheme after the date of the tenth year of anniversary since the adoption of the Scheme.

Details of the movements of the share options granted to the eligible participants under the Scheme for the year ended 31 December 2018 was as follows:

Participants	Date of grant	Exercise period	Exercise price per share HKD 每股行使價 (港元)	Number of share options 購股權數目				
				Outstanding as at 1 January 2018 於2018年1月1日 尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Outstanding at 31 December 2018 於2018年12月31日 尚未行使
Directors 董事	18/9/2017	18/9/2017 – 17/9/2018	0.82	6,000,000	-	(3,000,000)	(3,000,000)	-
Employees 僱員	18/9/2017	18/3/2018 – 17/9/2018	0.82	15,000,000	-	(12,000,000)	(3,000,000)	-
				21,000,000	-	(15,000,000)	(6,000,000)	-
Weighted average exercise price, HKD		加權平均行使價 (港元)		0.82	N/A 不適用	0.82	0.82	N/A 不適用

The total number of shares of the Company available for issue under the Scheme as at 31 December 2019 was approximately 892,268,000 shares (2018: 892,210,000) without any share option that has been granted but not yet exercised, lapsed or cancelled which represented 30% (2018: 30%) of the outstanding issued share capital of the Company at 31 December 2019.

35. 購股權計劃 (續)

於兩年內，沒有在購股權計劃下合資格人士獲得授予、行使、失效或取消任何購股權。在該計劃採納起計，十年後不得籍本計劃授出購股權。

於截至2018年12月31日止年度內，根據該計劃授出予合資格人士的購股權變動詳情如下：

於2019年12月31日根據購股權計劃可供發行的本公司股份總數約為892,268,000股股份(2018年: 892,210,000)，並無已授出但尚未行使失效或取消的購股權，佔本公司於2018年12月31日已發行股本的30% (2018年: 30%)。

35. SHARE OPTION SCHEME (CONTINUED)

The estimated fair value of the share options granted on 18 September 2017 was approximately HKD0.068 per share option. The amount of fair value was calculated by using the Black-Scholes model with Binomial Tree method. The key inputs of the model were listed as follows:

Share price at grant date	HKD0.82
Exercise price	HKD0.82
Expected volatility	21.207%
Expected life	1 year
Risk-free rate	0.4494%
Expected dividend yield	0.4872%

The volatility assumption, measured at the standard deviation of the expected share price returns, which was based on a statistical analysis of daily share prices over the last three years.

The share options granted to employees on 18 September 2017 and expired on 17 September 2018 was subject to the following vesting schedule:

Vesting schedule

歸屬時間表

From 18 March 2018 to 17 September 2018

2018年3月18日至2018年9月17日

100%

No vesting conditions was set for the share options granted to the directors of the Company on 18 September 2017 and expired on 17 September 2018.

On 18 March 2018, the fair value of share options granted to the employees is recognised as employee cost in profit or loss, with a corresponding increase in share options reserve over the relevant vesting periods. The Group recognised share-based payment expenses of approximately HKD328,000 for the year ended 31 December 2018 in relation to the fair value of share options at HKD0.068 per share option granted by the Company on 18 September 2017 as disclosed in Note 10(C) to the consolidated financial statements.

35. 購股權計劃 (續)

於2017年9月18日已向合資格人士授出購股權的估計公平價值約為每份購股權0.068港元。公平價值乃使用二叉樹法的柏力克-舒爾斯模式計算。該模式的主要輸入數據如下列：

於授出日期的股價	0.82港元
行使價	0.82港元
預期波幅	21.207%
預期年期	1年
無風險利率	0.4494%
預期股息率	0.4872%

按預計股價回報的標準偏差計量的波幅假設乃根據過去三年每日股價的統計數據分析計算得出。

於2017年9月18日授予僱員及於2018年9月17日屆滿的購股權須受以下歸屬時間表規限：

Maximum number of share options exercisable 最多可行使 購股權數目

於2017年9月18日授予本公司董事及於2018年9月17日屆滿的購股權沒有設定歸屬時間限制。

於2018年3月18日已授出購股權的公平價值乃確認為僱員成本，而於相關歸屬期間權益中的購股權儲備亦相應增加。截至2018年12月31日止年度，就本公司授出於2017年9月18日（綜合財務報表附註10(C)所披露）有關每股0.068港元購股權的公平價值，本集團購股權確認開支為328,000港元。

36. BONUS WARRANTS

On 18 March 2016, the board of directors of the Company resolved to propose the issue of bonus warrants to the qualifying shareholders on the basis of one warrant for every five existing issued shares held on the record date (i.e. 17 June 2016).

On 6 July 2016, the Company had issued a total of approximately 539,733,000 units of warrants. Each warrant carries a subscription right entitled the qualifying shareholders to subscribe in cash for the warrant share at the initial subscription price of HKD1.00 per warrant share to be issued at approximately HKD539,733,000 units of warrant shares by the Company upon the exercise of subscription rights in full attached with such issue of bonus warrant. The warrants were exercisable at any time during the period of three commencing from the date of the first issue of the warrants i.e. 6 July 2016 to 5 July 2019. Details of the issue of bonus warrants was disclosed in the Company's circular dated 29 April 2016.

During the year, the qualifying shareholders had exercised a total number of approximately 192,000 units (2018: 3,222,000 units) of warrants at the exercise price of HKD1.00 (2018: HKD1.00) per warrant, and therefore of approximately 192,000 units (2018: 3,222,000 units) of ordinary shares was thereby issued by the Company. As a result, a total of approximately HKD19,000 and HKD173,000 (2018: HKD322,000 and HKD2,900,000) were credited to share capital and share premium account respectively.

On 5 July 2019, the three years exercise period of the bonus warrants were lapsed, and no outstanding bonus warrants as at 31 December 2019.

36. 紅利認股權證

於2016年3月18日，本公司公告建議按於記錄日期（即2016年6月17日）每持有五股股份獲發一份認股權證之基準發行紅利認股權證。

於2016年7月6日，約539,733,000份認股權證獲發行。於公司行使認購權後附有發行紅利認股權後，每份認股權證賦予其持有人權利以現金認購一股股份，初步認購價為每股1.00港元（約539,733,000港元的認股權證）。認股權證可於發行日期2016年7月6日至2019年7月5日隨時行使。有關紅利認股權證之詳情於本公司日期為2016年4月29日之通函披露。

於年內，本公司的合資格股東按行使價每份認股權證1.00港元（2018年：1港元）行使合共約192,000份（2018年：3,222,000份）認股權證，因此，本公司已發行約192,000股普通股（2018年：3,222,000股普通股）。因此，約19,000港元及173,000港元（2018年：322,000港元及2,900,000港元）已分別計入股本及股份溢價賬。

於2019年7月5日，就該紅利認股權證的三年行使期已經失效，因此於2019年12月31日概無任何紅利認股權證。

37. RESERVES

37. 儲備

The Company level 本公司層面		Share premium 股份溢價 HKD'000 千港元	Contributed surplus 實繳盈餘 HKD'000 千港元	Share options reserve 購股權儲備 HKD'000 千港元	Retained profits 留存溢利 HKD'000 千港元	Total 總計 HKD'000 千港元
At 1 January 2018	於2018年1月1日	1,056,760	586,774	1,102	148,391	1,793,027
Share-based payment expenses	以股份支付的開支	-	-	328	-	328
Exercise of share options (Note 35)	行使購股權 (附註35)	11,824	-	(1,024)	-	10,800
Lapse of share options (Note 35)	購股權失效 (附註35)	-	-	(406)	406	-
Exercise of warrants (Note 36)	行使認股權證 (附註36)	2,900	-	-	-	2,900
Loss for the year	年度虧損	-	-	-	(40,854)	(40,854)
Dividend paid (Note 12)	已付股息 (附註12)	-	-	-	(14,810)	(14,810)
At 31 December 2018 and 1 January 2019 (Note)	於2018年12月31日及 2019年1月1日 (附註)	1,071,484	586,774	-	93,133	1,751,391
Exercise of warrants (Note 36)	行使認股權證 (附註36)	173	-	-	-	173
Profit for the year	年度溢利	-	-	-	3,294	3,294
Dividend paid (Note 12)	已付股息 (附註12)	-	-	-	(35,690)	(35,690)
At 31 December 2019	於2019年12月31日	1,071,657	586,774	-	60,737	1,719,168

Note: The management concluded that the adoption of HKFRS 16 had no material impact on the opening balance of retained profits as of 1 January 2019.

附註：管理層已評估首次應用香港財務報告準則第16號對於2019年1月1日留存溢利期初結餘的影響，且認為無重大影響。

37. RESERVES (CONTINUED)

37. 儲備 (續)

The following describes the nature and purpose of each reserve within the equity attributable to owners of the Company:

以下描述於本公司擁有人應佔權益中各儲備的性質和目的：

Name of reserve 儲備名稱	Nature and purpose of reserve 儲備性質和目的
Contributed surplus 實繳盈餘	<p>Contributed surplus of approximately HKD63,561,000 represents the excess of fair value of shares of the subsidiaries acquired and the nominal value of the shares of the Company issued for the acquisition at the time of the group reorganisation on 9 February 1995. The remaining balance of approximately HKD523,213,000 represents the implementation of capital reduction in 2012 in connection with the par value of each existing share as if HKD0.50 each in the issued capital of the Company was reduced by HKD0.40 each.</p> <p>實繳盈餘約63,561,000港元乃指已收購附屬公司的股份公平價值超出於1995年2月9日集團重組之時因收購而發行的本公司股份賬面值的差額。剩餘結餘約523,213,000港元乃指於2012年實施股本削減，據此，倘本公司已發行股本中每股面值0.50港元，則每股現有股份面值每股削減0.40港元。</p>
Share premium 股份溢價	<p>A premium amount subscribed for the shares of the Company in excess of the nominal value of the shares of the Company and any excess of consideration shares of the Company issued over the carrying amount of the acquired non-controlling interests, less the amount of expenses incurred in connection with the issue.</p> <p>認購股本金額超出面值，及任何已發行代價股份的款項超過已收購非控股權益賬面值扣除與發行相關的費用。</p>
Properties revaluation reserve 物業重估儲備	<p>Surplus/(deficit) arising on revaluation of properties (other than investment properties) and the accumulated balance is not distributable.</p> <p>物業（投資物業除外）重估產生的收益／（虧損），及已累計儲備全部結餘均為不可分派。</p>
Share options reserve 購股權儲備	<p>Accumulated share-based payment expenses recognised upon the share options granted to the eligible participants over the vesting period.</p> <p>於歸屬期後授予僱員之購股權確認之累計開支</p>
Translation reserve 匯兌儲備	<p>Foreign exchange gains/(losses) arise from translation of net assets of foreign operations into the presentation currency of the Company at the end of reporting period.</p> <p>截至本年度報告期末換算海外業務資產淨值為呈列貨幣產生的收益／（虧損）。</p>

37. RESERVES (CONTINUED)

37. 儲備 (續)

Name of reserve 儲備名稱	Nature and purpose of reserve 儲備性質和目的
Statutory reserve 法定儲備	Appropriation of 10% of statutory profit arise from the Company's subsidiary in Taiwan each year to a non-distributable fund until its balance has reached the paid-up share capital as required by the laws and regulations of Taiwan. 根據相關台灣法令所規定，將台灣附屬公司的溢利法定撥款10%轉撥至不可分配基金賬戶直到其結餘達到已繳足股本為止。
Retained profits 保留盈利	Accumulated net gains and losses recognised in profit or loss. 於損益內確認的累計收益及虧損淨額。

The above reserves and funds cannot be used for any purposes other than those for which they are created. Details of the movements of the Group's reserves are disclosed in the consolidated statement of changes in equity.

上述儲備或基金不得用於其成立目的以外的其它用途。有關於儲備變動的詳情已於綜合權益變動表呈列。

38. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' return that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure to reduce cost of capital and risks associated with each class of capital, including amount of dividends paid to shareholders, return capital to shareholders, issue new shares, raising new debt financing or sell assets to reduce debts in light of changes in economic conditions. The Group's overall strategy and capital structure remained similar against the prior year.

The Group monitors its capital structure on the basis of net debt-to-equity ratio. For this purpose, the net debt is defined as total debt (which includes trade and other payables, amount due to a related party, finance lease payables, lease liabilities, bank borrowings, bank overdrafts and loan from non-controlling interests), less bank balances and cash and restricted bank deposits. Total equity attributable to owners of the Company comprises of share capital and reserves.

38. 資本風險管理

本集團管理資本的主要目標是通過風險水平相應定價的產品和服務，以維護本集團持續經營的能力為其股東及其他利益相關者帶來利益。

本集團積極定期審查和管理其資本結構。本集團積極定期檢討及管理其資本架構，以維持較高的股東回報（借貸水平較高可能帶來的回報）與穩健的資本狀況所帶來的優勢和安全性之間的平衡，並對資本架構進行調整，以達到降低資本成本和與每種資本類別相關的風險，包括支付給股東的股息，向股東返還資本，發行新股，籌集新的債務融資或出售資產以根據經濟狀況的變化減少債務。該集團的整體戰略和資本結構與上一年相似。

本集團基於淨負債權益比率監控其資本結構。就此而言，本集團界定債務淨額，其中包括貿易及其他應付賬款、應付一名關連公司款項、應付融資租賃、租賃負債、計息銀行貸款、銀行透支、來自非控股權益貸款，扣除銀行結餘及現金及受限制銀行存款。本公司擁有人應佔權益的所有組成部份（包括已發行股本及各項儲備）。

38. CAPITAL RISK MANAGEMENT (CONTINUED)

The Group's net debt-to-equity ratios at 31 December 2018 and 2019 and the date of transition to HKFRS 16 at 1 January 2019 were as follows:

		31 December 2019 2019年 12月31日 HKD'000 千港元	1 January 2019 2019年 1月1日 HKD'000 千港元	31 December 2018 2018年 12月31日 HKD'000 千港元
Trade and other payables	貿易及其他其付賬款	309,054	213,677	231,908
Amount due to a related party	應付一間關聯公司款項	112	10,541	10,541
Finance lease payables	應付融資租賃	—	—	651
Lease liabilities	租賃負債	184,899	185,468	—
Bank borrowings	銀行貸款	1,410,901	1,281,054	1,281,054
Bank overdrafts	銀行透支	7,804	6,461	6,461
Loan from non-controlling interests	來自非控股權益貸款	2,114	9,249	9,249
Total debt	總債額	1,914,884	1,706,450	1,539,864
Less:	減：			
Bank balances and cash	銀行結餘及現金	(129,791)	(131,590)	(131,590)
Restricted bank deposits	受限制銀行存款	(40,530)	(34,814)	(34,814)
Net debt	負債淨值	1,744,563	1,540,046	1,373,460
Total equity attributable to owners of the Company	本公司擁有人應佔權益	2,917,487	2,570,828	2,570,828
Net debt-to-equity ratio	淨負債權益比率	60%	60%	53%

One of the Company's subsidiaries registered with the SFC is required to comply with the minimum liquid capital requirement under the Hong Kong Securities and Futures (Financial Resources) Rules (the "SF(FR)R") to maintain a certain level of liquid capital, which is calculated based on the assets and liabilities adjusted as determined by the SF(FR)R, in excess of HKD3,000,000 or 5% of its total adjusted liabilities, whichever is higher and also maintain a 20% buffer of its required liquid capital. The directors of the Company monitor, on a daily basis, the liquid capital of that subsidiary to ensure that it meets the minimum liquid capital requirement.

38. 資本風險管理 (續)

於2018年及2019年12月31日以及香港財務報告準則第16號的過渡日2019年1月1日，本集團的經調整淨負債權益比率如下：

本公司在證監會註冊的子公司之一必須遵守香港證券及期貨(財政資源)規則的最低流動資金要求，以維持一定水平的流動資金，根據香港證券及期貨(財政資源)規則確定的調整後的資產和負債計算，超過3,000,000港元或其調整後負債總額的5%，以較高者為準，並保持其所需流動資金的20%緩衝。本公司董事每天監察該附屬公司的流動資金，以確保其符合最低流動資金要求。

39. FINANCIAL INSTRUMENTS

39. 金融工具

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair value of financial instruments, which included the financial assets and financial liabilities at 31 December 2018 and 2019 :

(A) 金融工具類別

下表列載金融工具(包括金融資產及金融負債)截至2018年及2019年12月31日的賬面值及公平價值:

	2019		2018	
	Carrying amount 賬面值 HKD'000 千港元	Fair value 公平價值 HKD'000 千港元	Carrying amount 賬面值 HKD'000 千港元	Fair value 公平價值 HKD'000 千港元
Financial assets:	金融資產:			
At fair value through profit or loss:	按公平值列入損益:			
- Listed equity securities in Hong Kong	66,012	66,012	6,676	6,676
- Unlisted equity investment outside Hong Kong	174,941	174,941	65,777	65,777
At amortised cost:	按攤銷成本:			
- Trade and other receivables	136,821	(Note) (附註)	461,808	(Note) (附註)
- Amounts due from joint ventures	10,048	(Note) (附註)	8,170	(Note) (附註)
- Amount due from an associate	18,081	(Note) (附註)	35,343	(Note) (附註)
- Advances to customers in margin financing	122,648	(Note) (附註)	144,145	(Note) (附註)
- Loans receivable	167,193	(Note) (附註)	166,088	(Note) (附註)
- Restricted bank deposits	40,530	(Note) (附註)	34,814	(Note) (附註)
- Bank balances and cash	143,206	(Note) (附註)	147,351	(Note) (附註)
Financial liabilities:	金融負債:			
At amortised cost:	按攤銷成本:			
- Trade and other payables	298,710	(Note) (附註)	216,059	(Note) (附註)
- Amount due to a related party	112	(Note) (附註)	10,541	(Note) (附註)
- Bank borrowings	1,410,901	(Note) (附註)	1,281,054	(Note) (附註)
- Bank overdrafts	7,804	(Note) (附註)	6,461	(Note) (附註)
- Loan from non-controlling interests	2,114	(Note) (附註)	9,249	(Note) (附註)
- Finance lease payable	-	(Note) (附註)	651	(Note) (附註)

Note: The directors of the Company considered that the carrying amounts of those financial instruments measured at amortised cost were approximate to their fair value on the grounds that either of their maturity periods are short or their effective interest rates for those interest-bearing financial assets and financial liabilities as disclosed in Note 39(B)(ii) to the consolidated financial statements were approximately to the relevant discount rates used to reflect the credit risks of the borrowers or the Group as at 31 December 2018 and 2019.

附註: 於2018年及2019年12月31日本公司董事認為上述金融工具按攤銷成本的賬面值與其公平價值相若, 因其於短期內到期或綜合財務報表附註39(B)(ii)所披露計息金融資產及金融負債的實際利率與用以反映借款人或本公司於報告期末信貸風險的有關貼現率相若。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments as defined in Note 4(Q) to the consolidated financial statements included financial assets at fair value through profit or loss, trade and other receivables, amounts due from joint ventures, amount due from an associate, advances to customers in margin financing, loans receivable, restricted bank deposits, bank balances and cash, trade and other payables, amount due to a related party, bank borrowings, bank overdrafts, loan from non-controlling interests and finance lease payables.

Details of these financial instruments are disclosed in the respective notes to the consolidated financial statements. The risks associated with these financial instruments include foreign currency risk, interest rate risk, credit risk, liquidity risk and equity price risk. The policies and practices on how to mitigate these risks are further disclosed as below. The Group actively and regularly reviews and manages these exposures to ensure appropriate policies and practices are implemented on a timely and effective manner.

(i) Foreign currency risk

At 31 December 2018 and 2019, several principal subsidiaries of the Company are exposed to foreign currency risk primarily through sales and purchases which give rise to monetary assets and monetary liabilities that are denominated in a foreign currency, i.e. a currency other than the functional currency of those subsidiaries. Those currencies giving rise to such risk are primarily those monetary assets and monetary liabilities denominated in Renminbi ("RMB") and United States dollars ("USD").

39. 金融工具 (續)

(B) 金融風險管理目標及政策

本集團的主要金融工具(定義見綜合財務報表附註4(Q))包括按公平價列入損益的金融資產、貿易及其他應收賬款、應收合營企業款項、應收一間聯營企業款項、提供予保證金融資客戶之墊款、應收貸款、受限制銀行存款、銀行結餘及現金、貿易及其他應付賬款、應付一間關聯公司款項、銀行貸款、銀行透支及來自非控股權益貸款及應付融資租賃。

此等金融工具的詳情於相關綜合財務報表附註披露。與此等金融工具相關的風險包括外幣風險、利率風險、信貸風險、流動資金風險及股本價格風險，減輕此等風險的政策及措施載列於下文。本集團積極地及定期地審視管理此等風險，確保及時有效地採取適當的政策及措施。

(i) 外幣風險

於2018年及2019年12月31日，本集團的若干主要附屬公司的銷售及購買活動及公司結餘乃以本集團功能貨幣以外的幣進行交易，產生以外幣計價的貨幣資產和貨幣負債，令本集團承受外幣風險。引起這種風險的貨幣主要以人民幣(「RMB」)和美元(「USD」)計價的貨幣資產和貨幣負債。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Foreign currency risk (Continued)

The Group did not entered into any financial derivatives to hedge against the foreign currency risk as in the view of the directors of the Company, the associated foreign currency risk is not financially significant to the Group based on the following sensitivity analysis for both years.

At 31 December 2018 and 2019, the carrying amounts of those monetary assets and monetary liabilities of those subsidiaries that were denominated in RMB which may exposed the Group to foreign currency risk were as follows:

		Liabilities 負債		Assets 資產	
		2019 HKD'000 千港元	2018 HKD'000 千港元	2019 HKD'000 千港元	2018 HKD'000 千港元
RMB	人民幣	10,504	36,833	11,672	9,678

Sensitivity analysis

The Group is mainly exposed to possible change of foreign of exchange rate in USD/HKD. However, the foreign currency risk is not financially significant as HKD is pegged to USD for both years.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(i) 外幣風險 (續)

本公司董事認為本集團尚未進行任何財務對沖外幣的衍生品買賣交易，對本集團而言，根據以下兩年的敏感度分析中，相關外幣風險於兩年內對財務而言並不構成重大的影響。

於2018年及2019年12月31日止，以本公司功能貨幣（「港元」）以外的貨幣（即「人民幣」，或使本集團面臨外幣風險如下：

敏感度分析

本集團主要承受美元／港元匯率可能波動風險。然而，由於港元在兩年內都跟美元掛鈎，外幣風險並不顯著。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Foreign currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 5% decrease in HKD against RMB. 5% is the sensitivity rate used when reporting the foreign currency risk internally to key management personal and represents the Group's management assessment of the reasonable possible change of foreign exchange rates in the foreseeable future. The sensitivity analysis includes only those monetary assets and liabilities that are denominated in foreign currencies exposed the Group to foreign currency risk, with the adjustments arising from their translation at the end of reporting period for a 5% change determined in the possible change of foreign currency rate. A positive number below indicates an increase in profit for the year, net of tax, and retained profits when RMB strengthens 5% against HKD. For a 5% weakening of RMB against HKD, there would be an equal and opposite impact against the profit for the year and the balances shown below would be negative.

For presentation purposes, the amounts of exposure are shown in Hong Kong dollars, being translated using the spot rate at the year-ended date.

Increase/(decrease) in profit for the year, net of tax	年內溢利增加/ (減少), 除稅後
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The above sensitivity analysis was determined by assuming that the possible change of foreign exchange rates had occurred at the end of reporting period and had been applied to those subsidiaries with foreign currency risk exposure in existence, and that all other risk variables, in particular the interest rates, remained constant for both years.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(i) 外幣風險 (續)

敏感度分析 (續)

下表詳述本集團對港元兌人民幣有5%貶值之敏感度。內部向主要管理人員匯報外幣風險所用之敏感度比率為5%，代表管理層對外匯匯率於未來的合理潛在變動之評估。敏感度分析僅包括以外幣計值之貨幣項目資產及負債，並於年終按外匯匯率增減5%調整有關換算。下列正數表示年內人民幣兌港元升值5%時除稅後溢利及留存溢利增長。當人民幣兌港元貶值5%時，則於年內對本集團溢利有著相同但相反之影響，以下結餘將為負數。

就呈報目的，面臨風險的金額以港元顯示，並使用年終日的即期匯率換算。

2019 HKD'000 千港元	2018 HKD'000 千港元
49	(1,134)

上述敏感度分析是通過假設匯率可能在報告期末發生變化，並已應用於存在面臨外匯風險的子公司，並且假設所有其他風險變數（尤其是利率），在兩年中保持不變。

39. FINANCIAL INSTRUMENTS (CONTINUED)**(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(i) Foreign currency risk (Continued)***Sensitivity analysis (Continued)*

The stated changes represent the Group's management assessment of the reasonably possible change of foreign exchange rates for the year. Results of the sensitivity analysis as presented in the above table represented an aggregation of the instantaneous effects on each of the group entities' profit for the year, net of tax, which are measured in their respective functional currencies, translated into HKD at the exchange rate ruling at the end of reporting period for presentation purpose.

The sensitivity analysis assumes that the possible change of foreign exchange rates had been applied to remeasure those monetary assets and monetary liabilities held by the Group which expose to foreign currency risk at the end of reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower.

The key assumptions and methodologies used in the sensitivity analysis is performed on the same basis for the prior year.

39. 金融工具 (續)**(B) 金融風險管理目標及政策 (續)****(i) 外幣風險 (續)***敏感度分析 (續)*

上述的變動代表本集團管理層對本年度匯率可能變動的合理性而作出評估。上表所表示的敏感性分析結果表示集團實體對年度利潤的即時影響，除稅後以其各自的功能貨幣計算，並換算為港幣在期末報告中呈現。

敏感度分析假設已採用在報告期末日有可能變動的匯率重新計量本集團於報告期末的外幣風險的貨幣性資產和貨幣性負債，包括集團內公司間應付款和應收款以貸方或借款人的功能貨幣以外的貨幣。

敏感度分析中使用的關鍵假設和方法與上一年的基礎相同。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The Group is exposed to fair value interest rate risk arises primarily from fixed interest-rate bank deposits and loans receivable. The directors of the Company consider that the associated fair value interest rate risk is not financially significant as both bank deposits and loans receivable are within short maturity periods for both years.

The Group is also exposed to cash flow interest rate risk arises from variable interest-rate bank deposits, bank overdrafts, advances to customers in margin financing, bank borrowings, finance lease payable and lease liabilities. It is the Group's policy to keep certain of the bank deposits at floating interest rates in order to minimise the associated fair value interest rate risk for both years.

The Group's cash flow interest rate risk is mainly concentrated on the possible change of Hong Kong Interbank Offered Rate ("HIBOR") and London Interbank Offered Rate ("LIBOR") arising from those bank overdrafts and bank borrowings denominated HKD, USD and RMB.

The Group did not enter into any interest rate swaps to hedge its exposure to interest rate risk. The Group's management monitors the Group's exposure on ongoing basis.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(ii) 利率風險

利率風險是金融工具的公允價值或未來現金流量因市場利率變化而波動的風險。

本集團承受公平價值利率風險主要來自定息銀行存款及應收貸款。本公司董事認為，由於兩個年度的銀行存款及應收貸款為短期內到期，故本集團承擔的公平價值利率風險在財務上並不顯著。

本集團亦承受現金流量利率風險主要來自可變利率銀行存款及銀行透支、提供予保證金融資客戶之墊款、銀行貸款、應付融資租賃及應付租賃而面對現金流量利率風險。本集團的政策乃就其存款採用浮動利率以減低兩個年度相關的公平價值利率風險。

本集團的現金流量利率風險主要集中以港元、美元和人民幣計算的銀行透支及銀行貸款引起的香港銀行同業拆息（「HIBOR」）和倫敦銀行同業拆息（「LIBOR」）的波動。

本集團並無進行任何利率掉期交易以對沖其面對的利率風險。本集團的管理層會持續監控本集團面臨的風險。

39. FINANCIAL INSTRUMENTS (CONTINUED)**(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(ii) Interest rate risk (Continued)***Sensitivity analyses*

The sensitivity analysis below indicates the instantaneous change in profit for the year, net of tax, and retained profits that would arise by assuming that the changes in the interest rates had occurred at the end of reporting period and had been applied to remeasure those interest-bearing financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of reporting period. In respect of the exposure of cash flow interest rate risk arising from variable interest-rate financial instruments held by the Group at the end of reporting period, the impact on the profit for the year, net of tax, and retained profits is estimated as an annualised impact on interest expenses or income of such a change of interest rates.

The key assumptions and methodologies used in the sensitivity analysis is performed on the same basis for the prior year.

A 50 basis point increase or decrease used when reporting the interest rate risk internally to key management personnel and represents the Group's management assessment of the reasonable possible change of interest rates in the foreseeable future.

39. 金融工具 (續)**(B) 金融風險管理目標及政策 (續)****(ii) 利率風險 (續)***敏感度分析*

以下敏感度分析表明，假設利率變動已在報告期末發生並已用於重新計量集團所持有會使本集團承受公允價值利率風險附帶利息的金融工具，對該年度溢利（扣除稅項和留存溢利）影響。對於本集團於報告期末持有的浮動利率金融工具所產生的現金流量利率面臨的風險，該年度溢利（扣除稅項和留存溢利）的影響以假設全年度利率變動對利息支出或收入的年度影響。

敏感度分析中使用的關鍵假設和方法與上一年的基礎相同。

本集團內部向主要管理層成員匯報利率風險會採納50基點上升及下跌為基準，此亦代表管理層對利率的合理可能變動的評估。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Interest rate risk (Continued)

If the interest rates on bank deposits, bank overdrafts, and advances to customers in margin financing were 50 basis points (2018: 50 basis points) higher/lower with all other variables held constant, the profit for the year, net of tax, and retained profits would increase/decrease by approximately HKD845,000 (2018: HKD911,000) attributable to the interest rate risk exposure on variable interest-rate bank deposits, bank overdrafts, and advances to customers in margin financing.

In addition, if the interest rates on bank borrowings, finance lease payables and lease liabilities were 50 basis points (2018: 50 basis points) higher/lower with all other variables held constant, the profit for the year, net of tax, and retained profits would decrease/increase by approximately HKD6,662,000 (2018: HKD5,351,000) attributable to the interest rate risk exposure on variable interest-rate on variable-rate bank borrowings, finance lease payable and lease liabilities.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(ii) 利率風險 (續)

倘銀行存款及銀行透支及提供予保證金融資客戶之墊款之利率上升/下降50基點(2018年: 50基點), 及所有其他可變因數維持不變, 則本集團年內的除稅後溢利及留存溢利將會增加/減少約845,000港元(2018年: 年內溢利減少/增加約911,000港元)。此乃由於本集團來自浮動利息銀行存款及銀行透支、提供予保證金融資客戶之墊款所產生利率風險所致。

此外, 倘銀行貸款及應付融資租賃之利率上升/下跌50基點(2018年: 50基點), 而所有其他可變因數維持不變, 則本集團年內的除稅後溢利及留存溢利將減少/增加約6,662,000港元(2018年: 5,351,000港元), 乃由於本集團的浮息銀行貸款、應付融資租賃及應付租賃所面對的利率風險所致。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group's credit risk is primarily attributable to its trade and other receivables, advances to customers in margin financing and loans receivable. The Group does not provide any financial guarantee which would expose the Group to credit risk for both years.

In order to minimise the credit risk, the Group's management has delegated a team who is responsible for determination of credit limits, credit approvals and other monitoring procedures on all of trade debtors who required individual credit evaluations to ensure that follow-up actions taken immediately to recover overdue debts. To be specific, these evaluations focus on the trade debtors' past history of making payments when due and current ability to pay, market value of pledged securities, and taken into account information specific to the trade debtors as well as pertaining to the macroeconomic environment in which the trade debtors operate ongoing credit evaluation is performed on the financial condition of trade debtors. Trade debtors with balances that are more than a reasonable period of past due are requested to settle all outstanding balances before any further credit is granted.

Except for the balance of advance to customers in margin financing and loans receivable, the Group does not obtain any securities collecterals from customers. However, the Group regularly reviews the recoverable amount of each individual trade debts at the end of reporting period to ensure that adequate loss allowances are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk is significantly reduced.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(iii) 信貸風險

信貸風險是指交易對手違反其合同義務而給本集團造成財務損失的風險。

本集團之信貸風險主要由於貿易及其他應收賬款、提供予保證金融資客戶之墊款及應收貸款所致。本集團並無提供任何會使本集團於兩個年度承受信貸風險之財務擔保。

將信貸風險減至最低，本集團管理層已指派一隊人員負責釐定信貸限額、信貸批核及其他監控程序，針對所有須要個別信貸評估的客戶，以確保即刻採取跟進行動以收回過期債務。具體而言，該等評估側重於客戶過往於款項到期時的付款記錄及目前償付能力、抵押品的市值，同時考慮對方的特殊情況以及其經營所在的經濟環境。持續信用評估是根據貿易客戶的財務狀況進行，本集團要求有逾期超過合理期間的欠款的貿易客戶在本集團向其提供任何其他信貸前結清所有尚未償還結餘。

除了提供予保證金融資客戶之墊款及應收貸款，本集團並無就貿易應收賬款餘額取得抵押品。然而，本集團於報告期末定時檢討各項貿易債項的可收回金額，以確保已就無法收回的金額作出足夠的虧損撥備。就此而言，本公司董事認為信貸風險已大幅減少。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Credit risk (Continued)

Concentration of credit risk

(a) Other than financial service segment

The Group had a concentration of credit risk in relation to trade receivables arise from the individual characteristics of trade debtors operate in the segments other than financial services segment was approximately 8% (2018: 11%) and 38% (2018: 40%) of total trade receivables of these segments were due from their largest customer and top five customers respectively. These trade receivables were mainly with trade debtors with sounded credit standing or with whom the Group had no default payment history. The credit risk was limited because the trade debtors with good repayment history and the default risk arise from the market and country where the trade debtors operate, also has an influence on credit risk but to a lesser extent.

(b) Financial services segment

Financial services segment has put in place a well-established credit policy governing the credit limit granted to customers. Customers were generally required to deposit their securities, properties or other appropriate assets with the Group as securities to their borrowings. The credit risks arise from the individual characteristics of these customers are regularly monitored with reference to the realisable values of the securities and individual credit evaluations. For the default risk of the market and country where the trade debtors operate also has an influence on credit risk but to a lesser extent. For the receivables arise from the clearing house is at a high credit standing and the Group's management does not expect the counterparty will fail to meet its obligations.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(iii) 信貸風險 (續)

集中信用風險

(a) 除金融服務分部以外分部

本集團承受除金融服務分部以外分部而具個人特色之貿易客戶應收賬款的集中信貸風險，因該等分部之最大客戶及5大客戶的貿易應收賬款分別佔該等分部之貿易應收賬款總額的8% (2018年：11%) 及38% (2018年：40%)。該等貿易應收賬款主要與信用狀況良好或本集團並無錄得對方拖欠支付的記錄。由於對方擁有良好還款記錄，而雖然該等客戶所在行業及國家的失責風險均會影響信貸風險，但相對有限。

(b) 金融服務分部

金融服務分部已實行穩固之信貸政策監管給予客戶之信貸額度。客戶一般須向本集團存置其證券、物業或其他適當的資產作為其貸款之抵押。定期監察因客戶個人特色而產生之信貸風險一般參考抵押品之可變現價值及評核個別信貸風險。該等客戶經營業務所在行業及國家的違約風險亦會對信貸風險產生影響，但程度較低。結算所產生的應收賬款具有高信譽，管理層預期交易對方將會履行其責任。

39. FINANCIAL INSTRUMENTS (CONTINUED)**(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(iii) Credit risk (Continued)***Concentration of credit risk (Continued)***(b) Financial services segment (Continued)**

The Group had a concentration of credit risk in relation to advances to customers in margin financing and loans receivable of this segment was 29% (2018: 24%) and 57% (2018: 62%) of total receivables of this segment was due from their largest customer and top five customers respectively. These receivables were mainly arise from the customers with sounded credit standing or with whom the Group possessed the ownership over the borrower's securities, properties or other financial assets. Details of credit quality and the maximum exposure to credit risk of the Group's advances to customers in margin financing and loans receivable are set out in Notes 24 and 25 to the consolidated financial statements, respectively.

Loss allowance calculation of trade receivables

The Group adopted the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all of the trade receivables balances. At 31 December 2019, the loss allowance of trade receivables was determined in the following provision matrix on the basis of ageing analysis as disclosed in Note 23 to the consolidated financial statements. The ECLs below also incorporated forward-looking information and groupings of various customers' segments with similar loss patterns (i.e. by geographical region, customer type and rating, and product or service type) in the ECLs calculations. The calculations also reflect the probability-weighted outcome, time value of money and reasonable and supportable information that is available at the reporting date.

39. 金融工具 (續)**(B) 金融風險管理目標及政策 (續)****(iii) 信貸風險 (續)***集中信用風險 (續)***(b) 金融服務分部 (續)**

本集團亦承受該分部之提供予保證金融資客戶之墊款及應收貸款的集中信貸風險，因該分部之最大客戶及5大客戶的應收賬款分別佔該分部之應收賬款總額的29% (2018年：24%)及57% (2018年：62%)。該等應收賬款主要與信用狀況良好或本集團以客戶的證券、物業或其他金融資產為抵押的對方產生。本集團提供予保證金融資客戶之墊款及應收貸款的信貸風險的信貸質素及最大風險詳情分別載於綜合財務報表附註24及25。

貿易應收賬款的虧損撥備計算
本集團採納簡化法就香港財務報告準則第9號指定的預期信貸虧損作出撥備，其允許就所有貿易應收賬款結餘採用全期預期虧損撥備。於2019年12月31日，貿易應收賬款的虧損撥備乃根據賬齡分析（於綜合財務報表附註23披露）於以下撥備矩陣中釐定。於計算以下預期信貸虧損時，本集團亦已考慮前瞻性資料及具有類似虧損模式（即地區、客戶類別及評級及產品或服務類別）的多個客戶分部組別。該計算反映或然率加權結果、貨幣時間價值及於報告日期可得的合理及可靠資料。

39. FINANCIAL INSTRUMENTS (CONTINUED)

39. 金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(B) 金融風險管理目標及政策 (續)

(iii) Credit risk (Continued)

(iii) 信貸風險 (續)

Loss allowance calculation of trade receivables
(Continued)

貿易應收賬款的虧損撥備計算
(續)

As at 31 December 2019

於2019年12月31日

		Expected loss rate (%) 預期虧損率	Gross Carrying amount (HKD'000) 總賬面額 千港元	Loss allowances (HKD'000) 虧損撥備 千港元
Gross carrying amount of trade debtors subject to specific provisions:	個別貿易客戶的總賬面值：			
At 1 January 2019	於2019年1月1日	100	23,664	23,664
Write off of loss allowance	虧損撥備撇賬	100	(23,664)	(23,664)
At 1 December 2019	於2019年12月31日		—	—
Gross carrying amount of trade debtors subject to provision matrix:	個別貿易客戶於撥備矩陣的總賬面值：			
At 1 January 2019	於2019年1月1日		—	5,786
0 to 30 days	0至30日	0.2	19,929	40
31 to 60 days	31至60日	0.4	8,766	35
61 to 90 days	61至90日	1.9	2,482	47
91 to 180 days	91至180日	2.3	1,429	33
More than 180 days	超過180日	4.0	19,970	634
			52,576	789
At 31 December 2019	於2019年12月31日		52,576	6,575

39. FINANCIAL INSTRUMENTS (CONTINUED)

39. 金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(B) 金融風險管理目標及政策 (續)

(iii) Credit risk (Continued)

(iii) 信貸風險 (續)

Loss allowances calculation of trade receivables貿易應收賬款的虧損撥備計算

As at 31 December 2018

於2018年12月31日

		Expected loss rate (%) 預期虧損率	Gross amount (HKD'000) 總額賬面 千港元	Carrying loss allowances (HKD'000) 虧損撥備 千港元
Gross carrying amount of trade debtors subject to specific provisions:	個別貿易客戶的總賬面值：			
At 1 January 2018 and 31 December 2018	於2018年1月1日及2018年12月31日	100	23,664	23,664
Gross carrying amount of trade debtors subject to provision matrix:	個別貿易客戶於撥備矩陣的總賬面值：			
At 1 January 2018	於2019年1月1日		-	-
0 to 30 days	0至30日	0.1	27,780	31
31 to 60 days	31至60日	0.3	7,216	24
61 to 90 days	61至90日	1.7	2,407	40
91 to 180 days	91至180日	7.4	5,105	375
More than 180 days	超過180日	30	17,694	5,316
			60,202	5,786
At 31 December 2018	於2018年12月31日		83,866	29,450

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Credit risk (Continued)

Loss allowances calculation of other financial assets at amortised cost (Continued)

Except for the loss allowances recognised on the carrying amounts of amount due from an associate and loans receivable were calculated under ECL calculations classified as stage 3 as set out in Note 20 and 25 to the consolidated financial statements, the loss allowances of other receivables and amounts due from joint ventures calculated were limited under 12-months ECL calculation classified as stage 1 of the ECL model. The credit risk on restricted bank deposits and bank balances and cash is limited because they are placed with reputable banks.

(iv) Liquidity risk

In the management of the Group's liquidity risk, the Group's management regularly monitors and maintains an optimal level of cash and cash equivalents deemed adequate by the Group's management to finance the Group's operations for meeting its liquidity requirement and mitigate the effects of fluctuations in cash flows at all times.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(iii) 信貸風險 (續)

按攤銷成本計量的其他金融資產的虧損撥備計算 (續)

除應收一間聯營企業款項及應收貸款的賬面值以預期信貸虧損階段3的計算方法(受全期預期信貸虧損評估(載於綜合財務報表附註20及25)規限)外,根據分類為預期信貸虧損模型階段一下12個月預期信貸虧損計算的其他應收賬款虧損撥備及應收合營企業款項乃有限。受限制銀行存款以及銀行結餘及現金的信貸風險乃有限,蓋因彼等存放於聲譽良好的銀行。

(iv) 流動資金風險

於管理本集團流動資金風險方面,本集團定時監控及維持管理層認為隨時足夠為本集團符合流動資金要求及減輕現金流波動影響的現金及現金等價物的最佳水平。

39. FINANCIAL INSTRUMENTS (CONTINUED)

39. 金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(B) 金融風險管理目標及政策 (續)

(iv) Liquidity risk (Continued)

(iv) 流動資金風險 (續)

In addition, there is minimum liquid capital requirement under the SF(FR)R and a constant need of funding for the financial services segment. The Group's management aims to maintain flexibility in funding for the settlement of securities transactions, margin financing and loans to customers.

此外，香港證券及期貨（財政資源）規則規定了最低流動資金要求和金融服務分部需要維持穩定資金。本集團的管理層旨在維持靈活的資金，用於結算證券交易，保證金融資和向客戶提供貸款。

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on their agreed repayment terms. The table illustrated below is based on the undiscounted cash flows of financial liabilities according to the earliest date on which the Group can be required to pay. Specifically, for the bank borrowings with repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on their respective agreed repayment dates. The table includes both principals and interests cash flows:

下表詳述本集團根據商定的還款條款的非衍生金融負債尚餘合約年期，下表乃基於金融負債的未貼現現金流量及按本集團須最早償付的日期而載列。具體來說，具有即時還款條款的銀行貸款會列為最早時段償付，不論銀行選擇行使其權利的機率。其他非衍生金融負債到期日乃根據商定的還款日期。本表格包括利率及本金現金流。

2019	2019年	Weighted average interest rate	On demand or less than 1 month	1-3 months	3-12 months	More than 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2019
		利率加權平均值 %	見票即付或少於1個月 HKD'000 千港元	1-3個月 HKD'000 千港元	3-12個月 HKD'000 千港元	多於一年 HKD'000 千港元	未貼現金流總額 HKD'000 千港元	於2019年12月31日之賬面值 HKD'000 千港元
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付賬款	-	298,710	-	-	-	298,710	298,710
Amount due to a related party	應付一間關聯公司款項	-	112	-	-	-	112	112
Bank overdrafts	銀行透支	4.8	8,175	-	-	-	8,175	7,804
Bank borrowings	銀行貸款	4.7	5,332	10,458	42,609	1,441,117	1,499,516	1,410,901
Loan from non-controlling interests	來自非控股權益貸款	2.3	-	-	-	2,163	2,163	2,114
Lease liabilities	應付租賃負債	6.9	896	1,792	8,067	345,998	356,753	184,899
			313,225	12,250	50,676	1,789,278	2,165,429	1,904,540

39. FINANCIAL INSTRUMENTS (CONTINUED)

39. 金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(B) 金融風險管理目標及政策 (續)

(iv) Liquidity risk (Continued)

(iv) 流動資金風險 (續)

2018	2018年	Weighted average interest rate	On demand or less than 1 month	1-3 months	3-12 months	More than 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2018
		利率加權平均值 %	見票即或少於1個月 HKD'000 千港元	1-3個月 HKD'000 千港元	3-12個月 HKD'000 千港元	多於一年 HKD'000 千港元	未貼現現金流總額 HKD'000 千港元	於2018年12月31日之賬面值 HKD'000 千港元
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付賬款	-	216,059	-	-	-	216,059	216,059
Amount due to a related party	應付一間關聯公司款項	-	10,541	-	-	-	10,541	10,541
Bank overdrafts	銀行透支	4.8	6,768	-	-	-	6,768	6,461
Bank borrowings	銀行貸款	4.0	6,170	7,032	34,658	1,342,962	1,390,822	1,281,054
Loan from non-controlling interests	來自非控股權益貸款	2.3	-	-	-	9,466	9,466	9,249
Finance lease payable	應付融資租賃	2.5	12	37	100	582	731	651
			<u>239,550</u>	<u>7,069</u>	<u>34,758</u>	<u>1,353,010</u>	<u>1,634,387</u>	<u>1,524,015</u>

(v) Equity price risk

Equity price risk is the risk that the fair values of financial assets at fair value through profit or loss decrease as a result of changes in the levels of equity indices and the market price of unlisted equity investments determined by the independent qualified professional valuer, Ascent Partners Valuation Services Limited. The Group was exposed to equity price risk arising from listed equity securities listed in Hong Kong and unlisted equity investments outside Hong Kong classified as financial assets at fair value through profit or loss as at 31 December 2018 and 2019.

(v) 股本價格風險

股本價格風險是指股本指數水平及獨立專業估值師艾升評值諮詢有限公司所釐定非上市股本投資市價變動而導致的按公平價值列入損益的金融資產公平價值下跌的風險。於2018年及2019年12月31日，本集團所面對的股本價格風險源自於香港上市的股本證券及於香港境外非上市股本投資，其分類為按公平價值列入損益的金融資產。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(v) Equity price risk (Continued)

The following table demonstrates the sensitivity to every 5% change in the fair values of the Group's equity investments of which the directors of the Company expect the future possible changes of financial assets, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of reporting period.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(v) 股本價格風險 (續)

下表列示本集團之股本投資之公平價值對每5%變動之敏感度而本公司董事預期將來可能改變的金融資產(所有其他變數保持不變及不計任何稅項影響), 按其於報告期末之賬面值計算。

		Increase/ (decrease) in profit before income tax expense before tax 除所得稅開支 前溢利之 增加/(減少)	Increase/ (decrease) in equity
	Increase/ (decrease) in fair value 公平價值之 增加/(減少)	HKD'000 千港元	HKD'000 千港元
2019	2019年		
Listed equity securities	香港上市的股本證券		
Hong Kong		5	3,301
Unlisted equity investments	香港境外非上市		
outside Hong Kong	股本投資	5	8,747
2018	2018年		
Listed equity securities	香港上市的股本證券		
Hong Kong		5	334
Unlisted equity investments	香港境外非上市		
outside Hong Kong	股本投資	5	3,289

39. FINANCIAL INSTRUMENTS (CONTINUED)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(vi) Offsetting financial assets and financial liabilities

The following tables represent details of the Group's financial assets and financial liabilities subject to offsetting, restricted by the enforceable master netting arrangements or similar agreements between the Group and Hong Kong Securities Clearing Company Limited ("HKSCC") at 31 December 2018 and 2019.

39. 金融工具 (續)

(B) 金融風險管理目標及政策 (續)

(vi) 抵銷金融資產及金融負債

下表呈列本集團於2018及2019年12月31日可予抵銷之金融資產及金融負債(受可強制執行之總淨額結算安排或公司與香港交易及結算有限公司(「香港結算」)類似協議限制)之詳情。

		Financial assets subject to offsetting 可予抵銷之金融資產					
		Gross amount of recognised financial liabilities Gross amount of recognised financial assets 於綜合財務狀況表抵銷 已確認 金融資產總額 HKD'000 千港元	Net amount of financial assets presented in the consolidated statement of financial position Gross amount of recognised financial assets Gross amount of recognised financial liabilities 於綜合財務狀況表抵銷 已確認 金融負債總額 HKD'000 千港元	Net amount of financial assets presented in the consolidated statement of financial position Gross amount of recognised financial assets Gross amount of recognised financial liabilities 於綜合財務狀況表抵銷 已確認 金融資產淨額 HKD'000 千港元	Financial instruments other than cash collateral 現金抵押品以外之 金融工具 HKD'000 千港元	Related amounts not offset in the consolidated statement of financial position 概無於綜合財務狀況表 抵銷之相關金額 Cash collateral received 已收現金 抵押品 HKD'000 千港元	Net amount 淨額 HKD'000 千港元
At 31 December 2019	Trade receivable from HKSCC						
	於2019年12月31日 來自香港結算之 貿易應收款項	18,092	(17,560)	532	-	-	532
At 31 December 2018	Trade receivable from HKSCC						
	於2018年12月31日 來自香港結算之 貿易應收款項	59,947	(59,947)	-	-	-	-

39. FINANCIAL INSTRUMENTS (CONTINUED)

39. 金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(vi) Offsetting financial assets and financial liabilities (Continued)

(B) 金融風險管理目標及政策 (續)

(vi) 抵銷金融資產及金融負債 (續)

		Financial liabilities subject to offsetting 可予抵銷之金融負債					
		Gross amount of recognised financial assets offset in the consolidated statement of financial position 於綜合財務狀況表抵銷 已確認 金融資產總額 HKD'000 千港元	Net amount of financial liabilities presented in the consolidated statement of financial position 於綜合財務狀況表呈列之 金融負債淨額 HKD'000 千港元	Related amounts not offset in the consolidated statement of financial position 概無於綜合財務狀況表 抵銷之相關金額		Net amount 淨額 HKD'000 千港元	
				Financial instruments other than cash collateral 現金抵押品以外之 金融工具 HKD'000 千港元	Cash collateral received 已收現金 抵押品 HKD'000 千港元		
At 31 December 2019	於2019年12月31日						
Trade payable from HKSCC	來自香港結算之 貿易應付賬款	17,560	(17,560)	-	-	-	
At 31 December 2018	於2018年12月31日						
Trade payable from HKSCC	來自香港結算之 貿易應付賬款	60,152	(59,947)	205	-	205	

39. FINANCIAL INSTRUMENTS (CONTINUED)

39 .金融工具 (續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(B) 金融風險管理目標及政策 (續)

(vi) Offsetting financial assets and financial liabilities (Continued)

(vi) 抵銷金融資產及金融負債 (續)

The tables below reconcile the amounts of trade and other receivables, and trade and other payables of the Group as presented in the consolidated statement of financial position as at 31 December 2018 and 2019:

下表於2018及2019年12月31日為綜合財務狀況表所呈列本集團之貿易及其他應收賬款、貿易及其他應付賬款金額之對賬。

		2019 HKD'000 千港元	2018 HKD'000 千港元
Trade and other receivables:	貿易及其他應收賬款：		
Net amount of trade receivable from HKSCC	來自香港結算之貿易應收賬款淨額	532	-
Trade and other receivables not within the scope of offsetting disclosure	不在抵銷披露範圍之貿易及其他應收賬款	<u>189,837</u>	<u>513,594</u>
Trade and other receivables as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之貿易及其他應收賬款	<u>190,369</u>	<u>513,594</u>

		2019 HKD'000 千港元	2018 HKD'000 千港元
Trade and other payables:	貿易及其他應付賬款：		
Net amount of trade payable from HKSCC	來自香港結算之貿易應付賬款淨額	-	205
Trade and other payables not within the scope of offsetting disclosure	不在抵銷披露範圍之貿易及其他應付賬款	<u>309,054</u>	<u>231,703</u>
Trade and other payables as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之貿易及其他應付賬款	<u>309,054</u>	<u>231,908</u>

39. FINANCIAL INSTRUMENTS (CONTINUED)**39. 金融工具 (續)****(C) FAIR VALUE MEASUREMENTS**

The following table presents the fair value of the Group's financial instruments measured at the end of reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement". The level into which a fair value measurement is classified is determined with reference to the observability and significance of the key inputs used in the respective valuation techniques by the Group as follows:

- Level 1 valuations: Fair value measured using only Level 1 key inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities with standard terms and conditions traded in active liquid markets which are quoted market bid prices.
- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The directors of the Company consider that the carrying amounts of financial instruments measured at amortised cost at 31 December 2018 and 2019 were approximate to their fair value. On the grounds that either of their maturity periods are short or their effective interest rates were approximate to the relevant discount rate.

There were no changes in the valuation techniques and transfers between the level 1 and level 2, or transfer into or out of level 3 fair value hierarchy for both years. The Group's accounting policy is to recognise transfers between levels of fair value hierarchy at the end of reporting period in which they occur.

(C) 公平價值計量

下表為本集團於報告期末按經常性基準下計量的金融資產及負債的公平價值，是按分類為香港財務報告準則第13號「公平價值計量」下所界定的三級公平價值層級。公平價值計量劃分及釐定的層級是參考以下估值技術所使用輸入參數及數據的可觀察性及重要性：

- 層級1估值：僅使用第一級輸入數據計量，即相同資產或負債於計量日期在活躍市場的未經調整報價，即符合活躍流動市場的標準條款及條件（即市場報價），作為公平價值；
- 層級2估值：使用層級2輸入數據計量，即不符合層級1的可觀察輸入數據且並無使用重大不可觀察輸入數據。不可觀察輸入數據為於市場數據不可用的輸入數據作為公平價值；及
- 層級3估值：使用重大不可觀察輸入數據計量作為公平價值。

本公司董事認為，於2018年及2019年12月31日按攤銷成本入賬的金融工具的賬面值與其等的公平價值相若，其原因為於短期內到期或其適用的實際利率與其折現率實為相若。

於兩個年度內，估值技術或於層級1，層級2及層級3層之間的公允價值層次轉撥並無變動。本集團的會計政策是在報告期末確認公允價值層級之間的轉移。

39. FINANCIAL INSTRUMENTS (CONTINUED)

(C) FAIR VALUE MEASUREMENTS (CONTINUED)

The following table provides an analysis of financial instruments measured at fair value. For the listed equity securities is classified as Level 1 and the unlisted equity investments outside Hong Kong is classified as Level 3. The classification is based on the degree to which the key inputs used in the fair value measurements are observable and the significance of adjustments to the key inputs used in the fair value measurements.

		2019 HKD'000 千港元	2018 HKD'000 千港元
Level 1	層級1		
Listed equity securities in Hong Kong	香港上市的股本證券	66,012	6,676
Level 3	層級3		
Unlisted equity investments outside Hong Kong	香港境外非上市股本投資	174,941	65,777

Reconciliation of the opening and closing balance of financial instruments classified as level 3 fair value hierarchy are provided as follows:

按層級3劃分的金融工具在年初及年終的對賬如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Unlisted equity investments outside Hong Kong:	香港境外非上市股本投資：		
At 1 January	於1月1日	65,777	–
Additions	添置	–	65,777
Increase in fair value recognised in profit or loss	於損益確認的公平價值增加	109,164	–
At 31 December	於12月31日	174,941	65,777

39. FINANCIAL INSTRUMENTS (CONTINUED)

(C) FAIR VALUE MEASUREMENTS (CONTINUED)

The fair value measurement of unlisted equity investments outside Hong Kong was determined by using both observable and unobservable key inputs. The significant key inputs included market value of comparable companies, risk-free rate, expected recoverable rate of the investment and adjusted for discounts for lack of marketability (“DLOM”). The risk-free rate, DLOM and expected recoverable rate are 1.58%, 37.79% and 90% (2018: 2.49%, 4.87% and 15%) respectively.

The change in fair value of the unlisted equity investments was approximately HKD109,164,000 (2018: HKD nil) during the year as the director of the Company estimated that the probability to acquire business target has been increased significantly at 31 December 2019 and eventually completed its acquisition in February 2020.

40. CONTINGENT ASSETS AND LIABILITIES

Except for the details of potential tax liabilities with respect to the potential penalty arising from the late filing of tax returns for reporting the PRC Enterprise Income Tax to the PRC tax authority as disclosed in Note 9 to the consolidated financial statements, the Group has no other contingent assets or contingent liabilities required to be recognised or disclosed in the financial statements as at 31 December 2018 and 2019.

41. OPERATING LEASES

AS A LESSEE

Saved as disclosed in Note 2(A) to the consolidated financial statements, the Group has adopted HKFRS 16 by using modified approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets at the amount equal to the lease liabilities for all of its operating lease contracts, except for those are short-term leases and leases with low-value of underlying assets by applying practical expedients of the Group. As a result, the operating lease commitment as at 31 December 2019 excluded those operating lease contracts being recognised as right-of-use assets. Under the transition provision permitted under HKFRS 16, the comparative information of operating lease commitment has not been restated and followed the predecessor accounting standard of HKAS 17.

39. 金融工具 (續)

(C) 公平價值計量 (續)

香港境外非上市股本投資的公平價值計量採用估值技術估算，有關技術包括使用可觀察及不可觀察的輸入數據。重大輸入數據包括可資比較公司的市價、投資的無風險利率及預期收回率，並就缺乏市場流通性的貼現率（「缺乏市場流通性的貼現率」）作出調整。無風險利率、缺乏市場流通性的貼現率及預期收回率分別為1.58%、37.79%及90%（2018年：2.49%、4.87%及15%）。

於年內，非上市股本投資的公平價值變動約109,164,000港元（2018：沒有），因本公司董事估計其收購商業目標的可能性於2019年12月31日大幅增加，收購最終亦於2020年2月完成。

40. 或然資產及負債

除中國企業所得稅之中國納稅申報單所產生之潛在罰金相關的潛在稅務責任之詳情於綜合財務報表附註9披露，本集團於2018及2019年12月31日的財務報表沒有其他需確認或披露的或然資產或負債。

41. 經營租賃

作為承租人

除綜合財務報表附註2(A)所披露者外，本集團已採用經修改方法採納香港財務報告準則第16號，並於2019年1月1日調整年初結餘以確認與所有經營租賃合同使用權資產相等的租賃負債，短期租賃和於本集團應用實際權宜方法下低價值資產租賃除外。因此，截至2019年12月31日的經營租賃承諾不包括已被確認為使用權資產的經營租賃合同。根據香港財務報告準則第16號准許的過渡條文，經營租賃承擔的比較資料尚未重列，並且根據原準則香港會計準則第17號。

41. OPERATING LEASES (CONTINUED)

AS A LESSEE (CONTINUED)

During the year, the Group incurred minimum and contingent lease payments in respect of its office premises, staff quarters and retail shops under non-cancellable operating lease contracts for those qualified practical expedients under HKFRS 16, which were recognised as operating leases expenses in profit or loss during the year were disclosed as follows:

Operating lease expenses comprised of:	經營租賃支出包括：
Minimum lease payments	最低租賃款項
– Community mall	– 社區商場
– Offices premises	– 辦公室
– Staff quarters	– 員工宿舍
– Retail shops	– 零售店
Contingent lease payments	或然租賃款項

Among the contingent lease payments, the Group leased a number of retail shops which contain contingent lease payment terms that are calculated based on the relevant shops' revenue generated and minimum lease payment terms that are fixed for both years. The amount of such contingent lease payments to be incurred in the future cannot be readily estimated in advance and is excluded in the calculation of lease commitment as disclosed below.

41. 經營租賃 (續)

作為承租人 (續)

本集團於年內符合香港財務報告準則第16號的實際權宜方法就不可取消經營的辦公室、員工宿舍及零售店租賃作出最低及或然租賃款項，並於本年度損益內確認為租賃費用的披露如下：

	2019 HKD'000 千港元	2018 HKD'000 千港元
Operating lease expenses comprised of:		
Minimum lease payments		
– Community mall	–	20,730
– Offices premises	1,197	1,825
– Staff quarters	518	954
– Retail shops	106	5,992
	1,821	29,501
Contingent lease payments	21,670	16,325
	23,491	45,826

在或然租賃款項中，本集團於兩年內租賃若干零售商店包含根據相關商店產生的收入而計算的或然租賃款項及固定最低租賃款項。在計算以下租賃承擔時排除因未來不可輕易被估計而產生的或然租賃款項。

41. OPERATING LEASES (CONTINUED)

AS A LESSEE (CONTINUED)

The Group had the following total future minimum lease payments under non-cancellable operating lease contracts, except contingent lease payments arise from the retail shops, which were fall due as at 31 December 2018:

		2018 HKD'000 千港元
Within one year	一年內	24,394
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	80,130
Over five years	超過五年	278,310
		<u>382,834</u>

The future minimum lease payments represented the operating leases expenses payables by the Group for community mall, offices premises, staff quarters and retail shops. Tenancy agreements are negotiated for lease terms ranged from one to twenty years (2018: from one to twenty years) which was previously classified as operating leases expenses in profit or loss when incurred under HKAS 17. From 1 January 2019 onwards, the future minimum lease payments have been recognised as lease liabilities in accordance with the Group's accounting policies as set out in Note 4(l) to the consolidated financial statements. Details of the lease liabilities are disclosed in Note 32 to the consolidated financial statements.

41. 經營租賃(續)

作為承租人(續)

於2018年12月31日，本集團就未來最低租賃款項承擔以下承諾，但不可撤銷經營租賃下項的零售店的或然租賃除外，其到期日的分析如下：

未來最低租賃款項乃指本集團應付其若干社區商場、辦公室、員工宿舍及零售商舖的租金開支。租賃協議經協定之租期為一至二十年不等(2018年：一至二十年不等)，以往跟據香港會計準則第17號分類為損益內經營租賃支出。本集團已通過採用經修訂追溯法首次採納香港財務報告準則第16號。自2019年1月1日起，根據綜合財務報表附註4(l)所載的政策，未來最低租賃款項於綜合財務狀況表確認為租賃負債，而有關本集團未來租賃款項的詳情於綜合財務報表附註32披露。

41. OPERATING LEASES (CONTINUED)

AS A LESSOR

Rental income generated by leasing the investment properties held by the Group during the year was approximately HKD65,342,000 (2018: HKD64,062,000). Tenants who located in those investment properties were committed with the Group for leasing the properties for the next one to nineteen years (2018: one to nineteen years). Included in rental income, the sub-lease rental income arising from the sub-leasing of retail shops accommodated in the community mall, where located in Tianjin, the PRC, generated during the year was approximately HKD8,800,000 (2018: 8,399,000).

The Group had the following future minimum lease receivables under non-cancellable operating lease contracts, which were entitled to be received as at 31 December 2018 and 2019:

41. 經營租賃 (續)

作為出租人

年內，租賃投資物業產生之租金收入約為65,342,000港元（2018年：64,062,000港元）。本集團持作租賃用途的投資物業租戶已承諾出租人，租期介乎一至十九年（2018年：一至十九年），當中包括租金收入及於中國天津社區商場的租金收入，本年度收入約為8,800,000港元（2018年：8,399,000港元）。

於2018年及2019年12月31日，本集團與租戶訂立不可取消經營租賃合約之未來最低租賃收入如下：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Within one year	一年內	83,106	49,506
In the second to fifth year, inclusive	第二年至第五年 (包括首尾兩年)	85,731	80,602
Over five years	超過五年	74,022	84,820
		<u>242,859</u>	<u>214,928</u>

42. CAPITAL COMMITMENTS

At 31 December 2018 and 2019, the Group had the following material contractual capital commitments not provided for in the consolidated financial statements:

42. 資本承擔

於2018年及2019年12月31日，本集團已就下列重大合約性資本承擔開支並未計入綜合財務報表內：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Contracted for but not provided:	有關已訂立合約惟並未撥備：		
– Capital contribution of unlisted equity investment outside Hong Kong	– 資本投入於香港境外非上市股本投資	51,415	51,682
– Construction costs of outlet mall buildings located in Shenyang and Xiamen, the PRC	– 位於中國廈門及瀋陽奧特萊斯之建造成本	–	199,605
		<u>51,415</u>	<u>251,287</u>

43. RETIREMENT BENEFITS SCHEME

The Group operates a defined contribution retirement plan under the Mandatory Provident Fund Scheme (the “MPF Scheme”) applied for all its qualifying employees in Hong Kong, who are eligible to participate. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Hong Kong Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group under the control of independent trustees. Under the rules of the MPF Scheme, both employer and its employees are required to contribute for the MPF scheme on a specific percentage of the qualifying employees’ basic salaries. The only obligation of the Group with respect to the MPF Scheme, which is to contribute 5% or HKD1,500 or equivalent per month in maximum of the employees’ basic salaries under the MPF Scheme and charged to profit or loss when vested fully.

43. 退休福利計劃

本集團為所有於香港的合資格僱員執行一項界定退休供款計劃之強制性公積金計劃（「強積金計劃」）。強積金計劃已根據香港強制性公積金計劃條例向強制性公積金計劃管理局註冊。強積金計劃的資產與本集團的資產分開管理，並由信託人控制的基金持有。根據強積金計劃的規則，僱主及其僱員均須按合資格僱員薪金之列明的特定比率向該計劃作出供款。本集團跟據強積金計劃及在全數歸屬下計入損益的唯一義務是每月把僱員基本薪金工資的5%或最高1,500港元或等值作為強積金計劃供款，而僱員亦須繳納相等的供款。

43. RETIREMENT BENEFITS SCHEME (CONTINUED)

The Company's subsidiaries operate in the PRC are the members of the state-managed retirement benefits scheme, namely the Central Provident Fund operated by the relevant PRC tax authorities. The related contributions are determined based on a certain percentage of the monthly salaries of the relevant subsidiaries' employees, and charged to the profit or loss once the amount of contributions become payable by these subsidiaries with the rules specified in the scheme. The Group has no other obligations under the scheme other than the contributions to the Central President Fund for both years.

In addition, the Group also participates in defined contribution retirement schemes organised by the relevant local government authorities in other jurisdictions where the Group operates. Certain employees of the Group are eligible for participating in the retirement benefits schemes are entitled to the retirement benefits from the relevant schemes. As a result, the Group is required to contribute to the retirement schemes upon the retirement of the eligible employees, excluding those employees who resigned before their respective retirements, at a percentage that is specified by the local governments.

43. 退休福利計劃 (續)

本公司於中國運營的附屬公司為中國稅務機構經營的國家管理退休福利計劃(中央公積金)成員。此退休計劃供款乃按相關附屬公司僱員的每月工資的若干百分比計量，並於有關期內將此等附屬公司的應付退休計劃供款計入綜合損益表。除支付供款外，本集團於兩年內按國家管理退休福利計劃項下概無其他責任。

此外，本集團亦參與本集團經營業務的其他司法權區的相關地方政府部門的界定供款退休計劃。本集團符合資格參加退休計劃的若干僱員有權享有該等計劃的退休福利。因此，本集團須按當地政府規定的百分比率向該等退休計劃作出供款，直至合資格僱員退休為止，不包括於退休前辭任的有關僱員。

44. RELATED PARTY DISCLOSURES

(A) RELATED PARTY TRANSACTIONS

During the year, the Group entered into the transactions with the related parties were disclosed as follows:

Mr. Cheng and his associates:

Nature of transactions	交易性質	2019 HKD'000 千港元	2018 HKD'000 千港元
Commission income from securities brokerage	證券買賣所得佣金收入	6	39
Interest income from margin financing	客戶墊款利息收入	692	212
Minimum lease payments under non-cancellable operating leases	不可取消經營租賃之最低租賃支出	96	516
Motor vehicle expenses	汽車開支	75	72
Total amount of margin financing facilities granted (Note (i))	授予保證金融資安排之總金額(附註(i))	10,000	10,000
Maximum outstanding amount of margin loan issued	保證金融資貸款之最高金額	8,945	8,745

Mr. Lee Cheung Ming ("Mr. Lee")

Nature of transactions	交易性質	2019 HKD'000 千港元	2018 HKD'000 千港元
Interest income from margin financing	證券買賣所得佣金收入	267	-
Total amount of margin financing facilities granted (Note (i))	授予保證金融資安排之總金額(附註(i))	10,000	-
Maximum outstanding amount of margin loan issued	保證金融資貸款之最高金額	9,878	-

44. 關連人士披露

(A) 關連人士交易

於年內，本集團與以下關連人士進行以下交易：

鄭盾尼先生及其聯繫人士：**李長銘先生(「李先生」)**

44. RELATED PARTY DISCLOSURES
(CONTINUED)(A) RELATED PARTY TRANSACTIONS
(CONTINUED)

During the year, the Group entered into the transactions with the related parties were disclosed as follows: (Continued)

Other related parties:

Nature of transactions	交易性質	2019 HKD'000 千港元	2018 HKD'000 千港元
Interest income from non-controlling shareholder of joint ventures	來自合營企業非控股股東利息收入	721	1,066
Interest expenses of loan from non-controlling interests	來自非控股股東貸款的利息開支	213	229
Minimum purchases for the sale and distribution of the "arena" branded swimwear and other sportswear, shoes and related accessories (Note (ii))	銷售及分銷「arena」游泳服裝及其他運動服裝、鞋及相關配飾最低額 (附註(ii))	60,691	103,558

Notes:

- i. On 30 October 2019, Mr. Lee who is the Executive Director of the Company entered into a margin financing agreement with the Group, with a facility amount of HKD10,000,000 granted to Mr. Lee for securities trading transaction. The balance of margin financing granted to Mr. Lee was secured by a cash deposit of HKD10,000,000 or assets of equivalent value in his securities account maintained with the Group, interest-bearing at Prime Rate plus 3% per annum.

Margin financing agreement granted to Mr. Cheng and a company wholly-owned by Mr. Cheng, which is secured by a cash deposit of HKD10,000,000 or assets of equivalent value in their securities accounts in aggregate maintained with the Group, interest-bearing at prime Rate plus 3% (2018: Prime Rate plus 3%) per annum.

- ii. After conducting an annual review of the 2018 business performance, an amendment to the original "arena" Joint Venture and China-exclusive Distribution Agreement was entered into on 7 May 2019 under which the price and minimum level of purchase for "arena" branded swimwear and other sportswear, shoes and related accessories (the "arena" branded products) have been adjusted.

44. 關連人士披露 (續)

(A) 關連人士交易 (續)

於年內，本集團與以下關連人士進行以下交易：(續)

其他關聯人士：

附註：

- (i) 於2019年10月30日，執行董事李先生開立其個人賬戶，並就其證券買賣交易訂立10,000,000港元的保證金融資信貸。就向董事授出的保證金融資信貸作出之墊款須按要求償還，並按每年最優惠利率加3%的平均利率計息，並以現金保證金10,000,000港元或同等價值的上市證券抵押品作為擔保。

向鄭先生及鄭先生全資擁有之公司提供的保證金融資貸款，並以現金保證金10,000,000港元或同等價值的上市證券抵押品作為擔保，並按每年最優惠利率加3% (2018年：最優惠利率加3%) 的平均利率計息。

- (ii) 對2018年業務表現進行年度審閱後，本公司於2019年5月7日修訂了與合營企業之前所簽訂「arena」獨家分銷商於中國銷售及分銷「arena」品牌游泳服裝及其他運動服裝、鞋及相關配飾的協議，最新修訂調整了該產品之價格及最低購貨金額。

**44. RELATED PARTY DISCLOSURES
(CONTINUED)****(A) RELATED PARTY TRANSACTIONS
(CONTINUED)**

The related party transactions disclosed in note (i) and (ii) above are constituted as continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in the section headed “Continuing Connected Transactions” of the Corporate Governance Report for both years.

**(B) KEY MANAGEMENT PERSONNEL'S
EMOLUMENTS**

The emoluments of the directors and the members of senior management of the Group, included as key management personnel Group during the year as follows:

		2019 HKD'000 千港元	2018 HKD'000 千港元
Salaries, welfare and other expenses	薪金、福利及其他開支	12,040	12,817
Contributions to defined contribution retirement plans	按退休計劃供款	144	148
		12,184	12,965

The emoluments of the directors and the members of senior management was reviewed and approved by the remuneration committee of the Company after taken into accounts of their relevant experience, qualifications, business performance, market practices and competitive market conditions as further disclosed in the Corporate Governance Report.

44. 關連人士披露 (續)**(A) 關連人士交易 (續)**

該等交易載於附註(i)及(ii)是構成上市規則第14A章下所界定之持續關連交易，而根據上市規則須作出披露之交易載於兩年的企業管治報告「持續關連交易」一節。

(B) 主要管理人員薪酬

年內包括為主要管理人員的董事及高級管理人員的薪酬如下：

公司董事及主要管理人員的薪酬乃由薪酬委員會考慮其經驗、資歷、商業表現、市場慣例及競爭狀況批核。詳情見年報內企業管治報告部份。

45. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

45. 控股公司的財務狀報表

		NOTES 附註	2019 HKD'000 千港元	2018 HKD'000 千港元
Non-current assets	非流動資產			
Investments in subsidiaries	投資於附屬公司	46	988	988
Intangible assets	無形資產		45,613	–
Amounts due from subsidiaries	應收附屬公司款項		2,669,997	2,743,655
Restricted bank deposit	受限制銀行存款		–	20,000
Total non-current assets	非流動資產總值		<u>2,716,598</u>	<u>2,764,643</u>
Current assets	流動資產			
Other receivables	其他應收款項		851	734
Restricted bank deposit	受限制銀行存款		20,000	–
Bank balances and cash	銀行結餘及現金		59,722	79,232
Total current assets	流動資產總值		<u>80,573</u>	<u>79,966</u>
Current liabilities	流動負債			
Other payables	其他應付賬款		8,726	2,558
Bank borrowings	銀行貸款		137,265	283,315
Total current liabilities	流動負債總值		<u>145,991</u>	<u>285,873</u>
Net current liabilities	流動負債淨值		<u>(65,418)</u>	<u>(205,907)</u>
Non-current liability	非流動負債			
Bank borrowings	銀行貸款		634,590	509,942
Net assets	資產淨值		<u>2,016,590</u>	<u>2,048,794</u>
Equity	權益			
Share capital	股本	34	297,422	297,403
Reserves	儲備	37	1,719,168	1,751,391
Total equity	權益總值		<u>2,016,590</u>	<u>2,048,794</u>

Approved and authorised for issue by the board of directors:

CHENG TUN NEI
鄭盾尼
DIRECTOR
董事

經董事局批核及授權刊發代表董事

CHAN KAR LEE, GARY
陳嘉利
DIRECTOR
董事

46. INTERESTS IN SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2018 and 2019 were as follows:

46. 於附屬公司的權益

於2019年及2018年12月31日，本公司的主要附屬公司詳情如下：

Name of subsidiary 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及經營地點	Particulars of issued and paid-up/registered share capital 已發行及已繳足/ 登記股本資料	Effective interest in issued and paid-up/registered capital held by the Company 本公司持有已發行及已繳足/ 登記股本有效權益				Principal activities 主營活動
			2019		2018		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Cosmo Group Holdings Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD10,000 已繳足普通股 10,000美元	100%	-	100%	-	Investment holding 投資控股
Tak Jin Management Services Limited 德晉管理服務有限公司	Hong Kong 香港	Ordinary paid-up share of HKD1 已繳足普通股1港元	-	100%	-	100%	Provision of accountancy, secretarial and management services 提供會計、秘書及管理服務
Kwan Tai Resources Limited 君泰資源有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD10 已繳足普通股10港元	-	100%	-	100%	Property investment 物業投資
Yue Hing Holdings Limited 裕興控股有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD2 已繳足普通股2港元	-	100%	-	100%	Property investment 物業投資
新聆步(上海)國際貿易有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of USD3,000,000 已繳足註冊資本 3,000,000美元	-	100%	-	100%	Property investment 物業投資
Worldwide Properties Limited 華聯置業有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD10,000 已繳足普通股 10,000港元	-	100%	-	100%	Property investment 物業投資
SYM Development Limited 香港	Hong Kong 香港	Ordinary paid-up shares of HKD2 已繳足普通股2港元	-	100%	-	100%	Property investment 物業投資
Chung Wah Elite Company Limited 中華匯傑有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD100 已繳足普通股100港元	-	100%	-	100%	Investment holding 投資控股
Premier Ever Group Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD63,068,127 已繳足普通股 63,068,127美元	-	100%	-	100%	Investment holding 投資控股
Frontlead Holdings Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Investment holding 投資控股
Rivergold International Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD78,364,080 已繳足普通股 78,364,080美元	-	100%	-	100%	Investment holding 投資控股

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

46. INTERESTS IN SUBSIDIARIES (CONTINUED)

46. 於附屬公司的權益 (續)

Name of subsidiary 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及經營地點	Particulars of issued and paid-up/registered share capital 已發行及已繳足/ 登記股本資料	Effective interest in issued and paid-up/registered capital held by the Company 本公司持有已發行及已繳足/ 登記股本有效權益				Principal activities 主營活動
			2019		2018		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Orton Holdings Limited	Hong Kong 香港	Ordinary paid-up share of HKD1 已繳足普通股1港元	-	100%	-	100%	Investment holding 投資控股
Good Developments Limited 琦豐發展有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD2 已繳足普通股2港元	-	100%	-	100%	Investment holding 投資控股
瀋陽奧特萊斯房地產開發有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid- up capital of USD70,766,000 已繳足註冊資本 70,766,000美元	-	100%	-	100%	Property investment 物業投資
瀋陽尚柏百貨有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid- up capital of USD9,800,000 已繳足註冊資本 9,800,000美元	-	100%	-	100%	Operation and management of outlet malls 奧特萊斯營運及管理
China Rise Finance Group Company Limited 華晉金融集團有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD10,000 已繳足普通股 10,000港元	-	100%	-	100%	Investment holding 投資控股
China Rise Securities Asset Management Company Limited 華晉證券資產管理有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD100,000,000 已繳足普通股 100,000,000港元	-	100%	-	100%	Provision of securities brokerage, underwriting and placing of listed securities, margin financing and financial consultancy services 提供證券經紀、包銷及配售上市證 券、保證金融資及財務諮詢服務
China Rise Finance Co., Limited 華晉財務有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD10,000 已繳足普通股 10,000港元	-	100%	-	100%	Provision of money lending services 提供借貸服務
Giant Fortune International Limited 宏發國際有限公司	The British Virgin Islands 英屬處女群島	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Investment holding 投資控股
China Rise Capital Co., Limited 華晉資本有限公司	Hong Kong 香港	Ordinary paid-up share of HKD1 已繳足普通股1港元	-	100%	-	100%	Investment holding 投資控股
JFT Holdings Limited 解放豐通控股有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD316,000,000 已繳足普通股 316,000,000港元	-	100%	-	100%	Provision of information, technology, corporate services and portfolio management and investment 提供信息技術、企業服務和投資組 合管理的服務及投資

46. INTERESTS IN SUBSIDIARIES (CONTINUED)

46. 於附屬公司的權益 (續)

Name of subsidiary 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及經營地點	Particulars of issued and paid-up/registered share capital 已發行及已繳足/ 登記股本資料	Effective interest in issued and paid-up/registered capital held by the Company 本公司持有已發行及已繳足/ 登記股本有效權益				Principal activities 主營活動
			2019		2018		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Profit Guaranteed Assets Limited 利保資產有限公司	Hong Kong 香港	Ordinary paid-up shares of HKD2 已繳足普通股2港元	-	100%	-	100%	Provision of accountancy, legal, secretarial and cruiser services 提供會計、法律、秘書及船泊服務
添峯(上海)服飾貿易有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of RMB23,611,365 已繳足註冊資本人民幣23,611,365元	-	100%	-	100%	Trading, retailing and distribution of swimming apparel and accessories 貿易、零售及分銷游泳用品及配飾
Arena (Shanghai) Industrial Co., Limited 阿瑞娜(上海)實業有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of RMB30,000,000 已繳足註冊資本人民幣30,000,000元	-	70%	-	70%	Trading, retailing and distribution of swimming apparel and accessories 貿易、零售及分銷游泳用品及配飾
上海尚柏體育發展有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of RMB1,000,000 已繳足註冊資本人民幣1,000,000元	-	100%	-	-	Trading, retailing and distribution of swimming apparel and accessories 貿易、零售及分銷游泳用品及配飾
杭州朗旌網絡科技有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of RMB2,000,000 已繳足註冊資本人民幣2,000,000元	-	100%	-	100%	Trading, retailing and distribution of swimming apparel and accessories 貿易、零售及分銷游泳用品及配飾
杭州朗步網絡科技有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of RMB2,000,000 已繳足註冊資本人民幣2,000,000元	-	55%	-	55%	Online trading platform support services 提供網上交易平台支援服務
南寧駿灃服飾有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Ordinary paid-up USD14,080,000 已繳足普通股14,080,000美元	-	100%	-	100%	Trading, retailing and distribution of swimming apparel and accessories 貿易、零售及分銷游泳用品及配飾
意灃(廈門)商貿有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid-up capital of USD1,000,000 已繳足註冊資本1,000,000美元	-	100%	-	100%	Operation and management of fashion stores 營運及管理時裝店
Pony International Limited	Hong Kong 香港	Ordinary paid-up shares of HKD2 已繳足普通股2港元	-	100%	-	100%	Sub-licensing of trademark rights, trading and wholesales of sportswear 分授商標權、運動服貿易及批發
Super Jumbo Holdings Limited	The British Virgin Islands 英屬處女群島	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Development and management of "PONY" trademarks 發展及管理「PONY」商標

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019 截至2019年12月31日止年度

46. INTERESTS IN SUBSIDIARIES (CONTINUED)

46. 於附屬公司的權益 (續)

Name of subsidiary 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及經營地點	Particulars of issued and paid-up/registered share capital 已發行及已繳足/ 登記股本資料	Effective interest in issued and paid-up/registered capital held by the Company 本公司持有已發行及已繳足/ 登記股本有效權益				Principal activities 主營活動
			2019		2018		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Pony, Inc.	The United States of America 美國	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Sub-licensing of trademark rights 轉授商標權
Pony Asia Holdings Pte. Limited	Singapore 新加坡	Ordinary paid-up shares of SGD100 已繳足普通股 100新加坡元	-	100%	-	100%	Sub-licensing of trademark rights 轉授商標權
Perfect Day Ventures Limited 佳期創投有限公司	The British Virgin Islands 英屬處女群島	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Investment holding 投資控股
Aggressive Resources Limited	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD50,000 已繳足普通股 50,000美元	-	100%	-	100%	Investment holding 投資控股
Supremium Bio-Technology Limited 展圖生物科技有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD10,000 已繳足普通股 10,000港元	-	100%	-	100%	Manufacturing, developing and retailing of healthcare products 製造發展及分銷保健產品
Kingxin International Investment Limited 金鑫國際投資有限公司	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD50,000 已繳足普通股 50,000美元	-	100%	-	80%	Investment holding 投資控股
HK Asia Gain International Investment Limited 香港亞太興國際投資有限公司	Hong Kong 香港	Ordinary paid- up shares of HKD28,000,000 已繳足普通股 28,000,000港元	-	100%	-	80%	Investment holding 投資控股
重慶雲太美每家商業運營管理 有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid- up shares of RMB260,000,000 已繳足註冊資本人民幣 260,000,000元	-	100%	-	80%	Property investment 物業投資
Majestic City Group Limited 雄城集團有限公司	The British Virgin Islands 英屬處女群島	Ordinary paid-up share of USD1 已繳足普通股1美元	-	100%	-	100%	Investment holding 投資控股
Majestic City (Hong Kong) Limited 雄城(香港)有限公司	Hong Kong 香港	Ordinary paid-up share of HKD1 已繳足普通股1港元	-	100%	-	100%	Investment holding 投資控股
廈門尚柏奧萊置業有限公司	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered paid- up shares of USD51,000,000 已繳足註冊資本 51,000,000美元	-	100%	-	100%	Property investment 物業投資

46. INTERESTS IN SUBSIDIARIES (CONTINUED)

46. 於附屬公司的權益 (續)

Name of subsidiary 附屬公司	Place of incorporation/ registration and operation 註冊成立/ 登記及經營地點	Particulars of issued and paid-up/registered share capital 已發行及已繳足/ 登記股本資料	Effective interest in issued and paid-up/registered capital held by the Company 本公司持有已發行及已繳足/ 登記股本有效權益				Principal activities 主營活動
			2019		2018		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
廈門尚柏奧萊商業管理有限公司 (note i)	The PRC (wholly owned foreign enterprise) 中國(外商獨資企業)	Registered capital shares of RMB50,000,000 註冊資本人民幣50,000,000元	-	100%	-	-	Operation and management of outlet malls 奧特萊斯營運及管理
Grand Galatica Limited	The British Virgin Islands 英屬處女群島	Ordinary paid-up shares of USD100 已繳足普通股100美元	-	100%	-	100%	Holding of a club debenture 持有會所債券
State Glory (Hong Kong) Trading Limited 國榮(香港)貿易有限公司	Hong Kong 香港	Ordinary paid-up share of HKD1 已繳足普通股1港元	-	100%	-	100%	Trading and wholesales of "SKINS" products 貿易及批發「SKINS」產品
SYM ITO Sales & Distribution Company Limited 新澧伊藤銷售及分銷有限公司	Hong Kong 香港	Ordinary paid-up share of USD1 已繳足普通股1美元	100%	-	-	-	Inactive 不活躍

Notes:

- (i) According to the revised Article of Association kept by the PRC subsidiary, the amount of registered capital was increased subsequently from RMB10,000,000 to RMB50,000,000 before the end of reporting period.
- (ii) None of the Company's principal subsidiaries listed above issued or had any debt securities outstanding at the end of the reporting period.
- (iii) The Company's principal subsidiaries listed above of which, in the opinion of the directors, principally affected either the Group's financial position or financial performance for the year. In addition, in order to give details of other subsidiaries of the Company will be, in the opinion of the directors, resulted in excessive length of particulars to be shown after an extensive level of efforts exerted.

附註:

- (i) 根據中國附屬公司修訂後的組織章程細則，於報告期末前，註冊資本由人民幣10,000,000元增至人民幣50,000,000元。
- (ii) 於年內任何時間，概無附屬公司已發行任何債務股份。
- (iii) 董事認為，上表所列的本公司附屬公司為主要影響本集團財務狀況或財務表現的公司。董事認為倘提供其他附屬公司的詳細資料會導致附屬公司資料部分過於冗長。

47. NON-CONTROLLING INTERESTS

As at 31 December 2018, the Group had material non-controlling interests ("NCIs") arising from its 70% equity interests in Arena (Shanghai) Industrial Co., Limited ("Arena Shanghai") and 80% equity interests in Kingxin International Investment Limited ("Kingxin").

On 18 October 2019, the Group completed the acquisition of the remaining 20% equity interests in Kingxin and its wholly-owned subsidiaries, which owns commercial properties in Chongqing, the PRC. Pursuant to the sale and purchase agreement, the total cash consideration of HKD40,490,000 are comprised of HKD39,890,000 for the sale shares and HKD600,000 for the shareholder's loan.

47. 非控股權益

於2018年12月31日，本集團因持有阿瑞娜(上海)實業有限公司(「阿瑞娜上海」)70%股本權益及金鑫國際投資有限公司(「金鑫」)80%股本權益而被視為重大非控股權益。

於2019年10月18日，本集團已完成收購金鑫及其全資附屬公司的剩餘20%股本權益，而擁有位於中國重慶物業。根據其買賣合約，總現金代價為40,490,000港元，分別以可供銷售股份為39,890,000港元及股東貸款為600,000港元。

47. NON-CONTROLLING INTERESTS (CONTINUED)

The NCIs of both Arena Shanghai and Kingxin are considered as material NCIs. The NCIs of other subsidiaries that not 100% owned by the Group are considered as immaterial and their financial information is not disclosed as follows.

Summarised financial information in relation to the material NCIs before intra-group eliminations was presented as follows:

SUMMARISED STATEMENT OF FINANCIAL POSITION OF ARENA SHANGHAI AND KINGXIN AS AT 31 DECEMBER

47. 非控股權益 (續)

由於在阿瑞娜上海及金鑫持有被視為重大的非控股權益。而本集團於其他全資附屬公司擁有而非100%擁有的非控股權益被視為並非重大，因此它們的財務資料不會於以下披露。

有關重大非控股權益之財務資料概要（未作集團內公司間抵銷）呈列如下：

於12月31日，有關阿瑞娜上海及金鑫之財務狀況表概要

		Arena Shanghai 阿瑞娜上海		Kingxin 金鑫	
		2019 HKD'000 千港元	2018 HKD'000 千港元	2019 HKD'000 千港元	2018 HKD'000 千港元
Current	流動				
Assets	資產	65,961	77,745	N/A	2,090
Liabilities	負債	(29,371)	(46,047)	N/A	(276,632)
		<u>36,590</u>	<u>31,698</u>	<u>N/A</u>	<u>(274,542)</u>
Non-current	非流動				
Assets	資產	3,885	2,388	N/A	495,925
Liabilities	負債	–	–	N/A	(53,682)
		<u>3,885</u>	<u>2,388</u>	<u>N/A</u>	<u>442,243</u>
Net assets	資產淨值	<u>40,475</u>	<u>34,086</u>	<u>N/A</u>	<u>167,701</u>
Accumulated non-controlling interests	累計非控股權益	<u>11,595</u>	<u>10,226</u>	<u>N/A</u>	<u>33,540</u>

47. NON-CONTROLLING INTERESTS
(CONTINUED)

47. 非控股權益 (續)

SUMMARISED STATEMENT OF PROFIT OR LOSS
AND STATEMENT OF COMPREHENSIVE INCOME
OF ARENA SHANGHAI AND KINGXIN FOR THE
YEAR ENDED 31 DECEMBER

截至12月31日止年度，有關阿瑞娜上海及金鑫之損益表及全面收益表概要

		Arena Shanghai 阿瑞娜上海		Kingxin 金鑫	
		2019 HKD'000 千港元	2018 HKD'000 千港元	2019 HKD'000 千港元 (Note) (附註)	2018 HKD'000 千港元
Revenue	收入	170,434	164,279	14,546	17,180
Profit/(loss) before income tax expense	除所得稅開支前溢利/(虧損)	5,465	(12,177)	44,223	(6,192)
Income tax expense	所得稅開支	—	—	(1,167)	(7)
Profit/(loss) for the year/period	年內/期間溢利/(虧損)	5,465	(12,177)	43,056	(6,199)
Other comprehensive income	其他全面收益	(900)	(2,623)	(16,263)	(20,691)
Total comprehensive income for the year/period	年度/期間全面收益總額	4,565	(14,800)	26,793	(26,890)
Total comprehensive income for the year/period attributable to non-controlling interests	應佔非控股權益年度/期間全面收益總額	1,369	(4,440)	5,359	(5,378)

Note: The total comprehensive income of Kingxin shared by the non-controlling interests was for the period from 1 January 2019 to 18 October 2019 (the date it became an indirect wholly-owned subsidiary of the Company).

附註：金鑫計入非控股權益的年度全面收總額由本2019年1月1日至2019年10月18日期間所產生，即是該權益成立本公司的間接附屬公司之日。

47. NON-CONTROLLING INTERESTS
(CONTINUED)

47. 非控股權益 (續)

SUMMARISED STATEMENT OF CASH FLOWS OF
ARENA SHANGHAI AND KINGXIN FOR THE YEAR
ENDED 31 DECEMBER

截至12月31日止年度，有關阿瑞娜上海及金鑫之現金流量表概要

		Arena Shanghai 阿瑞娜上海		Kingxin 金鑫	
		2019 HKD'000 千港元	2018 HKD'000 千港元	2019 HKD'000 千港元 (Note) (附註)	2018 HKD'000 千港元
Cash flows from operating activities	來自經營活動之現金流量				
Net cash from/(used in) operating activities	來自/(用於)經營活動現金淨額	7,981	(19,592)	(19,404)	(14,989)
Cash flows from investing activities	來自投資活動之現金流量				
Net cash (used in)/from investing activities	(用於)/來自投資活動現金淨額	(1,192)	16,849	(138)	(194)
Cash flows from financing activities	來自融資活動之現金流量				
Net cash (used in)/from financing activities	(用於)/來自融資活動現金淨額	(6,535)	2,349	15,321	15,619
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	254	(394)	(4,221)	436
Cash and cash equivalents at the beginning of the year/period	年初/期初現金及現金等價物	5,423	3,978	1,710	1,274
Effect of foreign exchange rate changes on cash and cash equivalents	外匯匯率變動對現金及現金等價物之影響	1,348	1,839	7,270	—
Cash and cash equivalents at the end of the year/period	年末/期末現金及現金等價物	7,025	5,423	4,759	1,710

Note: The information of cash flows of Kingxin was for the period from 1 January 2019 to 18 October 2019.

附註：金鑫的現金流量資料是反映由本2019年1月1日至2019年10月18日期間，即是該權益成立公司的間接附屬公司之日。

47. NON-CONTROLLING INTERESTS (CONTINUED)

LOAN FROM NON-CONTROLLING INTERESTS

The carrying amount of loan from non-controlling interest (the “Loan”) of approximately HKD2,114,000 (2018: HKD8,649,000) was unsecured, interest-bearing at 2.5% (2018: 2.5%) per annum and with no fixed term (2018: no fixed term) of repayment. The remaining carrying amount of HKD600,000 as at 31 December 2018 was unsecured, interest-free and with no fixed term of repayment.

The non-controlling shareholders of the Loan have agreed not to demand the repayments of the Loan within the next twelve months from the end of reporting period. Accordingly, the directors of the Company believe that the Group has unconditional rights to defer settlements of the Loan for at least twelve months after the end of reporting period, and therefore classified the Loan as a non-current liability presented in consolidated statements of financial position.

During the year, the aforesaid balance of the Loan of HKD600,000 was repaid arising from the acquisition of remaining 20% equity interests of Kingxin from the non-controlling shareholder as disclosed above.

47. 非控股權益 (續)

來自非控股權益貸款

來自非控股權益貸款(「貸款」)的賬面值約為2,114,000港元(2018年:8,649,000港元)。是無擔保、年利率為2.5%(2018:2.5%)及無固定償還期限(2018年:無固定償還期限)。於2018年12月31日,剩餘賬面值為600,000港元是擔保、無計息及無固定償還期限。

非控股股東同意不會要求於報告期末十二個月內償還該貸款。故此,本公司董事認為本集團有權無條件將該貸款的結算遞延至報告期末後至少十二個月,並因而將該貸款於綜合財務狀況表分類為非流動負債。

於年內,上述貸款結餘600,000港元已於由非控股股東收購剩餘20%金鑫股本權益時償還。

48 DISPOSAL OF SUBSIDIARIES

On 4 April 2018, the Group signed a Conditional Co-operation Agreement (the “Agreement”) with an independent third party (the “Purchaser”), to dispose of the entire equity interests of two groups of the Company’s subsidiaries (the “Target Companies”), at an agreed consideration of approximately HKD589,045,000 as equivalent. The assets and liabilities of the Target Companies were classified as held for sale in the consolidated financial statements as of 1 January 2018.

The disposals of subsidiaries were completed on 29 August 2018. In the opinion of the directors of the Company, such disposals transactions do not constitute as a discontinued operation since the Target Companies do not represent a major line of business or geographical area of business operation. The net assets of the Target Companies at the date of disposals was disclosed as follows:

48. 出售附屬公司

於2018年4月4日，本集團與一名獨立第三方（「買方」）簽署有條件的合作協議（「該協議」），以出售兩組附屬公司（「目標公司」）的全部股本權益，該協定代價相等於約589,045,000港元。於2018年1月1日的綜合財務報表目標公司的資產與負債已經被分類為持作出售類別。

出售附屬公司事項已於2018年8月29日完成。本公司董事認為，有關出售交易並無構成一項已終止的經營業務因為目標公司並非代表一項主要業務或經營地區的經營活動。目標公司於出售日期的資產淨值披露如下：

		HKD'000 千港元
Investment properties	投資物業	538,721
Tax prepayments	稅項預繳	25,967
Other payables	其他應付賬款	(114,170)
Deferred tax liabilities	遞延稅項負債	<u>(30,685)</u>
Net assets disposed of	清除的淨資產	419,833
Translation reserve released to profit or loss on disposals of subsidiaries	出售附屬公司後解除匯兌儲備至損益	27,273
Gain on disposal of subsidiaries	出售附屬公司後收益	117,764
Disposals transactions related costs	出售交易相關費用	<u>24,175</u>
Total consideration	總代價	<u>589,045</u>
Satisfied by:	支付方式：	
Cash consideration	現金代價	589,045
Less: Disposals transactions related costs	減：出售交易相關費用	<u>(24,175)</u>
Net cash consideration	淨現金代價	<u>564,870</u>

**48. DISPOSAL OF SUBSIDIARIES
(CONTINUED)**

An analysis of net cash inflows of cash and cash equivalents in respect of the disposals of the Target Companies was disclosed as follows:

		HKD'000 千港元
Net cash inflows arising on the disposal	由於出售所產生的淨額現金流入	
Net cash consideration	淨現金代價	564,870
Less: Consideration receivable (Note)	減：應收代價 (附註)	<u>(314,365)</u>
Net cash inflows from disposal of subsidiaries, net of cash disposed of	因出售附屬公司 (扣除出售之現金) 的 淨現金流入	<u>250,505</u>

Note: The remaining consideration receivable of approximately HKD314,365,000 as equivalent was payable by the Purchaser to the Group upon the satisfaction of the earlier of: (i) obtained "Pre-sale Permit of Commercial Houses" of three parcels of spare land; or (ii) 6 months after the sale shares have been transferred. On 11 March 2019, the outstanding consideration was fully received by the Group from the Purchaser.

有關出售目標公司之淨額現金及現金流入等價物流入淨額分析如下：

附註： 其餘代價相等於約314,365,000港元，應由買方於下列條件較早獲達成之時支付：(i)取得三幅土地的「商品房預售許可證」；或(ii)銷售股份已轉讓後6個月。於2019年3月11日，未償付代價已自買方悉數收取，出售交易亦於同日完成。

49. ACQUISITION OF SUBSIDIARIES

On 12 October 2018, the Group completed the acquisition of the remaining 40% equity interests in Aggressive Resources Limited, of which the Group was previously owned 60% equity interests before the date of acquisition, for a consideration of HKD72,200,000 satisfied by cash. The principal activities of Aggressive Resources Limited and its subsidiary are engaged in sourcing, manufacturing and trading of healthcare products in Hong Kong. The reasons of such acquisition were the directors of the Company believe that it represented a good business opportunity and an important step for the Group to tap into the healthcare products market, diversify and broaden the business horizon and income source to the Group.

49. 收購附屬公司

於2018年10月12日，本集團已完成收購 Aggressive Resources Limited 的餘下40%股本權益 (於是次收購之前本集團已擁有其60%股本權益)，代價為72,200,000港元以現金支付。Aggressive Resources Limited 及其附屬公司的主要業務為在香港從事保健產品的採購、製造及貿易。進行是次收購是由於本公司董事認為此項收購是本集團進軍保健產品行業以及多元化發展及擴闊其業務範圍和收入來源的良好商業機會。

49. ACQUISITION OF SUBSIDIARIES (CONTINUED)

Upon the completion of the acquisition, the existing 60% equity interests in Aggressive Resources Limited, being a joint venture company held by the Group, which was accounted for as being disposed of and immediately re-acquired at fair value of identifiable assets and liabilities on the date of obtaining the control of the joint venture company. As a result, the fair value gain on re-measurement of equity in a joint venture of approximately HKD5,363,000 was recognised and included in other income presented in the consolidated statement of profit or loss for the year ended 31 December 2018.

The fair values of identifiable assets and liabilities acquired at the date of acquisition were determined by the Group's management with the assistance of an independent qualified professional valuer namely Greater China Appraisal Limited were as follows:

49. 收購附屬公司 (續)

於完成收購後，本集團持有該合營企業的 Aggressive Resources Limited 的現存 60% 股本權益在取得控制權之日被視作出售並立即按全部可識別資產及負債的公平價值為重新收購入賬。因此，截至 2018 年 12 月 31 日止年度就重新計量的合營企業股權確認公平價值收益約為 5,363,000 港元，並已計入綜合損益表的其他收入內。

可識別資產及負債的公平價值在收購日由集團管理層透過一間獨立合資格專業估值師漢華評值有限公司釐定如下：

	Fair value 公平價值 HKD'000 千港元
Identifiable assets and liabilities acquired:	所獲得的可識別資產及負債
Property, plant and equipment	374
Intangible assets	56,629
Inventories	5,930
Trade and other receivables	8,485
Bank balances and cash	8,225
Trade and other payables	(1,828)
Bank borrowings	(698)
Deferred tax liabilities	(8,307)
Tax payables	(2,015)
Total identifiable assets acquired	66,795
Goodwill arising on acquisition:	收購產生的商譽：
Cash consideration for additional 40% equity interests	72,200
Add: Fair value of the 60% equity interests already held	108,300
Total consideration paid	180,500
Less: Net identifiable assets acquired	(66,795)
Goodwill (Note 21)	113,705

49. ACQUISITION OF SUBSIDIARIES (CONTINUED)

An analysis of net cash outflows of cash and cash equivalents in respect of the acquisition of subsidiaries was disclosed as follow:

		HKD'000 千港元
Net cash outflows arising on the acquisition:	因收購產生的現金支出淨額：	
Cash consideration paid (<i>Note</i>)	已付現金代價 (<i>附註</i>)	(62,200)
Bank balances and cash acquired	所獲得銀行結餘及現金	8,225
Bank borrowings acquired	所獲得銀行貸款	<u>(698)</u>
Net cash outflows from disposal of subsidiaries, net of cash acquired	因收購附屬公司 (扣除所得之現金) 的 淨現金流出	<u>(54,673)</u>

Note: The remaining consideration of HKD10,000,000 was paid on 15 April 2019 since the unaudited financial statements of Aggressive Resources Limited indicates that there was an unaudited profits for the year of HKD11,000,000 for the financial year ended 31 December 2018.

有關收購附屬公司之現金及現金等價物支出淨額的分析如下：

	HKD'000 千港元
因收購產生的現金支出淨額：	
已付現金代價 (<i>附註</i>)	(62,200)
所獲得銀行結餘及現金	8,225
所獲得銀行貸款	<u>(698)</u>

因收購附屬公司 (扣除所得之現金) 的淨現金流出 (54,673)

附註： 因Aggressive Resources Limited的未經審核財務報表顯示於截至2018年12月31日止財政年度有未經審核年度溢利為11,000,000港元，則其餘代價為10,000,000港元已於2019年4月15日支付。

The goodwill of approximately HKD113,705,000, which was not tax deductible and recognised upon the completion of the acquisition of the remaining 40% equity interests in Aggressive Resource Limited, which is mainly attributable to the significant future prospect of the acquired business.

有關商譽約為113,705,000港元屬於不可被扣稅的並於完成收購主要分佈於就已收購餘下40%股本權益的業務未來前景時得到時確認。

The fair value of the 60% equity interests in Aggressive Resources Limited, which is an unlisted company already held by the Group, was estimated with reference to the consideration paid for the acquisition of additional 40% equity interests by the Group on the date of acquisition.

本集團經已持有非上市公司Aggressive Resources Limited之60%股本權益，而該等股本權益的公平價值是參考本集團就收購其額外40%股本權益已付代價作出估算。

Had the acquisition been completed as of 1 January 2018, the unaudited amount of the Group's revenue and profit for the year would have been increased approximately HKD38,672,000 and HKD11,051,000 respectively. The pro-forma information is for illustrative purpose only and is not necessary an indication of the Group's revenue and results of operations for the year that would neither have been actually achieved when the acquisition had been completed as of 1 January 2018, nor it is intended to be a projection of future performance.

倘收購事項於2018年1月1日已經完成，本集團未經審核的收入及年度溢利將分別增加約為38,672,000港元及11,051,000港元。備考資料僅供說明及未必成果作出一定指標反映收購事項如於2018年1月1日完成情況下對本集團實際取得的收入及經營成果作出一定指標，亦無意能夠對未來表現預測。

50. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

50. 綜合現金流量表附註

(A) CASH AND CASH EQUIVALENT COMPRISED OF:

(A) 現金及現金等價物包括：

		2019 HKD'000 千港元	2018 HKD'000 千港元
Bank balances and cash available on demand	按需求提供的 銀行結餘及現金	56,696	29,496
Bank balances and cash restricted in the PRC	受限制於中國的 銀行結餘及現金	53,612	48,508
Time deposits with banks	銀行定期存款	19,483	53,586
Bank overdrafts (Note 30)	銀行透支 (附註30)	(7,804)	(6,461)
		121,987	125,129
Significant non-cash transactions arising from:	重大非現金交易如下：		
<i>Investing activities</i>	<i>投資活動</i>		
Payment for additional of property, plant and equipment under a finance lease contract	因某一融資租賃合約支付 物業、廠房及 設備增加款項	-	651
Additions of right-of-use assets arising from entering into new leases	來自新訂立的租賃所增加的 使用權資產	1,614	-

50. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

50. 綜合現金流量表附註 (續)

(B) 融資活動所產生之負債對賬

下表為本集團融資活動所產生之負債變動詳情，包括現金及非現金變動。融資活動所產生之負債是為現金流量或未來現金流量於本集團綜合現金流量表分類為融資活動現金流量之負債。

		Bank borrowings	Loan from non-controlling interests	Finance lease payable	Amount due to a related party	Lease liabilities	Total
		銀行貸款	來自非控股權益貸款	應付融資租賃	應付一間關聯公司款項	租賃負債	總計
		(Note 30) (附註30)	(Note 47) (附註47)	(Note 31) (附註31)	(Note 33) (附註33)	(Note 32) (附註32)	
		HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元	HKD'000 千港元
As 31 December 2018	於2018年12月31日	1,281,054	9,249	651	10,541	-	1,301,495
Initial adoption of HKFRS 16 (Note 2(A))	初始採納香港財務報告準則第16號 (附註2(A))	-	-	(651)	-	185,468	184,817
At 1 January 2019	於2019年1月1日	1,281,054	9,249	-	10,541	185,468	1,486,312
Changes from financing cash flows:	融資現金流量之變動:						
Proceeds from bank borrowings	銀行貸款收益	299,947	-	-	-	-	299,947
Repayments of bank borrowings	銀行貸款還款	(163,584)	-	-	-	-	(163,584)
Repayment to a related party	來自一間關聯公司還款	-	-	-	(10,369)	-	(10,369)
Repayment to non-controlling shareholder	來自非控股股東還款	-	(6,485)	-	-	-	(6,485)
Acquisition of non-controlling interests (Note 47)	收購非控股權益 (附註47)	-	(600)	-	-	-	(600)
Repayments of lease liabilities	租賃負債還款	-	-	-	-	(11,516)	(11,516)
Total changes from financing cash flows	融資現金流量之變動總額	136,363	(7,085)	-	(10,369)	(11,516)	107,393
Other changes:	其他變動:						
Exchange realignment	滙兌重列	(6,516)	(50)	-	(60)	(3,429)	(10,055)
Increase in lease liabilities from entering into new leases during the year	因本年度訂立新租賃而增加的租賃負債	-	-	-	-	1,614	1,614
Interest expenses of lease liabilities (Note 8)	租賃負債利息支出 (附註8)	-	-	-	-	12,762	12,762
Total other changes	其他變動總額	(6,516)	(50)	-	(60)	10,947	4,321
At 31 December 2019	於2019年12月31日	1,410,901	2,114	-	112	184,899	1,598,026

50. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

50. 綜合現金流量表附註 (續)

(B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES: (CONTINUED)

(B) 融資活動所產生之負債對賬 (續)

		Bank borrowings (Note 30) (附註30) HKD'000 千港元	Loan from non-controlling interests (Note 47) (附註47) HKD'000 千港元	Finance lease payable (Note 31) (附註31) HKD'000 千港元	Amount due to a related party (Note 33) (附註33) HKD'000 千港元	Total 總計 HKD'000 千港元
At 1 January 2018	於2018年1月1日	1,156,927	600	-	-	1,157,527
Changes from financing cash flows:	融資現金流量之變動:					
Proceeds from bank borrowings	銀行貸款收益	639,041	-	-	-	639,041
Repayments of bank borrowings	銀行貸款還款	(516,141)	-	-	-	(516,141)
Advance from a related party	來自一名關聯公司墊款	-	-	-	10,541	10,541
Advance from non-controlling shareholder	來自非控股股東墊款	-	8,649	-	-	8,649
Principal element of finance lease payment	融資租賃款項的 本金支出部份	-	-	651	-	651
Total changes from financing cash flows	融資現金流量之變動總額	122,900	8,649	651	10,541	142,741
Other change:	其他變動:					
Exchange realignment	匯兌重列	1,227	-	-	-	1,227
At 31 December 2018	於2018年12月31日	1,281,054	9,249	651	10,541	1,301,495

50. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(C) TOTAL CASH OUTFLOWS FOR LEASES

Included in the consolidated statement of cash flows, the total cash outflows for leases comprised the following activities:

		2019 HKD 港元	2018 HKD 港元
Within cash flows used in operating activities	用於經營活動內的現金流	23,491	45,826
Within cash flows used in financing activities	用於融資活動內的現金流	11,516	651
Total net cash outflows for leases	用於租賃的總現金支出	35,007	46,477

The total cash outflows for leases also related to the following items:

		2019 HKD 港元	2018 HKD 港元
Operating leases expenses paid	已付經營租賃款項	35,007	45,826
Payment for addition of property, plant and equipment under a finance lease contract	因某一融資租賃合約所支付的物業、廠房及設備增加款項	—	651
		35,007	46,477

50. 綜合現金流量表附註 (續)

(C) 用於租賃的總現金支出量

於綜合現金流量表中包括以下租賃的總現金支出：

		2019 HKD 港元	2018 HKD 港元
Within cash flows used in operating activities	用於經營活動內的現金流	23,491	45,826
Within cash flows used in financing activities	用於融資活動內的現金流	11,516	651
Total net cash outflows for leases	用於租賃的總現金支出	35,007	46,477

以下列出同樣用作租賃的總現金支出相關的項目：

		2019 HKD 港元	2018 HKD 港元
Operating leases expenses paid	已付經營租賃款項	35,007	45,826
Payment for addition of property, plant and equipment under a finance lease contract	因某一融資租賃合約所支付的物業、廠房及設備增加款項	—	651
		35,007	46,477

51. COMPARATIVE FIGURES

The Group has adopted HKFRS 16 by using the modified retrospective approach at 1 January 2019. Under this approach, comparative information presented in 2018 has not been restated and continued to be reported under HKAS 17 and related interpretations as permitted under the transitional provisions of HKFRS 16. Further details of the adoption of HKFRS 16 are disclosed in Note 2(A) to the consolidated financial statements.

In addition, there are certain comparative figures disclosed in the consolidated financial statements have been adjusted or reclassified to conform to the current year's presentation.

51. 比較數字

於2019年1月1日，本集團已通過採用經修訂追溯法採納香港財務報告準則第16號。根據此方法，有關2018年所披露的比較資料沒有重列並根據香港會計準則第17號及有關的詮釋在香港財務報告準則第16號的過渡條文繼續呈列。有關採立香港財務報告準則第16號的詳情見綜合財務報表附註2(A)。

此外，部份在綜合財務報表中的若干比較數字已經調整或重新分類以便配合本年度的呈列目的。

52. EVENTS AFTER THE REPORTING PERIOD

Since the outbreak of Coronavirus Disease 2019 ("COVID-19") in January 2020, a series of precautionary and control measures of the COVID-19 has been implemented throughout different countries and regions. Given that COVID-19 arises certain extent of adverse impact against the current business operations of the Group and the overall economic environment surrounded in some operating segments particularly. The Group will keep continuous attention on the latest development of COVID-19, in order to assess and react actively to its associated adverse impact on the consolidated financial position and operating results of the Group. Up to date when the consolidated financial statements were approved and authorised for issue, the estimation on the possible range of financial impact is still in progress.

52. 報告期後事項

自2020年1月爆發2019年新冠狀病毒（「COVID-19」）爆發以來，已於不同國家及地區實施了一系列COVID-19預防和控制措施。鑑於COVID-19對本集團的當前業務運作尤其在某些經營分部環繞的整體經濟環境產生一定程度的不利影響。本集團將持續關注COVID-19的最新發展，以評估其對本集團的綜合財務狀況及經營成果相關的不利影響作出積極回應。截止綜合財務報表批核當日，有關財務影響的可能範圍仍在繼續評估。

53. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 20 March 2020.

53. 綜合財務報表批核

綜合財務報表在2020年3月20日經董事局批核及授權刊發。

Financial Summary

財務摘要

For the year ended 31 December
截至12月31日止年度

		2019 HKD'000 千港元	2018 HKD'000 千港元	2017 HKD'000 千港元	2016 HKD'000 千港元	2015 HKD'000 千港元
OPERATING RESULTS	經營業績					
Revenue	收入	<u>388,944</u>	<u>381,848</u>	<u>348,919</u>	<u>363,856</u>	<u>351,067</u>
Profit before income tax expense	除所得稅開支前溢利	<u>80,657</u>	<u>162,706</u>	<u>116,700</u>	<u>30,190</u>	<u>195,053</u>
Income tax credit/(expense)	所得稅抵扣/(開支)	<u>1,248</u>	<u>(50,034)</u>	<u>(58,951)</u>	<u>(16,145)</u>	<u>(38,975)</u>
Profit for the year	年度溢利	<u>81,905</u>	<u>112,672</u>	<u>57,749</u>	<u>14,045</u>	<u>156,078</u>
Profit/(loss) for the year attributable to:	應佔全年溢利/(虧損):					
– Owners of the Company	– 本公司擁有人	<u>71,705</u>	<u>118,213</u>	<u>41,018</u>	<u>27,746</u>	<u>180,822</u>
– Non-controlling interests	– 非控股權益	<u>10,200</u>	<u>(5,541)</u>	<u>16,731</u>	<u>(13,701)</u>	<u>(24,744)</u>
		<u>81,905</u>	<u>112,672</u>	<u>57,749</u>	<u>14,045</u>	<u>156,078</u>

As at 31 December
於12月31日

		2019 HKD'000 千港元	2018 HKD'000 千港元	2017 HKD'000 千港元	2016 HKD'000 千港元	2015 HKD'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	<u>5,160,413</u>	<u>4,353,474</u>	<u>4,234,441</u>	<u>3,395,176</u>	<u>3,724,613</u>
Total liabilities	負債總值	<u>(2,232,088)</u>	<u>(1,739,607)</u>	<u>(1,637,078)</u>	<u>(1,227,866)</u>	<u>(1,254,899)</u>
EQUITY	權益	<u>2,928,325</u>	<u>2,613,867</u>	<u>2,597,363</u>	<u>2,167,310</u>	<u>2,469,714</u>
Equity attributable to owners of the Company	本公司擁有人應佔權益	<u>2,917,487</u>	<u>2,570,828</u>	<u>2,543,867</u>	<u>2,177,817</u>	<u>2,319,135</u>
Non-controlling interests	非控股權益	<u>10,838</u>	<u>43,039</u>	<u>53,496</u>	<u>(10,507)</u>	<u>150,579</u>
Total equity	權益總值	<u>2,928,325</u>	<u>2,613,867</u>	<u>2,597,363</u>	<u>2,167,310</u>	<u>2,469,714</u>

Particulars of Major Properties

主要物業資料

(A) PROPERTIES HELD AS PROPERTY, PLANT AND EQUIPMENT / RIGHT-OR-USE ASSETS

(A) 分類為物業，廠房及設備的物業／使用權資產

Location	地點	Lease term 租賃期	Area 面積 (sq.m.) 平方米	Site area 地塊面積 (sq.m.) 平方米	Use 用途	Effective % held by the Group 本集團 實際比率
Units 1 to 10 on 10th Floor, Island Place Tower, No. 510 King's Road, North Point, Hong Kong	香港 北角 英皇道510號 港運大廈10樓 1至10號單位	Medium 中期	1,283 (saleable) (可銷售)	N/A 不適用	Commercial 商業	100
Nos. 98-1, 98-2 and 98-3, Puhe Road, Shenbei New District, Shenyang, Liaoning Province, PRC	中華人民共和國 遼寧省瀋陽市 瀋北新區 蒲河路98-1、 98-2及98-3號	Medium 中期	N/A 不適用	100,146	Commercial 商業	100
No. 97, Pufeng Road, Shenbei New District, Shenyang, Liaoning Province, PRC	中華人民共和國 遼寧省瀋陽市 瀋北新區 蒲豐路97號	Medium 中期	N/A 不適用	45,166	Industrial 工業	100
Units 1 and 2 on 6th Floor, Jiuge Business Centre, No. 2301 Yi Shan Lu, Minhang District, Shanghai, PRC	中華人民共和國 上海市閔行區 宜山路 2301號 九歌商務中心 6層1至2號單位	Long 長期	748 (gross floor) (建築面積)	N/A 不適用	Commercial 商業	100
North crossroad of Haixiang Avenue and Tianshui Road, Jimei District, Xiamen, Fujian Province, PRC	中華人民共和國 福建省廈門市 集美區海翔大道 與天水路交叉 口北側	Medium 中期	104,400 (gross floor) (建築面積)	60,273	Wholesale and retail (commercial) 批發及零售 (商業)	100

(B) PROPERTIES HELD AS INVESTMENT PROPERTIES

(B) 分類為投資物業的物業

Location	地點	Lease term 租賃期	Area 面積 (sq.m.) 平方米	Site area 地塊面積 (sq.m.) 平方米	Use 用途	Effective % held by the Group 本集團 實際 持有比率
Units 1 to 10 on 3rd Floor, Island Place Tower, No. 510 King's Road, North Point, Hong Kong	香港 北角 英皇道510號 港運大廈3樓 1至10號單位	Medium 中期	1,283 (saleable) (可銷售)	N/A 不適用	Commercial 商業	100
Unit C on 2nd Floor, Hop Ming Factory Building, No. 8 On Yip Street, Chai Wan, Hong Kong	香港 柴灣 安業街8號 合明工廠大廈 2樓C單位	Long 長期	398 (saleable) (可銷售)	N/A 不適用	Industrial 工業	100
12th, 14th, 16th and 18th Floors, Central Tower, Beijing Junefield Plaza, 10th Building, Nos. 6, 8, 10, 12, 16, 18 Xuan Wu Men Outer Street, Xi Cheng District, Beijing, PRC	中華人民共和國 北京西城區 宣武門外大街6、 8、10、12、16及18號 北京莊勝廣場中央大 廈10號12、14、16 及18層	Medium 中期	10,472 (gross floor) (建築面積)	N/A 不適用	Commercial 商業	100
Unit 2 on 7th Floor, Jiuge Business Centre, No.2301 Yi Shan Lu, Minhang District, Shanghai, PRC	中華人民共和國 上海市閔行區 宜山路2301號 九歌商務中心 7層2號單位	Long 長期	374 (gross floor) (建築面積)	N/A 不適用	Commercial 商業	100
Various retail units, car parking spaces and ancillary facilities of "Meiyue Xingdao", No. 70 Shancha Road, Yubei District, Chongqing City, PRC	中華人民共和國 重慶市渝北區 山茶路70號「美悅星 都」項目商股用房、 停車用房及其他(鍋 爐房)物業	Medium 中期	39,548 (gross floor) (建築面積)	N/A 不適用	Commercial 商業	100

Information to Stakeholders

利益相關者資訊

SHAREHOLDERS' MEETING

Details of the Annual General Meeting are set out in the Notice of Annual General Meeting to be despatched to Shareholders together with a proxy form.

Date: Friday, 12 June 2020
Time: 10:00 a.m.
Venue: 10th Floor, Island Place Tower, No. 510 King's Road, North Point, Hong Kong

股東大會

股東週年大會有關詳情連同代表委任表格寄發予股東均載列於股東週年大會通告內。

日期：2020年6月12日星期五
時間：上午10時正
地點：香港北角英皇道510號
港運大廈10樓

ANNUAL REPORT

The Annual Report prepared in English and Chinese for the year ended 31 December 2019 has been published on the websites of the Company (www.symphonyholdings.com) and the Stock Exchange (www.hkex.com.hk).

年度報告

截至2019年12月31日止年度分別以英文及中文編製的年度報告已於下列網頁刊載：
本公司：www.symphonyholdings.com
聯交所：www.hkex.com.hk

REGISTERED OFFICE

Address: Clarendon House, 2 Church Street, Hamilton HM11 Bermuda

註冊辦事處

地址：Clarendon House, 2 Church Street, Hamilton HM11 Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Address: 10th Floor, Island Place Tower, No. 510 King's Road, North Point, Hong Kong
Email: info@symphonyholdings.com

總辦事處及香港主要營業地點

地址：香港北角英皇道510號港運大廈10樓
電郵：info@symphonyholdings.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Name: Conyers Corporate Services (Bermuda) Limited
Address: Clarendon House, 2 Church Street, Hamilton HM11 Bermuda

主要股份過戶登記處

名稱：Conyers Corporate Services (Bermuda) Limited
地址：Clarendon House, 2 Church Street, Hamilton HM11 Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Name: Tricor Tengis Limited
Address: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Telephone: (852) 2980 1333
Facsimile: (852) 2810 8185

股份過戶登記處香港分處

名稱：卓佳登捷時有限公司
地址：香港皇后大道東183號合和中心54樓
電話：(852) 2980 1333
傳真：(852) 2810 8185

“Annual General Meeting” 「股東週年大會」	the annual general meeting of the Company to be held on Friday 12th June 2020 at 10:00 a.m. or any adjournment thereof 本公司謹訂於2020年6月12日星期五上午十時正召開的股東週年大會或其任何續會
“Board” 「董事會」	the board of Directors of the Company 本公司董事會
“CG Code” 「企業管治守則」	Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄14所載的企業管治守則
“Company” 「本公司」	Symphony Holdings Limited, a company incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares have been listed on the Main Board of the Stock Exchange since 1 March 1995 (Stock code: 1223) 新豐集團有限公司，一間根據百慕達1981年公司法於1993年11月24日在百慕達註冊成立之獲豁免有限責任公司，其股份自1995年3月1日起於聯交所主板上市（股份代號：1223）
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“Group” 「本集團」	the Company and its subsidiaries 本公司及其附屬公司
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“HKD” 「港元」	Hong Kong dollar, the lawful currency of Hong Kong 港元，香港的法定貨幣
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	The People’s Republic of China excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan 中華人民共和國，不包括香港特別行政區、澳門特別行政區及台灣
“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣，中國的法定貨幣
“Share(s)” 「股份」	ordinary share(s) of HKD0.10 each in the share capital of the Company 本公司股本中每股面值0.10港元之普通股

Glossary 詞彙

“Shareholder(s)” 「股東」	holder(s) of the issued share(s) of the Company 本公司之已發行股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Warrant(s)” 「認股權證」	the warrant(s) issued by the Company which carries(carry) the right to subscribe for Share(s) at the subscription price of HKD1.00 per Share, subject to adjustments 本公司發行之認股權證，其附帶權利可按每股股份1.00港元之認購價（可予調整）認購股份

