



SUCCESS

SUCCESS UNIVERSE GROUP LIMITED

實德環球有限公司

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 00487

Reaching New Horizons

展現實力 創新里程



2019

Annual Report 年報



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Yeung Hoi Sing, Sonny (*Chairman*)
Mr. Ma Ho Man, Hoffman (*Deputy Chairman*) *BBS*

Non-executive Director

Mr. Choi Kin Pui, Russelle

Independent Non-executive Directors

Ms. Yeung Mo Sheung, Ann
Mr. Chin Wing Lok, Ambrose
Mr. Chong Ming Yu

COMPANY SECRETARY

Ms. Chiu Nam Ying, Agnes

FINANCIAL CONTROLLER

Mr. Wong Chi Keung, Alvin

AUTHORISED REPRESENTATIVES

Mr. Ma Ho Man, Hoffman *BBS*
Ms. Chiu Nam Ying, Agnes

AUDIT COMMITTEE

Mr. Chin Wing Lok, Ambrose (*Chairman*)
Mr. Choi Kin Pui, Russelle
Ms. Yeung Mo Sheung, Ann
Mr. Chong Ming Yu

REMUNERATION COMMITTEE

Ms. Yeung Mo Sheung, Ann (*Chairman*)
Mr. Yeung Hoi Sing, Sonny
Mr. Choi Kin Pui, Russelle
Mr. Chin Wing Lok, Ambrose
Mr. Chong Ming Yu

NOMINATION COMMITTEE

Mr. Yeung Hoi Sing, Sonny (*Chairman*)
Mr. Choi Kin Pui, Russelle
Ms. Yeung Mo Sheung, Ann
Mr. Chin Wing Lok, Ambrose
Mr. Chong Ming Yu

EXECUTIVE COMMITTEE

Mr. Yeung Hoi Sing, Sonny (*Chairman*)
Mr. Ma Ho Man, Hoffman *BBS*

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

董事

執行董事

楊海成先生 (*主席*)
馬浩文先生 (*副主席*) *銅紫荊星章*

非執行董事

蔡健培先生

獨立非執行董事

楊慕嫦女士
錢永樂先生
莊名裕先生

公司秘書

趙藍英女士

財務總監

王志強先生

法定代表

馬浩文先生 *銅紫荊星章*
趙藍英女士

審核委員會

錢永樂先生 (*主席*)
蔡健培先生
楊慕嫦女士
莊名裕先生

薪酬委員會

楊慕嫦女士 (*主席*)
楊海成先生
蔡健培先生
錢永樂先生
莊名裕先生

提名委員會

楊海成先生 (*主席*)
蔡健培先生
楊慕嫦女士
錢永樂先生
莊名裕先生

執行委員會

楊海成先生 (*主席*)
馬浩文先生 *銅紫荊星章*

核數師

國衛會計師事務所有限公司
香港執業會計師

LEGAL ADVISERS ON HONG KONG LAWS

lu, Lai & Li

LEGAL ADVISERS ON BERMUDA LAWS

Conyers Dill & Pearman

PRINCIPAL BANKERS

United Overseas Bank Limited
Public Bank (Hong Kong) Limited
Chong Hing Bank Limited
The Bank of East Asia, Limited
Industrial and Commercial Bank of China (Canada)
The Toronto-Dominion Bank

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN BERMUDA

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 1601-2 & 8-10, 16/F.
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

SHARE LISTING

The Stock Exchange of Hong Kong Limited
Stock Code: 00487

WEBSITE

www.successug.com

香港法律顧問

姚黎李律師行

百慕達法律顧問

Conyers Dill & Pearman

主要往來銀行

大華銀行有限公司
大眾銀行(香港)有限公司
創興銀行有限公司
東亞銀行有限公司
中國工商銀行(加拿大)
The Toronto-Dominion Bank

百慕達股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東 183 號
合和中心 54 樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
灣仔
港灣道 23 號
鷹君中心
16 樓 1601-2 及 8-10 室

股份上市資料

香港聯合交易所有限公司
股份代號：00487

網址

www.successug.com

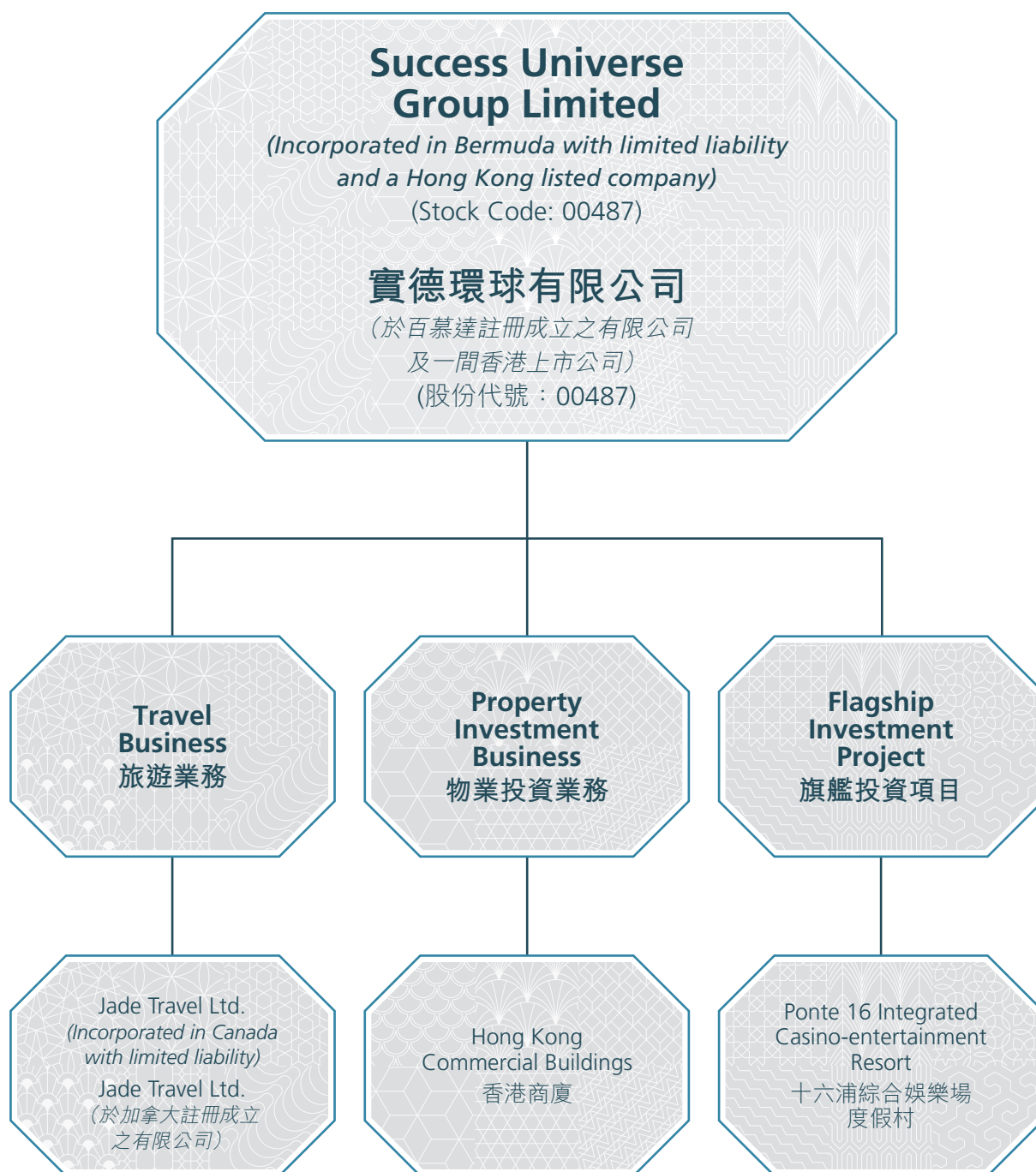
Our Vision

我們的遠見



The Group strives to fortify its business portfolio by leveraging on the experience in entertainment and tourist-related industries and strengthening its competitiveness by exploring new opportunities in property investment business. We endeavor to create long-term value for all of our stakeholders through the balanced and diversified business portfolio, while adhering to a high standard of corporate governance.

本集團致力憑藉娛樂及旅遊相關行業經驗增強其業務組合，並透過開拓物業投資業務的新機遇以提升競爭力。我們致力透過均衡及多元化之業務組合，為所有持份者締造長遠價值，同時恪守高水平的企業管治。



Business Highlights

業務概覽

- Revenue was approximately HK\$1,147.4 million and gross profit was approximately HK\$30.3 million for 2019
- Profit attributable to owners of the Company was approximately HK\$74.2 million
- Revenue of the travel business increased to approximately HK\$1,128.6 million due to strategic collaborations with leading domestic and international travel portals and the further development on online presence
- Revenue of the property investment business was approximately HK\$18.8 million
- The Adjusted EBITDA* of Ponte 16, the Group's flagship investment project, increased by approximately 6% to approximately HK\$377.5 million, with the average occupancy rate of Sofitel Macau At Ponte 16 achieved over 90%
- 二零一九年收益約港幣1,147,400,000元，而毛利約港幣30,300,000元
- 本公司股東應佔溢利約港幣74,200,000元
- 憑藉與國內及國際主要旅遊網站的策略性合作，並進一步推動線上業務發展，旅遊業務的收益增加至約港幣1,128,600,000元
- 物業投資業務的收益約港幣18,800,000元
- 本集團的旗艦投資項目——十六浦之經修訂的除利息、稅項、折舊及攤銷前盈利*增加約6%至約港幣377,500,000元，澳門十六浦索菲特大酒店的平均入住率逾90%

* Adjusted EBITDA: Earnings Before Interest, Taxation, Depreciation and Amortisation (and excluded interest income from the bank deposit)

* 經修訂的除利息、稅項、折舊及攤銷前盈利並且不包括銀行存款所帶來的利息收入

Financial Highlights

財務概覽

RESULTS

業績

| | | Year ended 31 December 截至十二月三十一日止年度 | | |
|--|-----------------------|--|-----------------------------------|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2017 二零一七年 HK\$'000 港幣千元 |
| CONTINUING OPERATIONS: | | 持續經營業務： | | |
| Revenue | 收益 | | | |
| Travel | 旅遊 | 1,128,574 | 1,090,196 | 583,425 |
| Property investment | 物業投資 | 18,797 | 30,082 | 6,510 |
| | | 1,147,371 | 1,120,278 | 589,935 |
| Share of results of associates | 應佔聯營公司業績 | 116,757 | 68,110 | (9,879) |
| Profit for the year from continuing operations | 來自持續經營業務之本年度溢利 | 74,194 | 54,213 | 4,369 |
| DISCONTINUED OPERATION: | | 已終止經營業務： | | |
| Loss for the year from discontinued operation: | 來自已終止經營業務之本年度虧損： | | | |
| Lottery | 彩票 | - | - | (37,825) |
| Profit/(loss) for the year | 本年度溢利/(虧損) | 74,194 | 54,213 | (33,456) |
| Profit/(loss) attributable to owners of the Company | 本公司股東應佔溢利/(虧損) | 74,194 | 54,464 | (29,810) |

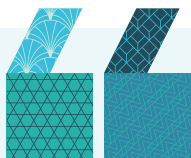
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

| | | At 31 December 於十二月三十一日 | | |
|-------------------|-------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2017 二零一七年 HK\$'000 港幣千元 |
| Total assets | 資產總值 | 1,385,035 | 1,382,749 | 1,046,047 |
| Total liabilities | 負債總值 | 240,776 | 314,628 | 48,191 |
| Net assets | 資產淨值 | 1,144,259 | 1,068,121 | 997,856 |

Chairman's Statement

主席報告



With our solid fundamentals and proactive business strategies, the Group will continue our endeavor to overcome uncertain economic headwinds ahead, and enhance the value of our business to ensure sustained growth in future.

憑藉穩固的基礎和積極的業務策略，本集團將繼續致力應對未來不可預知的經濟阻力，為業務增值以確保未來持續增長。



SUCCESS

SUCCESS UNIVERSE GROUP

實德環球集團

Dear Valued Shareholders,

On behalf of the board of directors (the "Board") of Success Universe Group Limited (the "Company", together with its subsidiaries, the "Group"), I am pleased to present the annual report of the Company for the year ended 31 December 2019.

Global economy maintained a modest growth in 2019, despite the influence of key economic and political issues like trade protectionism and Brexit. The economy of China continues to grow at a steady rate on the back of monetary and fiscal stimulus and makes crucial contributions to the economic developments of Hong Kong and Macau. On top of these positive market sentiments, the global economic condition is expected to be further benefited from the conclusion of the first phase of the Sino-US trade deal in the beginning of 2020.

Nevertheless, Hong Kong's economy has been weakened by lingering local social incidents, while the outbreak of the novel coronavirus (COVID-19) since late 2019 has even brought a shock to the global economy and heavy pressure on various business sectors, which inevitably affected sectors related to hotel, tourism and retail in Hong Kong. The business outlook in the near term is highly uncertain, and the impact of the pandemic to the world is yet to be fully reflected. However, governments around the world are dedicating all necessary resources to fight against the pandemic, we believe that the difficulties will be overcome with concerted efforts from all countries. Recovery of economic momentum may take time, but the global economy will pick up again after the pandemic has been brought under control.

FOUNDATION FOR SUSTAINABLE SUCCESS

In the midst of the current economic turmoil, we will continue to take great efforts to make timely adjustments to our strategies and improve internal operational efficiency. During the reporting year, Jade Travel Ltd. has been moving forward in improving services and travel products, while our flagship investment project — Ponte 16's growth of revenue outperformed the market in accordance with its strategic direction in 2019. These results reflected our growing operating efficiency and solid growth in business margins, which were part of our ultimate objective to maximise shareholders' value.

致尊貴的股東：

本人欣然代表實德環球有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事會(「董事會」)，提呈本公司截至二零一九年十二月三十一日止年度的年報。

二零一九年，儘管受貿易保護主義和英國脫歐等重大政經問題影響，環球經濟仍能維持溫和增長。中國內地經濟在貨幣及財政刺激措施的支持下仍保持穩定增長，並對香港和澳門的經濟發展起着關鍵作用。隨著市場氣氛逐漸回暖，二零二零年初中美達成第一階段貿易協議更為全球經濟狀況增添利好因素。

然而，持續的本地社會事件導致香港經濟環境轉差，自二零一九年下旬新型冠狀病毒(2019冠狀病毒病)爆發，更進一步衝擊全球經濟，為各行各業帶來沉重壓力，當中香港的酒店、旅遊及零售等相關行業無可避免地受到影響。業務前景短期內仍極不明朗，而疫情對全球造成的影響亦未完全浮現。不過，各國政府正動用一切必要資源應對疫情，我們相信在各國共同努力下，定能合力渡過當前難關。也許經濟需要一段時間才能恢復動力，但全球經濟勢必會在疫症受控後復甦。

持續成功始於根基穩固

在目前的經濟困局下，我們將繼續盡最大努力，適時調整策略，提升內部營運效益。於報告年度內，Jade Travel Ltd. 不斷向前，改善服務及旅遊產品，而集團旗艦投資項目——十六浦的收益增長優於市場表現，貫徹其二零一九年的策略方針。這些業績反映我們的營運效益不斷提升，業務利潤率穩定增長，有效實現為股東創造最大價值的最終目標。

Chairman's Statement (Continued)

主席報告(續)

Positioning as a World Centre of Tourism and Leisure, Macau is emphasising holistic tourism development, and contributing to the Greater Bay Area's vision as a first-class region for trade and tourism. Chinese President Xi Jinping's visit to Macau in late 2019 represents a strong support from the Chinese government and reassures the importance of Macau in the region. We remain positive to the long term development of the gaming and tourism industries in Macau.

Ponte 16 has been transforming and marching forward together with Macau over the past decade, and has gone through numerous ups and downs with it. In February 2020, the Macau government suspended all casino operations for 15 days to curb the spread of COVID-19, Ponte 16 fully complied with all the preventive measures laid out by the government, and temporarily closed its hotel operation at the same time on a voluntary basis. Although Macau's gross gaming revenue (GGR) and visitation will stay weak in the near term, we believe that it is critical for the community to unite and work together to overcome these challenges.

REMARKABLE RESILIENCE TO CHANGE

Border closure and other travel restrictions across the globe have been significantly minimising public movement and have undoubtedly impacted on tourist-related industries. It is difficult to predict when these conditions will improve, but Jade Travel Ltd. has well-established business network, brand reputation and track record of premium service that will help us through the current challenges. Despite the unprecedented impact brought from the pandemic, we believe that the growth of international tourism will outpace the global economy in the long term, signifying a strong and unwavering demand for the industry.

Taking advantage of changes in the world's demand and emerging internet technology, we will continue to work with our business partners and explore new service and travel products, transforming these opportunities into sustainable developments.

澳門定位為世界旅遊休閒中心，強調旅遊業全方位發展，以配合大灣區發展成為首屈一指貿易與旅遊區的願景。國家主席習近平於二零一九年底到訪澳門，反映澳門得到中央政府的大力支持，確認澳門在區內擔當重要角色。我們對澳門博彩業和旅遊業的長遠發展保持正面態度。

過去超過十年的時間裏，十六浦一直隨著澳門的發展而作出轉變，經歷多番起伏，共同邁步向前。二零二零年二月，澳門政府宣布所有娛樂場暫停營業15天，以防2019冠狀病毒病的傳播。十六浦全面遵守政府訂定的預防措施，同時主動暫停旗下酒店營業。儘管澳門的博彩毛收入（「博彩毛收入」）及訪客人數於短期內將會仍然疲弱，我們相信社會各界團結攜手合作，必定能夠克服這些挑戰。

靈活應對市場轉變

世界各地實施封關及其他旅遊限制，大幅降低公眾流動，無可避免地影響旅遊相關行業。現時難以預測有關情況何時得到改善，但Jade Travel Ltd.擁有完善的業務網絡、品牌信譽，在優質服務方面亦擁有卓越的往績，這將有助我們克服當前的挑戰。雖然這場大流行病為社會帶來前所未有的影響，我們相信長遠而言，國際旅遊業的增長速度，將會超越全球經濟增幅，反映該行業的需求強勁且旺盛。

我們將利用世界需求變化和互聯網科技的興起，繼續與業務夥伴合作開拓新服務及旅遊產品，將機遇轉化為可持續發展。

Although Hong Kong's property market was affected by continuous social incidents and recorded softening price and reductions in trading volume since June 2019, leasing demand for office premises remained stable. The Group remains resilient in the face of growing challenges and will stay close with the commercial investment market in order to manage its properties portfolio, generate a steady recurring rental income stream and provide capital appreciation potential.

EMPOWER TODAY FOR A BRIGHTER TOMORROW

Uncertainties have posed challenges to current business, we will continue to strengthen our business focus through operational and institutional management. It is believed that the consumer's confidence will be rebuilt gradually, while consumer spending and traffic will get back to normal, and the economy is poised for continued sustainable growth. The Group stays committed to achieve sustainable developments and provide quality customer service to maintain our competitiveness. With our solid fundamentals and proactive business strategies, we are in good faith that our endeavors will be paid off for a long-term development, ensuring sustained business growth in the future.

APPRECIATION

I would like to take this opportunity to express my sincere gratitude to our shareholders, customers and business partners for their continuous supports and trust, and extend my heartiest thanks and appreciation to our fellow directors for their guidance, to all staffs for their hard work and contributions, during the challenging period. Looking ahead, we will continue our endeavor to overcome the future challenges and enhance the value of our business.

Yeung Hoi Sing, Sonny
Chairman

Hong Kong
30 March 2020

儘管香港物業市場受持續的社會事件所影響，自二零一九年六月以來成交價格與數量均錄得跌幅，惟寫字樓租務需求依然穩定。面對越來越多的挑戰，本集團仍然保持靈活性，緊貼商用投資物業市場狀況，管理旗下物業組合，藉此為本集團提供穩定的經常性租金收入及資本增值潛力。

把握現在迎接美好明天

目前的各項不明朗因素為業務經營帶來挑戰，我們將會繼續透過營運與機構管理，加強業務重點。市場相信消費者信心會逐步恢復，而零售消費與人流也將回復正常，經濟亦可望持續增長。本集團致力實現可持續發展，提供優質客戶服務，以維持市場競爭力。憑藉穩固的基礎和積極的業務策略，我們深信這些努力必定能換來長遠發展的回報，確保未來業務得以持續增長。

致謝

本人藉此機會對股東、客戶及業務夥伴對本集團的長期支持及信任深表謝意，亦衷心感謝各董事在此非常時期的領導，以及全體員工的努力及貢獻。今後我們將會繼續克服未來挑戰，致力為業務增值。

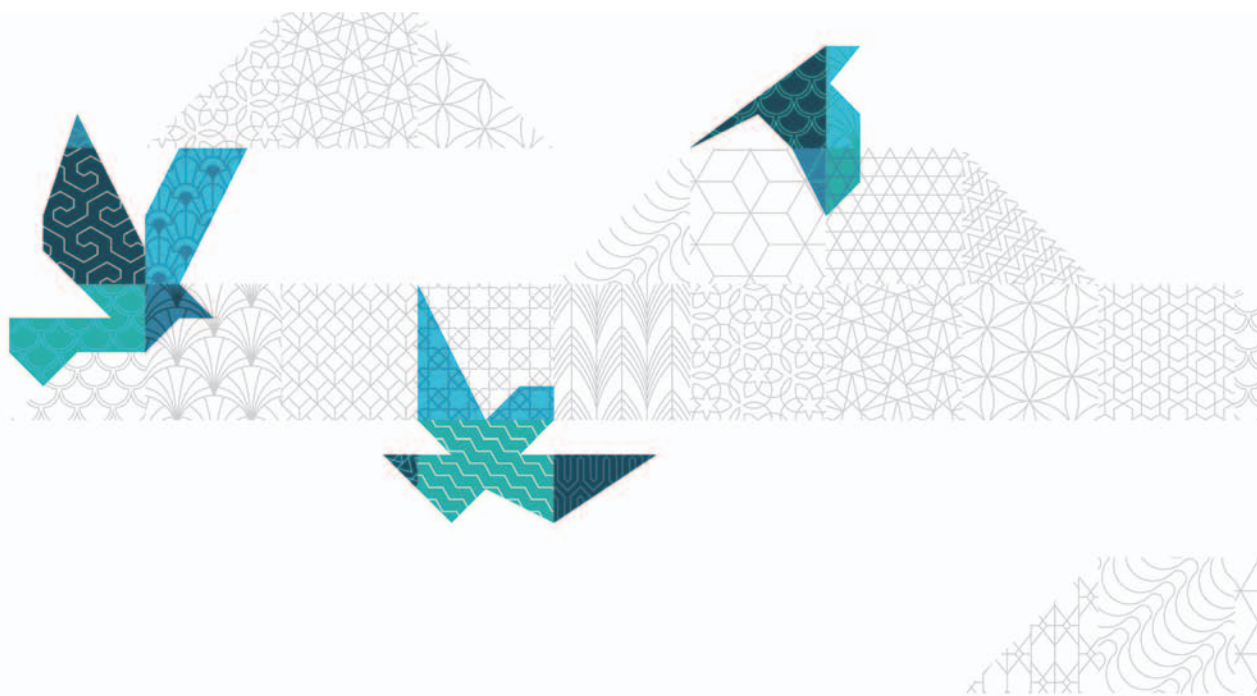
主席
楊海成

香港
二零二零年三月三十日



Management Discussion and Analysis

管理層討論及分析



OVERVIEW

Despite the impact of the Sino-US trade tensions and the rising geo-political issues around the globe, the world's economy maintained a modest growth in 2019 and China's gross domestic product (GDP) sustained a high growth rate of 6.1% for the year. Concerns over the novel coronavirus (COVID-19) outbreak, however, has led to a quick turnaround in the market growth and has brought challenges to the world economy. Nevertheless, the Group remains positive to the longer term outlook for the economy of China and Macau, and reiterates the importance of prudent finance policy, together with the balanced and diversified business portfolio, in overcoming uncertain economic headwinds ahead.

The following discussion should be read in conjunction with the consolidated financial statements and the related notes included in this annual report.

概覽

雖然面對中美貿易緊張及全球地緣政治局勢持續升溫的影響，全球經濟於二零一九年仍維持溫和增長，而中國國內生產總值(國內生產總值)於年內維持高增長達6.1%。然而，新型冠狀病毒(2019冠狀病毒病)疫情爆發產生的憂慮，導致市場增長急速逆轉，並對全球經濟帶來挑戰。儘管如此，本集團對中國及澳門經濟的長遠前景仍持正面態度，並重申審慎財務政策及均衡且多元化之業務組合的重要性，以應對未來不可預知的經濟阻力。

以下討論應與本年報所載之綜合財務報表及相關附註一併閱讀。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

RESULTS

For the year ended 31 December 2019, revenue of the Group was approximately HK\$1,147.4 million, increased by approximately 2% from approximately HK\$1,120.3 million for the last corresponding year. Gross profit decreased by approximately 12% to approximately HK\$30.3 million (2018: approximately HK\$34.4 million). The Group's shared profit of the associates relating to Ponte 16, the flagship investment project of the Group (the "Associates"), for the year of 2019 was approximately HK\$116.8 million, increased by approximately 71% from approximately HK\$68.1 million for the last year. Profit attributable to owners of the Company for the reporting year amounted to approximately HK\$74.2 million (2018: approximately HK\$54.5 million), whilst earnings per share was 1.51 HK cents (2018: earnings per share was 1.11 HK cents).

The increase in profit was mainly attributable to the increase in the Group's share of profit of the Associates, notwithstanding the decrease in fair value gain on the Group's investment properties as well as the write-down of carrying amount of the Group's stock of properties.

DIVIDENDS

No interim dividend was paid in 2019 (2018: nil). The directors of the Company do not recommend any payment of a final dividend for the year ended 31 December 2019 (2018: nil).

業績

截至二零一九年十二月三十一日止年度，本集團之收益約為港幣1,147,400,000元，較去年同期約港幣1,120,300,000元增加約2%。毛利減少約12%至約港幣30,300,000元(二零一八年：約港幣34,400,000元)。於二零一九年，本集團錄得應佔與其旗艦投資項目十六浦有關的聯營公司(「聯營公司」)溢利約港幣116,800,000元，較去年約港幣68,100,000元增加約71%。於報告年度內，本公司股東應佔溢利約為港幣74,200,000元(二零一八年：約港幣54,500,000元)，而每股盈利為1.51港仙(二零一八年：每股盈利為1.11港仙)。

儘管本集團投資物業之公平值收益減少，以及本集團撇減物業存貨之賬面值，溢利增加乃主要源於本集團應佔聯營公司溢利增加。

股息

二零一九年並無派付中期股息(二零一八年：無)。本公司董事不建議就截至二零一九年十二月三十一日止年度派付任何末期股息(二零一八年：無)。

Management Discussion and Analysis (Continued)
管理層討論及分析(續)



Travel Business 旅遊業務



Leveraging on its vast experience and extensive business networks, Jade Travel Ltd. strives for business growth by offering quality customer service and diversified travel products.

Jade Travel Ltd. 運用其豐富經驗及廣泛的業務網絡，提供優質客戶服務及多元化旅遊產品，致力促進業務發展。



REVIEW OF OPERATIONS

Travel Business

The Group operates Jade Travel Ltd. (“Jade Travel”), one of the largest travel agencies in Canada, which has dedicated segments targeting wholesale and retail markets respectively to provide customers with satisfying and professional services.

Jade Travel has been working closely with leading regional and international online travel portals to keep track of the latest market dynamics and to offer competitive and comprehensive products, and the online ticketing fulfilment services for travel agencies maintained a steady growth in 2019. Responding to the changes in market conditions, Jade Travel has been making continuous efforts in exploration and improvement to develop its online presence with technological upgrades and marketing strategies.

業務回顧

旅遊業務

本集團經營的Jade Travel Ltd. (「Jade Travel」)是加拿大最大的旅行社之一，設有針對批發及零售市場的專責分部，為客戶提供滿意及專業的服務。

Jade Travel一直與區內及國際領先的旅遊網站保持緊密合作，以緊貼最新市場動態，並提供具競爭力及全面性之產品，至於為旅行社提供之網上訂票服務亦於二零一九年維持穩定增長。因應市場需求的轉變，Jade Travel一向勇於探索、尋求改進，致力透過提升技術水平及營銷策略發展其網上業務。



REVIEW OF OPERATIONS (CONTINUED)

Travel Business (continued)

Jade Travel has been leveraging its vast experience and extensive business networks to strive for business growth by offering quality customer service and diversified travel products. Jade Travel remains steadfast in providing more personalised travel packages to alternative and exotic destinations all around the world, from long haul excursion to exceptional local tours. Through the international online travel portals and the widely-used portals in China, Jade Travel's leading products are able to reach all travellers in the global travel market, including the growing markets in Asia Pacific and China.

業務回顧(續)

旅遊業務(續)

Jade Travel 運用其豐富經驗及廣泛的業務網絡，提供優質客戶服務及多元化旅遊產品，致力促進業務發展。Jade Travel 亦積極提供更個人化的旅遊套票至前往世界各地之另類及具異國情調的旅遊地點，並涵蓋長途旅遊以至別具特色之本地旅遊。Jade Travel 的主要產品能藉著國際旅遊網站及中國廣泛使用之網上平台接觸到全球旅客，包括持續增長之亞太地區及中國市場。



REVIEW OF OPERATIONS (CONTINUED)

Travel Business (continued)

Although Jade Travel has been responding to the market dynamics swiftly in order to stay ahead of the competition, trade disputes and geo-political tensions created pressures on the tourism market worldwide as discretionary spending in corporate and personal travels was suppressed. For the reporting year, revenue of the travel business segment increased to approximately HK\$1,128.6 million, increased by approximately 4% for the year ended 31 December 2019 (2018: approximately HK\$1,090.2 million). Loss in this segment amounted to approximately HK\$ 3.9 million (2018: profit of approximately HK\$2.0 million including reversal of impairment loss on intangible assets of approximately HK\$3.2 million).

業務回顧(續)

旅遊業務(續)

儘管 Jade Travel 已經迅速回應市場動態以維持競爭優勢，惟由於貿易糾紛及地緣政治緊張局勢，導致企業及個人旅遊的支出緊縮，為全球旅遊市場帶來壓力。於報告年度內，截至二零一九年十二月三十一日止年度之旅遊業務分部收益增加至約港幣 1,128,600,000 元，增加約 4% (二零一八年：約港幣 1,090,200,000 元)。此分部虧損約港幣 3,900,000 元 (二零一八年：溢利約港幣 2,000,000 元，包括無形資產減值虧損撥回約港幣 3,200,000 元)。

Property Investment Business

物業投資業務



The Group closely monitors the commercial property market and review available options to enhance its investment portfolio, for steady rental income and capital appreciation potential in a longer term.

本集團密切留意商用物業市場，審視可增強其投資組合的可行方案，以獲得長期的穩定租金收入及資本增值潛力。



REVIEW OF OPERATIONS (CONTINUED)

Property Investment Business

The overall property market in Hong Kong has been clouded by local social incidents and economic uncertainties since mid-2019, but the leasing demand for office premises remained solid in prime locations during the year. Capital value of Grade A office buildings in Central and Admiralty remained stable, while the ongoing decentralisation trend stimulated the rents of office buildings in sub-prime locations.

During the reporting year, the Group remained resilient in the face of challenges and enjoyed steady rental income from its investment portfolio of commercial properties in prime locations in Hong Kong. Despite the pressure on the property market in the short term, the Group will closely monitor the commercial property market and review available options to enhance its investment portfolio for steady rental income and capital appreciation potential in a longer term.

業務回顧(續)

物業投資業務

香港之整體物業市場自二零一九年年中以來，一直被社會事件及經濟不明朗因素的陰霾籠罩，惟年內黃金地段寫字樓的租賃需求穩固。位於中環及金鐘之甲級寫字樓之資本價值仍然穩定，而持續遷離中心地段的趨勢亦刺激次核心地段之寫字樓租金。

於報告年度內，本集團面對挑戰仍然保持其靈活性，並從香港黃金地段的商用物業投資組合中獲得穩定之租金收入。即使短期內物業市場仍存在壓力，本集團將繼續密切留意商用物業市場，並審視可增強其投資組合的可行方案，從而獲得長期的穩定租金收入及資本增值潛力。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

REVIEW OF OPERATIONS (CONTINUED)

Property Investment Business (continued)

Revenue of the property investment business for the reporting year amounted to approximately HK\$18.8 million, representing a decrease of approximately 38% as compared with approximately HK\$30.1 million for the last corresponding year. Segment profit decreased by approximately 71% to approximately HK\$11.0 million (2018: approximately HK\$37.7 million), which was mainly due to the decrease in fair value gain on investment properties to approximately HK\$1.2 million (2018: approximately HK\$27.3 million) as well as write-down of carrying amount of stock of properties amounting to approximately HK\$14.5 million (2018: nil), despite gain on disposal of properties of approximately HK\$18.4 million (2018: approximately HK\$6.0 million).

業務回顧(續)

物業投資業務(續)

於報告年度內，物業投資業務之收益約為港幣18,800,000元，較去年同期約港幣30,100,000元減少約38%。儘管物業出售之收益約港幣18,400,000元(二零一八年：約港幣6,000,000元)，分部溢利仍減少約71%至約港幣11,000,000元(二零一八年：約港幣37,700,000元)，主要由於投資物業公平值收益減少至約港幣1,200,000元(二零一八年：約港幣27,300,000元)以及撇減物業存貨之賬面值約港幣14,500,000元(二零一八年：無)。



Management Discussion and Analysis (Continued)
管理層討論及分析(續)



Investment Project — Ponte 16

投資項目 — 十六浦



The Group believes families and middle class will be the significant drive for Macau tourism, and Ponte 16 will continue to stably develop its premium hospitality services and entertainment to attract a wider visitor mix.

本集團相信，家庭客群和中產階層將會是推動澳門旅遊業之重要動力，而十六浦將繼續穩定發展其優質的款待服務與娛樂設施，吸引更多不同類型的旅客。



REVIEW OF OPERATIONS (CONTINUED)

Investment Project — Ponte 16

With its charming heritage history as a colonial outpost and a place where Western and Eastern cultures coexist, Macau is one of the most fascinating destinations in Asia and ranked the third most visited Asian city of 2019 in the Euromonitor Top 100 City Destinations Report. The overall visitation of Macau in 2019 amounted to approximately 39.4 million, up by approximately 10.1% year-on-year (“yoy”). The growth was attributable to the rising number of visitors from Mainland China and the rapidly-developing Asian countries including Philippines and Malaysia, which supports the healthy development of the gaming and tourism industries in Macau.

The openings of Hong Kong-Zhuhai-Macau Bridge and The Macau Light Rapid Transit further enhance the accessibility to and within Macau for both Chinese and international visitors, and the Group believes that families and the up-rising middle class will continue to be the significant drive for Macau tourism. Positioning as a world-class integrated casino-entertainment resort, Ponte 16 is able to leverage on its unique geographical location in the vibrant cultural site of the Inner Harbour near a World Heritage Site, recognised by the United Nations Educational, Scientific and Cultural Organisation (UNESCO), to constantly discover new and entertaining experiences for visitors. In April 2019, Ponte 16 introduced Macau’s first Angry Birds-themed playground — The Angry Birds Play Center @ Ponte 16, which has been well-received by locals and tourists.

業務回顧(續)

投資項目 — 十六浦

澳門擁有前殖民地的醉人傳承歷史，是一個東西文化共融的地方，更是亞洲最眩目的城市之一。根據 Euromonitor 發表的《2019全球旅遊目的地城市百強排名》，澳門是二零一九年第三位最多遊客到訪之亞洲城市。二零一九年澳門之整體遊客人數約為39,400,000人，按年增長約10.1%，主要受惠於中國內地及高速發展亞洲國家如菲律賓及馬來西亞之遊客人數增加，得以支持澳門之博彩及旅遊業健康發展。

港珠澳大橋及澳門輕軌之啟用進一步便利國內外的旅客到訪澳門，而且本集團相信，家庭客群和中產階層之冒升將繼續成為推動澳門旅遊業之重要動力。十六浦作為世界級綜合娛樂場度假村，憑藉其位於澳門內港文化遺址，又毗鄰聯合國教育、科學及文化組織（「聯合國教科文組織」）世界文化遺產之獨特地理位置，讓遊客能夠不斷發掘新穎有趣的體驗。十六浦於二零一九年四月引入澳門首個憤怒鳥主題樂園 — 「憤怒鳥遊樂中心@澳門十六浦」，深受本地居民及遊客的歡迎。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

REVIEW OF OPERATIONS (CONTINUED)

Investment Project — Ponte 16 (continued)

Macau's gross gaming revenue (GGR) contracted 3.4% yoy in 2019, amounted to approximately MOP292.4 billion. With the effective allocation of resources to reach the mass market segment, Ponte 16's growth of revenue outperformed the market. As at 31 December 2019, the casino of Ponte 16 had 109 gaming tables, consisting of 98 mass gaming tables, 7 high-limit tables and 4 VIP tables, maintaining a competitive mix for the current market trend of Macau. Adjusted EBITDA* for the reporting year increased by approximately 6% to approximately HK\$377.5 million (2018: approximately HK\$356.7 million). The average occupancy rate of Sofitel Macau At Ponte 16 achieved over 90% in 2019 (2018: over 90%).

In recognition of the exceptional quality of service provided by Sofitel Macau At Ponte 16, the hotel has received 11 honourable international and regional awards as of 31 December 2019, including "Luxury Cultural Hotel" by World Luxury Hotel Awards 2019, "China's Best Destination Hotel" by the 19th Golden Horse Awards of China, "Bronze Award 2018" by Rakuten Travel, "U Magazine Travel Awards — My Favourite Hotel & Resort" by U Magazine, "Excellent Communication Service Hotel Award" by Macao Smart Hotel Awards, "Excellent Service Oriented Hotel of the Year" by 2019 Greater Bay Area Hospitality Awards, and was given an 8.5 out of 10 rating by Booking.com's Guest Review Awards 2018 and a 5.7 out of 6 rating in the "Recommended on HolidayCheck 2019 Certificate". Le Chinois was awarded "U Magazine Favourite Food Award 2019" and So SPA was awarded "Luxury Hammam Experience" by World Luxury Spa Awards 2019 and "Asia's Top Wellness Spa" by 2019–2020 Now Travel Asia Awards.

* Adjusted EBITDA: Earnings Before Interest, Taxation, Depreciation and Amortisation (and excluded interest income from the bank deposit)

業務回顧(續)

投資項目 — 十六浦(續)

澳門博彩毛收入(「博彩毛收入」)於二零一九年按年下跌3.4%至約292,400,000,000澳門元。由於有效分配資源以針對中場博彩分部，十六浦的收益增長表現優於市場。於二零一九年十二月三十一日，十六浦娛樂場共有109張賭桌，包括98張中場賭桌、7張高注碼賭桌及4張貴賓賭桌，維持一個既迎合目前澳門市場趨勢亦具競爭力之組合。於報告年度內，經修訂的除利息、稅項、折舊及攤銷前盈利*增加約6%至約港幣377,500,000元(二零一八年：約港幣356,700,000元)。於二零一九年，澳門十六浦索菲特大酒店的平均入住率逾90%(二零一八年：逾90%)。

為表揚澳門十六浦索菲特大酒店所提供的優質服務，截至二零一九年十二月三十一日，酒店獲頒共11項國際及地區獎項，包括二零一九年世界奢華酒店大獎頒發「豪華酒店文化」獎、第19屆中國金馬獎頒發「中國最佳旅遊目的地酒店」、樂天旅遊頒發「樂天旅遊二零一八年度銅獎」、U Magazine頒發「U Magazine旅遊大獎 — 我最喜愛的澳門酒店及度假村」、澳門智慧酒店獎頒發「通訊服務優良酒店獎」、2019粵港澳大灣區文旅金匯獎頒發「年度卓越服務酒店」，並於Booking.com之「2018住客評分卓越獎」之10分評分中獲得8.5分及「Recommended on HolidayCheck 2019 Certificate」之6分評分中獲得5.7分。樂軒華粵菜餐廳獲頒發「U Magazine我最喜愛澳門酒店食肆2019」，而So SPA榮獲二零一九年世界奢華水療大獎頒發「豪華澡堂體驗」獎及二零一九年至二零二零年亞洲旅行大獎頒發「亞洲最佳水療酒店大獎」。

* 經修訂的除利息、稅項、折舊及攤銷前盈利(並且不包括銀行存款所帶來的利息收入)

REVIEW OF OPERATIONS (CONTINUED)

Investment Project — Ponte 16 (continued)

Ponte 16 is committed to making a positive contribution to the local communities that it has deep roots in. It has taken proactive approaches in the sustainable development of the hotel and the entertainment business, supporting the Macau government in the promotion of responsible gaming culture, and managing corporate environmental performance. Ponte 16 incorporates environmental practices in its daily operations, strives to make efficient use of resources and promote green awareness. During the reporting year, Sofitel Macau At Ponte 16 was granted the “Silver Award” by Macao Green Hotel Award 2019 as a recognition of its continuous effort in upholding a high level of commitment to sustainability.

FINANCIAL REVIEW

Liquidity, Financial Resources and Gearing

As at 31 December 2019, the Group had net current assets of approximately HK\$32.3 million (31 December 2018: approximately HK\$23.0 million) and net assets of approximately HK\$1,144.3 million (31 December 2018: approximately HK\$1,068.1 million). The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by monitoring the trade receivables of its customers on an ongoing basis. To manage liquidity risk, the Board closely monitors the Group’s liquidity position to ensure that the liquidity structure of the Group’s assets, liabilities and commitments can meet its funding requirements. Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group’s transactional currencies are Hong Kong dollars (“HK\$”) and Canadian dollars (“CAD”) as substantially all the revenues are in HK\$ and CAD. The Group’s transactional foreign exchange exposure was insignificant.

業務回顧(續)

投資項目 — 十六浦(續)

十六浦紮根澳門，一直致力為社區作出正面的貢獻，其酒店及娛樂業務正採取積極措施以達致可持續發展，並支持澳門政府推動負責任的博彩文化，以及管理企業環境表現。十六浦於日常營運中落實環保措施，務求有效地運用資源及提高環保意識。於報告年度內，澳門十六浦索菲特大酒店獲二零一九年澳門環保酒店獎頒發「銀獎」，藉此表揚其對高水平可持續發展之努力。

財務回顧

流動資金、財務資源及資本負債

於二零一九年十二月三十一日，本集團之流動資產淨值約港幣32,300,000元(二零一八年十二月三十一日：約港幣23,000,000元)，而資產淨值約為港幣1,144,300,000元(二零一八年十二月三十一日：約港幣1,068,100,000元)。本集團採取保守之庫務政策，致力於持續監管其客戶之應收貿易賬款，以減輕信貸風險。為管理流動資金風險，董事會密切監察本集團之流動資金狀況，以確保本集團由資產、負債及承擔組成之流動性結構足以應付其融資需要。目前，本集團並無有關外匯風險之對沖政策。本集團所有重大收益均以港幣(「港幣」)及加元(「加元」)計值，故本集團之交易貨幣定為港幣及加元。本集團在交易上所承受之外匯風險甚微。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL REVIEW (CONTINUED)

Liquidity, Financial Resources and Gearing (continued)

On 1 December 2008, Mr. Yeung Hoi Sing, Sonny (“Mr. Yeung”, being the Chairman of the Board, an executive Director and a controlling shareholder of the Company), provided a HK\$200 million term loan facility to the Company which is unsecured and charged with interest at the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. The principal amount of the loan facility was increased up to HK\$290 million on 14 April 2009 (the “Revised Mr. Yeung’s Loan Facility”) and the final repayment date of the loan and all other sums owing to Mr. Yeung under the Revised Mr. Yeung’s Loan Facility was further extended from 31 October 2020 to 31 October 2022 by a supplemental letter of agreement dated 20 September 2019. As at 31 December 2019, the Company had no outstanding loan owed to Mr. Yeung under the Revised Mr. Yeung’s Loan Facility (31 December 2018: HK\$39.0 million).

During the year, the Group’s secured bank facilities were increased to HK\$339.5 million and CAD0.9 million (31 December 2018: HK\$222.5 million) which bear interest at Hong Kong interbank offered rate (HIBOR) plus a margin that was ranged from 1.7% per annum to 1.75% per annum and at prime rate quoted by the Bank of Canada plus 1.95% per annum respectively. In addition, the Group obtained a general bank facility for issuance of a standby letter of credit of CAD 2.0 million which carries a commission rate of 1.2% per annum. The proceeds of the facilities were for the Group’s general operation. As at 31 December 2019, the outstanding bank loans were approximately HK\$194.0 million (31 December 2018: HK\$222.5 million).

財務回顧(續)

流動資金、財務資源及資本負債(續)

於二零零八年十二月一日，本公司董事會主席、執行董事兼控股股東楊海成先生(「楊先生」)向本公司提供為數港幣200,000,000元之有期貸款融資，該貸款融資為無抵押，且按香港上海滙豐銀行有限公司所報之港元貸款最優惠利率計息。於二零零九年四月十四日，該貸款融資之本金金額增至港幣290,000,000元(「經修訂之楊先生之貸款融資」)，並通過日期為二零一九年九月二十日所訂立之協議補充函件，經修訂之楊先生之貸款融資之貸款及所有結欠楊先生之其他款項的最後還款日期，由二零二零年十月三十一日進一步延遲至二零二二年十月三十一日。於二零一九年十二月三十一日，根據經修訂之楊先生之貸款融資，本公司並無結欠楊先生之未償還貸款(二零一八年十二月三十一日：港幣39,000,000元)。

於本年度內，本集團之有抵押銀行融資增加至港幣339,500,000元及900,000加元(二零一八年十二月三十一日：港幣222,500,000元)，該等融資分別按香港銀行同業拆息加1.7%年利率至1.75%年利率及加拿大銀行公布最優惠利率加1.95%年利率計息。此外，本集團已就發出佣金率為每年1.2%的2,000,000加元的備用信用證獲取一般銀行融資。該等融資之所得款項均用於本集團之一般營運。於二零一九年十二月三十一日，未償還銀行貸款約港幣194,000,000元(二零一八年十二月三十一日：港幣222,500,000元)。

FINANCIAL REVIEW (CONTINUED)

Liquidity, Financial Resources and Gearing (continued)

As at 31 December 2019, total equity attributable to owners of the Company was approximately HK\$1,144.3 million (31 December 2018: approximately HK\$1,068.1 million). The gearing ratio, which was measured on the basis of the interest-bearing borrowings of the Group over total equity attributable to owners of the Company, was approximately 17% as at 31 December 2019 (31 December 2018: approximately 25%).

Pledge of Assets

As at 31 December 2019, the Group had secured the following assets:

- (a) the Group pledged the time deposits of approximately CAD1.6 million and USD0.1 million, totally equivalent to approximately HK\$10.4 million (31 December 2018: approximately CAD1.6 million and USD0.1 million, totally equivalent to approximately HK\$10.0 million) to certain banks for the issuance of a standby letter of credit and overdraft facility of approximately CAD1.5 million and a standby letter of credit of approximately USD0.1 million, totally equivalent to approximately HK\$9.6 million (31 December 2018: a standby letter of credit and overdraft facility of approximately CAD1.5 million and a standby letter of credit of approximately USD0.1 million, totally equivalent to approximately HK\$9.3 million) for the operation of the Group;
- (b) World Fortune Limited, an indirect wholly-owned subsidiary of the Company, pledged all (31 December 2018: all) of its shares in Pier 16 – Property Development Limited (“Pier 16 – Property Development”, an associate of the Group) to a bank in respect of the loan facilities granted to Pier 16 – Property Development (the “Loan Facilities”);

財務回顧(續)

流動資金、財務資源及資本負債(續)

於二零一九年十二月三十一日，本公司股東應佔權益總值約港幣1,144,300,000元(二零一八年十二月三十一日：約港幣1,068,100,000元)。資本負債比率是按本集團計息借貸相對本公司股東應佔權益總值為基準計算，於二零一九年十二月三十一日，資本負債比率約17%(二零一八年十二月三十一日：約25%)。

資產抵押

於二零一九年十二月三十一日，本集團已抵押下列資產：

- (a) 本集團向若干銀行抵押定期存款約1,600,000加元及100,000美元，合計相等於約港幣10,400,000元(二零一八年十二月三十一日：約1,600,000加元及100,000美元，合計相等於約港幣10,000,000元)，以就本集團營運取得約1,500,000加元的備用信用證及透支貸款以及約100,000美元的備用信用證，合計相等於約港幣9,600,000元(二零一八年十二月三十一日：約1,500,000加元的備用信用證及透支貸款以及約100,000美元的備用信用證，合計相等於約港幣9,300,000元)；
- (b) 世兆有限公司(本公司一間間接全資附屬公司)就十六浦物業發展股份有限公司(「十六浦物業發展」，本集團一間聯營公司)獲授的貸款融資(「該貸款融資」)向一間銀行抵押其於十六浦物業發展的全部股份(二零一八年十二月三十一日：全部股份)；

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL REVIEW (CONTINUED)

Pledge of Assets (continued)

- (c) the Group pledged all of its investment properties and one of its stock of properties totally with the carrying amount of approximately HK\$547.3 million (31 December 2018: all of its investment properties with the carrying amount of approximately HK\$443.6 million) to secure against the bank facilities of approximately HK\$339.5 million and CAD2.0 million, totally equivalent to approximately HK\$351.6 million (31 December 2018: HK\$222.5 million) granted to the Group; and
- (d) the Group pledged one of its freehold land and building held outside Hong Kong with the carrying amount of approximately CAD1.7 million, equivalent to approximately HK\$10.5 million (31 December 2018: nil) to secure against a credit facility of approximately CAD0.9 million, equivalent to approximately HK\$5.4 million (31 December 2018: nil) granted by a bank for the operation of the Group's travel business.

Contingent Liabilities

The Company gave a corporate guarantee (the "Guarantee") to a bank in respect of the Loan Facilities. The maximum guarantee amount borne by the Company under the Guarantee was HK\$490 million.

The outstanding loan under the Loan Facilities as at 31 December 2019 was approximately HK\$235.0 million (31 December 2018: approximately HK\$435.0 million).

財務回顧(續)

資產抵押(續)

- (c) 本集團已抵押賬面值合共約港幣547,300,000元之所有投資物業及其中一項物業存貨(二零一八年十二月三十一日:其所有投資物業之賬面值約港幣443,600,000元),作為本集團獲授銀行融資約港幣339,500,000元及2,000,000加元之抵押品,合共相等於約港幣351,600,000元(二零一八年十二月三十一日:港幣222,500,000元);及
- (d) 本集團已抵押其中一項賬面值約1,700,000加元(相等於約港幣10,500,000元)於香港以外地區持有之永久業權土地及樓宇(二零一八年十二月三十一日:無),作為本集團獲一間銀行批授之信貸融資約900,000加元,相等於約港幣5,400,000元(二零一八年十二月三十一日:無)之抵押品,以作本集團旅遊業務營運之用。

或然負債

本公司就該貸款融資向一間銀行提供企業擔保(「該擔保」)。本公司根據該擔保承擔的最高保證金額為港幣490,000,000元。

於二零一九年十二月三十一日,該貸款融資的未償還貸款約為港幣235,000,000元(二零一八年十二月三十一日:約港幣435,000,000元)。

HUMAN RESOURCES

As at 31 December 2019, the Group had a total of 102 employees. Remuneration is determined on the basis of qualifications, experience, responsibilities and performance. In addition to the basic remuneration, staff benefits include medical insurance and retirement benefits. Share options may also be granted to eligible employees of the Group as a long-term incentive.

PROSPECTS

Stepping into 2020, the global economic conditions are expected to be clouded by the trade disputes and geopolitical tension, as well as the impacts of the ongoing COVID-19 crisis. The pandemic has brought further pressure on worldwide business sectors, in particular of gaming, tourism and entertainment industries, and it is not possible to predict the full extent of the impact at this point of time. Nevertheless, the Chinese government has dedicated significant resources to fight the pandemic, while the U.S. Federal Reserve has been cutting its interest rate since March 2020. With such swift implementation of stabilisation measures taken by the major nations, the global economy is expected to weather the present difficulties, and the Group will continuously enhance its operational efficiency and maintain a well-balanced business portfolio.

人力資源

於二零一九年十二月三十一日，本集團共聘用102名僱員。薪酬乃按資歷、經驗、職責及表現而釐定。除基本薪酬外，員工福利包括醫療保險及退休福利。本集團亦會向合資格僱員授出購股權，作為長期獎勵。

前景

踏入二零二零年，全球經濟預期仍然受貿易糾紛及地緣政治緊張局勢的陰霾籠罩，以及2019冠狀病毒病危機所帶來的影響。疫情持續令全球各行各業百上加斤，尤以博彩業、旅遊業及娛樂業為甚，現時仍難以全面預測可能造成的影響。儘管如此，中國政府投入大量資源抗疫，而美國聯邦儲備局自二零二零年三月起多番減息。隨著主要國家迅速執行有關穩定措施，預期環球經濟將能夠渡過目前的困境，而本集團將繼續提升其營運效益及維持均衡持平的業務組合。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

PROSPECTS (CONTINUED)

Ponte 16 is committed to the health and safety of all its guests and employees, thus it has adopted all necessary protective measures and supported the Macau government's prevention and control measures. During the temporary suspension of operations for 15 days since 5 February 2020, Ponte 16 has optimised the hygiene and sanitisation measures to ensure a safe and comfortable environment for visitors. It is believed that consumers' confidence will rebound after the ease of COVID-19, as the infrastructure will continue to improve the accessibility to and within Macau. The Greater Bay Area integration plan will further tighten economic links with China, spurring Macau's economic benefits. With its solid and dependable management team and the unwavering commitment of its dedicated staff, Ponte 16 will overcome the prevailing challenges and continue to stably develop its premium hospitality services and entertainment to attract a wider visitor mix once the pandemic is over.

Due to the spread of COVID-19, governments in all large countries are closing borders to foreign nationals, both inward and outward, in order to minimise travel and public movement. The full extent and duration of the impact on the global tourism industry is still hard to predict, Jade Travel will closely monitor the tourism market and explore new services, revenue streams and retail locations, as well as enhancing operational efficiency and cost management. The Group remains cautiously optimistic about the outlook of travel and tourism industry. With advancement in the automatic ticketing system and establishment of strategic partnerships with leading travel portals, Jade Travel will continue to address travellers' diverse interests and conducive to maintain healthy and sustainable growth over the medium- to long-term.

前景(續)

十六浦致力保障所有賓客和僱員的健康與安全，響應澳門政府的疫情防控措施，落實執行一切必要的防護措施。自二零二零年二月五日起暫停營業15天，十六浦已加強衛生消毒工作，確保為旅客提供安全舒適的環境。隨著2019冠狀病毒病的疫情舒緩後，相信消費者信心將會反彈，加上各類基建設施的落成將繼續便利往來澳門的交通，大灣區融合計劃將使澳門與中國的經濟聯繫更加緊密，以致澳門的經濟效益可望躍進。憑藉其管理團隊人才濟濟，可堪信賴，加上全體員工盡忠職守，十六浦將能克服現時的挑戰，並繼續穩定發展其優質的款待服務與娛樂設施，務求於疫情過後吸引更多不同類型的旅客。

鑑於2019冠狀病毒病的疫情擴散，所有大國的政府均關閉邊境阻截外國國籍人士進出境，從而降低旅遊及公眾流動。現時仍難以預測其對全球旅遊業的影響程度及持續時間，Jade Travel將密切監察旅遊市場及發掘新服務、收入來源和零售地點，以及提升營運效益及加強成本管理。本集團仍然對旅遊業的前景持審慎樂觀態度，Jade Travel將會繼續優化自動售票系統，並與領先的旅遊網站建立策略性夥伴關係，滿足旅客多樣化需求，從而維持中長期的健康及可持續增長。

PROSPECTS (CONTINUED)

As a premier international hub for finance, business and trade, the Group believes that Hong Kong's property investment market will regain strong momentum with the city's solid fundamentals, together with the new demands for office, retail and industrial properties arising from the ongoing developments in the Greater Bay Area. The Group will continue to leverage on its property investment portfolio for a steady recurring income stream, and scale up its portfolio when opportunities arise.

The Group has always been cautious and prudent towards the formulation of corporate strategy and financial discipline. Although the operating environment is challenging amid persistent global economic uncertainties, the Group will adopt a forward-looking approach to overcome the difficulties and remains cautiously proactive about its future plans in accordance with corporate direction in maintaining diversified business portfolio.

前景(續)

香港作為卓越國際金融商貿中心，本集團相信，憑藉香港穩建的經濟基礎，以及大灣區持續發展帶動寫字樓、零售及工業物業的新需求，香港的物業投資市場將會重拾強勁動力。本集團會繼續透過其物業投資組合，獲取穩定的經常性收入，並伺機擴充其組合。

本集團一向奉行穩健審慎的態度制訂企業策略和財務管理原則。儘管全球經濟存在不明朗因素，經營環境挑戰重重，本集團將採取具前瞻性的方針克服各種困難，並依循維持其多元業務發展的企業方針，對其未來計劃仍抱持審慎積極的態度。

Corporate Governance Report

企業管治報告

Success Universe Group Limited (the “Company”) is committed to maintain high corporate governance standard and procedures to ensure the integrity, transparency and quality of disclosure in order to enhance the shareholders’ value.

CORPORATE GOVERNANCE

In the opinion of the directors of the Company (“Director(s)”), the Company has complied with all the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the year ended 31 December 2019.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Code of Conduct”) on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules.

Having made specific enquiry of all Directors, each of whom has confirmed his/her compliance with the required standard set out in the Code of Conduct and the Model Code throughout the year under review.

BOARD OF DIRECTORS

The board of Directors (the “Board”), led by its chairman (“Chairman”), Mr. Yeung Hoi Sing, Sonny, is responsible for overseeing the management of the business and affairs, considering and approving strategic plans and major corporate matters, as well as reviewing operational and financial performance. The Board is committed to make decisions in the best interests of both the Company and its shareholders (“Shareholders”).

實德環球有限公司(「本公司」)致力維持高水平之企業管治標準及程序，以確保資料披露之完整性、透明度及質素，藉以提高股東價值。

企業管治

本公司董事(「董事」)認為，於截至二零一九年十二月三十一日止年度內，本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)當中所有守則條文。

董事進行證券交易

本公司已採納一套有關董事進行證券交易之行為守則(「行為守則」)，該守則之條款不遜於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」)規定之標準。

經向全體董事作出特定查詢後，各董事均已確認彼等於回顧年度內一直遵守載於行為守則及標準守則內所規定之標準。

董事會

董事會(「董事會」)由其主席(「主席」)楊海成先生領導，負責監督業務及事務管理、考慮和批准策略計劃及重大企業事宜，以及審閱營運及財務表現。董事會致力作出符合本公司及其股東(「股東」)最佳利益之決定。

BOARD OF DIRECTORS (CONTINUED)

The Board currently consists of six members, including two executive Directors, namely Mr. Yeung Hoi Sing, Sonny (Chairman) and Mr. Ma Ho Man, Hoffman (Deputy Chairman); a non-executive Director, namely Mr. Choi Kin Pui, Russelle (“NED”); and three independent non-executive Directors, namely Ms. Yeung Mo Sheung, Ann, Mr. Chin Wing Lok, Ambrose and Mr. Chong Ming Yu (collectively “INEDs” or each of them “INED”). All Directors, including the NED and all INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The Board is also characterised by diversity, whether considered in terms of gender, age, educational background, professional experience, skills, knowledge and/or independence. A list of Directors identifying their role and function is available on the Company’s website and on the website of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Directors’ biographical information is set out in the paragraph headed “Directors” under the section headed “Biographical Details of Directors and Senior Management” on pages 99 to 103 of this annual report.

The roles of the Chairman and the Deputy Chairman who performs the function of chief executive are segregated and assumed by separate individuals to strike a balance of power and authority so that power and job responsibilities are not concentrated in any one individual of the Board. The Chairman, Mr. Yeung Hoi Sing, Sonny, is responsible for overseeing the function of the Board and formulating overall strategies and policies of the Company, while the Deputy Chairman, Mr. Ma Ho Man, Hoffman, is responsible for implementing the Company’s strategies regarding the business development of the Company and its subsidiaries (collectively the “Group”) as well as managing the Group’s business and operations. The functions and responsibilities between the Chairman and the Deputy Chairman are clearly segregated.

董事會(續)

董事會現時由六名成員組成，包括兩名執行董事，即楊海成先生(主席)及馬浩文先生(副主席)；一名非執行董事，即蔡健培先生(「非執行董事」)；以及三名獨立非執行董事，即楊慕嫦女士、錢永樂先生及莊名裕先生(統稱「獨立非執行董事」或各自為「獨立非執行董事」)。所有董事(包括非執行董事及全體獨立非執行董事)均為董事會帶來各種寶貴之營商經驗、知識及專業，使其有效率及有效地運作。從性別、年齡、教育背景、專業經驗、技能、知識及／或獨立性等因素作考慮，董事會亦屬多元化。識別彼等之角色及職能之董事名單可參閱本公司網站及香港聯合交易所有限公司(「聯交所」)網站。董事之履歷資料載於本年報第99至第103頁之「董事及高級管理人員簡介」一節中之「董事」一段。

主席及履行行政總裁職能之副主席之角色已區分，並由不同人士擔任，以達致權力及職權平衡，確保權力及職責不會集中在董事會任何一名成員身上。主席楊海成先生負責監督董事會運作及制訂本公司整體策略及政策，而副主席馬浩文先生則負責執行就本公司及其附屬公司(統稱「本集團」)之業務發展所制訂之本公司策略，以及管理本集團之業務及營運事宜。主席及副主席之功能及責任有明確區分。

BOARD OF DIRECTORS (CONTINUED)

Except that Mr. Ma Ho Man, Hoffman is the nephew of Mr. Yeung Hoi Sing, Sonny, to the best knowledge of the Directors, there is no financial, business, family and/or other material/relevant relationship among members of the Board and between the Chairman and the Deputy Chairman who performs the function of chief executive.

The Board includes three INEDs and one of them, Mr. Chin Wing Lok, Ambrose, is a certified public accountant (practising) and a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants as well as a certified tax adviser and a fellow member of The Taxation Institute of Hong Kong. He has over 33 years of experience in auditing, accounting and taxation.

The NED and all INEDs entered into service contracts with the Company for a term of one year. All executive Directors also entered into service contracts with the Company without specific term of office. Pursuant to the bye-laws of the Company (the "Bye-laws"), all Directors appointed by the Board shall hold office until the next following general meeting of the Company (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the number of Directors) after their appointment and the retiring Director shall be eligible for re-election. In addition, at each annual general meeting of the Company, one-third of the Directors shall retire from office by rotation such that all Directors should be subject to retirement by rotation at least once every three years.

董事會(續)

除馬浩文先生為楊海成先生之外甥外，據董事所深知，董事會各成員之間，以及主席與履行行政總裁職能之副主席之間概無任何財務、業務、家屬及／或其他重大／相關關係。

董事會成員包括三名獨立非執行董事，其中錢永樂先生為香港會計師公會之執業會計師及資深會員、英國特許公認會計師公會之資深會員，以及香港稅務學會之註冊稅務師及資深會員。彼於審核、會計及稅務積逾33年經驗。

非執行董事及全體獨立非執行董事與本公司已訂立為期一年之服務合約。全體執行董事亦與本公司訂立無特定任期之服務合約。根據本公司之公司細則(「公司細則」)，所有獲董事會委任之董事應任職至彼等獲委任後本公司下一次股東大會(如屬填補臨時空缺)或本公司下一次股東週年大會(如屬新增董事)，而退任董事符合資格膺選連任。此外，於本公司每屆股東週年大會上，三分之一董事須輪值告退，致使所有董事均須至少每三年輪值告退一次。

BOARD OF DIRECTORS (CONTINUED)

The Board meets regularly throughout the year as and when required. Notices of at least 14 days are given to all Directors for all regular Board meetings. The company secretary of the Company (the “Company Secretary”) assists the Chairman in preparing the agendas for the meetings and all Directors are consulted whether to include any matters in the agendas. Agenda and accompanying board papers are given to all Directors in a timely manner and at least 3 days before the appointed date of each meeting.

During the year under review, four regular Board meetings and four non-regular Board meetings were held. Details of attendance of the Directors at the said Board meetings are set out below:

董事會(續)

董事會於年度內定期並於有需要時舉行會議。本公司就所有董事會常規會議向全體董事發出至少十四日通知。本公司之公司秘書(「公司秘書」)協助主席準備會議議程，並諮詢全體董事會否將任何事項納入議程內。議程及隨附之董事會會議文件會適時並於每次會議指定舉行日期前至少三天送呈全體董事。

於回顧年度內曾舉行四次董事會常規會議及四次董事會非常規會議。董事出席上述董事會會議之記錄詳情載列如下：

| Directors | 董事 | Number of Board meetings attended/held 出席董事會會議次數/ 舉行董事會會議次數 |
|---|------------|---|
| Executive Directors | | |
| Mr. Yeung Hoi Sing, Sonny (<i>Chairman</i>) | 楊海成先生(主席) | 6/8 |
| Mr. Ma Ho Man, Hoffman (<i>Deputy Chairman</i>) | 馬浩文先生(副主席) | 8/8 |
| Non-executive Director | | |
| Mr. Choi Kin Pui, Russelle | 蔡健培先生 | 8/8 |
| Independent non-executive Directors | | |
| Ms. Yeung Mo Sheung, Ann | 楊慕嫦女士 | 7/8 |
| Mr. Chin Wing Lok, Ambrose | 錢永樂先生 | 8/8 |
| Mr. Chong Ming Yu | 莊名裕先生 | 8/8 |

Corporate Governance Report (Continued) 企業管治報告(續)

BOARD OF DIRECTORS (CONTINUED)

During the year under review, one general meeting of the Company, namely the annual general meeting, was held on 14 June 2019 (“2019 AGM”). Details of attendance of the Directors at the 2019 AGM are set out below:

董事會(續)

於回顧年度內本公司曾舉行一次股東大會，即於二零一九年六月十四日舉行之股東週年大會(「二零一九年股東週年大會」)。董事出席二零一九年股東週年大會之記錄詳情載列如下：

| Directors | 董事 | 2019 AGM attendance 二零一九年 股東週年大會之 出席記錄 |
|--|----------------|--|
| Executive Directors | 執行董事 | |
| Mr. Yeung Hoi Sing, Sonny (Chairman) | 楊海成先生(主席) | 1/1 |
| Mr. Ma Ho Man, Hoffman (Deputy Chairman) | 馬浩文先生(副主席) | 1/1 |
| Non-executive Director | 非執行董事 | |
| Mr. Choi Kin Pui, Russelle | 蔡健培先生 | 1/1 |
| Independent non-executive Directors | 獨立非執行董事 | |
| Ms. Yeung Mo Sheung, Ann | 楊慕嫦女士 | 1/1 |
| Mr. Chin Wing Lok, Ambrose | 錢永樂先生 | 1/1 |
| Mr. Chong Ming Yu | 莊名裕先生 | 1/1 |

The Board has agreed on a procedure to enable the Directors to seek independent professional advice in appropriate circumstances, at the Company's expense, to assist them in performing their duties. All Directors are provided with monthly updates giving a balanced and understandable assessment of the Group's performance, financial position and prospects to keep the Directors abreast of the Group's affairs in order to discharge their duties. All Directors are also updated from time to time on major changes/material developments in the laws, rules and regulations applicable to the Company.

董事會已協定一套讓董事於適當情況下尋求獨立專業意見之程序，費用由本公司支付，以協助彼等履行其職責。全體董事均獲提供每月更新資料，當中載有關於本集團表現、財務狀況及前景之持平清晰評估，讓董事緊貼本集團事務，以便履行其職責。全體董事亦不時獲提供適用於本公司之法例、規則及規例之主要變動／重大發展之更新資料。

BOARD OF DIRECTORS (CONTINUED)

During the year, the Board has reviewed and considered that the contribution required from each of the Directors to perform his/her responsibilities to the Company was appropriate and each of the Directors has given sufficient time to perform his/her responsibilities. The Directors have informed the Company in a timely manner of any change in the number and nature of offices held in public companies or organisations and other significant commitments. Each of the Directors discloses semi-annually to the Company the identity and nature of office he/she holds in the public companies or organisations as well as an indication of the time involved.

Every newly appointed Director will be given a comprehensive formal induction covering the Group's business as well as the statutory and regulatory obligations of a director of a listed company. To assist the Directors to participate in continuous professional development, the Company arranges and funds suitable training to the Directors to update and enhance their knowledge and skills for performing the Directors' roles and responsibilities. During the year under review, all Directors, namely Mr. Yeung Hoi Sing, Sonny, Mr. Ma Ho Man, Hoffman, Mr. Choi Kin Pui, Russelle, Ms. Yeung Mo Sheung, Ann, Mr. Chin Wing Lok, Ambrose and Mr. Chong Ming Yu, were furnished with materials regarding directors' duties, corporate governance, business transaction management as well as applicable laws, rules and regulations updates, attended an in-house seminar regarding Environmental, Social and Governance Reporting and Corporate Governance organised by the Company, and also viewed the e-training course provided by the Stock Exchange. The Directors are also encouraged to attend training relevant to their duties and responsibilities that they consider appropriate. All Directors are requested to provide their respective records of training to the Company.

董事會(續)

於年內，董事會已審閱並認為各董事已為要求其履行對本公司之責任作出適當貢獻，且各董事已付出足夠時間履行其責任。董事已就彼等於公眾公司或組織所擔任職位之數目及性質以及其他重大承擔之任何變更適時通知本公司。各董事每半年向本公司披露彼等任職之公眾公司或組織之職銜、所擔任職位之性質以及所涉及之時間。

每名新委任董事將會獲得全面而正式之就任須知，內容涵蓋本集團之業務以及上市公司董事之法定及監管責任。為協助董事參與持續專業發展，本公司為董事安排合適之培訓並提供有關經費，以更新並提升其知識及技能，有助彼等履行董事之角色及責任。於回顧年度內，全體董事(即楊海成先生、馬浩文先生、蔡健培先生、楊慕嫦女士、錢永樂先生及莊名裕先生)均已獲提供有關董事職務、企業管治、商業交易管理，以及適用法例、規則及規例更新之資料，已出席由本公司籌辦關於環境、社會及管治報告和企業管治之內部講座，並觀看由聯交所提供之網上培訓課程。本公司亦鼓勵董事出席其認為適當且與其職責及責任相關之培訓。本公司要求全體董事向本公司提供彼等各自之培訓記錄。

DELEGATION BY THE BOARD

The Board has established four Board committees, namely the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”), the nomination committee (the “Nomination Committee”) and the executive committee (the “Executive Committee”) to oversee particular aspects of the Company’s affairs and to assist in sharing the Board’s responsibilities. The Board has reserved for its decision or consideration on matters covering corporate strategy, annual and interim results, changes of members of the Board and its committees, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. All the Board committees have clear written terms of reference and have to report to the Board regularly on their decisions and recommendations. The day-to-day running of the Group, including implementation of the strategies and plans adopted by the Board and its committees, is delegated to management with divisional heads responsible for different aspects of the business/affairs.

AUDIT COMMITTEE

The Audit Committee was established by the Board with specific written terms of reference. The terms of reference for the Audit Committee is available on the Company’s website and the website of the Stock Exchange. The Audit Committee currently consists of the NED and all INEDs and is chaired by Mr. Chin Wing Lok, Ambrose who possesses appropriate professional accounting qualification as required under the Listing Rules.

董事會權力之轉授

董事會已成立四個董事委員會，即審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)及執行委員會(「執行委員會」)，以監督本公司特定範疇之事務及協助分擔董事會之職責。董事會已保留有關決定或審議企業策略、年度及中期業績、董事會及其委員會之成員變動、主要收購、出售及資本交易、以及其他重要營運及財務事項方面之權力。所有董事委員會均有清晰之書面職權範圍，並須定期向董事會匯報其決定及建議。本集團之日常管理事務，包括董事會及其委員會所採納之策略及計劃之執行，均授權予管理人員處理，並由各部門主管負責不同業務／事務範疇。

審核委員會

董事會已成立具備特定書面職權範圍之審核委員會。審核委員會之職權範圍可於本公司網站及聯交所網站查閱。審核委員會現時由非執行董事及全體獨立非執行董事組成，並由錢永樂先生出任主席。錢先生具備上市規則所要求之適當專業會計資格。

AUDIT COMMITTEE (CONTINUED)

The Board has delegated to the Audit Committee the responsibility to perform the corporate governance duties set out in the CG Code. During the year under review, the primary duties of the Audit Committee included, inter alia, monitoring integrity of the financial statements of the Company and ensuring objectivity and credibility of financial reporting, reviewing effectiveness of the risk management and internal control systems of the Group (the “Risk Management and Internal Control Systems”), overseeing the relationship with the external auditors of the Company (“External Auditors”) as well as ensuring maintenance of good corporate governance standard and procedures by the Company.

During the year under review, three Audit Committee meetings were held and details of attendance of the Audit Committee members at the said Audit Committee meetings are set out below:

審核委員會(續)

董事會已授權審核委員會負責履行企業管治守則所載之企業管治職責。於回顧年度內，審核委員會之主要職責為(其中包括)監察本公司財務報表之完整性及確保財務報告客觀可信、檢討本集團風險管理及內部監控系統(「風險管理及內部監控系統」)之成效、監督與本公司外聘核數師(「外聘核數師」)之關係，以及確保本公司維持良好之企業管治標準及程序。

於回顧年度內曾舉行三次審核委員會會議，而審核委員會成員出席上述審核委員會會議之記錄詳情載列如下：

| Audit Committee members | 審核委員會成員 | Number of Audit Committee meetings attended/held 出席審核委員會會議次數/ 舉行審核委員會會議次數 |
|---|--------------------|---|
| Mr. Chin Wing Lok, Ambrose (Chairman of the Audit Committee) | 錢永樂先生 (審核委員會主席) | 3/3 |
| Mr. Choi Kin Pui, Russelle | 蔡健培先生 | 3/3 |
| Ms. Yeung Mo Sheung, Ann | 楊慕嫦女士 | 3/3 |
| Mr. Chong Ming Yu | 莊名裕先生 | 3/3 |

Corporate Governance Report (Continued) 企業管治報告(續)

AUDIT COMMITTEE (CONTINUED)

The major work performed by the Audit Committee during the year included the following:

- Reviewed the draft annual report and accounts as well as the draft annual results announcement for the year ended 31 December 2018, and the draft interim report and accounts as well as the draft interim results announcement for the six months ended 30 June 2019;
- Discussed with the External Auditors the nature and scope of the audit and reporting obligations;
- Considered the re-appointment of the External Auditors;
- Considered the engagement of an external independent consultant to provide internal audit function for the year ended 31 December 2019, which comprises, inter alia, enterprise risk assessment, review on the internal control system of the Group as well as review on the corporate governance practices of the Company;
- Reviewed the effectiveness of the Risk Management and Internal Control Systems, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions;
- Reviewed the continuing connected transactions of the Company;
- Reviewed the Company's compliance with the CG Code and disclosure in the corporate governance report contained in the annual report;
- Considered the terms of engagement of the External Auditors, including their proposed fees;

審核委員會(續)

審核委員會於年內履行之主要工作包括以下各項：

- 審閱截至二零一八年十二月三十一日止年度之年報及賬目草擬稿以及年度業績公佈草擬稿，並審閱截至二零一九年六月三十日止六個月之中期報告及賬目草擬稿以及中期業績公佈草擬稿；
- 與外聘核數師討論核數性質及範疇以及申報責任；
- 考慮重新委任外聘核數師；
- 考慮委聘外聘獨立顧問以提供截至二零一九年十二月三十一日止年度之內部審核功能(其中包括)企業風險評估、審閱本集團之內部監控系統以及審閱本公司之企業管治常規；
- 檢討風險管理及內部監控系統之成效，包括本公司在會計、內部審核及財務匯報職能方面之資源、其員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算是否充足；
- 檢討本公司之持續關連交易；
- 檢討本公司遵守企業管治守則之情況及審閱年報所載企業管治報告內之披露；
- 審議外聘核數師之委聘條款，包括其收費建議；

AUDIT COMMITTEE (CONTINUED)

- Reviewed the arrangements for the employees of the Group (“Employees”) to raise concerns about possible improprieties in financial reporting, internal control or other matters;
- Reviewed the Company’s policies and practices on corporate governance;
- Reviewed the training and continuous professional development of all Directors and the senior management of the Company (“Senior Management”);
- Reviewed the Company’s policies and practices on compliance with legal and regulatory requirements; and
- Reviewed the codes of conduct, policy, guidelines and compliance manuals applicable to the Directors and the Employees.

REMUNERATION COMMITTEE

The Remuneration Committee was established by the Board with specific written terms of reference. The terms of reference for the Remuneration Committee is available on the Company’s website and the website of the Stock Exchange. The Remuneration Committee currently consists of the Chairman of the Board, the NED and all INEDs with Ms. Yeung Mo Sheung, Ann acts as the chairman of the Remuneration Committee.

審核委員會(續)

- 檢討為本集團僱員(「僱員」)所作之安排，以就財務匯報、內部監控或其他事宜可能出現之不當行為提出關注；
- 檢討本公司之企業管治政策及常規；
- 檢討全體董事及本公司高級管理人員(「高級管理人員」)之培訓及持續專業發展；
- 檢討本公司在遵守法律及監管規定方面之政策及常規；及
- 檢討適用於董事及僱員之行為守則、政策、指引及合規手冊。

薪酬委員會

董事會已成立具備特定書面職權範圍之薪酬委員會。薪酬委員會之職權範圍可於本公司網站及聯交所網站查閱。薪酬委員會現時由董事會主席、非執行董事及全體獨立非執行董事組成，並由楊慕嫻女士出任薪酬委員會主席。

REMUNERATION COMMITTEE (CONTINUED)

The major responsibilities of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for remuneration of all Directors and Senior Management and on the establishment of a formal and transparent procedure for developing remuneration policy, to determine the remuneration packages of individual executive Directors and Senior Management and also to make recommendations to the Board of the remuneration of the NED and all INEDs. The Remuneration Committee takes into consideration on factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and the Senior Management.

During the year under review, one Remuneration Committee meeting was held and details of attendance of the Remuneration Committee members at the said Remuneration Committee meeting are set out below:

薪酬委員會(續)

薪酬委員會之主要職責為就本公司全體董事及高級管理人員之薪酬政策及架構以及就制訂薪酬政策設立正規及具透明度之程序向董事會作出推薦建議，釐定各執行董事及高級管理人員之薪酬待遇，以及就非執行董事和全體獨立非執行董事之薪酬向董事會作出推薦建議。薪酬委員會考慮之因素包括可予比較公司所付之薪金水平以及董事及高級管理人員所付出之時間及其職責等。

於回顧年度內曾舉行一次薪酬委員會會議，而薪酬委員會成員出席上述薪酬委員會會議之記錄詳情載列如下：

| Remuneration Committee members | 薪酬委員會成員 | Number of Remuneration Committee meeting attended/held 出席薪酬委員會會議次數／ 舉行薪酬委員會會議次數 |
|--|--------------------|---|
| Ms. Yeung Mo Sheung, Ann (Chairman of the Remuneration Committee) | 楊慕嫦女士 (薪酬委員會主席) | 1/1 |
| Mr. Yeung Hoi Sing, Sonny | 楊海成先生 | 1/1 |
| Mr. Choi Kin Pui, Russelle | 蔡健培先生 | 1/1 |
| Mr. Chin Wing Lok, Ambrose | 錢永樂先生 | 1/1 |
| Mr. Chong Ming Yu | 莊名裕先生 | 1/1 |

REMUNERATION COMMITTEE (CONTINUED)

The major work performed by the Remuneration Committee during the year included the following:

- Reviewed the Company's remuneration policy and structure for all Directors and Senior Management;
- Reviewed and determined the remuneration packages of all executive Directors and Senior Management;
- Reviewed the remuneration packages of the NED and all INEDs; and
- Reviewed the terms of the service contracts of all executive Directors.

NOMINATION COMMITTEE

The Nomination Committee was established by the Board with specific written terms of reference. The terms of reference for the Nomination Committee is available on the Company's website and the website of the Stock Exchange. The Nomination Committee currently consists of the Chairman of the Board, the NED and all INEDs with Mr. Yeung Hoi Sing, Sonny acts as the chairman of the Nomination Committee.

The major responsibilities of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board annually, to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on selection for directorships, to assess the independence of INEDs, to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, as well as to review the policy for nomination of Directors (the "Nomination Policy") and the Board diversity policy of the Company (the "Board Diversity Policy") as appropriate.

薪酬委員會(續)

薪酬委員會於年內履行之主要工作包括以下各項：

- 檢討本公司全體董事及高級管理人員之薪酬政策及架構；
- 檢討並釐定全體執行董事及高級管理人員之薪酬待遇；
- 檢討非執行董事及全體獨立非執行董事之薪酬待遇；及
- 檢討全體執行董事之服務合約條款。

提名委員會

董事會已成立具備特定書面職權範圍之提名委員會。提名委員會之職權範圍可於本公司網站及聯交所網站查閱。提名委員會現時由董事會主席、非執行董事及全體獨立非執行董事組成，並由楊海成先生出任提名委員會主席。

提名委員會之主要職責為每年檢討董事會之架構、人數及組成(包括技能、知識、經驗及觀點與角度多元化)，物色具備合適資格可擔任董事會成員之人士，並甄選有關人士競選董事或就此向董事會作出推薦建議，評核獨立非執行董事之獨立性，就委任或重新委任董事及就董事之繼任計劃向董事會作出推薦建議，以及在適當時候檢討本公司之提名董事之政策(「提名政策」)及董事會成員多元化政策(「董事會成員多元化政策」)。

NOMINATION COMMITTEE (CONTINUED)

The Board has adopted the Board Diversity Policy which sets out the approach to achieve diversity on the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance, and will select candidates for the Board basing on a range of diversity perspectives, including but not limited to gender, age, educational background, professional experience, skills, knowledge and independence (the “Measurable Objectives”). The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will review the Measurable Objectives set for implementing the Board Diversity Policy by considering the Company’s business model and specific needs from time to time and will recommend any revision thereof, if necessary, to the Board for consideration and approval.

The Board has adopted the Nomination Policy which sets out the process of identification, selection and evaluation of a candidate for election to the Board. Where a vacancy on the Board exists or an additional Director is considered necessary, the Nomination Committee will solicit recommendations for candidates from any source it deems appropriate, including referrals from members of the Board and management of the Company or recommendations from personnel agents. The Nomination Committee will evaluate the candidate by considering, inter alia, (i) the candidate’s qualifications and contribution from the candidate’s background, experience, specific qualities, knowledge or skills; (ii) the candidate on merit and against the Measurable Objectives, with due regard for the benefits of diversity on the Board; and (iii) the requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules, and it will also take into account of the existing structure, size and composition of the Board (collectively the “Criteria”). The Nomination Committee will make recommendation to the Board to appoint the appropriate candidate as a Director.

提名委員會(續)

董事會已採納董事會成員多元化政策，當中載列達致董事會成員多元化之方針。本公司確信並肯定多元化之董事會有利於提升其表現質素，並將從多元化角度(包括但不限於性別、年齡、教育背景、專業經驗、技能、知識及獨立性)(「可計量目標」)甄別人選予董事會。最終決定將按所甄別人選之長處及將為董事會作出之貢獻而作出。提名委員會將考慮本公司業務模式及不時的特定需要，檢討為執行董事會成員多元化政策而制定之可計量目標，並在需要時就任何可計量目標之修訂向董事會作出推薦建議，供其審批。

董事會已採納提名政策，其載列物色、甄選及評估董事會候選人的過程。當董事會出現空缺或有需要選出額外董事時，提名委員會將從其認為合適的任何來源尋求候選人之推薦建議，包括由董事會成員及本公司管理層引薦或由人事代理推薦。提名委員會評估候選人時將考慮(其中包括)以下各項：(i)候選人的資格及候選人之背景、經驗、個別特質、知識或技能可作出的貢獻；(ii)以候選人的長處基於可計量目標作出評估，並充份考慮對董事會多元化帶來的裨益；及(iii)董事會須按上市規則設立獨立非執行董事的要求，以及候選人是否就上市規則所載之獨立指引被視為獨立人士，其亦將考慮董事會之現有架構、規模及組成(統稱為「該等準則」)。提名委員會將就委任合適候選人為董事向董事會作出推薦建議。

NOMINATION COMMITTEE (CONTINUED)

The Nomination Committee will also evaluate retiring Directors who wish to continue their services on the Board based on the Criteria and will make recommendation to the Board for proposing re-election of the relevant Directors at the forthcoming annual general meeting of the Company.

The Nomination Committee will review the Board Diversity Policy and the Nomination Policy, as appropriate, and will also discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

During the year under review, two Nomination Committee meetings were held and details of attendance of the Nomination Committee members at the said Nomination Committee meetings are set out below:

提名委員會(續)

提名委員會亦將按該等準則評估欲繼續於董事會服務之退任董事，並就將於本公司應屆股東週年大會建議重選之有關董事向董事會作出推薦建議。

提名委員會將在適當時候檢討董事會成員多元化政策及提名政策，亦將討論可能需要作出之任何修訂，並就任何有關修訂向董事會作出推薦建議，供其審批。

於回顧年度內曾舉行兩次提名委員會會議，而提名委員會成員出席上述提名委員會會議之記錄詳情載列如下：

| Nomination Committee members | 提名委員會成員 | Number of Nomination Committee meetings attended/held 出席提名委員會會議次數/ 舉行提名委員會會議次數 |
|---|--------------------|--|
| Mr. Yeung Hoi Sing, Sonny (Chairman of the Nomination Committee) | 楊海成先生 (提名委員會主席) | 2/2 |
| Mr. Choi Kin Pui, Russelle | 蔡健培先生 | 2/2 |
| Ms. Yeung Mo Sheung, Ann | 楊慕嫦女士 | 2/2 |
| Mr. Chin Wing Lok, Ambrose | 錢永樂先生 | 2/2 |
| Mr. Chong Ming Yu | 莊名裕先生 | 2/2 |

NOMINATION COMMITTEE (CONTINUED)

The major work performed by the Nomination Committee during the year included the following:

- Assessed the independence of all INEDs;
- Considered the nomination of the retiring Directors for re-election as Directors at the annual general meeting held in 2019;
- Reviewed the structure, size and composition of the Board;
- Reviewed the Nomination Policy; and
- Reviewed the Board Diversity Policy.

EXECUTIVE COMMITTEE

The Executive Committee was established by the Board with specific written terms of reference. It currently consists of all executive Directors, namely Mr. Yeung Hoi Sing, Sonny and Mr. Ma Ho Man, Hoffman with Mr. Yeung Hoi Sing, Sonny acts as the chairman of the Executive Committee. The Executive Committee is responsible for reviewing and approving, inter alia, any matters concerning the day-to-day management, business and operational affairs of the Company, and any matters to be delegated to it by the Board from time to time.

提名委員會(續)

提名委員會於年內履行之主要工作包括以下各項：

- 評核全體獨立非執行董事之獨立性；
- 考慮於二零一九年舉行之股東週年大會上提名膺選連任董事之退任董事；
- 檢討董事會之架構、人數及組成；
- 檢討提名政策；及
- 檢討董事會成員多元化政策。

執行委員會

董事會已成立具備特定書面職權範圍之執行委員會。執行委員會現時由全體執行董事，即楊海成先生及馬浩文先生組成，並由楊海成先生出任執行委員會主席。執行委員會負責審議及批准(其中包括)有關本公司日常管理、業務及營運事務以及不時由董事會委派其處理之任何事宜。

EXECUTIVE COMMITTEE (CONTINUED)

During the year under review, eleven Executive Committee meetings were held and details of attendance of the Executive Committee members at the said Executive Committee meetings are set out below:

執行委員會(續)

於回顧年度內曾舉行十一次執行委員會會議，而執行委員會成員出席上述執行委員會會議之記錄詳情載列如下：

| Executive Committee members | 執行委員會成員 | Number of Executive Committee meetings attended/held 出席執行委員會會議次數／ 舉行執行委員會會議次數 |
|--|--------------------|---|
| Mr. Yeung Hoi Sing, Sonny (Chairman of the Executive Committee) | 楊海成先生 (執行委員會主席) | 11/11 |
| Mr. Ma Ho Man, Hoffman | 馬浩文先生 | 11/11 |

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibilities for evaluating and determining the nature and extent of the risks (including environmental, social and governance-related risks (“ESG-Related Risks”)) it is willing to take in achieving the Group’s strategic objectives, maintaining appropriate and effective Risk Management and Internal Control Systems (including those for ESG-Related Risks) and reviewing their effectiveness on an ongoing basis. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties. The Risk Management and Internal Control Systems are designed to provide reasonable, though not absolute, assurance against material misstatements or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group’s objectives.

風險管理及內部監控

董事會整體負責評估及釐定本集團為實現策略目標所願意接納的風險性質及程度(包括環境、社會及管治相關風險(「環境、社會及管治相關風險」))，以及維持合適和有效的風險管理及內部監控系統(包括針對環境、社會及管治相關風險)，並持續檢討其成效。管理層負責該等系統之設計、實施及監控，而董事會則監督管理層履行其職責。風險管理及內部監控系統之設計旨在合理而非絕對地確保並無重大的失實陳述或損失，以及管理而非消除未能維持營運系統及達致本集團目標之風險。

RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- Evaluation: Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”) 2013 framework. The COSO 2013 framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- Risk Assessment: A dynamic and iterative process for identifying and analysing risks to achieve the Group’s objectives, forming a basis for determining how risks should be managed.
- Control Activities: Actions established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.

風險管理及內部監控(續)

本集團採用的風險管理系統能管理與其業務及營運相關之風險。該系統包括以下階段：

- 識別：識別風險所屬、業務目標及可能影響達致目標之風險。
- 評估：分析風險之可能性及影響，並相應評估風險組合。
- 管理：考慮風險應對措施，確保與董事會有效溝通，並持續監控剩餘的風險。

本公司設有內部監控系統，與Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 2013 框架相符。COSO 2013 框架能夠使本集團達到營運效益及效率、財務報告可靠性以及遵守適用法例及規例之目標。該框架之組成部份如下所示：

- 監控環境：一套標準、程序及架構，作為本集團實行內部監控之基準。
- 風險評估：一個不斷變化及多重的程序，用於識別及分析風險，以實現本集團的目標，為釐定應如何管理風險建立基準。
- 監控活動：根據政策及程序制定之行動，以便確保管理指令能減輕達致目標之風險。

RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

A disclosure of inside information policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channels from different departments/operation units informing any potential inside information to the Company Secretary;
- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality;
- Confidentiality agreements are in place when the Group enters into significant negotiations;
- The Senior Management to evaluate the potential inside information and to determine further escalation, and the executive Directors to determine disclosure as required; and
- The Deputy Chairman is the designated person who speaks on behalf of the Company when communicating with external parties, such as media, analysts or investors.

風險管理及內部監控(續)

- 資訊及溝通：內部及外部之溝通，為本集團提供進行日常監控所需資訊。
- 檢測：持續及獨立評估，以確定內部監控各組成部份的存在及正常運作。

本集團已制訂內幕消息披露政策，以確保能掌握潛在的內幕消息並加以保密，直至按上市規則作出一致及適時披露為止。該政策規管處理及發放內幕消息之方式，其中包括以下各項：

- 特設匯報渠道，由不同部門／營運單位通知公司秘書任何潛在內幕消息；
- 消息僅限少數需要知情的僱員獲取。確保管有內幕消息之僱員已充份熟知其保密責任；
- 當本集團進行重大商議時，確保訂有適當保密協議；
- 由高級管理人員評估潛在的內幕消息及釐定是否需要進一步匯報，並由執行董事按需要釐定是否披露；及
- 於與傳媒、分析員或投資者等外界人士溝通時，副主席為本公司指定發言人。

RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

During the year, the Company engaged an external independent consultant with professional staff in possession of relevant expertise (the “Independent Professional Firm”) to perform internal audit function for the year, which comprised, inter alia, enterprise risk assessment and reviews on the internal control system of the Group, including financial, operational and compliance controls. The review plan was approved by the Audit Committee and the Board. Based on the risk assessments and the reviews of the internal control systems of the Group conducted by the Independent Professional Firm for the year, no significant risk and control deficiency was identified. The relevant assessment and review reports have been considered by the Audit Committee and the Board for assessing the effectiveness of the Risk Management and Internal Control Systems. The Audit Committee has also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting and financial reporting function as well as the Company’s internal audit function which was performed by the Independent Professional Firm. The Board, through the reviews made by the Independent Professional Firm and the Audit Committee, concluded that the Risk Management and Internal Control Systems are effective and adequate for the Group as a whole.

DIRECTORS’ AND AUDITORS’ RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the consolidated financial statements of the Group.

風險管理及內部監控(續)

於年內，本公司委聘具有相關專業技能專業人員之外聘獨立顧問(「獨立專業公司」)，以履行本年度內部審核功能，其中包括企業風險評估及審閱本集團之內部監控系統(包括財務、運作及合規監控)。審閱計劃經審核委員會及董事會批准。按照本年度由獨立專業公司進行之風險評估及對本集團內部監控系統之審閱，並無識別存有重大風險及監控漏洞。相關評估及審閱報告經審核委員會及董事會考慮，評估風險管理及內部監控系統之成效。審核委員會亦已審閱本公司之會計及財務匯報職能以及由獨立專業公司所提供之內部審核職能之資源、員工資歷及經驗，以及員工所接受之培訓課程及有關預算是否足夠。董事會根據獨立專業公司及審核委員會之審閱結果，總結本集團之風險管理及內部監控系統整體上為有效及足夠。

董事及核數師對綜合財務報表之責任

董事確認彼等編製本集團綜合財務報表之責任，並確保綜合財務報表乃根據法例規定及適用之會計準則編製。董事亦保證適時刊發本集團之綜合財務報表。

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The statement of the External Auditors, HLB Hodgson Impey Cheng Limited (“HLB”), about their reporting responsibilities on the consolidated financial statements of the Group is set out in the paragraph headed “Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements” under the section headed “Independent Auditors’ Report” on pages 110 to 113 of this annual report.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group’s ability to continue as a going concern.

AUDITORS’ REMUNERATION

For the year ended 31 December 2019, the amounts paid to the external auditors of the Group in respect of the following services provided to the Group are as follows:

| | | HK\$’000 港幣千元 |
|--------------------------------|------------|------------------|
| Audit services | 核數服務 | 925 |
| Other advisory services (Note) | 其他顧問服務(附註) | 280 |
| | | 1,205 |

Note: Other advisory services mainly comprised interim review services.

董事及核數師對綜合財務報表之責任(續)

外聘核數師國衛會計師事務所有限公司(「國衛」)就本集團綜合財務報表作出報告之責任聲明載於本年報第110至第113頁之「獨立核數師報告」一節中之「核數師就審計綜合財務報表承擔的責任」一段。

董事確認，經作出一切合理查詢後，就彼等所深知、全悉及確信，彼等並不知悉有任何事件或情況涉及任何重大不確定因素，可能引致對本集團持續經營能力造成重大疑慮。

核數師酬金

截至二零一九年十二月三十一日止年度，本集團就獲提供以下服務向本集團外聘核數師支付之金額如下：

附註：其他顧問服務主要包括中期審閱服務。

COMMUNICATION WITH SHAREHOLDERS

The Board is committed to provide clear and full information of the Group to the Shareholders through the publication of notices, announcements, circulars and financial reports of the Company. Additional information, such as press releases and other business information, is also available and updated in a timely manner on the Company's website at www.successug.com.

The Board maintains a continuing dialogue with the Shareholders through annual general meetings and other general meetings. The Chairman, also being the chairmen of the Nomination Committee and the Executive Committee, as well as the chairmen of the Audit Committee and the Remuneration Committee were present at the 2019 AGM to answer the Shareholders' questions. HLB also attended the 2019 AGM for the purposes of answering questions about the conduct of the audit, the preparation and contents of the auditors' report, the accounting policies and auditors' independence.

Separate resolutions are proposed at general meetings on each substantially separate issues, including the election of individual Directors. Notices of at least 20 clear business days and 10 clear business days are given to the Shareholders for all annual general meetings ("AGM(s)") and special general meetings ("SGM(s)") of the Company respectively. Detailed procedures for conducting a poll are clearly explained at the commencement of the general meetings.

The Board has adopted a Shareholders' communication policy for the purposes of ensuring that the Shareholders are provided with ready, equal and timely access to information about the Company, enabling the Shareholders to exercise their rights in an informed manner and allowing the Shareholders to engage actively with the Company. Details regarding the necessary procedures for the Shareholders to propose a person for election as a Director are set out in the "Procedures for Shareholders to Propose a Person for Election as a Director", which is available on the Company's website.

與股東溝通

董事會致力透過刊發本公司之通告、公佈、通函及財務報告，為股東提供清晰而完備之本集團資料。其他資料(如新聞稿及其他業務資料)亦可在本公司網站 www.successug.com 查閱並適時作出更新。

董事會透過股東週年大會及其他股東大會與股東維持持續的溝通。主席(同時為提名委員會及執行委員會主席)以及審核委員會及薪酬委員會主席已出席二零一九年股東週年大會解答股東之提問。國衛亦已就解答有關審計工作、編製核數師報告及其內容、會計政策以及核數師獨立性之提問出席二零一九年股東週年大會。

本公司於股東大會上就每項重要之獨立事宜(包括選舉個別董事)提呈個別決議案。本公司就所有股東週年大會(「股東週年大會」)及股東特別大會(「股東特別大會」)分別向股東發出至少足二十個營業日及足十個營業日之通知，而按股數表決之詳細投票程序於股東大會開始時清楚說明。

董事會已採納股東通訊政策，以確保股東可即時、平等與適時地獲取本公司資料，並使股東可在知情情況下行使權利及讓股東與本公司加強溝通。有關股東提名人選參選董事之所需程序詳情載於「股東提名人選參選董事的程序」，可於本公司網站查閱。

COMMUNICATION WITH SHAREHOLDERS (CONTINUED)

The Board has also adopted a dividend policy (the “Dividend Policy”) on 1 January 2019 which aims to set out the principles as a reference for the Company to determine dividend distribution so as to allow the Shareholders to participate in the Company’s profits whilst preserving liquidity of the Group to capture future growth opportunities.

Any payments/recommendations of payment of dividends are subject to discretion by the Board that such declarations/recommendations of payment of dividends are in the best interests of the Company and the Shareholders and are also subject to any restrictions under and in compliance with all applicable rules and regulations (including, inter alia, the Companies Act of Bermuda) and the Bye-laws. In addition, any payment of final dividend for a financial year will be subject to Shareholders’ approval.

The Board shall consider the Company’s ability to pay dividends, the form, frequency and the amount of any dividend in any financial year/period by taking into account of the following factors:

- capital requirements
- distributable profits
- liquidity position
- results of operations
- future prospects
- investment plans
- taxation considerations
- other funding covenants and requirements
- any other factors that the Board may deem appropriate

The Dividend Policy will be reviewed by the Board from time to time and any revisions thereof will be made as appropriate.

與股東溝通(續)

董事會於二零一九年一月一日亦已採納股息政策(「股息政策」)，旨在載列以供本公司參考釐定股息分派之原則，讓股東參與本公司溢利分派，同時保持本集團的流動資金以把握未來增長機遇。

任何派付或建議派付之股息均由董事會酌情決定，而該等宣派或建議派付之股息均以本公司及股東之最佳利益，並與所有適用之規則和規例(其中包括，百慕達公司法)及公司細則之任何規限相符。此外，任何財政年度派付之末期股息均必須經股東批准。

在衡量本公司於任何財政年度／期間派付股息之能力、擬定股息之形式、次數和金額時，董事會需考慮以下因素：

- 資本需求
- 可供分派利潤
- 流動資金狀況
- 經營業績
- 未來前景
- 投資計劃
- 稅務考量
- 其他資金契約和需求
- 董事會認為任何適當的其他因素

股息政策將不時由董事會審閱，並在適當時候作出任何修訂。

COMPANY SECRETARY

Ms. Chiu Nam Ying, Agnes is the Company Secretary. Her biographical information is set out in the sub-paragraph headed “Company Secretary” under the section headed “Biographical Details of Directors and Senior Management” on page 103 of this annual report.

During the year under review, in compliance with Rule 3.29 of the Listing Rules, the Company Secretary has taken no less than 15 hours of relevant professional training.

SHAREHOLDERS' RIGHTS

Convening a SGM

Pursuant to bye-law 58 of the Bye-laws, the Board may whenever it thinks fit call SGMs, and Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a SGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the Company's head office and principal place of business (the “Head Office”) at Suite 1601-2 & 8-10, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong for the attention of the Company Secretary and may consist of several documents in like form each signed by one or more requisitionists.

The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to call the SGM and include the resolution in the agenda for such SGM.

公司秘書

公司秘書為趙藍英女士，其履歷資料載於本年報第103頁「董事及高級管理人員簡介」一節中之「公司秘書」一段。

於回顧年度內，公司秘書已按上市規則第3.29條之規定接受不少於15小時之相關專業培訓。

股東權利

召開股東特別大會

根據公司細則第58條，董事會可於其認為適當的任何時候召開股東特別大會。於遞呈要求書日期持有本公司繳足股本(附有於本公司股東大會上投票之權利)不少於十分之一的股東於任何時候有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求書中指明的任何事項；且有關大會應於遞呈該要求書後兩個月內舉行。

該要求書必須列明召開大會的目的及由遞呈要求人簽署，並送交至位於香港灣仔港灣道23號鷹君中心16樓1601-2及8-10室的本公司總辦事處及主要營業地點(「總辦事處」)，收件人註明為公司秘書。該要求書可由多份同樣格式之文件組成，各文件由一名或多名遞呈要求人簽署。

本公司會向其香港股份登記分處核實該要求，而於獲得香港股份登記分處確認該要求為恰當及適當後，公司秘書將要求董事會召開股東特別大會，並在該股東特別大會的議程內加入有關決議案。

SHAREHOLDERS' RIGHTS (CONTINUED)

Convening a SGM (continued)

If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Putting forward proposals at Shareholders' Meetings

To put forward proposals at an AGM or a SGM, the Shareholders should submit a written notice of those proposals with the detailed contact information to the Company Secretary at the Head Office at Suite 1601-2 & 8-10, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

The notice period to be given to all the Shareholders for consideration of the proposal raised by the Shareholders concerned at AGM or SGM varies according to the nature of the proposal, as follows:

- (a) Not less than 21 clear days' notice or not less than 20 clear business days' notice (whichever is longer) in writing if the proposal constitutes an ordinary resolution of the Company in an AGM and not less than 21 clear days' notice or not less than 10 clear business days' notice (whichever is longer) in writing if the proposal constitutes a special resolution of the Company in any SGM; or
- (b) Not less than 14 clear days' notice or not less than 10 clear business days' notice (whichever is longer) in writing if the proposal constitutes an ordinary resolution of the Company in all other SGMs.

股東權利(續)

召開股東特別大會(續)

倘董事會於遞呈上述要求書日期後二十一日內並無正式召開大會，遞呈要求人(或代表全體遞呈要求人總投票權一半以上之任何遞呈要求人)可自行召開大會，惟所召開之任何大會不得於由上述日期起計三個月屆滿後舉行。

於股東大會上提出建議

如擬於股東週年大會或股東特別大會上提出建議，股東須將該等建議之書面通知，連同詳細聯絡資料，送交至位於香港灣仔港灣道23號鷹君中心16樓1601-2及8-10室之總辦事處，送呈公司秘書處理。本公司會向其香港股份登記分處核實該要求，而於獲得香港股份登記分處確認該要求屬恰當及適當後，公司秘書將要求董事會在股東大會之議程內加入有關決議案。

就考慮有關股東所提出之建議而言，須向全體股東發出有關股東週年大會或股東特別大會之通知期會視乎建議性質而有異，現載列如下：

- (a) 倘建議構成本公司於股東週年大會上之普通決議案，須發出至少足二十一日或至少足二十個營業日(以較長者為準)之書面通知，而倘建議構成本公司於任何股東特別大會上之特別決議案，則須發出至少足二十一日或至少足十個營業日(以較長者為準)之書面通知；或
- (b) 倘建議構成本公司於任何其他股東特別大會上之普通決議案，須發出至少足十四日或至少足十個營業日(以較長者為準)之書面通知。

Corporate Governance Report (Continued) 企業管治報告(續)

SHAREHOLDERS' RIGHTS (CONTINUED)

Shareholders' enquiries

The Shareholders should direct their questions about their shareholdings to the Company's branch share registrar in Hong Kong. The Shareholders may at any time make a request for the Company's information to the extent that such information is publicly available. The Shareholders may also make enquiries to the Board in writing with their contact information and deposit the enquiries at the Head Office at Suite 1601-2 & 8-10, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong for the attention of the Company Secretary.

CONSTITUTIONAL DOCUMENTS

During the year under review, there was no change in the Company's memorandum of association and the Bye-laws.

股東權利(續)

股東查詢

股東應向本公司之香港股份登記分處提出有關其股權之查詢。股東可隨時要求索取有關本公司之公開資料。股東亦可以書面方式向董事會作出查詢，有關查詢連同其聯絡資料送交至位於香港灣仔港灣道23號鷹君中心16樓1601-2及8-10室之總辦事處，收件人註明為公司秘書。

憲章文件

於回顧年度內，本公司之組織章程大綱及公司細則並無變更。

Environmental, Social and Governance Report

環境、社會及管治報告

Success Universe Group Limited (the “Company”, together with its subsidiaries, collectively the “Group”) believes that sustainable development is essential in achieving business success. The Group is committed to incorporate environmental, social and governance considerations into its business operations.

REPORTING APPROACH

This Environmental, Social and Governance (“ESG”) report summarised the Group’s sustainability performance and accomplishments, aiming at providing stakeholders insight into the progress towards the Group’s sustainability development during the financial year ended 31 December 2019.

This report was prepared in accordance with the “comply or explain” provisions of the ESG Reporting Guide (the “ESG Guide”) contained in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Materiality, quantitative, balance and consistency are the four reporting principles that the Group follows to disclose its ESG-related measures. A performance table is attached at the end of this report as an overview to summarise the selected key performance indicators (KPIs) corresponding to the ESG Guide requirements. Information regarding corporate governance is addressed in the section headed “Corporate Governance Report” on pages 34 to 58 of this annual report.

SCOPE OF REPORT

The scope of this report covered the environmental and social performance of the operations in the Group’s head office located in Hong Kong as well as Jade Travel Ltd. (“Jade Travel”), the travel-related business in Canada and the People’s Republic of China (the “PRC”), from 1 January 2019 to 31 December 2019.

Property investment business in Hong Kong has been excluded from the scope of this report as certain office premises of the property investment business were leased out to the tenants for their respective business operations, while Ponte 16 is not under the Company’s direct operational control therefore excluded in this report.

實德環球有限公司(「本公司」，連同其附屬公司統稱「本集團」)相信，可持續發展對達致業務成功極為重要。本集團致力將環境、社會及管治的考量融入其業務營運之中。

報告方針

本環境、社會及管治(「環境、社會及管治」)報告概述本集團的可持續表現及成就，讓持份者瞭解本集團於截至二零一九年十二月三十一日止財政年度內，在可持續發展方面的進程。

本報告乃遵照香港聯合交易所有限公司證券上市規則附錄二十七之環境、社會及管治報告指引(「環境、社會及管治報告指引」)中「不遵守就解釋」的條文而編製。重要性、量化、平衡和一致性為本集團披露其環境、社會及管治措施所遵循的四項匯報原則。本報告結尾部份附有一個績效表，概述與環境、社會及管治報告指引要求相應的關鍵績效指標。有關企業管治的資料載於本年報第34至第58頁之「企業管治報告」一節。

報告範圍

本報告範圍涵蓋本集團的香港總辦事處，以及在加拿大和中華人民共和國(「中國」)的旅遊相關業務Jade Travel Ltd.(「Jade Travel」)於二零一九年一月一日至二零一九年十二月三十一日營運期間在環境及社會方面的表現。

由於物業投資業務的若干寫字樓物業租賃予租戶以進行各自的業務運作，故香港的物業投資業務不包括於本報告範圍內，至於十六浦則因其非由本公司直接經營控制而不包括於本報告。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

STAKEHOLDER'S ENGAGEMENT

The Group strives to build a good relationship with a wide range of stakeholders, especially with its internal stakeholders, and thus listens carefully to managerial and general staff in head office and other business operations through a variety of channels, in order to foster two-ways communications and greater understanding. During the reporting year, the Group has conducted an ESG survey focusing on Jade Travel's sustainable business operation. Interview with top management and online survey with employees were conducted in Jade Travel to identify internal stakeholders' concerns and prioritise the overall interest of stakeholders in leading sustainable development.

The survey contained 26 environmental and social material topics that were identified under the assistance of an independent consultancy company. Through the analysis of collected responses, the Group has consolidated the results and ranked the top three material environmental and social topics of the Group's head office and Jade Travel as below:

持份者參與

本集團致力與不同界別的持份者建立良好關係，而內部持份者攸關重要，透過不同渠道認真聆聽總辦事處及其他業務營運的管理層和員工的意見，以促進雙向溝通及增進了解。於報告年度內，本集團針對Jade Travel的業務可持續發展進行環境、社會及管治調查，透過訪問高級管理人員及網上問卷收集僱員意見，確認內部持份者的關注議題，優先考慮各持份者在帶領可持續發展方面的整體利益。

在獨立顧問公司協助下，調查包括26項已識別的環境及社會重要議題。根據收集所得的回覆，整合結果並分別列出本集團總辦事處及Jade Travel的首三項重要環境及社會議題如下：

| Aspect 範疇 | Top Important Topics 最重要議題 | |
|---------------------|--|--|
| | The Group's Head Office 本集團總辦事處 | Jade Travel |
| Social 社會 | <ul style="list-style-type: none"> Employee benefits and welfare 僱員待遇及福利 Work environment 工作環境 Working hours 工作時數 | <ul style="list-style-type: none"> Employee benefits and welfare 僱員待遇及福利 Job satisfaction 工作滿足感 Occupational health and safety 職業健康及安全 |
| Environmental 環境 | <ul style="list-style-type: none"> General waste management 一般廢棄物處理 Climate change and greenhouse gas emission 氣候變化及溫室氣體排放 Energy and electricity consumption and efficiency 能源及電力消耗及效益 | <ul style="list-style-type: none"> General waste management 一般廢棄物處理 Energy and electricity consumption and efficiency 能源及電力消耗及效益 Climate change and greenhouse gas emission 氣候變化及溫室氣體排放 |

STAKEHOLDER'S ENGAGEMENT (CONTINUED)

The Group considers the identified material topics into the long-term ESG management approaches and operations, and will continue to engage stakeholder groups and carry out materiality assessment in order to formulate a holistic materiality matrix and reduce associated operational risks.

Stakeholders' comments are valuable to the Group's continuous improvement on operations. Comments and feedback on this report are welcome by e-mail to info@successug.com.

CREATING A CARING WORKPLACE

Fostering A Close-Knit Team

The Group places great emphasis on employee's long-term development, allocating resources for attracting, nurturing, retaining and motivating talented employees with a variety of strategies and practices.

Acquiring and retaining talents

The Group understands that business performance is inseparable from employee attraction and retention. The Group strives to provide a range of benefits and competitive remuneration package with reference to market terms and individual merits. In accordance with the local employment laws, the Group offers paid holidays, reasonable working hours, retirement scheme and medical care to all employees, as well as discretionary bonuses, employee discount, food and travel allowance for overtime work. Share options were also granted to eligible employees as long-term incentive to praise their efforts.

Investing in training and development

The Group believes that employee development is a long-term initiative for its continuous business growth. Various internal training programmes are designed for employees, including orientation for new staff, while Jade Travel provides operational and on-board training for employees relating to their respective job duties. The Group also provides examination leave for employees to acquire professional accreditation.

持份者參與(續)

本集團的長遠環境、社會及管治管理方針及營運，會考慮已識別的重要議題，並繼續與各種持份者保持溝通，進行重要性評估以制定全面的重要性矩陣圖及減低與營運相關的風險。

持份者的意見對於持續改善本集團的營運十分重要。如對本報告及其內容有任何評論或回饋，歡迎電郵至info@successug.com。

構建關愛的工作環境

培養緊密合作的團隊

本集團極為重視僱員的長遠發展，並投放資源，透過各種政策及措施，以吸納、培訓、挽留及激勵人才。

吸納及挽留人才

本集團深明，吸納及挽留僱員與業務表現密不可分。本集團會參考市場條款及個別僱員的表現，提供多元化福利及具競爭力的薪酬待遇。根據當地勞工法例，本集團向所有僱員提供有薪假期、合理的工作時數、退休計劃及醫療保障，亦給予酌情花紅、員工優惠、超時工作的膳食及交通津貼。本集團亦會向合資格僱員授出購股權，作為表揚其付出之長期獎勵。

投資於培訓及發展

本集團相信僱員發展乃業務持續增長的一項長期舉措。本集團為僱員設計各類內部培訓計劃，包括為新入職員工舉辦迎新會；而 Jade Travel 亦會因應有關職位的工作性質，為僱員提供所需的工作及在職培訓。本集團亦提供考試假期讓僱員獲取專業資格。

CREATING A CARING WORKPLACE (CONTINUED)

Fostering A Close-Knit Team (continued)

Advocating inclusive culture

Under the Group's practices, the talent acquisition approach prohibits all forms of discrimination on age, gender, religion belief, race, or physical disability while equal opportunities in recruitment, internal transfer and promotion are granted to all employees and applicants. The Group strictly complies with applicable statutory and legal requirements, identification and working permits were verified to prevent employment of child of forced labour. During the reporting year, the Group did not violate any incident or lawsuit regarding employment of child and forced labour.

Demonstrating business ethics and integrity

In upholding the ethical corporate image, the Group firmly prohibits bribery and corrupt practices. Anti-corruption guidelines in accordance with relevant regulations are also explained to all employees on potential issues relating to bribery, extortion, fraud and money laundering. To maintain high ethical standards in business, whistle-blowing policy is established, in ensuring any concerns, improprieties or fraudulent acts can be reported in confidence by the employees. Should there be suspected case of corruption, the case would be investigated to determine the validity and the subsequent appropriate disciplinary actions.

Nourishing Employees' Wellness And Health

Underpinned by the people-oriented corporate culture, the Group considers employees' well-being and safety in the working environment as top priorities, and is dedicated to improving occupational safety and health and further enhance the teamwork and cohesiveness.

構建關愛的工作環境(續)

培養緊密合作的團隊(續)

倡導共融文化

本集團在人才甄選過程中嚴格禁止基於年齡、性別、宗教信仰、種族或身體殘疾而作任何形式的歧視，而在處理招聘、內部調職及晉升程序時，亦確保所有僱員及申請人獲公平考慮。本集團嚴格遵守法律及法規要求，並會核實身份及工作簽證，防止僱用童工或強制勞工。於報告年度內，本集團並無涉及任何有關僱用童工及強制勞工的事件或訴訟。

展現商業道德及誠信

本集團嚴格禁止賄賂及貪污行為，以維護企業道德形象。根據相關法規，本集團就有關賄賂、勒索、詐騙及洗黑錢的潛在議題向所有僱員傳達反貪污指引。為維持高商業道德水平，本集團已設立舉報政策，以確保僱員可以暗中呈報任何疑慮、不當或欺詐行為。如果存在可疑的貪污事件，會將就事件進行調查，以確定其真實性，並作出適當的紀律處分。

關顧僱員身心健康

本集團秉持以人為本的企業文化，極為重視僱員的福祉及工作環境安全，致力提升職業安全和健康水平，並進一步加強團隊精神及凝聚力。

CREATING A CARING WORKPLACE (CONTINUED)

Nourishing Employees' Wellness And Health (continued)

Promoting workplace health and safety

The Group strives to offer a comfortable workplace where emphasis on noise control, thermal comfort, lighting and ergonomics in the design of office interior. Air circulation and temperature control systems were installed at offices to improve the indoor air quality, while smoking was completely banned in the working area. The Group exerts efforts to increase the awareness concerning occupational safety, while first-aid kits and Automated External Defibrillators (AED) are available in the office and maintained regularly. During the reporting year, the Group organised AED training and fire drill to arouse employees' safety awareness.

Ensuring employee wellness

The Group cares about employees' well-being, and encourages them to strike a balance between work and personal life. In addition to the healthy and amicable working environment, the Group initiates and supports various employee activities as a way to facilitate better engagement and increase their sense of belongings.

DEVELOPING A CUSTOMER-ORIENTED MIND SET

Elevating Customer Experience

The Group continues to develop its business with high services quality. Through its diversified business portfolio, it is committed to enriching customers' experience in all range of businesses. To adopt a comprehensive quality management approach, Jade Travel strives to provide customer focused and oriented service when handling complaint, customer privacy and intellectual property rights.

構建關愛的工作環境(續)

關顧僱員身心健康(續)

促進工作環境健康及安全

本集團致力提供舒適的工作環境，故辦公室的室內設計特別注重噪音控制、室溫舒適度、燈光及人體工學。辦公室亦已安裝通風及溫度控制系統，以改善其室內空氣質素，並於辦公室範圍內實施全面禁煙。本集團實行多項措施提高有關職業安全的意識，同時於辦公室設置急救箱及自動體外心臟去顫器(AED)，並定期進行相關保養。於報告年度內，本集團舉辦AED培訓及防火演習，以提高僱員的安全意識。

確保僱員的福祉

本集團關心僱員的福祉，並鼓勵他們於工作與個人生活之間取得平衡。除健康和諧的工作環境外，本集團亦會舉辦及支持各類員工活動，以增加他們的投入度及歸屬感。

培養以客為本的思維

提升客戶服務體驗

本集團一直提供優質服務以拓展業務，透過其多元化的業務組合，致力在各業務範疇優化客戶體驗。為恪守全面優質管理的宗旨，Jade Travel在處理投訴、客戶私隱及知識產權時，致力提供以客為本的服務。

DEVELOPING A CUSTOMER-ORIENTED MIND SET (CONTINUED)

Elevating Customer Experience (continued)

Improving customer satisfaction

The Group considers complaints as an opportunity to review services and improve management to prevent similar occurrence in the future. Any received complaint is redirected to relevant department to inspect and follow up properly. During the reporting year, the Group did not receive any case of complaint.

Protecting customer privacy

The Group respects customers' privacy and believes that safeguarding the privacy of customers' personal data is critical in maintaining customers' satisfaction. With regard to the protection of confidential information, the Group sets up a principle in employee handbook, requiring employees to protect all confidential and sensitive information, as well as customer data carefully in accordance with local laws and regulations. Employees shall only collect necessary personal data and ensure the information obtained was protected from unauthorised or accidental access.

Delivering quality services

The Group believes that a sustainable supply chain is the foundation of its continual business operation. To deliver quality products and meet customer's expectation, Jade Travel has established a comprehensive supply chain management policy to select quality suppliers including airline, shuttle bus and tour guide.

As one of the largest travel agencies in Canada, Jade Travel is an accredited agent under the International Air Transport Association (IATA) accreditation, which served as a seal of approval worldwide, and strives to provide premium quality of tours and remarkable travel experience to achieve customers' satisfaction. During the reporting year, Jade Travel has received Exceptional Partnership Award from Air Canada and Appreciation of Continued Contribution Award from China National Tourist Office, Toronto.

培養以客為本的思維(續)

提升客戶服務體驗(續)

提高客戶滿意度

本集團視投訴為檢討服務及改善管理的良機，以避免同類事件日後再發生，任何投訴個案將會轉介至相關部門進行調查及妥善跟進。於報告年度內，本集團未有接獲任何投訴個案。

保護客戶私隱

本集團尊重客戶私隱，並相信保障客戶個人資料是維持客戶滿意度的關鍵。僱員手冊內訂明有關保障機密資料的原則，要求僱員保護全部機密或敏感性資料，以及按當地法例及規例謹慎處理所有客戶資料。僱員應僅收集必要的個人資料，並確保所獲得的資料免受未經授權或意外讀取。

提供優質服務

本集團相信可持續供應鏈是可持續業務的基礎。為提供優質產品及滿足客戶的期望，Jade Travel已制定全面的供應鏈管理政策，以選擇優質供應商，包括航空公司、穿梭巴士及導遊。

Jade Travel作為加拿大最大的旅行社之一，亦是獲全球認可的國際航空運輸協會（「國際航空運輸協會」）認證的代理商，致力提供優質的旅程及非凡的旅遊體驗，以滿足客戶期望。於報告年度內，Jade Travel榮獲加拿大航空頒發的Exceptional Partnership Award及中國駐多倫多旅遊辦事處頒發的Appreciation of Continued Contribution Award等獎項。

PROMOTING CORPORATE SOCIAL RESPONSIBILITY

Giving Back To The Community

To fulfil dedicated social responsibilities, the Group extend care to the larger community. In this endeavour, the Group is committed to serve the community through corporate donations and different charitable events. To promote the caring spirit among employees, the Group also encourages employees to directly participate in various community services and fundraising events.

During the reporting year, the Group supported the outreach project organised by The Free Methodist Church of Hong Kong by mobilising employees to visit senior singles and couples at home to spread warmth, as well as distributing goodie bags and rice-dumplings during the Dragon Boat Festival. For the 8th consecutive year, the Group has been participating in the Community Chest Dress Casual Day by encouraging staff in the head office to contribute for a good cause. The Group also continued to take part in the Tung Wah Flag Day for the enhancement of community services.

ADVOCATING AN ECO-FRIENDLY OPERATION

Establishing A Green Office Culture

The Group strives for a greener future and established environmental policies among its business operations. To monitor and minimise environmental footprints, various policies and measurable environmental objectives are implemented, as well as regular review assuring up-to-date development standard in environmental protection.

推動企業社會責任

回饋社區

本集團一直致力於履行企業社會責任，並讓這份關愛延展至社區。為此，本集團透過企業捐款及各種慈善活動服務社會，同時鼓勵僱員直接參加不同形式的社區服務及籌款活動，凝聚員工善心力量，宣揚關愛社區的理念。

於報告年度內，本集團支持香港循理會舉辦的外展活動，鼓勵僱員於端午節期間，探訪獨居及雙老長者，並派發福袋及粽子以表關懷及暖意。本集團已連續八年參加香港公益金便服日，鼓勵僱員積極參與捐款活動，並繼續參與東華三院賣旗日以加強社區服務。

實踐環保理念

建立綠色辦公室文化

本集團積極建設綠色未來，並將環保政策融入各業務日常營運之中，推行有關政策及可計量的環境目標，以監察及減少環境足跡，並會定期進行檢討，以確保遵守最新的環保標準。

ADVOCATING AN ECO-FRIENDLY OPERATION (CONTINUED)

Establishing A Green Office Culture (continued)

The Group believes behaviour changes in the workplace cause significant impact on the environmental performance. Thus, environmental policy was established in accordance with the relevant environmental laws and regulations. Under the policy, a “Green Office Guideline” has been formulated to integrate environmentally conscious practices into daily operations, improve efficiency of resources utilisation and raise employees’ awareness on environmental protection. The Group also pledges to follow the guidelines from the third party in order to cultivate a greener workplace. During the reporting year, the Group has engaged and supported the “Energy Saving Charter 2019” and “4T Charter” launched by the Environment Bureau and the Electrical & Mechanical Services Department.

Monitoring Energy Use and Emissions

The Group is fully committed to the sustainable development and strives to minimise the long-term impact on the environment by reducing the consumption of electricity and fuel used for office operations and transportation. Understanding the adverse impacts of greenhouse gases (“GHG”) generated from electricity and fuel use, the Group takes responsibility to monitor and mitigate the release of GHG. The energy and GHG data collected have been used for monitoring the trend and future target setting purposes.

To optimise electricity consumption in the office, the Group has been using LED lights in the head office in Hong Kong since 2016, as an effort to continue saving energy and electricity. At the end of the reporting period, the Group’s head office achieved a 5% reduction of electricity consumption compared to the last corresponding year.

實踐環保理念(續)

建立綠色辦公室文化(續)

本集團相信推動工作環境的行為改變，對環保績效有重大的影響。因此，本集團已根據有關環保法例及規例制定其環保政策，並根據該政策制定「綠色辦公室指引」，將環保意識融入於日常營運，以改善資源效益，並提升僱員的環保意識。本集團亦致力遵循第三方指引，以建構綠色工作環境。於報告年度內，本集團參與及支持由環境局及機電工程署合辦的「節約章2019」及「4T約章」。

監察能源使用及排放

本集團全面推動可持續發展，透過減少辦公室營運及日常運輸所用的電力及燃料消耗，致力將對環境的長期影響減低。本集團明白使用電力及燃料所產生的溫室氣體對環境帶來負面影響，亦有責任追蹤及減少溫室氣體排放量。收集所得的能源及溫室氣體數據，將作趨勢分析及未來設定目標之用。

為優化辦公室的用電量，本集團的香港總辦事處自二零一六年起使用LED燈，藉此持續地節能及節約用電。本集團於報告期末的電力消耗較去年減少5%。

ADVOCATING AN ECO-FRIENDLY OPERATION (CONTINUED)

Managing Waste

As the Group's business operations are primarily office-based, waste generated are mainly consisted of paper. The Group supports the Recycling Scheme organised by the building management office of the head office, and pays full attention in contributing responsible waste management and reduction by stipulating a set of green office guidelines for all employees to follow. The guidelines introduced the concept of "4Rs of Environmental Protection" (i.e. Reduce, Reuse, Recycle and Replace) in the workplace as a measure to better manage resource consumption.

Apart from reducing waste, the Group proactively practises green purchasing, seeking opportunities to purchase sustainable office supplies. The Group has been using refillable stationeries and Forest Stewardship Council (FSC) certified paper for printing of annual and interim reports since 2013. Besides, lighter-weight paper is used as an environmentally and responsible manner in the head office since 2017.

The Group requires all business operations to undergo environmental policy. By reducing waste at source, offices in Jade Travel have set up facilities to segregate and collect different types of waste for recycling. To advocate a paperless operation, Jade Travel has also adopted an e-marketing and communication approach to progressively reduce the use of papers.

The relevant data about general waste and intensity was not available as the respective building management handled the waste disposal both for the head office and Jade Travel. The Group did not produce any significant hazardous waste due to its business nature.

LOOKING FORWARD

The Group is committed to strengthen sustainability initiatives and performances in all levels of business operations and services. In fulfilling the commitment, the Group will continue to care for its employees and the community, provide high quality services and achieve environmental performance that goes beyond compliance.

實踐環保理念(續)

管理廢棄物

鑑於本集團的各項營運以辦公室為主，故產生廢物以紙張為主。本集團響應總辦事處大廈管理組織的回收計劃，並制定一套綠色辦公室指引讓所有僱員遵循，盡量以負責任的態度處理及減少廢物。有關指引在工作環境方面提出「環保4R」概念(即減少使用、物盡其用、循環再用及替代使用)，藉此更有效管理能源消耗。

除了減少製造廢物，本集團積極推行綠色採購，尋求機會購買可持續的辦公室用品。本集團自二零一三年開始使用可充裝的文具及來自可持續管理及經森林管理委員會(「FSC」)認證來源的紙張印製年報及中期報告。再者，本集團的總辦事處亦由二零一七年起以環保及負責任的態度使用較輕的紙張。

本集團致力讓所有業務遵守環保政策。為實行源頭減廢，Jade Travel為不同類型的廢棄物設置分類回收設施，又採用電子營銷及宣傳方式以逐步減少用紙量，藉此為提倡無紙化辦公室。

由於總辦事處及Jade Travel的廢物棄置由各自的大廈管理處處理，因此並無提供有關一般廢物及密度的相關數據。由於業務性質的關係，本集團並無產生任何重大的有害廢棄物。

展望

本集團致力在所有業務營運及服務層面，推動可持續發展的舉措及績效。為實踐承諾，本集團將繼續關懷僱員及社區，提供優質的服務，以達致優於合規的環保績效。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

PERFORMANCE TABLE

Environmental Performance

績效表

環境表現

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|---|--|---------------|---------------|---------------|
| Greenhouse Gas (GHG) Emissions 溫室氣體排放* | | | | |
| Scope 1: Direct Emission 範圍1：直接排放 | Tonnes of CO ₂ equivalent (tCO ₂ -e) 公噸(二氧化碳當量) | 39.40 | 41.67 | 42.78 |
| Scope 2: Indirect Emission 範圍2：間接排放 | tCO ₂ -e 公噸(二氧化碳當量) | 58.55 | 61.37 | 175.63 |
| Total 總計 | tCO ₂ -e 公噸(二氧化碳當量) | 97.96 | 103.04 | 218.41 |
| GHG Intensity 溫室氣體密度 | tCO ₂ -e/millions of revenues (HK\$) 公噸(二氧化碳當量)/每百萬元(港幣)收益 | 0.09 | 0.09 | 0.37 |

Remarks

Travel business in the PRC and certain number of offices in Canada were excluded in Scope 2 "Indirect Emission" whose electricity charges had already been included in rent.

The amount of Scope 3 "Other indirect GHG emission" and air emission (particulate matter, sulphur dioxide, and nitrogen oxides) were insignificant to the Group's operation, therefore the relevant data was not disclosed.

* Certain relevant data in 2017 and 2018 were modified due to enhancement in calculation method while changes are not material.

備註

中國的旅遊業務及加拿大的部份辦事處租金已包括電費，故並無計入範圍2之「間接排放」數據。

範圍3之「其他間接溫室氣體排放」及空氣排放(顆粒、二氧化硫及氮氧化物)對本集團的營運而言並不重要，因此並無披露有關數據。

* 二零一七年及二零一八年部份相關數據乃因計算方法有所改良而作出修改，而變化差異不大。

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|---|--|----------------|---------------|---------------|
| Electricity Consumption 耗電量 | | | | |
| Head office in Hong Kong 香港總辦事處 | kWh 千瓦時 | 66,203 | 69,783 | 72,927 |
| Travel Business in Canada & PRC 加拿大及中國旅遊業務 | kWh 千瓦時 | 130,044 | 145,163 | 260,000 |
| Total consumption 總耗電量 | kWh 千瓦時 | 196,247 | 214,946 | 332,927 |
| Total intensity 總密度 | 000' kWh/millions of revenues (HK\$) 兆瓦時/每百萬元(港幣)收益 | 0.17 | 0.19 | 0.56 |

Remark

Travel business in the PRC and certain number of offices in Canada were excluded whose electricity charges had already been included in rent.

備註

中國的旅遊業務及加拿大的部份辦事處租金已包括電費，故並無計入耗電量數據。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

PERFORMANCE TABLE (CONTINUED)

績效表(續)

Environmental Performance (continued)

環境表現(續)

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|--|--|---------------|---------------|---------------|
| Vehicle Fuel Consumption 汽車燃油耗用量 | | | | |
| Head office in Hong Kong 香港總辦事處 | L 升 | 9,612 | 10,463 | 10,710 |
| Travel Business in Canada & PRC 加拿大及中國的旅遊業務 | L 升 | 6,000 | 6,000 | 6,200 |
| Total consumption 總耗用量 | L 升 | 15,612 | 16,463 | 16,910 |
| Total intensity 總密度 | L/ millions of revenues (HK\$) 升/每百萬元(港幣)收益 | 13.61 | 14.70 | 28.66 |

Remark

備註

Shuttle bus service was provided by supplier for the travel business in Canada, and the respective fuel consumption was not available; no fuel consumption in the office of travel business in PRC.

加拿大旅遊業務的穿梭巴士服務由供應商提供，並無提供有關燃油耗用量；而中國旅遊業務的辦事處並無耗用燃料。

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|------------------------------|-----------------------|-------------------|---------------|---------------|
| Water Consumption 水耗量 | | | | |
| Total 總計 | m ³ 立方米 | N/A 不適用 | N/A 不適用 | 20 |

Remarks

備註

Water was provided by municipal suppliers, the Group did not have any significant issues in sourcing water. The relevant data was not available as the respective building management offices managed all water utilities of the head office and the travel business.

供水由政府提供，本集團在求取水源方面不存在任何重大問題。總辦事處及旅遊業務的所有供水由相關大廈管理處處理，故並無提供有關數據。

The figure of 2017 represented water consumed by the lottery business in the PRC, which had been sold in September 2017.

二零一七年數字為中國彩票業務的耗水量，而彩票業務已於二零一七年九月出售。

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|------------------------------|--------------|-------------------|---------------|---------------|
| Hazardous Waste 有害廢棄物 | | | | |
| Total 總計 | Tonnes 公噸 | N/A 不適用 | N/A 不適用 | N/A 不適用 |

Remark

備註

The Group did not produce hazardous waste in operation.

本集團於營運中並無產生有害廢棄物。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

PERFORMANCE TABLE (CONTINUED)

績效表(續)

Environmental Performance (continued)

環境表現(續)

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|----------------------------------|--------------|---------------|---------------|---------------|
| Non-Hazardous Waste 無害廢棄物 | | | | |
| Total 總計 | Tonnes 公噸 | 0.1 | N/A 不適用 | N/A 不適用 |

Remark

備註

The figure in 2019 only represented the paper wasted in the head office. The Group did not keep the record of other non-hazardous waste in operation and may consider to establish a better data collection system in the future.

二零一九年的數據僅指總辦事處所耗用的紙張。本集團於營運中並無保存其他無害廢棄物的紀錄，日後或考慮設立更佳的数据收集系統。

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|--------------------------------|--------------|---------------|---------------|---------------|
| Packaging Material 包裝物料 | | | | |
| Total 總計 | Tonnes 公噸 | N/A 不適用 | N/A 不適用 | N/A 不適用 |

Remark

備註

The Group did not utilise packing material in operation.

本集團於營運中並無使用包裝物料。

Social Performance

社會表現

| Indicator 指標 | Unit 單位 | 2019 二零一九年 | 2018 二零一八年 | 2017 二零一七年 |
|--|---------------------|---------------|---------------|---------------|
| Health and Safety 健康及安全 | | | | |
| Total number of work-related fatalities 因工作關係而死亡的人數 | No. of people 人數 | 0 | 0 | 0 |
| Lost days due to work injury 因工傷損失的工作日數 | Days 日數 | 0 | 0 | 0 |
| Anti-corruption 反貪污 | | | | |
| Number of concluded legal cases regarding corrupt practices 已審結的貪污訴訟案件數目 | No. of case 案件數目 | 0 | 0 | 0 |

Environmental, Social and Governance Report (Continued)
環境、社會及管治報告(續)

PERFORMANCE TABLE (CONTINUED)

績效表(續)

Social Performance (continued)

社會表現(續)

| Employment (no. of people) 僱傭(人數) | | Business Units 業務單位 | |
|--|--------------------------|---|--|
| | | The Head Office in Hong Kong 香港總辦事處 | Travel Business in Canada & the PRC 加拿大及中國 的旅遊業務 |
| Total Number of Employees 僱員總數 | | 47 | 54 |
| By Gender 性別 | Male 男性 | 16 | 14 |
| | Female 女性 | 31 | 40 |
| By Employment Type 以僱傭類型劃分 | Top Management 高級管理人員 | 4 | 1 |
| | Management 管理人員 | 11 | 9 |
| | General Staff 一般職員 | 32 | 44 |
| By Age Group 以年齡組別劃分 | < 20 | 0 | 0 |
| | 21 – 30 | 7 | 7 |
| | 31 – 40 | 8 | 12 |
| | 41 – 50 | 14 | 11 |
| | 51 – 60 | 14 | 19 |
| | > 60 | 4 | 5 |
| Turnover Rate (%) 流失率(%) | | 34% | 18% |

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

COMPLIANCE TABLE

合規表

The Group strictly complied with the laws and regulations in different aspects listed as follows:

本集團嚴格遵守下列各範疇的法例和規例：

| Aspect 範疇 | Laws and Regulation 法律和法規 |
|------------------------------------|--|
| A1: Emission 排放物 | <ul style="list-style-type: none"> Waste Disposal Ordinance of Hong Kong 香港《廢物處置條例》 Environmental Protection Law of the People's Republic of China 《中華人民共和國環境保護法》 The Canadian Environmental Protection Act |
| B1: Employment 僱傭 | <ul style="list-style-type: none"> Employee Compensation Ordinance of Hong Kong 香港《僱員補償條例》 Employment Ordinance of Hong Kong 香港《僱傭條例》 Minimum Wage Ordinance of Hong Kong 香港《最低工資條例》 Race Discrimination Ordinance of Hong Kong 香港《種族歧視條例》 Sex Discrimination Ordinance of Hong Kong 香港《性別歧視條例》 |
| B4: Labour Standards 勞工準則 | <ul style="list-style-type: none"> Labour Contract Law of the People's Republic of China 《中華人民共和國勞動合同法》 Canada Labour Code Canada Labour Standards Regulations Employment Equity Act of Canada The Canadian Human Rights Act |
| B2: Health and Safety 健康及安全 | <ul style="list-style-type: none"> Occupational Safety and Health Ordinance of Hong Kong 香港《職業安全及健康條例》 Measures for the Supervision and Administration of Employers' Occupational Health Surveillance 《用人單位職業健康監護監督管理辦法》 Occupational Health and Safety Act of Canada |
| B6: Product Responsibility 產品責任 | <ul style="list-style-type: none"> Personal Data (Privacy) Ordinance of Hong Kong 香港《個人資料(私隱)條例》 The Code of Advertising Standards in Canada Travel Industry Act of Canada |
| B7: Anti-corruption 反貪污 | <ul style="list-style-type: none"> Prevention of Bribery Ordinance of Hong Kong 香港《防止賄賂條例》 Criminal Law of the People's Republic of China 《中華人民共和國刑法》 The Corruption of Foreign Public Officials Act of Canada |

The directors (“Director(s)”) of Success Universe Group Limited (the “Company”) is pleased to present their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries were principally engaged in the travel-related and property investment businesses during the year.

Particulars of the Company’s principal subsidiaries as at 31 December 2019 are set out in note 41 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2019 is set out in the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” on pages 8 to 11 and pages 12 to 33 respectively of this annual report as well as the following sub-paragraphs headed “Environmental Policies and Performance”, “Compliance with Laws and Regulations” and “Relationships with Key Stakeholders”.

Environmental Policies and Performance

The Group endeavors to attain long-term sustainable development, and proactively determines ways to address environmental, social and governance issues effectively in the corporate decisions.

The Group upholds its principles of environmental friendly practices by implementation of reducing, reusing, recycling and replacing in its daily operations, and develops initiatives to improve employee welfare and staff development for betterment of working environment and efficiency. The Group also believes in good corporate citizenship and contributes to society by supporting various charitable programmes.

For details, please refer to the section headed “Environmental, Social and Governance Report” on pages 59 to 72 of this annual report.

實德環球有限公司(「本公司」)董事(「董事」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度之年報連同經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，於本年度內其附屬公司經營之主要業務為旅遊相關業務及物業投資業務。

本公司之主要附屬公司於二零一九年十二月三十一日之資料載於綜合財務報表附註41。

業務審視

本集團截至二零一九年十二月三十一日止年度之業務審視分別載於本年報第8至第11頁之「主席報告」一節以及第12至第33頁之「管理層討論及分析」一節，以及下文「環境政策及表現」、「遵守法例及規例」及「與主要持份者之關係」各分段。

環境政策及表現

本集團致力於維持長期可持續發展，積極於企業決策中釐定改善環境、社會及管治議題之有效方法。

本集團於日常營運中堅守實行減少使用、物盡其用、循環再用及替代使用之環保原則，並制定改善僱員福利及員工發展之計劃，以優化工作環境及提升效率。本集團亦相信須建立良好企業公民關係，並透過支持各類慈善項目貢獻社會。

詳情請參閱本年報第59至第72頁「環境、社會及管治報告」一節。

BUSINESS REVIEW (CONTINUED)

Compliance with Laws and Regulations

The Group is committed to maintain a high level of corporate compliance with the legal and regulatory requirements in respect of business and operations. During the year, the Group's operations were mainly carried out by the Company's subsidiaries in Canada, the People's Republic of China (the "PRC") and Hong Kong while the Company itself was incorporated in Bermuda and the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Group accordingly should comply with relevant laws and regulations in, inter alia, Canada, the PRC, Hong Kong and Bermuda during the year.

As far as the board of Directors (the "Board") is aware, during the year and up to the date of this report, the Group has complied with the relevant laws and regulations that have significant impact on its business and operations.

Relationships with Key Stakeholders

The Group's success also depends on the support from its key stakeholders which comprise, inter alia, employees, business partners, suppliers and customers.

Employees are regarded as important and valuable assets of the Group. Therefore, the Group provides competitive remuneration packages to attract, motivate and retain employees for their continued contribution to the Group and also encourages them by way of sponsorship to attend training courses which help employees' career development.

Besides, the Group has developed and maintained solid and steady relationships with its business partners and suppliers, and provides high quality services to its customers so as to enhance its competitiveness, sustainability and future development.

業務審視(續)

遵守法例及規例

本集團致力於業務及營運方面保持高水平之企業合規，恪守法律及監管規定。於本年度內，本集團的營運主要由本公司的附屬公司於加拿大、中華人民共和國(「中國」)及香港進行，而本公司本身則於百慕達註冊成立，其股份於香港聯合交易所有限公司(「聯交所」)上市。因此，於本年度內，本集團須遵守(其中包括)加拿大、中國、香港及百慕達相關法例及規例。

就董事會(「董事會」)所知，於本年度內及截至本報告日期止，本集團已遵守對其業務及營運構成重大影響之相關法例及規例。

與主要持份者之關係

本集團之成功亦有賴各主要持份者(其中包括僱員、業務夥伴、供應商及客戶)之支持。

僱員乃本集團重要寶貴資產。因此，本集團提供具競爭力之薪酬待遇，以吸引、激勵及挽留僱員繼續為本集團效力，同時透過資助鼓勵僱員修讀培訓課程，協助彼等事業發展。

此外，本集團已經與其業務夥伴及供應商建立並維持穩固關係，並向其客戶提供優質服務，從而促進本集團競爭力、可持續性及未來發展。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss on page 114 of this annual report.

No interim dividend was paid during the year (2018: nil). The Directors do not recommend any payment of a final dividend for the year ended 31 December 2019 (2018: nil).

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held on Friday, 12 June 2020 (the "2020 AGM"). For the purpose of determining the shareholders who are entitled to attend and vote at the 2020 AGM, the register of members of the Company will be closed from Tuesday, 9 June 2020 to Friday, 12 June 2020, both days inclusive, during such period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the 2020 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 8 June 2020 for registration.

SEGMENT INFORMATION

An analysis of the Group's performance for the year ended 31 December 2019 by business and geographical segments is set out in note 6 to the consolidated financial statements.

FIVE-YEAR FINANCIAL SUMMARY

A financial summary of the Group for the past five financial years is set out on pages 293 and 294 of this annual report.

業績及分派

本集團截至二零一九年十二月三十一日止年度之業績載於本年報第114頁之綜合損益表。

於本年度內並無派付中期股息(二零一八年：無)。董事不建議就截至二零一九年十二月三十一日止年度派付任何末期股息(二零一八年：無)。

暫停辦理股份過戶登記手續

本公司將於二零二零年六月十二日(星期五)舉行股東週年大會(「二零二零年股東週年大會」)。為確定股東符合資格出席並於二零二零年股東週年大會上投票，本公司將於二零二零年六月九日(星期二)至二零二零年六月十二日(星期五)(包括首尾兩天)期間暫停辦理股份過戶登記手續，於此期間內本公司任何股份過戶將不予登記。為確保符合資格出席二零二零年股東週年大會並於會上投票，所有股份過戶文件連同有關股票必須不遲於二零二零年六月八日(星期一)下午四時三十分送抵本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理登記手續。

分部資料

本集團截至二零一九年十二月三十一日止年度按業務及地區分部劃分之表現分析載於綜合財務報表附註6。

五年財務概要

本集團過去五個財政年度之財務概要載於本年報第293及第294頁。

Report of Directors (Continued)

董事會報告(續)

RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on pages 118 and 119 of this annual report and note 40 to the consolidated financial statements respectively.

CHARITABLE CONTRIBUTIONS

No charitable and other donations were made by the Group during the year (2018: nil).

PROPERTY, PLANT AND EQUIPMENT

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

PROPERTIES HELD FOR INVESTMENT OR SALE

Details of the properties held by the Group for investment or sale as at 31 December 2019 are set out in notes 17 and 20 to the consolidated financial statements and in the section headed "Particulars of Properties" on pages 295 and 296 of this annual report.

SHARE CAPITAL

There was no movement in the share capital of the Company during the year. Details of the share capital of the Company are set out in note 30 to the consolidated financial statements.

LOANS AND BORROWINGS

Details of the loans and borrowings of the Group as at 31 December 2019 are set out in notes 25 and 27 to the consolidated financial statements.

儲備

本集團及本公司於本年度內之儲備變動之詳情分別載於本年報第118及第119頁之綜合權益變動表及綜合財務報表附註40。

慈善捐款

於本年度內本集團並無作出慈善及其他捐款(二零一八年：無)。

物業、廠房及設備

本集團於本年度內之物業、廠房及設備變動之詳情載於綜合財務報表附註15。

持作投資或出售物業

本集團於二零一九年十二月三十一日之持作投資或出售物業之詳情載於綜合財務報表附註17及20及載於本年報第295及第296頁之「物業詳情」一節。

股本

本公司之股本於本年度內並無變動。本公司股本之詳情載於綜合財務報表附註30。

貸款及借貸

本集團於二零一九年十二月三十一日之貸款及借貸之詳情載於綜合財務報表附註25及27。

DIRECTORS

The Directors who held office during the year and up to the date of this report are:

Executive Directors:

Mr. Yeung Hoi Sing, Sonny (*Chairman*)
Mr. Ma Ho Man, Hoffman (*Deputy Chairman*)

Non-executive Director (“NED”):

Mr. Choi Kin Pui, Russelle

Independent Non-executive Directors (“INED(s)”):

Ms. Yeung Mo Sheung, Ann
Mr. Chin Wing Lok, Ambrose
Mr. Chong Ming Yu

Biographical information of the Directors is set out in the paragraph headed “Directors” under the section headed “Biographical Details of Directors and Senior Management” on pages 99 to 103 of this annual report.

In accordance with bye-law 87 of the bye-laws of the Company (the “Bye-laws”), Mr. Ma Ho Man, Hoffman and Mr. Chin Wing Lok, Ambrose shall retire by rotation and, being eligible, will offer themselves for re-election at the 2020 AGM.

The Company has received from each of the existing INEDs, namely Ms. Yeung Mo Sheung, Ann, Mr. Chin Wing Lok, Ambrose and Mr. Chong Ming Yu, an annual confirmation of her/his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and all of the said INEDs were considered to be independent.

CHANGES OF DIRECTORS’ INFORMATION

There was no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules subsequent to the date of the Interim Report 2019 of the Company and up to the date of this report.

董事

於本年度內及截至本報告日期止在任之董事為：

執行董事：

楊海成先生(主席)
馬浩文先生(副主席)

非執行董事(「非執行董事」):

蔡健培先生

獨立非執行董事(「獨立非執行董事」):

楊慕嫦女士
錢永樂先生
莊名裕先生

董事之履歷資料載於本年報第99至第103頁之「董事及高級管理人員簡介」一節中之「董事」一段。

根據本公司之公司細則(「公司細則」)第87條，馬浩文先生及錢永樂先生將於二零二零年股東週年大會上輪席告退，惟彼等符合資格並願意膺選連任。

本公司已收悉在任獨立非執行董事即楊慕嫦女士、錢永樂先生及莊名裕先生各自根據聯交所證券上市規則(「上市規則」)第3.13條發出之年度獨立性確認書，本公司認為所有上述獨立非執行董事均屬獨立人士。

董事資料之變更

自本公司二零一九年中期報告日期之後至本報告日期期間，概無任何根據上市規則第13.51B(1)條規定須予披露之董事資料變更。

Report of Directors (Continued)

董事會報告(續)

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the 2020 AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' EMOLUMENTS

Details of the emoluments of the Directors on a named basis are set out in note 11 to the consolidated financial statements. There has been no arrangement under which a Director or a director of the subsidiaries of the Company has waived or agreed to waive any emoluments.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Bye-laws, the Directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they may incur or sustain in or about the execution of the duties in their respective offices or otherwise in relation thereto, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any Directors.

During the year and up to the date of this report, the Company has in force indemnity provisions as permitted under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the benefit of the Directors and directors/former directors of the subsidiaries of the Company.

董事之服務合約

擬於二零二零年股東週年大會重選之董事概無與本公司訂立不可由本公司於一年內終止而毋須支付任何賠償(法定賠償除外)之服務合約。

董事酬金

列出每名董事姓名之董事酬金之詳情載於綜合財務報表附註11。董事或本公司附屬公司之董事概無作出豁免或同意豁免任何酬金之安排。

獲准許的彌償條文

根據公司細則，董事可從本公司之資產及溢利中獲得彌償保證，於就各自之職務履行其職責或在其他方面與此有關之情況下而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支獲得彌償，惟此彌償保證不延伸至任何與董事之欺詐或不誠實有關之事宜。

於本年度內及截至本報告日期止，本公司按公司條例(香港法例第622章)的允許，備有以董事及本公司附屬公司董事／前董事為受益人的彌償條文。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE**

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益**

(1) On 1 December 2008, the Company as borrower and Mr. Yeung Hoi Sing, Sonny, being the Chairman of the Board and an executive Director as well as a controlling shareholder of the Company (“Mr. Yeung”), as lender entered into a letter of agreement regarding an unsecured term loan facility of up to HK\$200 million (“Loan Facility”). The rate of interest on the entire principal amount drawn and outstanding under the Loan Facility was the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. On 14 April 2009, the Company and Mr. Yeung entered into a supplemental letter of agreement to increase the principal amount of the Loan Facility up to HK\$290 million (the “Revised Loan Facility”) and to confirm that Mr. Yeung undertook not to demand early repayment of the loan and all other sums owing to him under the Revised Loan Facility before 30 June 2010. The final repayment date of the Revised Loan Facility (the “Final Repayment Date”) was extended to (i) 30 June 2011 by a supplemental letter of agreement dated 25 June 2009; and (ii) 30 October 2012 by another supplemental letter of agreement dated 23 June 2010.

(1) 於二零零八年十二月一日，本公司（作為借方）與董事會主席、執行董事兼本公司控股股東楊海成先生（「楊先生」）（作為貸方）就一項金額最高達港幣200,000,000元之無抵押有期貸款融資（「貸款融資」）訂立一份協議函件。貸款融資之已提取及未償還本金全額之利率為香港上海滙豐銀行有限公司所報之港元貸款最優惠利率。於二零零九年四月十四日，本公司與楊先生亦訂立一份補充協議函件，以增加貸款融資之本金金額至最高達港幣290,000,000元（「經修訂貸款融資」），並確認楊先生承諾不會在二零一零年六月三十日前要求本公司提前償還經修訂貸款融資之貸款及所有結欠楊先生之其他款項。經修訂貸款融資之最後還款日期（「最後還款日期」）已(i)透過日期為二零零九年六月二十五日之補充協議函件延遲至二零一一年六月三十日；及(ii)透過日期為二零一零年六月二十三日之另一份補充協議函件延遲至二零一二年十月三十日。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(1) (continued)

On 15 March 2012, Mr. Yeung entered into a supplemental letter of agreement with the Company to further extend the Final Repayment Date to 31 October 2013 and to confirm that any amount repaid under the Revised Loan Facility should be available to further advances within the availability period of the Revised Loan Facility.

The Final Repayment Date was subsequently extended by various supplemental letters of agreement to 31 October 2020. On 20 September 2019, Mr. Yeung entered into a supplemental letter of agreement with the Company to further extend the Final Repayment Date to 31 October 2022.

The transaction mentioned in this sub-paragraph (1) constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules, which is fully exempt from shareholders' approval and all disclosure requirements under Chapter 14A of the Listing Rules as the said borrowing from Mr. Yeung is on normal commercial terms or better and it is not secured by any assets of the Group.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(1) (續)

於二零一二年三月十五日，楊先生與本公司訂立一份補充協議函件，將最後還款日期進一步延遲至二零一三年十月三十一日，並確認經修訂貸款融資項下任何已償還金額應可於經修訂貸款融資可用期內進一步墊付。

最後還款日期其後經多份補充協議函件延遲至二零二零年十月三十一日。於二零一九年九月二十日，楊先生與本公司訂立一份補充協議函件，將最後還款日期進一步延遲至二零二二年十月三十一日。

本分段(1)所述之交易根據上市規則第十四A章構成本公司一項關連交易，惟該交易根據上市規則第十四A章獲全面豁免遵守股東批准及所有披露之規定。此乃由於來自楊先生之上述借貸乃按一般商務條款或更佳條款進行，而其並無由本集團任何資產作出抵押。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) On 26 June 2017, Good Sun Development Limited (“Good Sun”, an indirect wholly-owned subsidiary of the Company) as landlord and Success International Management Services Limited (“SIMSL”, a company indirect wholly and beneficially owned by Mr. Yeung) as tenant entered into a tenancy agreement (the “Tenancy Agreement I”) in respect of the leasing of the premises situated at Office No. 1003 and Office No. 1004A on the 10th Floor of Tower 1 of Admiralty Centre, No. 18 Harcourt Road, Hong Kong (“Office Nos. 1003 & 1004A”) for a term of two years commencing from 2 July 2017 to 1 July 2019 (both dates inclusive) (with an option to renew for a further term of two years at the then open market rental) at a monthly rental of HK\$465,348, exclusive of government rates, air-conditioning charges and management fees and all other outgoings. Further details of the Tenancy Agreement I are set out in the announcement dated 26 June 2017 issued by the Company.

On 13 February 2018, Victory Devotion Limited (a direct wholly-owned subsidiary of the Company) as purchaser, Active Trade Investments Limited (“Active Trade”, a company direct wholly and beneficially owned by Mr. Yeung) as vendor and Mr. Yeung as guarantor for Active Trade entered into a sale and purchase agreement in respect of the sale and purchase of the entire issued share capital of and the related shareholders’ loans to Merchant Charm Limited (being the registered and beneficial owner of

(2) 於二零一七年六月二十六日，日佳發展有限公司(「日佳」，本公司之一間間接全資附屬公司，作為業主)與 Success International Management Services Limited(「SIMSL」，一間由楊先生間接全資實益擁有之公司，作為租戶)訂立一份租賃協議(「租賃協議I」)，內容有關租賃位於香港夏慤道18號海富中心1座10樓1003號及1004A號辦公室(「1003及1004A號辦公室」)之物業，租期由二零一七年七月二日起至二零一九年七月一日(包括首尾兩天)止，為期兩年(可選擇按當時公開市場租金進一步重續兩年)，月租港幣465,348元，不包括差餉、空調費用、管理費及所有其他支出。有關租賃協議I之進一步詳情載於本公司刊發日期為二零一七年六月二十六日之公佈。

於二零一八年二月十三日，致勝有限公司(本公司之一間直接全資附屬公司，作為買方)、Active Trade Investments Limited(「Active Trade」，一間由楊先生直接全資實益擁有之公司，作為賣方)及楊先生(作為Active Trade之擔保人)訂立一份買賣協議，內容有關買賣Merchant Charm Limited(乃權創有限公司(「權創」)之全部已發行股本之註冊及實

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
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ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(2) (continued)

the entire issued share capital of Powerful Concept Limited (“Powerful Concept”) and Massive Success Global Limited (being the registered and beneficial owner of the entire issued share capital of Famous Capital International Limited (“Famous Capital”)), which hold indirectly two commercial properties situated at Office No. 1001A (“Office No. 1001A”) and Office No. 1004B (“Office No. 1004B”) on the 10th Floor of Tower 1 of Admiralty Centre, No. 18 Harcourt Road, Hong Kong respectively with tenancy agreements both dated 30 June 2017 and leased to SIMSL by Powerful Concept (the “Tenancy Agreement II”) and Famous Capital (the “Tenancy Agreement III”) respectively at a total consideration of approximately HK\$147.5 million (the “Transaction”). According to the terms of the Tenancy Agreement II and the Tenancy Agreement III, Office No. 1001A and Office No. 1004B were leased to SIMSL both for a term of two years commencing from 2 July 2017 to 1 July 2019 (both dates inclusive) (with an option to renew for a further term of two years at the then open market rental) at monthly rentals of HK\$74,204 and HK\$163,644 respectively, both exclusive of government rates, air-conditioning charges and management fees and all other outgoings. The Transaction was completed on 4 May 2018. Further details of the Tenancy Agreement II and the Tenancy Agreement III are set out in the announcements dated 13 February 2018 and 29 March 2018 respectively as well as the circular dated 6 April 2018 all issued by the Company.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) (續)

益擁有者)及 Massive Success Global Limited(乃 Famous Capital International Limited(「Famous Capital」)之全部已發行股本之註冊及實益擁有者)之全部已發行股本及相關股東貸款，該兩間公司間接持有兩項分別位於香港夏慤道18號海富中心1座10樓1001A號辦公室(「1001A號辦公室」)及1004B號辦公室(「1004B號辦公室」)之商用物業，附有日期均為二零一七年六月三十日之租賃協議，分別由權創(「租賃協議II」)及 Famous Capital(「租賃協議III」)租予 SIMSL，總代價約為港幣147,500,000元(「該交易」)。根據租賃協議II及租賃協議III之條款，1001A號辦公室及1004B號辦公室乃租予 SIMSL，兩項協議之租期均由二零一七年七月二日起至二零一九年七月一日(包括首尾兩天)止，為期兩年(可選擇按當時公開市場租金進一步重續兩年)，月租分別為港幣74,204元及港幣163,644元，均不包括差餉、空調費用、管理費及所有其他支出。該交易已於二零一八年五月四日完成。有關租賃協議II及租賃協議III之進一步詳情分別載於本公司刊發日期為二零一八年二月十三日及二零一八年三月二十九日之公佈以及日期為二零一八年四月六日之通函。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(2) (continued)

On 25 June 2019, Good Sun, Powerful Concept and Famous Capital, all as landlords, entered into respective tenancy agreements with SIMSL as tenant to renew the Tenancy Agreement I, the Tenancy Agreement II and the Tenancy Agreement III respectively (the "Renewal of Tenancy Agreements") for a term of two years commencing from 2 July 2019 to 1 July 2021 (both dates inclusive) (with an option on SIMSL to renew for a further term of two years at the then open market rent) at the respective monthly rentals of HK\$584,400, HK\$93,600 and HK\$204,900, all exclusive of government rates, air-conditioning charges and management fees and all other outgoings. Further details of the Renewal of Tenancy Agreements are set out in the announcement dated 25 June 2019 issued by the Company.

Based on the monthly rental under the Tenancy Agreement I and the tenancy agreement dated 25 June 2019 entered into between Good Sun and SIMSL (collectively the "Tenancy Agreements for Office Nos. 1003 and 1004A"), the aggregate maximum amount payable by SIMSL to Good Sun under the Tenancy Agreements for Office Nos. 1003 and 1004A for each of the three financial years ending 31 December 2021 should not exceed HK\$6,296,000, HK\$7,013,000 and HK\$3,526,000 respectively. For the year ended 31 December 2019, the aggregate amount of rental paid by SIMSL to Good Sun under the Tenancy Agreements for Office Nos. 1003 and 1004A amounted to HK\$6,294,647.61.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) (續)

於二零一九年六月二十五日，日佳、權創及Famous Capital(全部作為業主)與SIMSL(作為租戶)分別訂立租賃協議，以重續租賃協議I、租賃協議II及租賃協議III(「重續租賃協議」)，租期由二零一九年七月二日起至二零二一年七月一日(包括首尾兩天)止，為期兩年(SIMSL可選擇按當時公開市場租金進一步重續兩年)，月租分別為港幣584,400元、港幣93,600元及港幣204,900元，均不包括差餉、空調費用、管理費及所有其他支出。重續租賃協議之進一步詳情載於本公司刊發日期為二零一九年六月二十五日之公佈。

根據租賃協議I及由日佳與SIMSL訂立日期為二零一九年六月二十五日之租賃協議(統稱(「1003及1004A號辦公室租賃協議」)項下之月租，截至二零二一年十二月三十一日止三個財政年度各年根據1003及1004A號辦公室租賃協議項下SIMSL應付日佳之最高總額分別不超過港幣6,296,000元、港幣7,013,000元及港幣3,526,000元。截至二零一九年十二月三十一日止年度，根據1003及1004A號辦公室租賃協議項下SIMSL已付日佳租金總額為港幣6,294,647.61元。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(2) (continued)

Based on the monthly rental under the Tenancy Agreement II and the tenancy agreement dated 25 June 2019 entered into between Powerful Concept and SIMSL (collectively the "Tenancy Agreements for Office No. 1001A"), the aggregate maximum amount payable by SIMSL to Powerful Concept under the Tenancy Agreements for Office No. 1001A for each of the three financial years ending 31 December 2021 should not exceed HK\$1,007,000, HK\$1,124,000 and HK\$565,000 respectively. For the year ended 31 December 2019, the aggregate amount of rental paid by SIMSL to Powerful Concept under the Tenancy Agreements for Office No. 1001A amounted to HK\$1,006,198.33.

Based on the monthly rental under the Tenancy Agreement III and the tenancy agreement dated 25 June 2019 entered into between Famous Capital and SIMSL (collectively the "Tenancy Agreements for Office No. 1004B"), the aggregate maximum amount payable by SIMSL to Famous Capital under the Tenancy Agreements for Office No. 1004B for each of the three financial years ending 31 December 2021 should not exceed HK\$2,211,000, HK\$2,459,000 and HK\$1,237,000 respectively. For the year ended 31 December 2019, the aggregate amount of rental paid by SIMSL to Famous Capital under the Tenancy Agreements for Office No. 1004B amounted to HK\$2,209,933.16.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) (續)

根據租賃協議II及由權創與SIMSL訂立日期為二零一九年六月二十五日之租賃協議(統稱(「1001A號辦公室租賃協議」)項下之月租,截至二零二一年十二月三十一日止三個財政年度各年根據1001A號辦公室租賃協議項下SIMSL應付權創之最高總額分別不超過港幣1,007,000元、港幣1,124,000元及港幣565,000元。截至二零一九年十二月三十一日止年度,根據1001A號辦公室租賃協議項下SIMSL已付權創租金總額為港幣1,006,198.33元。

根據租賃協議III及由Famous Capital與SIMSL訂立日期為二零一九年六月二十五日之租賃協議(統稱(「1004B號辦公室租賃協議」)項下之月租,截至二零二一年十二月三十一日止三個財政年度各年根據1004B號辦公室租賃協議項下SIMSL應付Famous Capital之最高總額分別不超過港幣2,211,000元、港幣2,459,000元及港幣1,237,000元。截至二零一九年十二月三十一日止年度,根據1004B號辦公室租賃協議項下SIMSL已付Famous Capital租金總額為港幣2,209,933.16元。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(2) (continued)

The entering into of (i) the Tenancy Agreements for Office Nos. 1003 and 1004A; (ii) the Tenancy Agreements for Office No. 1001A; and (iii) the Tenancy Agreements for Office No. 1004B constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules which are subject to reporting, announcement and annual review requirements but are exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

All INEDs had reviewed the continuing connected transactions disclosed in sub-paragraph (2) above and confirmed that the continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the respective tenancy agreements governing the continuing connected transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) (續)

訂立(i) 1003及1004A號辦公室租賃協議；(ii) 1001A號辦公室租賃協議；及(iii) 1004B號辦公室租賃協議根據上市規則第十四A章構成本公司持續關連交易，根據上市規則第14A.76(2)條，此等持續關連交易須遵守申報、公佈及年度審閱之規定，惟獲豁免遵守通函(包括獨立財務意見)及獨立股東批准之規定。

全體獨立非執行董事已審閱上文第(2)分段所披露之持續關連交易，並確認該等持續關連交易乃按以下各項訂立：

- (a) 在本集團之日常及一般業務中訂立；
- (b) 按照一般商務條款或更佳條款進行；及
- (c) 依照規管該等持續關連交易之相關租賃協議之條款乃公平合理，並且符合本公司股東之整體利益。

**CONNECTED TRANSACTIONS/
CONTINUING CONNECTED
TRANSACTIONS/DIRECTORS' AND
CONTROLLING SHAREHOLDERS'
MATERIAL INTERESTS IN TRANSACTIONS,
ARRANGEMENTS OR CONTRACTS OF
SIGNIFICANCE (CONTINUED)**

(2) (continued)

HLB Hodgson Impey Cheng Limited (“HLB”), the auditors of the Company, were engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standards 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. HLB have issued their assurance report on continuing connected transactions as disclosed in sub-paragraph (2) above in accordance with Rule 14A.56 of the Listing Rules. A copy of the aforesaid auditors’ assurance report has been provided by the Company to the Stock Exchange.

Save as disclosed above, no transactions, arrangements or contracts of significance in relation to the Group’s business to which the Company, its parent company or any of its subsidiaries was a party and in which a Director or any entity connected with him/her or a controlling shareholder of the Company or any of the subsidiaries of the controlling shareholder had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

Details of another connected transaction of the Company during the year which is fully exempt from shareholders’ approval and all disclosure requirements under Chapter 14A of the Listing Rules are set out in note 37(e) to the consolidated financial statements.

**關連交易／持續關連交易／董事
及控股股東於交易、安排或重
要合約中之重大權益(續)**

(2) (續)

本公司已委聘其核數師國衛會計師事務所有限公司(「國衛」)根據香港會計師公會頒佈之《香港核證委聘準則第3000號》(經修訂)「審核或審閱過往財務資料以外之核證委聘」，並參照《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」就本集團之持續關連交易作出報告。根據上市規則第14A.56條，國衛已就其對上文第(2)分段所披露之持續關連交易發出保證報告。本公司已向聯交所提供上述核數師之保證報告副本。

除上文所披露者外，本公司、其母公司或其任何附屬公司概無就本集團之業務訂立於本年度內任何時間或年終仍然生效，而任何董事或與其有關連實體或本公司控股股東或本公司控股股東之任何附屬公司直接或間接擁有重大權益之交易、安排或重要合約。

本公司於本年度內進行之另一項獲全面豁免遵守上市規則第十四A章下股東批准及所有披露規定之關連交易之詳情載於綜合財務報表附註37(e)。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

董事於競爭業務之權益

Mr. Yeung has the following interests in the companies listed below whose business may compete or is likely to compete with the Group's property investment business (the "Competing Business") pursuant to the Listing Rules:

楊先生於下列公司中擁有以下權益，根據上市規則，該等公司之業務與本集團之物業投資業務(「競爭業務」)或會競爭或可能競爭：

| Name of company 公司名稱 | Nature of competing business 競爭業務性質 | Nature of interest 權益性質 |
|---|---|---|
| Active Profit Investment Limited | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | director and ultimate beneficial owner 董事及最終實益擁有人 |
| Asia City Holdings Limited 亞城集團有限公司 | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | owned as to 50% beneficial interest 實益擁有50%權益 |
| Crownpeak International Investment Limited 冠達國際投資有限公司 | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | director and ultimate beneficial owner 董事及最終實益擁有人 |
| Lawman Company Limited 洛文有限公司 | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | ultimate beneficial owner 最終實益擁有人 |
| Lucky Hero Limited 雄福有限公司 | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | ultimate beneficial owner 最終實益擁有人 |
| Super Genius Investments Limited 超俊投資有限公司 | property investment in Hong Kong (commercial building) 香港物業投資(商廈) | ultimate beneficial owner 最終實益擁有人 |

Since any significant business decision of the Group is to be determined by the Board in which half of the members are INEDs, the Group is capable of carrying on its business independently of, and at arm's length from, the Competing Business.

由於本集團任何重大業務決策由董事會決定，而董事會中一半成員為獨立非執行董事，故本集團能按公平原則獨立經營其業務，而不受競爭業務所影響。

Report of Directors (Continued) 董事會報告(續)

DIRECTORS' INTERESTS IN COMPETING BUSINESS (CONTINUED)

Save as disclosed above, during the year ended 31 December 2019, none of the Directors was interested in any business, apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business, other than those business where the Directors were appointed as directors to represent the interests of the Group.

MANAGEMENT CONTRACTS

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

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2019, the Directors or chief executive of the Company and/or any of their respective associates had the following interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise, notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules:

董事於競爭業務之權益(續)

除上文所披露者外，截至二零一九年十二月三十一日止年度，除本集團業務外，概無董事於與本集團業務存在或可能存在直接或間接競爭之任何業務擁有權益，惟董事被委任以董事身份代表本集團權益之業務除外。

管理合約

於本年度內，本公司概無訂立或存在任何與本公司之全部或任何重大部份業務之管理及行政有關之合約。

董事及最高行政人員於證券之權益

於二零一九年十二月三十一日，董事或本公司最高行政人員及／或彼等各自之任何聯繫人於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有以下記錄於根據證券及期貨條例第352條之規定本公司須予存置之登記冊，或根據上市規則所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉：

Report of Directors (Continued)
董事會報告(續)

DIRECTORS' AND CHIEF EXECUTIVE'S
INTERESTS IN SECURITIES (CONTINUED)

董事及最高行政人員於證券之
權益(續)

Interest in the shares of the Company ("Share(s)")

於本公司股份(「股份」)之權益

| Name of Director 董事姓名 | Long position/ Short position 好倉／淡倉 | Nature of interest 權益性質 | Number of Shares held 所持股份數目 | Approximate percentage of issued voting Shares as at 31 December 2019 於二零一九年 十二月三十一日 佔已發行 具投票權股份之 概約百分比 % |
|-----------------------------|---|----------------------------|------------------------------------|--|
| Mr. Yeung (Note) 楊先生(附註) | Long position 好倉 | Corporate interest 公司權益 | 3,523,190,987 | 71.52 |

Note: Mr. Yeung had a corporate interest in 3,523,190,987 Shares by virtue of the interest of the Shares held by Silver Rich Macau Development Limited, which is direct wholly and beneficially owned by Mr. Yeung.

附註：楊先生擁有由劭富澳門發展有限公司持有之3,523,190,987股股份之公司權益。劭富澳門發展有限公司乃由楊先生直接全資實益擁有。

Save as disclosed above, as at 31 December 2019, none of the Directors or chief executive of the Company, or their respective associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise, notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一九年十二月三十一日，董事或本公司最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何記錄於根據證券及期貨條例第352條之規定本公司須予存置之登記冊，或根據標準守則須知會本公司及聯交所之權益或淡倉。

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The Company adopted a share option scheme on 5 June 2014 (the "Share Option Scheme") for the purpose of providing incentives or rewards to eligible persons for their contribution to the Group or any entity in which any member of the Group holds any equity interest and any subsidiary of such entity ("Invested Entity"). The Share Option Scheme became effective on 10 June 2014 and, unless early termination by the Company in general meeting or by the Board, shall be valid and effective for a period of 10 years from the date of its adoption on 5 June 2014.

Under the Share Option Scheme, the Directors are authorised at their absolute discretion to invite eligible persons to take up options to subscribe for Shares. Eligible persons under the Share Option Scheme include (i) any employee (whether full time or part time and including executive director) of any member(s) of the Group or any Invested Entity; (ii) any non-executive director (including independent non-executive director) of any member of the Group or any Invested Entity; (iii) any consultant, adviser or agent engaged by any member of the Group or any Invested Entity, who is eligible to participate in a share option scheme of the Company; and (iv) any vendor, supplier of goods or services or customer of or to any member of the Group or any Invested Entity, who is eligible to participate in a share option scheme of the Company.

There is no provision in the Share Option Scheme to require a grantee to fulfill any performance target or to hold the option for a certain period before exercising the option, but the Board may at its absolute discretion from time to time provide such requirements in the offer of grant of options.

購股權計劃及董事購入股份或債券之權利

本公司於二零一四年六月五日採納一項購股權計劃(「購股權計劃」)，旨在提供激勵或獎勵予對本集團或本集團任何成員公司持有任何股權之任何實體以及該實體之任何附屬公司(「投資實體」)作出貢獻之合資格人士。購股權計劃於二零一四年六月十日生效，並將自採納日期二零一四年六月五日起持續有效十年，惟可由本公司於股東大會或由董事會提早終止。

根據購股權計劃，董事獲授權可全權酌情邀請合資格人士接納購股權以認購股份。購股權計劃之合資格人士包括(i)本集團任何成員公司或任何投資實體之任何僱員(不論全職或兼職，並包括執行董事)；(ii)本集團任何成員公司或任何投資實體之任何非執行董事(包括獨立非執行董事)；(iii)本集團任何成員公司或任何投資實體所委聘且合資格參與本公司購股權計劃之任何顧問、專家顧問或代理；及(iv)本集團任何成員公司或任何投資實體合資格參與本公司購股權計劃之任何賣家、產品或服務供應商或客戶。

購股權計劃內並無條文規定承授人在行使購股權前須達致任何表現目標，亦無規定其在行使購股權前須持有該購股權的若干時限，但董事會可不時全權酌情決定於授出購股權之要約中附加該等規定。

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (CONTINUED)

The maximum number of Shares available for issue under options which may be granted under the Share Option Scheme and any other share option scheme(s) of the Company is 492,649,119 Shares (being not more than 10% of the total number of Shares in issue as at the date of adoption of the Share Option Scheme (the "Scheme Limit")), representing approximately 10% of the total number of Shares in issue as at the date of this annual report.

The Company may seek approval of its shareholders in general meeting for refreshing the Scheme Limit save that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company under the Scheme Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of such approval (the "New Scheme Limit"). Options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with the respective provisions of the scheme(s) of the Company or exercised options) will not be counted for the purpose of calculating the New Scheme Limit.

Notwithstanding aforesaid in above, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time.

購股權計劃及董事購入股份或債券之權利(續)

根據購股權計劃及本公司任何其他購股權計劃可授出之購股權項下可予發行之股份最高數目為492,649,119股(即不超過於購股權計劃採納當日已發行股份總數之10%(「計劃上限」))，相當於本年報日期已發行股份總數約10%。

本公司可於股東大會上尋求其股東批准更新計劃上限，惟在計劃上限更新後，因根據購股權計劃及本公司任何其他購股權計劃將予授出之全部購股權獲行使而可予發行之股份總數，不得超過批准更新計劃上限當日已發行股份總數之10%(「新計劃上限」)。就計算新計劃上限而言，先前根據購股權計劃及本公司任何其他購股權計劃已授出之購股權(包括按照本公司相關計劃條文尚未行使、已註銷、已失效或已行使之購股權)將不會計算在內。

儘管如前文所述，因根據購股權計劃及本公司任何其他購股權計劃授出且尚未行使之全部在外流通購股權獲行使而可予發行之股份最高數目，不得超過不時已發行股份總數之30%。

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (CONTINUED)

The total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Share Option Scheme or any other share option scheme(s) adopted by the Company (whether exercised, cancelled or outstanding) to each eligible person in any 12-month period up to and including the date of offer shall not exceed 1% of the total number of Shares in issue on the date of offer, unless such grant is approved by the shareholders of the Company in general meeting at which such eligible person and his or her associates shall abstain from voting.

The exercise price in respect of any option granted under the Share Option Scheme shall be a price determined by the Board in its absolute discretion but in any event shall not be less than the highest of (i) the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of offer of the option, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date on which the option is offered; and (iii) the nominal value of a Share.

The offer of a grant of share option must be accepted not later than 28 days after the date of offer, upon payment of a consideration of HK\$1 by the grantee. The exercise period of the share option granted is determined by the Board, save that such period shall not exceed a period of 10 years commencing on the date upon which the share option is granted.

No share options had been granted under the Share Option Scheme since its adoption and up to 31 December 2019.

At no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

購股權計劃及董事購入股份或債券之權利(續)

於任何截至並包括要約日期止十二個月期間，因每名合資格人士根據購股權計劃或本公司所採納之任何其他購股權計劃已授出及將授出之購股權(不論為已行使、已註銷或未行使)獲行使而已發行及將發行之股份總數，不得超過於要約日期當日已發行股份總數之1%，惟本公司股東已於股東大會上批准授出有關購股權，且有關合資格人士及其聯繫人已於有關會議上放棄表決，則屬例外。

根據購股權計劃授出之任何購股權之行使價將由董事會全權酌情決定，惟在任何情況下不得低於以下三者中之最高者：(i) 股份於購股權要約日期(必須為營業日)在聯交所每日報價表所報之收市價；(ii) 股份於緊接購股權要約日期前五個營業日在聯交所每日報價表所報之平均收市價；及(iii) 股份之面值。

授出購股權之要約最遲須於要約日期後二十八日內由承授人透過支付港幣1元之代價接納。所授購股權之行使期由董事會釐定，惟該期間自購股權獲授出當日起計不得超過十年。

自採納購股權計劃以來及截至二零一九年十二月三十一日止，概無根據購股權計劃授出任何購股權。

本公司或其任何附屬公司於本年度內任何時間概無訂立任何安排，致使董事可透過購買本公司或任何其他法人團體之股份或債券而從中獲取利益。

EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme as disclosed above, no equity-linked agreements which will or may result in the Company issuing Shares or which require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Company during the year or subsisted at the end of the year.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2019, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have, interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in the Shares

| Name of substantial shareholder 主要股東名稱/姓名 | Long position/ Short position 好倉/淡倉 | Capacity 身份 | Number of Shares held 所持股份數目 | Approximate percentage of issued voting Shares as at 31 December 2019 於二零一九年 十二月三十一日 佔已發行具投票權 股份之概約百分比 % |
|--|---|----------------------------|------------------------------------|--|
| Silver Rich Macau Development Limited 劭富澳門發展有限公司 | Long position 好倉 | Beneficial owner 實益擁有人 | 3,523,190,987 | 71.52 |
| Ms. Liu Siu Lam, Marian (Note) 廖小琳女士(附註) | Long position 好倉 | Interest of spouse 配偶權益 | 3,523,190,987 | 71.52 |

Note: Ms. Liu Siu Lam, Marian, being the spouse of Mr. Yeung, was deemed to be interested in 3,523,190,987 Shares in which Mr. Yeung had a corporate interest.

股票掛鈎協議

除上文所披露之購股權計劃外，本公司概無訂立於本年度內任何時間或年終仍然生效之股票掛鈎協議，而將會或可能導致本公司發行股份，或規定本公司訂立將會或可能導致本公司發行股份之任何協議。

主要股東於證券之權益

於二零一九年十二月三十一日，下列人士（董事或本公司最高行政人員除外）於股份及相關股份中擁有或被視為或當作擁以下記錄於根據證券及期貨條例第336條之規定而本公司須予存置之登記冊之權益或淡倉：

股份權益

| Name of substantial shareholder 主要股東名稱/姓名 | Long position/ Short position 好倉/淡倉 | Capacity 身份 | Number of Shares held 所持股份數目 | Approximate percentage of issued voting Shares as at 31 December 2019 於二零一九年 十二月三十一日 佔已發行具投票權 股份之概約百分比 % |
|--|---|----------------------------|------------------------------------|--|
| Silver Rich Macau Development Limited 劭富澳門發展有限公司 | Long position 好倉 | Beneficial owner 實益擁有人 | 3,523,190,987 | 71.52 |
| Ms. Liu Siu Lam, Marian (Note) 廖小琳女士(附註) | Long position 好倉 | Interest of spouse 配偶權益 | 3,523,190,987 | 71.52 |

附註：廖小琳女士（楊先生之配偶）被視為擁有由楊先生擁有公司權益之3,523,190,987股股份。

Report of Directors (Continued) 董事會報告(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (CONTINUED)

Save as disclosed above, as at 31 December 2019, no other person (other than a Director or chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

DISCLOSURE UNDER RULES 13.20 AND 13.22 OF THE LISTING RULES

Based on the disclosure obligations under Rules 13.20 and 13.22 of the Listing Rules, the financial assistance, which was made by the Group by way of the shareholder's loans provided by World Fortune Limited ("World Fortune", an indirect wholly-owned subsidiary of the Company), and a corporate guarantee given by the Company in respect of the payment obligation of Pier 16 – Property Development Limited ("Pier 16 – Property Development", a 49% owned associate of World Fortune) under the loan facilities granted to Pier 16 – Property Development in the aggregate amounts of HK\$735 million and MOP273 million (the "Financial Assistance"), continued to exist as at 31 December 2019. Pier 16 – Property Development is principally engaged in the investment, development and, through its subsidiaries, operating Ponte 16, a world-class integrated casino-entertainment resort located in Macau. The Financial Assistance is mainly used for the development and operations of Ponte 16.

主要股東於證券之權益(續)

除上文所披露者外，於二零一九年十二月三十一日，概無其他人士(董事或本公司最高行政人員除外)於股份及相關股份中擁有或被視為或當作擁有任何記錄於根據證券及期貨條例第336條之規定本公司須予存置之登記冊之權益或淡倉。

根據上市規則第13.20條及 第13.22條作出之披露

根據上市規則第13.20條及第13.22條須作出之披露責任，於二零一九年十二月三十一日，本集團須根據授予十六浦物業發展股份有限公司(「十六浦物業發展」，為世兆有限公司(「世兆」，本公司之一間間接全資附屬公司)擁有49%股權之聯營公司)之貸款融資總額港幣735,000,000元及273,000,000澳門元(「財務資助」)，繼續向十六浦物業發展提供財務資助。財務資助以世兆提供之股東貸款及本公司就十六浦物業發展付款責任發出企業擔保之方式作出。十六浦物業發展之主要業務為投資、發展及透過其附屬公司經營十六浦。十六浦為一個位於澳門之世界級綜合娛樂場度假村。財務資助主要用作發展及經營十六浦。

DISCLOSURE UNDER RULES 13.20 AND 13.22 OF THE LISTING RULES (CONTINUED)

根據上市規則第13.20條及第13.22條作出之披露(續)

The amounts of the Financial Assistance as at 31 December 2019 were set out below:

財務資助於二零一九年十二月三十一日之金額載列如下：

| Name of associate 聯營公司名稱 | Shareholder's loans 股東貸款 HK\$ million 港幣百萬元 | Corporate Guarantee 企業擔保 HK\$ million 港幣百萬元 | Aggregate financial assistance 財務資助總額 HK\$ million 港幣百萬元 |
|---|--|--|---|
| Pier 16 – Property Development 十六浦物業發展 | 219 | 490 | 709 |

The shareholder's loans provided by World Fortune are unsecured, interest-free and have no fixed terms of repayment.

由世兆提供之股東貸款為無抵押、免息及無固定還款期。

Further details are set out in notes 18 and 36 to the consolidated financial statements.

進一步資料載列於綜合財務報表附註18及36。

Set out below is a consolidated statement of financial position of Pier 16 – Property Development and the Group's attributable interests in this associate according to its audited consolidated financial statements for the year ended 31 December 2019:

以下所載為十六浦物業發展之綜合資產負債表及本集團應佔該聯營公司之權益，此乃按照十六浦物業發展截至二零一九年十二月三十一日止年度之經審核綜合財務報表編製：

| | | Consolidated statement of financial position 綜合資產負債表 HK\$'000 港幣千元 | Group's attributable interests 本集團應佔權益 HK\$'000 港幣千元 |
|-------------------------|-------|---|---|
| Non-current assets | 非流動資產 | 663,990 | 325,355 |
| Current assets | 流動資產 | 372,918 | 182,730 |
| Current liabilities | 流動負債 | (474,490) | (232,500) |
| Non-current liabilities | 非流動負債 | (452,740) | (221,842) |

Report of Directors (Continued)

董事會報告(續)

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 31 December 2019.

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

During the year ended 31 December 2019, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the listed securities of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for approximately 47% of total revenue of the Group, of which the largest customer accounted for approximately 12% and the five largest suppliers of the Group accounted for approximately 85% of total purchases of the Group, of which the largest supplier accounted for approximately 85%.

None of the Directors or any of their respective close associates or any shareholders (which, to the best knowledge of the Directors, owns more than 5% of the number of issued shares of the Company) had any beneficial interest in the above five largest customers or five largest suppliers.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws and there is no restriction against such rights under the laws of Bermuda, which would oblige the Company to offer new Shares on a pro-rata basis to its existing shareholders.

可換股證券、購股權、認股權證或類似權利

本公司於二零一九年十二月三十一日概無未行使之可換股證券、購股權、認股權證或其他類似權利。

購買、出售或贖回本公司上市證券

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

主要客戶及供應商

於本年度內，本集團之五大客戶佔本集團之總收益約47%，其中最大客戶約佔12%；而本集團之五大供應商佔本集團之購貨總額約85%，其中最大供應商約佔85%。

概無董事、彼等各自之任何緊密聯繫人或任何據董事所深知擁有本公司已發行股份數目5%以上之股東，於上述五大客戶或五大供應商中擁有任何實益權益。

優先購買權

公司細則下概無優先購買權條文，百慕達法例下亦無對有關權利作出任何限制，規定本公司須按比例向其現有股東提呈發售任何新股份。

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has maintained a sufficient public float as prescribed under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

EMOLUMENT POLICY

The remuneration committee (the “Remuneration Committee”) of the Board is responsible for determining the remuneration packages of individual executive Directors and senior management of the Company (“Senior Management”). Besides, the Remuneration Committee makes recommendations to the Board for its determination on the remuneration of the NED and all INEDs. Factors which include, inter alia, salaries paid by comparable companies, qualifications, experience, time commitment and responsibilities of the Directors and the Senior Management as well as prevailing market condition are considered by the Remuneration Committee for determining/making proposals on remuneration of the relevant Directors and Senior Management.

The remuneration packages of employees of the Group (other than the executive Directors and the Senior Management) are determined and reviewed periodically on the basis of their respective qualifications, experience, responsibilities and performance as well as prevailing market condition. In addition to salaries, the Company offers staff benefits which include medical insurance and retirement benefits under the Mandatory Provident Fund Scheme. The Group also operates a share option scheme pursuant to which share options might be granted as a long-term incentive to its directors and employees.

RETIREMENT BENEFIT SCHEME

Details of the retirement benefit scheme of the Group are set out in note 32 to the consolidated financial statements.

足夠公眾持股量

於本報告日期，根據本公司從公開途徑所得之資料及據董事所知，本公司一直維持上市規則所規定之足夠公眾持股量。

薪酬政策

董事會轄下之薪酬委員會(「薪酬委員會」)負責釐定各執行董事及本公司高級管理人員(「高級管理人員」)之薪酬待遇。此外，薪酬委員會就董事會釐定非執行董事及全體獨立非執行董事之薪酬向董事會作出推薦建議。薪酬委員會於釐定／建議相關董事及高級管理人員之薪酬時考慮之因素包括(其中包括)可予比較公司所付之薪金水平、董事及高級管理人員之資歷、經驗、付出之時間、職責以及現時市場情況等。

除執行董事及高級管理人員外，本集團僱員之薪酬待遇乃根據彼等各自之資歷、經驗、職責與表現以及現時市場情況而釐定，並會定期作出檢討。除薪金外，本公司所提供之員工福利包括醫療保險及根據強制性公積金計劃規定之退休福利。本集團亦設有購股權計劃，可據此向其董事及僱員授出購股權以作長期獎勵。

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註32。

Report of Directors (Continued) 董事會報告(續)

CORPORATE GOVERNANCE

The Company has published its Corporate Governance Report, details of which are set out on pages 34 to 58 of this annual report.

EVENT AFTER THE REPORTING PERIOD

The outbreak of the novel coronavirus (COVID-19) is having negative effect on the tourism industry around the world. The sales of air tickets and the share of results of associates in Macau in 2020 will be affected. The duration and extent of impacts due to the COVID-19 are yet to be determined. Due to such uncertainties, impacts on the Group's operating results, cash flows and financial position may be significant, but currently cannot be reasonably estimated.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2019 have been audited by HLB, who shall retire at the 2020 AGM and, being eligible, will offer themselves for re-appointment.

On behalf of the Board
Yeung Hoi Sing, Sonny
Chairman

Hong Kong, 30 March 2020

企業管治

本公司已刊發其企業管治報告，詳情載於本年報第34至第58頁。

報告期末後事項

新型冠狀病毒(2019冠狀病毒病)疫症的爆發對全球旅遊業帶來負面影響。二零二零年的機票銷售及應佔位於澳門的聯營公司的業績將受到影響。2019冠狀病毒病的持續時間及帶來的影響程度仍未能確定。由於此等不確定性，對本集團的經營業績、現金流及財務狀況或會有重大的影響，但目前尚無法作出合理估計。

核數師

本集團截至二零一九年十二月三十一日止年度之綜合財務報表經由國衛審核，其將於二零二零年股東週年大會上退任，惟其符合資格並願意獲重新委任。

代表董事會
主席
楊海成

香港，二零二零年三月三十日

Biographical Details of Directors and Senior Management

董事及高級管理人員簡介

DIRECTORS

Executive Directors

Mr. Yeung Hoi Sing, Sonny, aged 65, joined the Group in 2003. He is an executive director of the Company and the Chairman of the board of directors (the “Board”) of the Company as well as a director of the subsidiaries of the Company. He is also the chairman of the nomination committee (the “Nomination Committee”) and the executive committee (the “Executive Committee”) of the Board, and a member of the remuneration committee (the “Remuneration Committee”) of the Board. Mr. Yeung is responsible for the overall corporate planning and business development of the Group. He was a member of the Eighth to Eleventh National Committee of the Chinese People’s Political Consultative Conference and has over 36 years of experience in finance industry in Hong Kong. Prior to joining the Group, Mr. Yeung held managerial roles in several financial service sectors such as leveraged foreign exchange trading, and securities and futures brokerage. He is presently the sole beneficial owner of Success Securities Limited (“Success Securities”), which is a licensed corporation under the Securities and Futures Ordinance as well as a participant of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), principally engaged in the provision of securities brokerage services. Mr. Yeung has private investments in certain properties and real estate development. He is also the sole beneficial owner and a director of Silver Rich Macau Development Limited, being a controlling shareholder of the Company. Mr. Yeung is the uncle of Mr. Ma Ho Man, Hoffman, an executive director of the Company and the Deputy Chairman of the Board.

董事

執行董事

楊海成先生，65歲，於二零零三年加盟本集團。彼為本公司之執行董事兼本公司董事會（「董事會」）主席以及本公司附屬公司之董事，彼亦出任董事會轄下之提名委員會（「提名委員會」）及執行委員會（「執行委員會」）之主席，並出任董事會轄下之薪酬委員會（「薪酬委員會」）之成員。楊先生負責本集團之整體企業規劃及業務發展工作。彼為第八至十一屆中國人民政治協商會議全國委員會委員，並於香港金融業累積逾36年經驗。在加盟本集團前，楊先生擔任槓桿外匯買賣、證券及期貨經紀等金融服務業務之管理角色。彼現時為實德證券有限公司（「實德證券」）之唯一實益擁有人，該公司為一間根據證券及期貨條例註冊之持牌法團及香港聯合交易所有限公司（「聯交所」）之參與者，主要從事提供證券經紀服務。楊先生擁有若干物業及房地產發展之私人投資。彼亦為劭富澳門發展有限公司之唯一實益擁有人及董事，該公司為本公司之控股股東。楊先生為本公司執行董事兼董事會副主席馬浩文先生之舅父。

Biographical Details of Directors and Senior Management (Continued) 董事及高級管理人員簡介(續)

DIRECTORS (CONTINUED)

Executive Directors (continued)

Mr. Ma Ho Man, Hoffman, aged 46, joined the Group in 2005. He is an executive director of the Company and the Deputy Chairman of the Board as well as a director of the subsidiaries of the Company. Mr. Ma is also a member of the Executive Committee. He is responsible for implementing the Company's strategies regarding the business development of the Group as well as managing the Group's business and operations. Mr. Ma has over 23 years of experience in the financial industry and years of managerial experience. He joined Success Securities, which is beneficially wholly-owned by Mr. Yeung Hoi Sing, Sonny ("Mr. Yeung"), being the Chairman of the Board and an executive director as well as a controlling shareholder of the Company, in 2000. He has been a director of Success Securities since November 2008 and is responsible for overseeing its marketing affairs. Mr. Ma is presently a member of the National Committee of the Chinese People's Political Consultative Conference (the "CPPCC") and a Standing Committee member of the CPPCC Chongqing Committee. He was awarded the Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2018. Besides, Mr. Ma was awarded Fellowship by Canadian Chartered Institute of Business Administration and Honorary Doctorate of Management by Lincoln University in 2009 and 2010 respectively. He is the nephew of Mr. Yeung.

董事(續)

執行董事(續)

馬浩文先生，46歲，於二零零五年加盟本集團。彼為本公司之執行董事兼董事會副主席以及本公司附屬公司之董事。馬先生亦出任執行委員會之成員，彼負責執行就本集團之業務發展所制訂之本公司策略，以及管理本集團之業務及營運事宜。馬先生於金融業積逾23年經驗，在管理方面亦擁有多年經驗。彼於二零零零年加入實德證券(該公司由董事會主席兼本公司之執行董事及控股股東楊海成先生(「楊先生」)實益全資擁有)。彼自二零零八年十一月起出任實德證券之董事一職，並負責監督該公司之市場推廣事務。馬先生現擔任中國人民政治協商會議(「政協」)全國委員會委員，亦為政協重慶市委員會常務委員。彼於二零一八年獲香港特別行政區政府頒授銅紫荊星章。此外，馬先生分別於二零零九年及二零一零年獲加拿大特許管理學院頒授院士名銜及獲林肯大學頒授榮譽管理博士名銜。彼為楊先生之外甥。

Biographical Details of Directors and Senior Management (Continued)

董事及高級管理人員簡介(續)

DIRECTORS (CONTINUED)

Non-executive Director

Mr. Choi Kin Pui, Russelle, aged 65, joined the Group in 2003. He is a non-executive director of the Company as well as a member of the audit committee (the "Audit Committee") of the Board, the Remuneration Committee and the Nomination Committee. Mr. Choi graduated from St. Pius X High School in 1976. He has over 26 years of management experience in the telecommunication industry in Hong Kong, the United States of America (the "US") and the People's Republic of China (the "PRC"). Mr. Choi established Elephant Talk Limited in 1994, a wholly-owned subsidiary of Elephant Talk Communications Inc. ("ETCI"). ETCI was an American corporation whose securities were quoted on the Over-The-Counter Bulletin Board in the US and engaged in the provision of telecommunications services in Hong Kong and the US. Mr. Choi was a director of ETCI from 2002 to 2008 as well as the president and the chief executive officer of ETCI from 2002 to 2006 and was responsible for the planning of the overall strategy of ETCI. He also served as the chairman of ET Network Services Limited (now known as Guangdong Ming Ying Financial Leasing Co Limited), a Hong Kong company engaged in the provision of internet access and outsourcing services in the PRC and Hong Kong. Mr. Choi is presently a non-executive independent director of Wealthbridge Acquisition Limited, a company whose securities are listed on the NASDAQ Capital Market in the US.

董事(續)

非執行董事

蔡健培先生，65歲，於二零零三年加盟本集團。彼為本公司之非執行董事，並出任董事會轄下之審核委員會(「審核委員會」)、薪酬委員會及提名委員會之成員。蔡先生於一九七六年畢業於St. Pius X High School。彼於香港、美利堅合眾國(「美國」)及中華人民共和國(「中國」)電訊業擁有逾26年之管理經驗。蔡先生於一九九四年成立廣像電訊有限公司，該公司為Elephant Talk Communications Inc. (「ETCI」)之全資附屬公司。ETCI過去為一間美國公司，其證券曾於美國場外電子交易板掛牌，並曾在香港及美國提供電訊服務。蔡先生曾於二零零二年至二零零八年出任ETCI之董事一職，以及於二零零二年至二零零六年擔任ETCI之主席兼行政總裁，負責規劃ETCI之整體策略。彼亦曾擔任廣像網絡服務有限公司(現稱廣東民盈融資租賃有限公司)(一間曾於中國及香港從事提供連接互聯網及外判服務之香港公司)之主席。蔡先生現為Wealthbridge Acquisition Limited(該公司之證券於美國納斯達克資本市場上市)之非執行獨立董事。

Biographical Details of Directors and Senior Management (Continued) 董事及高級管理人員簡介(續)

DIRECTORS (CONTINUED)

Independent Non-executive Directors

Ms. Yeung Mo Sheung, Ann, aged 55, joined the Group in 2004. She is an independent non-executive director of the Company. She is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Ms. Yeung holds a Bachelor degree of Retail Marketing with honours in the United Kingdom and a Diploma in Marketing from The Chartered Institute of Marketing. She pursued her further study on legal course and was awarded a Diploma in Legal Practice in the United Kingdom in 1998. Ms. Yeung has over 21 years of experience in legal field and is presently a consultant of Messrs. Fung & Fung, Solicitors, a legal firm in Hong Kong. She is also an independent non-executive director of Merdeka Financial Group Limited (formerly known as Merdeka Financial Services Group Limited) and E Lighting Group Holdings Limited, the issued shares of the said companies are listed on the Growth Enterprise Market of the Stock Exchange. Ms. Yeung was an independent non-executive director of Trillion Grand Corporate Company Limited (now known as hmvod Limited), a company whose issued shares are listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Chin Wing Lok, Ambrose, aged 55, joined the Group in 2012. He is an independent non-executive director of the Company. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Chin is a certified public accountant (practising) and a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants, The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) as well as a certified tax adviser and a fellow member of The Taxation Institute of Hong Kong. He has over 33 years of experience in auditing, accounting and taxation. Mr. Chin is presently the sole practitioner of CNT & Co., Certified Public Accountants.

董事(續)

獨立非執行董事

楊慕嫦女士，55歲，於二零零四年加盟本集團。彼為本公司之獨立非執行董事，彼亦出任薪酬委員會之主席，並出任審核委員會及提名委員會之成員。楊女士於英國持有零售市場學榮譽學士學位，及英國特許市場學學會之市場學文憑。彼其後於一九九八年在英國進修法律課程並獲頒執業律師法律實務文憑。楊女士於法律界積逾21年經驗，現為馮霄，馮國基律師行(一間香港律師行)之顧問律師。彼亦為領智金融集團有限公司(前稱萬德金融服務集團有限公司*)及壹照明集團控股有限公司(上述公司之已發行股份均於聯交所創業板上市)之獨立非執行董事。楊女士曾出任萬泰企業股份有限公司(現稱hmvod視頻有限公司)(該公司之已發行股份於聯交所創業板上市)之獨立非執行董事。

錢永樂先生，55歲，於二零一二年加盟本集團。彼為本公司之獨立非執行董事，彼亦出任審核委員會之主席，並出任薪酬委員會及提名委員會之成員。錢先生為香港會計師公會之執業會計師及資深會員、英國特許公認會計師公會、香港特許秘書公會及英國特許公司治理公會(前稱英國特許秘書及行政人員公會)之資深會員，以及香港稅務學會之註冊稅務師及資深會員。彼於審核、會計及稅務積逾33年經驗。錢先生現為栢德會計師事務所之獨營執業者。

* 僅供識別

Biographical Details of Directors and Senior Management (Continued)

董事及高級管理人員簡介(續)

DIRECTORS (CONTINUED)

Independent Non-executive Directors (continued)

Mr. Chong Ming Yu, aged 46, joined the Group in 2014. He is an independent non-executive director of the Company as well as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Chong holds a Bachelor degree of Laws and a Postgraduate Certificate in Laws from City University of Hong Kong. He has been admitted as a practising solicitor since January 1999, with focus on the field of conveyancing, civil litigation and commercial. Mr. Chong has over 23 years of experience in legal field and is presently a consultant to Messrs. Kong & Tang, Solicitors, a legal firm in Hong Kong.

SENIOR MANAGEMENT

Company Secretary

Ms. Chiu Nam Ying, Agnes, aged 46, joined the Group in 2003. She is the company secretary of the Company and is responsible for overseeing all legal matters of the Group. Ms. Chiu is a qualified solicitor and an associate member of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). She holds a Master degree of Laws from The University of Sheffield, United Kingdom. Before joining the Group, Ms. Chiu was a practising solicitor in a local law firm and possessed experience in banking and finance as well as property related matters.

Financial Controller

Mr. Wong Chi Keung, Alvin, aged 57, joined the Group as the financial controller in 2008 until 2015 and rejoined the Group in 2018. He is the financial controller of the Group and is responsible for financial and accounting matters of the Group. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants as well as an associate member of The Chartered Institute of Management Accountants. He has over 32 years of experience in accounting and corporate finance gained in entertainment and travel-related, property development, construction and manufacturing companies.

董事(續)

獨立非執行董事(續)

莊名裕先生，46歲，於二零一四年加盟本集團。彼為本公司之獨立非執行董事，並出任審核委員會、薪酬委員會及提名委員會之成員。莊先生持有香港城市大學法律學學士學位及法學專業證書。彼自一九九九年一月起獲認許為執業律師，專門處理物業轉易、民事訴訟及商業事宜。莊先生於法律界積逾23年經驗，現為江鄧律師行(一間香港律師行)之顧問律師。

高級管理人員

公司秘書

趙藍英女士，46歲，於二零零三年加盟本集團。彼為本公司之公司秘書，並負責監督本集團之法律事宜。趙女士為合資格律師，並為香港特許秘書公會及英國特許公司治理公會(前稱英國特許秘書及行政人員公會)之會員。彼持有英國The University of Sheffield頒發之法學碩士學位。於加盟本集團前，趙女士一直在本地一間律師事務所擔任執業律師，並於銀行、財務及物業相關事宜上擁有經驗。

財務總監

王志強先生，57歲，於二零零八年加盟本集團出任財務總監一職直至二零一五年，並於二零一八年重新加盟本集團。彼為本集團之財務總監，負責本集團之財務及會計事宜。王先生為香港會計師公會及英國特許公認會計師公會之資深會員，以及英國特許管理會計師公會會員。彼於娛樂及旅遊相關、物業發展、建築及製造等行業之公司積逾32年會計及企業財務經驗。

Independent Auditors' Report

獨立核數師報告



**TO THE SHAREHOLDERS OF
SUCCESS UNIVERSE GROUP LIMITED**
(Incorporated in the Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Success Universe Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 114 to 292, 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 profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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致實德環球有限公司各股東

(於百慕達註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第114至第292頁的實德環球有限公司(以下簡稱「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditors’ 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.

KEY AUDIT MATTERS

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

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們專業判斷，認為對本期綜合財務報表之審計最為重要之事項。這些事項於我們審計整體綜合財務報表及出具意見時進行處理。我們不會對這些事項提供單獨意見。

Independent Auditors' Report (Continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (CONTINUED)

Valuation of Investment Properties

Refer to Note 17 to the consolidated financial statements.

The Key Audit Matter

關鍵審計事項

The Group's investment properties measured at fair value amounted to approximately HK\$444,800,000 as at 31 December 2019 and there was a revaluation gain of approximately HK\$1,200,000 for the year then ended. The fair value was determined by the Group with reference to the valuations performed by independent professional valuers engaged by the Group.

於二零一九年十二月三十一日，貴集團按公平值計量的投資物業為港幣444,800,000元，而截至該日止年度的重估收益約為港幣1,200,000元。有關公平值乃由貴集團參考貴集團委聘的獨立專業估值師進行的估值而釐定。

The valuations of investment properties involved significant judgements and estimates including: 投資物業估值涉及重大判斷及估計，包括：

- The determination of valuation techniques, which is using combination of income capitalisation method and direct comparison method of each property; 估值方法的確定，各物業採用合併收入資本化法及直接比較法；
- The section of different inputs in the valuation models. 在多種估值模式下選擇不同的輸入值。

Considering the significance of judgements, estimates and the financial impacts of the valuations, we paid specific attention to this matter in our audit. 考慮到判斷及估計之重要性及估值之財務影響，我們於審核工作中對該事項給予特別關注。

關鍵審計事項(續)

投資物業之估值

請參閱綜合財務報表附註17。

How the matter was addressed in our audit

我們進行審計時處理該事項之方法

Our procedures in relation to management's valuation of investment properties included: 我們就管理層對投資物業之估值開展之程序包括：

- Evaluation the competency, capability and objectivity of the independent professional external valuers. 評估獨立專業外部估值師之資格、能力及客觀性。
- Assessing the appropriateness of valuation methodology, key assumptions and estimates used based on our knowledge of the property industry and using our valuation experts. 依據我們對物業行業的知識並透過我們的估值專家，評估所採用的估值方法、關鍵假設及估計的恰當性。
- Checking, on a sampling basis, the accuracy and relevance of the input data used. 運用抽樣方法，檢查所採用的輸入數據的準確性和相關性。

We found the key assumptions were supported by the available evidence. The fair market rents were supported by recent renewals and in line with our expectation. We found the disclosures in Note 17 to be appropriate.

我們發現，關鍵假設與所獲證據相符。公平市場租金與近期續訂及我們預期一致。我們認為附註17所作披露屬適當。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Impairment Assessment of Interests in Associates

於聯營公司之權益之減值評估

Refer to Note 18 to the consolidated financial statements.

請參閱綜合財務報表附註18。

The Key Audit Matter

How the matter was addressed in our audit

關鍵審計事項

我們進行審計時處理該事項之方法

The interests in associates is accounted for under the equity method. As at 31 December 2019, the interests in associates amounted to approximately HK\$624,188,000, including goodwill of approximately HK\$19,409,000, and the related profit on share of results of associates for the year ended 31 December 2019 was approximately HK\$116,757,000.

於聯營公司之權益採用權益法列賬。於二零一九年十二月三十一日，於聯營公司之權益(包括商譽約港幣19,409,000元)約為港幣624,188,000元，而截至二零一九年十二月三十一日止年度，相關應佔聯營公司業績的溢利約為港幣116,757,000元。

Our procedures in relation to the management's impairment assessment of interests in associates included:

我們就管理層對於聯營公司之權益減值評估開展之程序包括：

- Evaluating the competency, capabilities and objectivity of the independent professional external valuer.
評估獨立專業外部估值師之資格、能力及客觀性。
- Assessing the valuation methodology, key assumptions and estimates used against our knowledge of the business and industry.
比對我們對相關業務及行業的知識，評估所採用的估值方法、關鍵假設及估計。

Independent Auditors' Report (Continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (CONTINUED)

Impairment Assessment of Interests in Associates (continued)

The Key Audit Matter

關鍵審計事項

The management performed impairment assessment of interests in associates with the use of valuation performed by an independent professional external valuer based on the value in use calculation. The valuation requires the application of significant judgement and estimation by the management in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs.

管理層已就聯營公司之權益進行減值評估並使用獨立專業外部估值師根據使用價值計算得出的估值。估值要求管理層於釐定將予使用之適當估值方法、主觀假設及各類不可觀察輸入數據之使用時運用重大判斷及估計。

關鍵審計事項(續)

於聯營公司之權益之減值評估(續)

How the matter was addressed in our audit

我們進行審計時處理該事項之方法

- Assessing the appropriateness of valuation methodology, key assumptions and estimates used based on our knowledge of the business and using our valuation experts.
依據我們對相關業務的知識並透過我們的估值專家，評估所採用的估值方法、關鍵假設及估計的恰當性。
- Challenging the reasonableness of key assumptions used based on our knowledge of the business and industry.
依據我們對該業務和行業的知識，質疑關鍵假設的合理性。
- Checking, on a sampling basis, the accuracy and relevance of the input data used.
運用抽樣方法，檢查所採用的輸入數據的準確性和相關性。

We found that the assumptions made by the management in relation to the value in use calculations to be reasonable based on available evidence. We found the disclosures in Note 18 to be appropriate.

根據所得證據，我們認為管理層就使用價值計算作出之假設屬合理。我們認為附註18所作之披露屬適當。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon ("Other Information").

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.

其他信息

董事需對其他信息負責。其他信息包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告(「其他信息」)。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們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。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Independent Auditors' Report (Continued) 獨立核數師報告(續)

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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.

董事及審核委員會就綜合財務 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監控負責。

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終止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承 擔的責任

我們的目標，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，並出具包括我們意見的核數師報告。我們按照百慕達一九八一年公司法第90條的規定，僅向整體股東作出報告，除此以外本報告並無其他用途。我們不會就本報告的內容向任何其他人士承擔或負上任何責任。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滙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。

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

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

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

核數師就審計綜合財務報表承 擔的責任(續)

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

- 識別和評估由於欺詐或錯誤而導致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，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致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監控，以設計適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 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。

Independent Auditors' Report (Continued) 獨立核數師報告(續)

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

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

We communicate with 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.

核數師就審計綜合財務報表承 擔的責任(續)

- 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。如果我們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，則我們應當發表非無保留意見。我們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。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們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，包括我們在審計中識別出內部監控的任何重大缺陷。

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

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

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

The engagement director on the audit resulting in this independent auditors' report is Ng Ka Wah.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Ng Ka Wah
Practising Certificate Number: P06417

Hong Kong, 30 March 2020

核數師就審計綜合財務報表承 擔的責任(續)

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項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。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目董事是吳家華。

國衛會計師事務所有限公司
香港執業會計師

吳家華
執業證書編號：P06417

香港，二零二零年三月三十日

Consolidated Statement of Profit or Loss

綜合損益表

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

| | | Notes 附註 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|-----------------|-------------|-----------------------------------|-----------------------------------|
| Revenue | 收益 | 6, 7 | 1,147,371 | 1,120,278 |
| Cost of sales | 銷售成本 | | (1,117,066) | (1,085,924) |
| Gross profit | 毛利 | | 30,305 | 34,354 |
| Other revenue and gains | 其他收益及收入 | 8 | 4,103 | 6,409 |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 31 | 15,970 | – |
| Fair value gain on investment properties | 投資物業之公平值收益 | 17 | 1,200 | 27,300 |
| Administrative expenses | 行政開支 | | (71,137) | (78,554) |
| Other operating expenses | 其他經營開支 | 9(c) | (14,524) | – |
| Loss from operations | 經營虧損 | | (34,083) | (10,491) |
| Finance costs | 財務成本 | 9(a) | (9,241) | (4,003) |
| Share of results of joint ventures | 應佔合營企業業績 | | 761 | 597 |
| Share of results of associates | 應佔聯營公司業績 | | 116,757 | 68,110 |
| Profit before taxation | 除稅前溢利 | 9 | 74,194 | 54,213 |
| Taxation | 稅項 | 10(a) | – | – |
| Profit for the year | 本年度溢利 | | 74,194 | 54,213 |
| Attributable to: | 由以下各項應佔： | | | |
| Owners of the Company | 本公司股東 | | 74,194 | 54,464 |
| Non-controlling interests | 非控股權益 | | – | (251) |
| Profit for the year | 本年度溢利 | | 74,194 | 54,213 |
| Earnings per share | 每股盈利 | | | |
| — Basic and diluted | — 基本及攤薄 | 14 | 1.51 HK cents 港仙 | 1.11 HK cents 港仙 |

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Profit for the year | 本年度溢利 | 74,194 | 54,213 |
| Other comprehensive income/(loss) | 其他全面收益／(虧損) | | |
| Item that may be reclassified subsequently to profit or loss: | 其後可能重新分類至損益之項目： | | |
| Exchange differences on translation of financial statements of overseas subsidiaries | 換算海外附屬公司財務報表所產生之匯兌差額 | 1,944 | (1,585) |
| Total other comprehensive income/(loss) for the year, net of tax | 除稅後之本年度其他全面收益／(虧損)總額 | 1,944 | (1,585) |
| Total comprehensive income for the year | 本年度全面收益總額 | 76,138 | 52,628 |
| Attributable to: | 由以下各項應佔： | | |
| Owners of the Company | 本公司股東 | 76,138 | 53,060 |
| Non-controlling interests | 非控股權益 | - | (432) |
| Total comprehensive income for the year | 本年度全面收益總額 | 76,138 | 52,628 |

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

| | | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|-------------------|-------------|-----------------------------------|-----------------------------------|
| | | Notes 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 15 | 31,402 | 26,083 |
| Intangible assets | 無形資產 | 16 | 6,892 | 6,643 |
| Investment properties | 投資物業 | 17 | 444,800 | 443,600 |
| Interests in associates | 於聯營公司之權益 | 18 | 624,188 | 605,074 |
| Interests in joint ventures | 於合營企業之權益 | 19 | 6,069 | 5,308 |
| | | | 1,113,351 | 1,086,708 |
| Current assets | 流動資產 | | | |
| Stock of properties | 物業存貨 | 20 | 119,750 | 186,218 |
| Trade and other receivables | 應收貿易賬款及 其他應收賬款 | 21 | 42,827 | 49,139 |
| Pledged bank deposits | 已抵押銀行存款 | 22 | 10,355 | 9,964 |
| Cash and cash equivalents | 現金及現金等值項目 | 23 | 98,752 | 50,720 |
| | | | 271,684 | 296,041 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 應付貿易賬款及 其他應付賬款 | 24 | 39,424 | 49,613 |
| Deferred income | 遞延收入 | | – | 245 |
| Bank loans | 銀行貸款 | 25 | 194,000 | 222,500 |
| Lease liabilities | 租賃負債 | 26 | 5,319 | – |
| Financial guarantee contract | 財務擔保合約 | 28 | 644 | 644 |
| | | | 239,387 | 273,002 |
| Net current assets | 流動資產淨值 | | 32,297 | 23,039 |
| Total assets less current liabilities | 資產總值減流動負債 | | 1,145,648 | 1,109,747 |

Consolidated Statement of Financial Position (Continued) 綜合財務狀況表(續)

As at 31 December 2019
於二零一九年十二月三十一日

| | | Notes | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|-----------------|-------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| Non-current liabilities | 非流動負債 | | | |
| Deferred income | 遞延收入 | | – | 1,014 |
| Lease liabilities | 租賃負債 | 26 | 421 | – |
| Loan from a director and controlling shareholder | 一名董事兼控股 股東貸款 | 27 | – | 39,000 |
| Financial guarantee contract | 財務擔保合約 | 28 | 968 | 1,612 |
| | | | 1,389 | 41,626 |
| Net assets | 資產淨值 | | 1,144,259 | 1,068,121 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 30 | 49,265 | 49,265 |
| Reserves | 儲備 | | 1,094,994 | 1,018,856 |
| Total equity | 權益總值 | | 1,144,259 | 1,068,121 |

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 March 2020 and signed on its behalf by:

綜合財務報表已於二零二零年三月三十日獲董事會批准及授權刊發，並由以下董事代表簽署：

Yeung Hoi Sing, Sonny
楊海成
Director
董事

Ma Ho Man, Hoffman
馬浩文
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

| | | Attributable to owners of the Company 本公司股東應佔 | | | | | | Non-controlling interests | | Total equity |
|--|---------------------|--|-------------------|-----------------------|-------------------|---------------|--------------------|---------------------------|----------|------------------|
| | | Share Capital | Share premium | Distributable reserve | Exchange reserve | Other reserve | Accumulated losses | Total | 非控股權益 | 權益總值 |
| | | 股本 | 股份溢價 | 可供分派儲備 | 匯兌儲備 | 其他儲備 | 累計虧損 | 總計 | 非控股權益 | 權益總值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| | | | (note a) (附註a) | (note b) (附註b) | (note c) (附註c) | | | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 49,265 | 1,418,963 | 52,333 | (4,759) | 976 | (506,148) | 1,010,630 | (12,774) | 997,856 |
| Profit/(loss) for the year | 本年度溢利/(虧損) | - | - | - | - | - | 54,464 | 54,464 | (251) | 54,213 |
| Other comprehensive loss for the year | 本年度其他全面虧損 | - | - | - | (1,404) | - | - | (1,404) | (181) | (1,585) |
| Total comprehensive (loss)/income for the year | 本年度全面(虧損)/收益總額 | - | - | - | (1,404) | - | 54,464 | 53,060 | (432) | 52,628 |
| Transaction with non-controlling interests (note 34) | 與非控股權益之交易 (附註34) | - | - | - | - | - | 4,431 | 4,431 | 13,206 | 17,637 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 49,265 | 1,418,963 | 52,333 | (6,163) | 976 | (447,253) | 1,068,121 | - | 1,068,121 |
| At 1 January 2019 | 於二零一九年一月一日 | 49,265 | 1,418,963 | 52,333 | (6,163) | 976 | (447,253) | 1,068,121 | - | 1,068,121 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | 74,194 | 74,194 | - | 74,194 |
| Other comprehensive income for the year | 本年度其他全面收益 | - | - | - | 1,944 | - | - | 1,944 | - | 1,944 |
| Total comprehensive income for the year | 本年度全面收益總額 | - | - | - | 1,944 | - | 74,194 | 76,138 | - | 76,138 |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 49,265 | 1,418,963 | 52,333 | (4,219) | 976 | (373,059) | 1,144,259 | - | 1,144,259 |

Consolidated Statement of Changes in Equity (Continued) 綜合權益變動表(續)

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

(a) Share premium

The application of the share premium account is governed by section 40 of the Companies Act 1981 of Bermuda.

(b) Distributable reserve

The distributable reserve is the reserve of the Company available for distribution to the shareholders as calculated under the Companies Act 1981 of Bermuda.

(c) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2(q).

(a) 股份溢價

股份溢價賬之應用受百慕達一九八一年公司法第40條所規管。

(b) 可供分派儲備

可供分派儲備指本公司按照百慕達一九八一年公司法計算可供分派予股東之儲備。

(c) 匯兌儲備

匯兌儲備包括因換算海外業務之財務報表而產生之所有外匯差額。該儲備乃根據附註2(q)所載會計政策處理。

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Cash Flows

綜合現金流量表

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

| | | Notes 附註 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|-----------------|-------------|-----------------------------------|-----------------------------------|
| OPERATING ACTIVITIES | 經營業務 | | | |
| Profit before taxation | 除稅前溢利 | | 74,194 | 54,213 |
| Adjustments for: | 已就下列各項作出調整： | | | |
| Fair value gain on investment properties | 投資物業之公平值收益 | 17 | (1,200) | (27,300) |
| Bank interest income | 銀行利息收入 | 8 | (198) | (193) |
| Finance costs | 財務成本 | 9(a) | 9,241 | 4,003 |
| Depreciation: | 折舊： | | | |
| — owned property, plant and equipment | — 自置物業、廠房及設備 | 15 | 3,192 | 3,802 |
| — right-of-use assets | — 使用權資產 | 15 | 5,143 | — |
| Amortisation on financial guarantee contract | 財務擔保合約攤銷 | 8, 28 | (644) | (644) |
| Share of results of joint ventures | 應佔合營企業業績 | | (761) | (597) |
| Share of results of associates | 應佔聯營公司業績 | | (116,757) | (68,110) |
| Write-down of stock of properties | 撇減物業存貨 | 9(c), 20 | 14,524 | — |
| Reversal of impairment loss recognised on: | 就下列各項確認之減值虧損撥回： | | | |
| — intangible assets | — 無形資產 | 8, 16 | — | (3,164) |
| — amount due from a joint venture | — 應收一間合營企業之款項 | 8 | — | (1,500) |
| Exchange alignment | 匯兌調整 | | (148) | 515 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | 15 | 57 | — |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 31 | (15,970) | — |

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表(續)

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

| | Notes 附註 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|-------------------------|-----------------------------------|-----------------------------------|
| Operating cash flows before changes in working capital | 營運資金變動前之經營現金流 | (29,327) | (38,975) |
| Decrease/(increase) in trade and other receivables | 應收貿易賬款及其他應收賬款減少/(增加) | 8,042 | (31,430) |
| (Decrease)/increase in trade and other payables | 應付貿易賬款及其他應付賬款(減少)/增加 | (12,966) | 32,605 |
| Decrease/(increase) in stock of properties | 物業存貨減少/(增加) | 4,956 | (104,338) |
| Cash used in operations | 經營動用之現金 | (29,295) | (142,138) |
| Income tax paid | 支付所得稅 | | |
| — Hong Kong profits tax paid | — 支付香港利得稅 | — | (237) |
| NET CASH USED IN OPERATING ACTIVITIES | 經營業務動用之現金淨額 | (29,295) | (142,375) |
| INVESTING ACTIVITIES | 投資活動 | | |
| Payment for purchase of property, plant and equipment | 購買物業、廠房及設備所付款項 | (2,484) | (468) |
| Net cash inflow from disposal of subsidiaries | 出售附屬公司之現金流入淨額 | 62,971 | — |
| Net cash outflow from acquisitions of assets | 收購資產之現金流出淨額 | — | (205,619) |
| Decrease in amounts due from associates | 應收聯營公司款項減少 | 97,643 | 123 |
| Decrease in amount due from a joint venture | 應收一間合營企業款項減少 | — | 1,200 |
| Decrease in pledged bank deposits | 已抵押銀行存款減少 | (263) | (659) |
| Bank interest income received | 已收銀行利息收入 | 180 | 165 |
| NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES | 投資活動產生/(動用)之現金淨額 | 158,047 | (205,258) |

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表(續)

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

| | | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|------------------------------|-------------|-----------------------------------|-----------------------------------|
| | | Notes 附註 | | |
| FINANCING ACTIVITIES | 融資活動 | | | |
| Repayment of bank loans | 償還銀行貸款 | | (28,500) | – |
| New bank loans raised | 新籌集銀行貸款 | | – | 222,500 |
| Loan from a director and controlling shareholder | 一名董事兼控股 股東貸款 | | 40,000 | 39,000 |
| Repayment of loan from a director and controlling shareholder | 償還一名董事兼控股 股東貸款 | | (79,000) | – |
| Transaction with non-controlling interests | 與非控股權益 之交易 | 34 | – | (8,184) |
| Finance costs paid | 支付財務成本 | | (9,125) | (3,459) |
| Payment of lease rentals | 支付租賃租金 | | (5,191) | – |
| NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES | 融資活動(動用)/ 產生之現金淨額 | | (81,816) | 249,857 |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等值項目 增加/(減少)淨額 | | 46,936 | (97,776) |
| Cash and cash equivalents at the beginning of the year | 年初現金及現金等值項目 | | 50,720 | 149,656 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | | 1,096 | (1,160) |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 年末現金及現金 等值項目 | | 98,752 | 50,720 |
| Analysis of balances of cash and cash equivalents | 現金及現金等值項目 結餘分析 | | | |
| Cash and bank balances | 現金及銀行結餘 | 23 | 98,752 | 50,720 |

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為本綜合財務報表之組成部份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. ORGANISATION AND PRINCIPAL ACTIVITIES

The Company was incorporated as an exempted company with limited liability in Bermuda on 27 May 2004 under the Companies Act 1981 of Bermuda and its issued shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The principal place of business of the Company is located at Suite 1601–2 & 8–10, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. Its controlling shareholder is Silver Rich Macau Development Limited, a company incorporated in the British Virgin Islands (“BVI”) with limited liability.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 41 to the consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS(s)”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKAS(s)”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and applicable disclosure requirements under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”). These consolidated financial statements also comply with the applicable disclosures provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

1. 組織及主要業務

本公司於二零零四年五月二十七日根據百慕達一九八一年公司法在百慕達註冊成立為獲豁免有限公司，而其已發行股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司主要營業地點位於香港灣仔港灣道23號鷹君中心16樓1601–2及8–10室。其控股股東為劭富澳門發展有限公司（一間於英屬處女群島（「英屬處女群島」）註冊成立之有限公司）。

本公司之主要業務為投資控股，其附屬公司之主要業務載於綜合財務報表附註41。

2. 主要會計政策

(a) 守章聲明

此等綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務報告準則（「香港財務報告準則」，此統稱包括所有適用個別香港財務報告準則）、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則以及公司條例（香港法例第622章）所規定之適用披露要求編製。此等綜合財務報表亦遵守聯交所證券上市規則（「上市規則」）之適用披露規定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance (continued)

The HKICPA has issued certain amendments and interpretations which are or have become effective. It also issued certain new and revised standards, amendments and interpretation (“New HKFRSs”), which are first effective or available for early adoption for the current accounting period of the Group (as defined hereinafter). Note 3 provides information on initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

(b) Basis of preparation of the consolidated financial statements

The consolidated financial statements included the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interests in associates and joint ventures made up to 31 December each year.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

2. 主要會計政策(續)

(a) 守章聲明(續)

香港會計師公會已頒佈若干現時或已經生效之修訂本及詮釋，亦已頒佈若干於本集團(定義見下文)當期之會計期間首次生效或可供提早採納之新訂及經修訂準則、修訂本及詮釋(「新香港財務報告準則」)。附註3載列首次應用於此等綜合財務報表內反映之當期及過往會計期間與本集團有關之發展之資料。

(b) 綜合財務報表之編製基準

綜合財務報表包括截至每年十二月三十一日止本公司及其附屬公司(統稱「本集團」)之財務報表，以及本集團於聯營公司及合營企業之權益。

綜合財務報表以本公司之功能貨幣港幣(「港幣」)呈列。除另有註明外，所有價值已四捨五入至最接近千位數(「港幣千元」)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the consolidated financial statements (continued)

Basis of measurement

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that investment properties and financial guarantee contract are stated at their fair value as explained in notes 2(h) and 2(k) to the consolidated financial statements respectively.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristic of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

2. 主要會計政策(續)

(b) 綜合財務報表之編製基準(續)

計量基準

綜合財務報表乃按歷史成本基準(惟綜合財務報表附註2(h)及2(k)所載按公平值分別載列之投資物業及財務擔保合約除外)之計量基準編製。

歷史成本一般按交換貨品及服務時所付代價之公平值計量。

公平值為於計量日期市場參與者之間進行有序交易中出售資產所收取或轉讓負債所支付之價格，不論該價格是否直接觀察可得或使用另一估值方法估計。估計資產或負債之公平值時，本集團考慮市場參與者於計量日期為資產或負債進行定價時將會考慮該資產或負債之特點。在該等綜合財務報表計量及／或披露之公平值均在此基礎上予以確定，惟香港財務報告準則第2號「股份付款」範圍內之股份付款交易、香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於應用香港財務報告準則第16號前)範圍內之租賃交易以及與公平值有若干相似之處但並非公平值(例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值)之計量除外。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the consolidated financial statements (continued)

Basis of measurement (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

2. 主要會計政策(續)

(b) 綜合財務報表之編製基準(續)

計量基準(續)

此外，就財務報告而言，公平值計量根據公平值計量輸入數據之可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據指實體於計量日期可取得之相同資產或負債在活躍市場之報價(未經調整)；
- 第二級輸入數據指就資產或負債可直接或間接觀察之輸入數據(第一級內包括之報價除外)；及
- 第三級輸入數據指資產或負債之不可觀察之輸入數據。

於編製符合香港財務報告準則之綜合財務報表時，管理層須作出對政策應用以及資產、負債、收入及開支之報告金額構成影響之判斷、估計及假設。該等估計及相關假設乃根據過往經驗及在有關情況下視為合理之多項其他因素而作出，其結果構成管理層在無法依循其他途徑即時得知資產與負債之賬面值時所作出判斷之基礎。實際結果可能有別於估計數額。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the consolidated financial statements (continued)

Basis of measurement (continued)

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

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 5.

(c) Subsidiaries and non-controlling interests

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its return.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2. 主要會計政策(續)

(b) 綜合財務報表之編製基準(續)

計量基準(續)

估計及有關假設按持續基準審閱。倘若會計估計之修訂僅影響該修訂期間，有關修訂於該期間內確認；或倘若修訂對當前及未來期間均有影響，則於作出修訂之期間及未來期間確認。

有關管理層就應用對綜合財務報表有重大影響之香港財務報告準則所作之判斷以及下一個年度有重大調整風險之估計，將於附註5討論。

(c) 附屬公司及非控股權益

綜合財務報表包括本公司及受本公司及其附屬公司控制之實體(包括架構實體)之財務報表。倘屬以下情況，本公司則獲得控制權：

- 可對被投資者行使權力；
- 因參與被投資者之業務而可獲得或有權獲得浮動回報；及
- 有能力運用其權力影響其回報。

倘有事實或情況顯示上述三項控制因素中有一項或以上出現變數，本集團會重新評估其是否仍控制該名被投資者。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests (continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- right arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expense of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

2. 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

當本集團於被投資者之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資者之相關業務，本集團即可對被投資者行使權力。在評估本集團於被投資者之投票權是否足以賦予其權力時，本集團會考慮所有相關事實及情況，其中包括：

- 本集團所持投票權之規模相對於其他持票人所持投票權之規模及分散程度；
- 本集團、其他持票人或其他人士持有之潛在投票權；
- 其他合約安排所產生之權利；及
- 於需要作出決定時，表明本集團當前擁有或並無擁有指導相關活動之能力之任何額外事實及情況(包括先前股東大會上之投票模式)。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，年內購入或出售附屬公司之收入及開支於本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益表內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests (continued)

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

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

2. 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

溢利或虧損及其他全面收益之每一部份，均歸屬於本公司股東及非控股權益。附屬公司之全面收益總額亦歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，附屬公司之財務報表會作出調整，使其會計政策與本集團會計政策一致。

所有集團內公司之間之資產及負債、權益、收入、開支及現金流量(與本集團成員公司之間之交易有關)，於綜合賬目時全數對銷。

本集團於現有附屬公司擁有權益之變動

本集團於附屬公司擁有權益之變動如並無導致本集團失去對該等附屬公司之控制權，將作為權益交易入賬。本集團之權益及非控股權益之賬面值已作調整，以反映彼等於附屬公司之相對權益之變動。非控股權益所調整之金額與已付或已收代價之公平值之間的差額，均直接於權益中確認並歸屬於本公司股東。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests (continued)

Changes in the Group's ownership interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 "Financial Instruments" or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with note 2(k).

In the Company's statement of financial position, an investment in subsidiaries is stated at cost less impairment losses (see note 2(j)).

2. 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

本集團於現有附屬公司擁有權益之變動(續)

當本集團失去一間附屬公司之控制權時，收益或虧損會於損益中確認，並按(i)已收代價之公平值及任何保留權益之公平值之總額與(ii)附屬公司之資產(包括商譽)及負債以及任何非控股權益之先前賬面值之間的差額計算。所有先前於其他全面收益確認有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則所規定/許可重新分類至損益或轉撥至另一類權益)。於失去控制權當日於前附屬公司保留之任何投資之公平值按香港財務報告準則第9號「金融工具」，於其後入賬時被列作首次確認之公平值，或(如適用)於首次確認時列作於一間聯營公司或一間合營企業之投資成本。

根據附註2(k)，非控股權益持有人之貸款及其他有關該等持有人之合約責任，於綜合財務狀況表內列為財務負債。

在本公司財務狀況表內，於附屬公司之投資按成本扣除減值虧損列賬(見附註2(j))。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

2. 主要會計政策(續)

(d) 聯營公司及合營企業

聯營公司指本集團對其擁有重大影響力之實體。重大影響力乃參與被投資者之財務及營運政策決定而非控制或共同控制該等政策之權力。

合營企業乃一項合資安排，據此，對安排有共同控制權之各方對合資安排之資產淨值擁有權利。共同控制權乃經合約協定分享一項安排之控制權，並僅於相關活動之決定須分享控制權各方一致同意時存在。

聯營公司或合營企業之業績及資產與負債乃按權益會計法記入綜合財務報表，惟分類為持作出售之投資或其部份則根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」入賬。根據權益法，於聯營公司或合營企業之投資於綜合財務狀況表按成本首次確認，並於其後作出調整，以確認本集團應佔該聯營公司或合營企業之損益及其他全面收益。當本集團應佔聯營公司或合營企業之虧損超出其於該聯營公司或合營企業之權益時(包括實質上構成本集團於該聯營公司或合營企業投資淨額一部份之任何長期權益)，本集團則終止確認其應佔之進一步虧損。額外虧損僅於本集團已產生法定或推定責任或代該聯營公司或合營企業付款時，方予確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less cost of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

2. 主要會計政策(續)

(d) 聯營公司及合營企業(續)

於聯營公司或合營企業之投資由被投資者成為聯營公司或合營企業當日起，按權益法入賬。在收購於一間聯營公司或一間合營企業之投資時，投資成本超出本集團應佔被投資者可識別資產及負債之公平淨值之任何部份將確認為商譽，並計入投資之賬面值內。本集團應佔可識別資產及負債公平淨值超出投資成本之任何部份，經重新評估後於收購投資期間於損益中即時確認。

在釐定是否需要就本集團於聯營公司或合營企業之投資確認任何減值虧損時，須應用香港財務報告準則第9號之規定。如有需要，投資(包括商譽)之全部賬面值會根據香港會計準則第36號作為單一資產，藉比較其可收回金額(即使用價值與公平值減出售成本之較高者)與其賬面值進行減值測試。任何已確認之減值虧損均構成投資賬面值之一部份。該減值虧損之任何撥回乃根據香港會計準則第36號確認，惟僅以投資之可收回金額其後增加為限。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associates and joint ventures (continued)

The Group discontinues the use of equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2. 主要會計政策(續)

(d) 聯營公司及合營企業(續)

自投資不再作為聯營公司或合營企業當日，或投資分類為持作出售當日起，本集團即終止使用權益法。當本集團保留於前聯營公司或合營企業之權益，且保留權益為財務資產時，本集團按該日之公平值計量保留權益，而該公平值則被視為根據香港財務報告準則第9號首次確認時之公平值。聯營公司或合營企業於終止使用權益法當日之賬面值與任何保留權益之公平值及出售聯營公司或合營企業部份權益所得任何款項之間的差額，均計入釐定出售聯營公司或合營企業之損益。此外，本集團將先前於其他全面收益就該聯營公司或合營企業確認之所有金額入賬，基準與假設該聯營公司或合營企業直接出售相關資產或負債時所規定之基準相同。因此，倘若聯營公司或合營企業先前於其他全面收益確認之損益於出售相關資產或負債時重新分類至損益，則本集團將於終止使用權益法時將權益之收益或虧損重新分類至損益(列作重新分類調整)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associates and joint ventures (continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interests in associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interests if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

In the Group's consolidated statement of financial position, interests in associate and joint venture are stated at cost less impairment loss (see note 2(j)).

2. 主要會計政策(續)

(d) 聯營公司及合營企業(續)

當於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團則繼續使用權益法。擁有權權益出現上述變動時，公平值不會重新計量。

於本集團削減其於聯營公司或合營企業之擁有權權益而又繼續使用權益法時，倘先前於其他全面收益確認有關削減擁有權權益之收益或虧損將於出售相關資產或負債時重新分類至損益，本集團則會將該收益或虧損按比例重新分類至損益。

當集團實體與本集團之聯營公司或合營企業進行交易時，與聯營公司或合營企業交易所產生之溢利及虧損僅在聯營公司或合營企業之權益與本集團無關之情況下，方會於本集團之綜合財務報表內確認。

於本集團之綜合財務狀況表內，於聯營公司及合營企業之權益按成本扣除減值虧損列賬(見附註2(j))。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate or a jointly controlled entity over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash generating unit ("CGU(s)") or groups of CGUs that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(j)). In respect of associate or joint venture, the carrying amount of goodwill is included in the carrying amount of the interest in the associate or joint venture and the investment as a whole is tested for impairment whenever there is objective evidence of impairment (see note 2(j)).

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate or joint venture is recognised immediately in profit or loss.

On disposal of a CGU of an associate or a joint venture, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

2. 主要會計政策(續)

(e) 商譽

商譽指業務合併成本或於聯營公司或共同控制實體之投資超過本集團於被收購方之可識別資產、負債及或然負債之公平淨值中所佔權益之部份。

商譽按成本扣除累計減值虧損列賬。業務合併所產生之商譽會分配至預期可自合併之協同效益獲益之各個現金產生單位(「現金產生單位」)或各組現金產生單位，並於每年測試有否出現減值(見附註2(j))。就聯營公司或合營企業而言，商譽之賬面值計入於聯營公司或合營企業權益之賬面值內。當出現減值之客觀證據時，會對投資整體進行減值測試(見附註2(j))。

本集團在被收購方之可識別資產、負債及或然負債之公平淨值中所佔權益超過業務合併成本或於聯營公司或合營企業之投資之任何部份，將於損益中即時確認。

出售聯營公司或合營企業之現金產生單位時，所購入商譽之任何應佔款項將包括在出售溢利或虧損之計算內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses (see note 2(j)).

Gain or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds on disposal and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful life at the following rates per annum:

| | |
|--|--------------------------|
| Building | 2.5% |
| Leasehold improvements | Over lease terms |
| Furniture, fittings and office equipment | 18% – 33 $\frac{1}{3}$ % |
| Motor vehicles | 30% |
| Motor yacht | 10% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually. There is no depreciation imposed on the freehold land.

2. 主要會計政策(續)

(f) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損於綜合財務狀況表列賬(見附註2(j))。

報廢或出售物業、廠房及設備項目產生之收益或虧損，以出售所得款項淨額與項目賬面值間之差額釐定，並於報廢或出售日期在損益中確認。

折舊以直線法按物業、廠房及設備根據以下年率於估計可使用年期撇銷項目成本減估計剩餘價值(如有)計算：

| | |
|-------------|--------------------------|
| 樓宇 | 2.5% |
| 租賃裝修 | 按租約年期攤分 |
| 傢俬、裝置及辦公室設備 | 18% – 33 $\frac{1}{3}$ % |
| 汽車 | 30% |
| 遊艇 | 10% |

倘若物業、廠房及設備項目部份之可使用年期不同，項目成本則於各部份之間按合理基準分配，而各部份將個別折舊。資產可使用年期及其剩餘價值(如有)會每年審閱。並無就永久業權土地作出折舊。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Intangible assets (other than goodwill)

Intangible assets, other than goodwill, identified on business combinations are capitalised at their fair values. They represent mainly trademark and relationship with customers. Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets with finite useful lives is charged to profit or loss on a straight-line basis from the date of acquisition over their estimated useful lives as follows:

| | |
|-------------|----------|
| Client list | 15 years |
|-------------|----------|

The asset's useful lives and their amortisation method are reviewed annually.

Intangible assets with indefinite useful lives are not amortised. The intangible asset and its status are reviewed annually to determine whether events and circumstances continue to support indefinite useful life. Should the useful life of an intangible asset change from indefinite to finite, the change would be accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2. 主要會計政策(續)

(g) 無形資產(商譽除外)

業務合併時所識別之無形資產(商譽除外)乃按彼等之公平值撥作資本,其主要為商標及與客戶之關係。首次確認後,具有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。具有限可使用年期之無形資產由收購當日起,於其以下估計可使用年內按直線法攤銷計入損益:

| | |
|------|-----|
| 客戶名單 | 15年 |
|------|-----|

資產之可使用年期及彼等之攤銷方法於每年進行檢討。

具無限可使用年期之無形資產不作攤銷。無形資產及其狀況於每年進行檢討,以確定事件及情況是否持續令無限可使用年期可以繼續下去。倘無形資產之可使用年期由無限轉變為有限,則由轉變當日起,根據上述具有限可使用年期之無形資產攤銷政策對是次轉變進行往後之會計處理。

終止確認無形資產

於出售無形資產或預期使用或出售無形資產將不會帶來未來經濟利益時,方會終止確認無形資產。因終止確認無形資產而產生之收益及虧損(按出售所得款項淨額與該資產賬面值間之差額計算)將於終止確認資產時於損益中確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gain and losses arising from changes in the fair value of investment properties are included in the profit or loss in the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

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 the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2. 主要會計政策(續)

(h) 投資物業

投資物業為持作賺取租金及／或資本增值之物業(包括就該等目的之在建物業)。投資物業初步按成本(包括交易成本)計量。首次確認後，投資物業按公平值計量。本集團根據經營租賃持有以賺取租金或資本增值之所有物業權益均按投資物業入賬，並使用公平值模式計量。投資物業公平值變動所產生之收益及虧損於其產生期間計入損益。

在建投資物業所產生之建築成本予以資本化為在建投資物業之賬面值之一部分。

於出售後或於投資物業永久不再使用及預期出售投資物業將不會帶來未來經濟利益時，投資物業方會終止確認。因終止確認物業而產生之任何收益或虧損(按出售所得款項淨額與該資產賬面值間之差額計算)將於終止確認物業之期間內計入損益。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 3)

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.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3)

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

2. 主要會計政策(續)

(i) 租賃

租賃的定義(根據附註3的過渡應用香港財務報告準則第16號後)

當合約轉讓權利以控制使用一項已識別資產一段期間以換取代價，則該合約為(或包含)租賃。

就於首次應用日期或之後訂立、修訂或因業務合併而產生的合約而言，本集團於開始時、修訂日期或收購日期(倘適用)根據香港財務報告準則第16號的定義評估一項合約是否為租賃或包含租賃。除非該合約的條款及條件其後變更，否則有關合約將不予重新評估。

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)

分配代價至合約的各部分

就一項合約包含一項租賃部分及一項或多項額外租賃或非租賃部分，本集團將合約代價按租賃部分的相關單獨價格及非租賃組成部分的單獨價格總和分配至各自租賃組成部分。

本集團亦應用可行權宜的方法，不將非租賃部分自租賃部分分離，而是將租賃部分及任何相關的非租賃部分入賬為個別租賃部分。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of office equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

短期租賃及低價值資產租賃

本集團應用短期租賃豁免於租賃期為開始日期起12個月或以下及不含購買選擇權的辦公室設備租賃的確認。其亦應用於低價值資產租賃確認的確認豁免。短期租賃及低價值資產租賃的租賃付款於租賃期內按直線法或其他系統性基準確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債首次計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收取的租賃優惠；
- 本集團所產生的任何首次直接成本；及
- 本集團拆卸及搬遷相關資產、回復其所在的地點或將相關資產回復至租賃條款及條件要求的狀況所產生的估計成本。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Right-of-use assets (continued)

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets that do not meet the definition of investment property or inventory in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 Financial Instruments (“HKFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

使用權資產(續)

使用權資產按成本減任何累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。

本集團於租期結束時合理確定獲取相關租賃資產擁有權的使用權資產，自開始日期起至使用年期結束期間計提折舊。否則，使用權資產以直線法於其估計使用年期及租賃期(以較短者為準)內計提折舊。

本集團將不符投資物業或存貨定義的使用權資產列入「物業、廠房及設備」，載於相應有關資產(倘彼等擁有)的同一項目內呈列。

可退回租賃按金

已付的可退回租賃按金按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」)計算，並初步按公平值計量。首次確認時對公平值的調整被視為額外租賃付款，並計入使用權資產的成本內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Group under residual value guarantees;
- the exercise price of purchase option if the Group is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

租賃負債

於租賃開始日期,本集團按該日未付租賃付款現值確認及計量租賃負債。於計算租賃付款的現值時,倘租賃的隱含利率難以釐定,本集團則採用租賃開始日期的增量借貸利率。

計入租賃負債計量的租賃付款包括:

- 固定付款(包括實質固定付款)減任何應收租賃優惠;
- 取決於指數或比率的可變租賃付款,於租賃開始日期時使用該指數或比率作初步計量;
- 根據剩餘價值擔保預期應由本集團支付的金額;
- 購買權的行使價(倘本集團合理確定將行使該購買權);及
- 於租賃條款反映本集團行使選擇權終止租賃時,終止租賃所支付的罰款。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Lease liabilities (continued)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

租賃負債(續)

於開始日期後，租賃負債按利息增長及租賃付款作出調整。

倘出現以下情況，本集團會重新計量租賃負債(並就相關使用權資產作出相應調整)：

- 租賃條款已改變或行使購買權的評估有變，在此情況下，相關租賃負債透過採用於重新計量當日的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因根據有擔保餘值的預期付款後的市場租金率變動而出現變動，在此情況下，相關租賃負債透過採用首次貼現率貼現經修訂租賃付款而重新計量。

本集團將租賃負債載於綜合財務狀況表呈列為單獨項目。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified 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.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

租賃修訂

倘出現以下情況，本集團會將租賃的修改列賬為個別租賃：

- 該項修改通過增加使用一項或多項相關資產的權利擴大了租賃範圍；及
- 租賃代價增加，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約的實際情況而對單獨價格進行的任何適當調整。

就未入賬為一項單獨租賃的租賃修訂而言，本集團透過使用修訂生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期，重新計量租賃負債。

本集團透過對相關使用權資產進行相應調整對租賃負債的重新計量入賬。倘經修訂合約包含租賃部分及一項或多項額外租賃或非租賃部分，則本集團會根據租賃部分的相對獨立價格及非租賃部分的總獨立價格，將經修訂合約中的代價分配至各租賃部分。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessee (prior to adoption of HKFRS 16 on 1 January 2019)

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the commencement date at amounts equal to the Group's net investment in the leases, measured using the interest rate implicit in the respective lease. Initial direct costs (other than those incurred by manufacturer or dealer lessors) are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為承租人(於二零一九年一月一日採納香港財務報告準則第16號前)

經營租賃付款於相關租期內以直線法確認為費用。作為獎勵訂立經營租賃的已收及應收利益租賃期內以直線法確認為扣減租賃開支。

本集團作為出租人

租賃的分類及計量

承租人為本集團的租賃分類為融資或經營租賃。倘租賃條款將所有權的絕大部分風險及回報轉移予承租人，該合約分類為融資租賃。所有其他租賃分類為經營租賃。

融資租賃下應收承租人的款項於開始日期確認為應收款項，其金額相等於租賃的投資淨額，並使用各租賃隱含的利率計量。首次直接成本(製造商或經銷商出租人產生的直接成本除外)計入租賃投資淨額的首次計量中。利息收入分配至會計期間，以反映本集團有關租賃的未償還投資淨額的固定定期回報率。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessor (continued)

Classification and measurement of leases (continued)

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 such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Interest and rental income which are derived from the Group's ordinary course of business are presented as revenue.

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in note 3)

Allocation of consideration to components of a contract

When a contract includes both lease and non-lease components, the Group applies HKFRS 15 to allocate the consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為出租人(續)

租賃的分類及計量(續)

經營租賃租金收入以直線法按相關租賃期於損益內確認。就經營租賃進行磋商和作出安排所產生的首次直接成本，會加入租賃資產的賬面值，而有關成本以直線法按租賃期確認為開支(根據公平價值模型計量的投資物業除外)。

來自本集團日常業務過程的利息及租金收入呈列為收益。

本集團作為出租人(根據附註3的過渡應用香港財務報告準則第16號後)

分配代價至合約的部分

倘合約包括租賃及非租賃部分，則本集團應用香港財務報告準則第15號將合約的代價分配至租賃及非租賃部份。非租賃部分根據其相對獨立售價與租賃部分分開呈列。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases (continued)

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in note 3) (continued)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The Group as a lessor (prior to adoption of HKFRS 16 on 1 January 2019)

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

Rental income from operating leases is recognised 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 on a straight-line basis over the lease term.

2. 主要會計政策(續)

(i) 租賃(續)

本集團作為出租人(根據附註3的過渡應用香港財務報告準則第16號後)(續)

可退回租賃按金

已收可退回租賃按金按香港財務報告準則第9號入賬，並初步按公平值計量。首次確認時對公平值的調整被視為承租人的額外租賃付款。

租賃修訂

本集團由經營租賃修訂之生效日期起將修改入賬列為新租賃，當中會將任何就原租賃預付或累計之租賃付款視為新租賃之租賃付款的一部分。

本集團作為出租人(於二零一九年一月一日採納香港財務報告準則第16號前)

根據融資租賃應收承租人之款項按本集團於租賃之投資淨額確認為應收賬款。融資租賃收入被分配至會計期間，以反映本集團於有關租約之未償還投資淨額之定期回報率。

經營租賃之租金收入於相關租約年期按直線法確認。磋商及安排經營租賃所產生之初步直接成本會加入租賃資產之賬面值，並於相關租約年期按直線法確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- intangible assets;
- investments in subsidiaries, associates and joint ventures;
- goodwill; and
- investment properties

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. 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 CGU).

2. 主要會計政策(續)

(j) 其他資產減值

內部及外部資料來源均於各報告期末審閱，以確認是否有跡象顯示以下資產可能出現減值或(就商譽而言除外)過往確認之減值虧損不再存在或可能已減少：

- 物業、廠房及設備；
- 無形資產；
- 於附屬公司、聯營公司及合營企業之投資；
- 商譽；及
- 投資物業

倘存在任何該等跡象，則估計資產之可收回金額。此外，就商譽而言，可收回金額會每年估計，以釐定有否出現任何減值跡象。

- 可收回金額之計算方法
資產之可收回金額為其售價淨額與使用價值兩者間之較高者。評估使用價值時，是以除稅前貼現率貼現估計未來現金流量至現值，而該貼現率反映當時市場對金錢之時間價值之評估及該項資產之特定風險。倘某項資產並無產生高度獨立於其他資產產生之現金流入，可收回金額則按產生獨立現金流入之最小資產組合(即現金產生單位)釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of other assets (continued)

- Recognition of impairment losses
An impairment loss is recognised in profit or loss is whenever the carrying amount of an asset, or the CGU to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 主要會計政策(續)

(j) 其他資產減值(續)

- 確認減值虧損
當資產或其所屬現金產生單位賬面值高於其可收回金額時，會於損益內確認減值虧損。就現金產生單位確認之減值虧損會作出分配，首先減少已分配至該現金產生單位(或該組單位)之任何商譽賬面值，然後按比例減少該單位(或該組單位)內其他資產之賬面值；惟資產之賬面值不得減至低於其個別公平值減出售成本後所得數額或其使用價值(如能釐定)。

- 減值虧損撥回
就商譽以外之資產而言，倘用於釐定可收回金額之估計數額出現有利變動，減值虧損將予以撥回。商譽之減值虧損則不予撥回。

減值虧損撥回不得超逾過往年度資產並無確認減值虧損而應已釐定之賬面值。減值虧損撥回於撥回獲確認之年度計入損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. 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.

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2. 主要會計政策(續)

(k) 金融工具

當本集團成為工具合約條文之訂約方時，則於本集團的財務狀況表確認財務資產及財務負債。

財務資產及財務負債最初按公平值計量，惟與客戶訂約產生的應收貿易賬款除外，其初步根據香港財務報告準則第15號計量。應直接計入收購或發行財務資產及財務負債(按公平值於損益列賬之財務資產及財務負債除外)之交易成本，於首次確認時加入或從財務資產或財務負債之公平值扣減(如適用)。直接應佔收購按公平值於損益列賬之財務資產或財務負債之交易成本，即時於損益中確認。

(i) 財務資產

所有財務資產之一般買賣於交易當日確認及終止確認。一般買賣指須根據市場規則或慣例訂定之時間內交付資產之財務資產買賣。

視乎財務資產的分類，所有已確認財務資產其後按攤銷成本或公平值整體計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類

符合以下條件的債務工具於其後按攤銷成本計量：

- 商業模式下持有之財務資產以收取合約現金流量為目的；及
- 該財務資產之合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

符合以下條件的債務工具於其後按公平值計入其他全面收益計量(「按公平值計入其他全面收益」)：

- 商業模式下持有之財務資產同時以收取合約現金流量及出售財務資產為目的；及
- 該財務資產之合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他財務資產其後默認按公平值計入損益(「按公平值計入損益」)計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

儘管有上述規定，本集團可在首次確認財務資產時作出以下不可撤銷的選擇/指定：

- 倘符合若干準則，本集團可能不可撤銷地選擇於其他全面收益呈列權益投資的公平值其後變動；及
- 本集團可能不可撤銷地將符合按攤銷成本或按公平值計入其他全面收益準則的債務投資指定為按公平值計入損益計量，前提是此舉可消除或大幅減少會計錯配。

(i) 攤銷成本及實際利率法

實際利率法指一種用於計算債務工具之攤銷成本以及在有關期間內分配利息收入之方法。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

(i) *Amortised cost and effective interest method (continued)*

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

(i) *攤銷成本及實際利率法(續)*

就除購買或發起的信貸減值財務資產以外的財務資產而言(即首次確認時屬信貸減值的資產), 實際利率為於債務工具之預期年限或(如適用)更短期間將估計未來現金收入(包括所有構成實際利率整體部分之已支付或已收取之全部費用及利率、交易成本及其他溢價或折價)準確貼現至首次確認時之賬面總值之利率。就購買或發起的信貸減值財務資產而言, 信貸調整實際利率乃按將估計未來現金流量(包括預期信貸虧損)貼現至首次確認時債務工具攤銷成本的方式計算。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

(i) Amortised cost and effective interest method (continued)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

(i) 攤銷成本及實際利率法(續)

財務資產的攤銷成本指財務資產於首次確認時計量的金額減去本金還款，加上首次金額與到期金額之間任何差額使用實際利率法計算的累計攤銷(就任何虧損撥備作出調整)。財務資產的賬面總值指財務資產就任何虧損撥備作出調整前的攤銷成本。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

(i) Amortised cost and effective interest method (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

(i) 攤銷成本及實際利率法(續)

其後按攤銷成本或按公平值計入其他全面收益計量的債務工具的利息收入乃使用實際利率法確認。對於除購買或發起的信貸減值財務資產以外的財務資產，利息收入乃對財務資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的財務資產除外(見下文)。對於其後出現信貸減值的財務資產，利息收入及對財務資產攤銷成本應用實際利率確認。若在後續報告期內，信貸減值金融工具的信貸風險好轉，使財務資產不再信貸減值，利息收入透過對財務資產賬面總值應用實際利率確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

(i) Amortised cost and effective interest method (continued)

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the “other revenue and gains — interest income” line item.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

(i) 攤銷成本及實際利率法(續)

對於購買或發起的信貸減值財務資產，本集團通過對財務資產自首次確認以來的攤銷成本應用信貸調整實際利率確認利息收入。即使其後財務資產的信貸風險好轉，使財務資產不再信貸減值，計算也不會用回總值基準。

利息收入於損益中確認，並計入「其他收益及收入 — 利息收入」項目中。

(ii) 按公平值計入損益之財務資產

不符合以攤銷成本或按公平值計入其他全面收益計量條件的財務資產按公平值計入損益計量。具體而言：

- 權益工具投資分類為按公平值計入損益，除非本集團於首次確認時指定並非持作交易或業務合併所產生或然對價的權益投資為按公平值計入其他全面收益。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Classification of financial assets (continued)

(ii) *Financial assets at FVTPL (continued)*

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產的分類(續)

(ii) *按公平值計入損益之財務資產(續)*

- 不符合攤銷成本條件或按公平值計入其他全面收益條件的債務工具分類為按公平值計入損益。此外，符合攤銷成本條件或按公平值計入其他全面收益條件的債務工具於首次確認時可被指定為按公平值計入損益，前提是此指定可消除或顯著減少因按不同基準計量資產或負債或確認其收益及虧損而產生的計量或確認不一致(稱為「會計錯配」)。本集團並未指定任何債務工具為按公平值計入損益。

外匯收益及虧損

以外幣計值的財務資產的賬面值以該外幣釐定，並按各報告期末的現貨匯率換算。具體而言：

- 對於不構成指定對沖關係的以攤銷成本計量的財務資產，匯兌差額於損益中確認；及

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Foreign exchange gains and losses (continued)

- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL(s)") on financial assets which are subject to impairment (including trade and other receivables as well as amounts due from associates and a joint venture). The amount of ECLs is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

外匯收益及虧損(續)

- 對於不構成指定對沖關係的按公平值計入損益計量的財務資產，匯兌差額於損益中確認。

財務資產減值

本集團就須予減值之財務資產(包括應收貿易賬款及其他應收賬款以及應收聯營公司和一間合營企業款項)的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損金額於每個報告日期更新，以反映信貸風險自首次確認相關金融工具以來的變動。

本集團一直就應收貿易賬款及應收租金確認可使用年期內的預期信貸虧損。該等財務資產的預期信貸虧損是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按在報告日期債務人的個別因素、整體經濟狀況及對當前和預測整體經濟狀況的評估方向(在適當時包括金錢的時間價值)進行調整。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECLs that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

至於所有其他金融工具，本集團會於自首次確認後該金融工具的信貸風險顯著增加時確認可使用年期內的預期信貸虧損。然而，倘自首次確認後該金融工具的信貸風險並無顯著增加，本集團按十二個月預期信貸虧損的相同金額計量該金融工具的虧損撥備。

可使用年期內的預期信貸虧損指於金融工具預計年期內所有可能的違約事件將產生的預期信貸虧損。相反，十二個月預期信貸虧損指金融工具於報告日期後十二個月內可能發生的違約事件預計產生的該部分可使用年期內的預期信貸虧損。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(i) 信貸風險顯著增加

為評估一項金融工具的信貸風險自首次確認後是否顯著增加，本集團將報告日期評估的金融工具違約風險與首次確認日期的金融工具的違約風險進行比較。在開展評估時，本集團考慮合理可靠的定量及定性資料，包括毋須付出過多成本或努力即可獲得的過往經驗及前瞻性資料。所考慮的前瞻性資料包括獲取自經濟專家報告、金融分析師、政府機構、相關智庫及其他類似組織的本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(i) 信貸風險顯著增加(續)

在評估信貸風險自首次確認後是否顯著增加時，尤其考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 特定金融工具信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約掉期價格顯著上升，或財務資產公平值低於攤銷成本的時長或幅度；
- 商業、金融或經濟情況目前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人的經營業績的實際或預期顯著惡化；

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) the financial instrument has a low risk of default;

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(i) 信貸風險顯著增加(續)

- 同一債務人其他金融工具的信貸風險顯著上升；
- 債務人的監管、經濟或技術環境有實際或預計重大不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，倘合約已逾期還款超過30日，則財務資產的信貸風險自首次確認以來已顯著上升，除非本集團有合理且有據可查的資料證明實際情況與上述判斷不一致。

儘管有上述規定，若於報告日期金融工具被判定為具有較低信貸風險，本集團會假設金融工具信貸風險自首次確認以來並未顯著上升。在以下情況下，金融工具會被判定為具有較低信貸風險：

- (1) 金融工具具有較低違約風險；

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

- (i) *Significant increase in credit risk (continued)*
 - (2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
 - (3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

- (i) *信貸風險顯著增加(續)*
 - (2) 債務人有很強的能力履行近期的合約現金流量責任；及
 - (3) 經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量責任的能力。

本集團認為，若根據眾所周知的定義，財務資產的外部信貸測評為「投資級」，或（倘未有外部評級）該資產的內部測評為「良好」，則該財務資產具有較低信貸風險。良好指交易對手的財務狀況穩健，且並無任何逾期款項。

本集團定期監測用以識別信貸風險是否顯著增加的準則的有效性，並適當對其進行修訂，以確保該準則能夠在金額到期前確定信貸風險是否顯著增加。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(ii) 違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合以下任何一項條件的財務資產一般無法收回：

- 債務人違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)。

無論上述分析如何，本集團認為倘財務資產已逾期還款90天，則可視為違約，除非本集團有合理及有據可查的資料證明更滯後的違約標準更為合適。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(iii) 財務資產信貸減值

當發生一項或多項對財務資產預計未來現金流量產生不利影響的事件時，則該財務資產即被視為出現信貸減值。財務資產出現信貸減值的憑據包括以下可觀察事件：

- (a) 發行人或借款人存在嚴重財政困難；
- (b) 違反合約，例如違約或逾期事件(見上文(ii))；
- (c) 借款人的貸款人基於與借款人財務困難有關之經濟或合約原因，給予借款人一項貸款人在一般情況下不會考慮的優惠安排；
- (d) 借款人可能進行破產清算或其他財務重組安排；或
- (e) 由於財政困難導致該財務資產失去活躍市場。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(iv) 撇銷政策

當有資料顯示債務人陷入嚴重財困，且並無實際收回的可能之時(例如債務人已清算或進入破產程序)，或當應收貿易賬款逾期超過兩年時(以最早發生者為準)，本集團會撇銷財務資產。已撇銷的財務資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL

The measurement of ECLs is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated 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, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the ECLs is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險暴露的函數。評估違約概率及違約損失率的依據是過往數據，並按上述前瞻性資料調整。而財務資產的違約風險暴露則由資產於報告日期的賬面總值代表；就財務擔保合同而言，風險包括於報告日期提取的金額連同任何基於歷史趨勢、本集團對債務人特定未來融資需求的理解以及其他相關前瞻性資料釐定的預計將於未來違約日期前提取的額外金額。

財務資產的預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預計收取的所有現金流量(按原定實際利率折現)之間的差額估算。就租賃應收款項而言，根據香港財務報告準則第16號用於釐定預期信貸虧損的現金流與用於計量租賃的現金流一致。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL (continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

財務資產減值(續)

(v) 預期信貸虧損的計量及確認(續)

如果本集團已在上一報告期內以等於可使用年期內的預期信貸虧損的金額計量金融工具的虧損撥備，但在當期報告日確定不再符合可使用年期內的預期信貸虧損的條件，則本集團計量虧損撥備等於當期的十二個月預期信貸虧損的金額，但使用簡化方法的資產除外。

終止確認財務資產

本集團僅於從資產收取現金流量的合約權利屆滿時，或向另一方轉讓財務資產及該資產擁有權之絕大部分風險及回報時終止確認財務資產。倘本集團並無轉移亦無保留擁有權之絕大部分風險及回報並繼續控制已轉讓資產，本集團按其必須支付之金額確認其保留之資產權益並確認相關負債。倘本集團保留已轉讓財務資產擁有權之絕大部分風險及回報，本集團繼續確認財務資產，亦就已收取之所得款項確認有抵押借貸。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(ii) Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2. 主要會計政策(續)

(k) 金融工具(續)

(i) 財務資產(續)

終止確認財務資產(續)

於終止確認以攤銷成本計量的財務資產時，資產賬面值與已收及應收代價間之差額於損益確認。

(ii) 財務負債及權益

分類為債務或權益

債務及權益工具根據所訂立合約安排之內容以及財務負債及權益工具之定義分類為財務負債及權益。

權益工具

權益工具為證明實體於扣除其所有負債後之剩餘資產權益之任何合約。本集團發行之權益工具按所收取之所得款項扣減直接發行成本確認。

購回本公司本身權益工具已直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司本身權益工具於損益確認收益或虧損。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial liabilities and equity (continued)

Compound instruments

The component parts of convertible notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

2. 主要會計政策(續)

(k) 金融工具(續)

(ii) 財務負債及權益(續)

複合工具

本集團所發行之可換股票據之組成部分乃根據合約之實質安排與財務負債及權益工具之定義分別歸類為財務負債及權益。倘兌換股權將透過以固定金額之現金或另一項財務資產換取固定數目之本公司本身之權益工具結算，則分類為權益工具。

於發行日期，負債部分之公平值乃按類似不可轉換工具之現行市場利率估算。該金額乃以實際利率法按攤銷成本基準列賬為負債，直至因兌換而終結或有關工具之到期日為止。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial liabilities and equity (continued)

Compound instruments (continued)

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible loan notes, the balance recognised in equity will be transferred to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method.

2. 主要會計政策(續)

(k) 金融工具(續)

(ii) 財務負債及權益(續)

複合工具(續)

分類為權益之兌換股權乃由複合工具整體之公平值扣除負債部分之金額而釐定。此金額在扣除所得稅影響後在權益確認入賬，其後將不會重新計量。此外，分類為權益之兌換股權將保留在權益中，直至兌換股權獲行使為止，而在此情況下，在權益中確認之結餘將轉撥至股份溢價。倘兌換股權於可換股貸款票據到期日仍未獲行使，則在權益中確認之結餘將轉撥至累計虧損。在兌換股權獲兌換或到期時，不會於損益中確認任何盈虧。

發行可換股貸款票據所涉及之交易成本乃按所得款項總額分配比例分配至負債部分及權益部分。權益部分之相關交易成本直接於權益中確認。負債部分之相關交易成本計入負債部分之賬面值，並採用實際利率法按可換股貸款票據有效期攤銷。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial liabilities and equity (continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently 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 (including all fees and points 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 liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

2. 主要會計政策(續)

(k) 金融工具(續)

(ii) 財務負債及權益(續)

財務負債

所有財務負債其後採用實際利率法以攤銷成本或按公平值計入損益計量。

然而，財務資產轉移不符合終止確認條件或繼續涉入被轉移財務資產所形成的財務負債，以及本集團發出的財務擔保合約按下文載列的特定會計政策計量。

財務負債其後按攤銷成本計量

並非(i)業務合併中收購方的或然對價，(ii)持作交易，或(iii)指定為按公平值計入損益的財務負債其後採用實際利率法以攤銷成本計量。

實際利率法為計算於有關期間內財務負債之攤銷成本及分配利息開支之方法。實際利率乃按財務負債之估計年期或(如適用)較短期間，準確貼現估計未來現金付款(包括所有構成一個實際利率組成部分之已付或已收費用及利率差價、交易成本及其他溢價或折讓)至財務負債的攤銷成本之利率。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial liabilities and equity (continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(l) 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.

2. 主要會計政策(續)

(k) 金融工具(續)

(ii) 財務負債及權益(續)

外匯收益及虧損

對於以外幣計值、以各報告期末攤銷成本計量的財務負債，外匯收益及虧損乃根據該等工具的攤銷成本釐定。對於不構成指定對沖關係的財務負債，外匯收益及虧損於損益確認。

終止確認財務負債

本集團於且僅於本集團責任已履行、撤銷或到期時終止確認財務負債。終止確認的財務負債賬面值與已付及應付對價之間的差額於損益確認。

(l) 現金及現金等值項目

現金及現金等值項目包括銀行及手上現金、銀行及其他財務機構之活期存款以及短期及流動性高之投資，而有關投資可隨時兌換成可知數額現金及須承受之價值變動風險不大，且於收購時之屆滿期限為三個月內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(n) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2. 主要會計政策(續)

(m) 僱員福利

(i) 短期僱員福利及定額供款退休計劃供款

薪金、花紅、有薪年假、定額供款計劃供款及非貨幣福利成本於僱員提供相關服務之年度計入。倘付款或結算有延誤及影響重大，則有關款額將以其現值列賬。

(ii) 離職福利

離職福利只會在本集團有正式具體辭退計劃而並無撤回該計劃之實質可能性，並明確表示會終止僱用或由於自願遣散而提供福利時予以確認。

(n) 所得稅

所得稅開支指即期應付稅項及遞延稅項之總和。

(i) 即期稅項

即期應付稅項按本年度應課稅溢利計算。鑒於不計入其他年度之應課稅或可扣稅收支項目及從未課稅或扣稅之項目，應課稅溢利有別於綜合損益表中呈報之「除稅前溢利」。本集團之即期稅項負債採用於報告期末前已頒佈或實質上已頒佈之稅率計算。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income tax (continued)

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2. 主要會計政策(續)

(n) 所得稅(續)

(ii) 遞延稅項

綜合財務報表當中之資產及負債賬面值與用作計算應課稅溢利之相應稅基之暫時差額確認為遞延稅項。一般會就所有應課稅暫時差額確認為遞延稅項負債。

遞延稅項資產一般就所有可扣減暫時差額於可能出現應課稅溢利對銷可用之可扣稅暫時差額時確認。倘暫時差額因商譽或不影響應課稅溢利或會計溢利之交易中首次確認(業務合併除外)之其他資產及負債所產生，有關遞延稅項資產及負債則不予確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income tax (continued)

(ii) Deferred tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests 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 reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

2. 主要會計政策(續)

(n) 所得稅(續)

(ii) 遞延稅項(續)

遞延稅項負債就與附屬公司之投資以及於聯營公司及合營企業之權益相關的應課稅暫時差額予以確認，惟倘本集團可控制其撥回及暫時差額有可能不會於可見將來撥回則除外。因與有關投資及權益相關之可扣減暫時差額而產生之遞延稅項資產僅於可能產生足夠應課稅溢利以動用暫時差額溢利並預期可於可見將來撥回時確認。

遞延稅項資產之賬面值於各報告期末檢討，並於可能沒有足夠應課稅溢利收回全部或部分資產價值時作出調減。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先確定扣減稅項是否歸屬於使用權資產或租賃負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income tax (continued)

(ii) Deferred tax (continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2. 主要會計政策(續)

(n) 所得稅(續)

(ii) 遞延稅項(續)

就租賃交易的扣減稅項歸屬於租賃負債而言，本集團將香港會計準則第12號「所得稅」規定分別應用於使用權資產及租賃負債。由於應用首次確認豁免，有關使用權資產及租賃負債的暫時性差異於首次確認時及租賃年內不予確認。

基於在報告期末前已頒佈或實質上已頒佈之稅率(及稅法)，遞延稅項資產及負債按清償負債或變現資產期間的預期適用之稅率計算。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或清償有關資產及負債賬面值之稅務影響。

(iii) 本年度之即期及遞延稅項

即期及遞延稅項於損益中確認，惟當即期及遞延稅項與在其他全面收益內確認或直接於權益內確認之項目相關，則即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。倘因業務合併之首次會計處理而產生即期或遞延稅項，則有關稅務影響會計入業務合併之會計處理內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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, whose existence 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.

(p) Revenue recognition

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation represents a goods or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

2. 主要會計政策(續)

(o) 撥備及或然負債

當本集團因過去事項須承擔法定責任或推定責任，而履行該責任大有可能需要付出經濟利益及能可靠地估計時，則須為未確定時間或金額之其他負債確認撥備。倘若金錢之時間價值重大時，撥備將以履行責任預期所需支出之現值列報。

當不大可能需要付出經濟利益，或其數額未能可靠地估計時，除非付出經濟利益之可能性極小，否則須披露該責任為或然負債。潛在責任僅能以一宗或數宗未來事件之發生或不發生來證實其存在，除非其付出經濟利益之可能性極小，否則亦須披露為或然負債。

(p) 收益確認

根據香港財務報告準則第15號，本集團於完成履約責任時（或就此）確認收益，即與特定履約責任相關之貨品或服務之「控制權」轉移予客戶時。履約責任指一項明確貨品或服務（或一批貨品或服務）或一系列大致相同之明確貨品或服務。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Revenue recognition (continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

2. 主要會計政策(續)

(p) 收益確認(續)

倘符合以下其中一項標準，則控制權按時間轉移，而收益則經參考完全達成相關履約責任之進度按時間確認：

- 客戶於本集團履約時同時收取及消耗本集團於履約時提供之利益；
- 本集團之履約創建及增強客戶於本集團履約時控制之資產；或
- 本集團之履約並無創建對本集團具有替代用途之資產，而本集團有強制可執行權利收取至今已履約部分之款項。

否則，收益會於客戶獲得明確貨品或服務控制權之時間點確認。

合約資產指本集團可就交換本集團已向客戶轉交之貨品或服務獲得代價之尚未屬無條件之權利。其乃根據香港財務報告準則第9號評估減值。相反，應收款項指本集團可獲得代價之無條件權利，即於該代價到期支付前僅須待時間流逝。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Revenue recognition (continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates them transaction price to each performance obligation on a relative stand-alone selling price basis.

- (i) Travel-related service fee income
- Revenue from the sale of air tickets is recognised at a point in time when the booking tickets are delivered to and have been accepted by the customers.
 - Revenue from the sale of tour packages is recognised at a point in time when travel arrangements have been booked and confirmed with customers.
 - Revenue from the sale of group tours is recognised at a point in time of group departure.
- (ii) Rental income in respect of investment properties under operating lease is recognised on a straight-line basis over the respective lease term.

2. 主要會計政策(續)

(p) 收益確認(續)

合約負債指本集團向客戶轉交貨品或服務之責任，而本集團已就此向客戶收取代價(或到期應收之代價金額)。與相同合約有關的合約資產及合約負債以淨額基礎呈列。

對包含超過一項履約責任的合約而言，本集團按相對單獨售價基礎將交易價分配至每項履約責任。

- (i) 旅遊相關服務費收入
- 來自機票銷售之收益於某一時點(即交付訂購機票且獲客戶接納之時)予以確認。
 - 來自旅遊套餐銷售之收益於某一時點(即旅遊安排訂購且獲客戶確認之時)予以確認。
 - 來自團體旅遊銷售之收益於某一時點(即團體出發時)予以確認。
- (ii) 就經營租賃項下之投資物業的租賃收入於各租賃期內按直線法確認。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Revenue recognition (continued)

- (iii) Revenue from sales of properties is recognised at point in time when control of the properties is delivered to buyers. The Group receives deposits from buyers when signed the sale and purchase agreements. The deposits received from the contracts prior to meeting the above criteria for revenue recognition are recognised as contract liabilities.
- (iv) Management fee income is recognised when the amounts are measurable and the ultimate collections are reasonable assumed.
- (v) Interest income is recognised on a time apportioned basis using the effective interest method.
- (vi) Services income is recognised when services are provided.
- (vii) Other income consists of revenue earned based on volume sales through various online ticket processing systems and is recognised when it is measurable and all contractual obligations have been fulfilled.

2. 主要會計政策(續)

(p) 收益確認(續)

- (iii) 物業銷售收益在物業的控制權交付至買家時於某一時間點確認。本集團於簽訂買賣協議時向買家收取按金。於符合上述收益確認要求前，收取來自合約的按金確認為合約負債。
- (iv) 管理費收入於款額可計量及可合理假定可收取最終款項時確認。
- (v) 利息收入按時間比例使用實際利率法確認。
- (vi) 服務收入於提供服務時確認。
- (vii) 其他收入包括根據透過不同網上機票處理系統所取得之大量銷售而賺取之收益，於可計量時，以及已履行所有合約責任時確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (and attributed to non-controlling interests as appropriate).

2. 主要會計政策(續)

(q) 外幣

於編製各個別實體之財務報表時，以本公司功能貨幣以外之貨幣(外幣)進行之交易乃按於交易日之現行匯率予以確認。於報告期末，以外幣計值之貨幣項目乃按該日之現行匯率重新換算。按公平值列賬並以外幣計值之非貨幣項目乃按其公平值釐定當日之現行匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額在產生期間於損益確認。

為呈列綜合財務報表，本集團海外業務之資產及負債乃按於各報告期末之匯率換算為本集團之呈列貨幣(即港幣)。收入及開支乃按期內之平均匯率進行換算，除非匯率於該期間內出現大幅波動則另作別論，在該情況下則採用交易當日之匯率。所產生之匯兌差額(如有)於其他全面收益確認，並於權益內的外匯儲備累計(及於適當時撥作非控股權益)。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Foreign currencies (continued)

On the disposal of a foreign operation (i.e. a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity under the heading of exchange reserve.

(r) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

2. 主要會計政策(續)

(q) 外幣(續)

出售海外業務時(即出售涉及失去包括海外業務之聯營公司的重大影響力),本公司股東就該業務應佔之所有於權益累計之匯兌差額須重新分類至損益。

所有其他部分出售(例如並未導致本集團失去重大影響力或共同控制權之部分出售聯營公司)按比例分佔之累計匯兌差額重新分類至損益。

於收購海外經營業務時產生之有關已收購可識別資產之商譽及公平值調整作為該海外經營業務之資產及負債處理,並按各報告期末之現行匯率換算。產生之匯兌差額於權益內之外匯儲備確認。

(r) 借貸成本

借貸成本於產生期間在損益中列作開支,但與收購、建造或生產需要長時間才可以投入擬定用途或銷售之資產直接相關之借貸成本則予以資本化。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Borrowing costs (continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(s) 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 of the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

2. 主要會計政策(續)

(r) 借貸成本(續)

屬於合資格資產成本一部分之借貸成本，在資產產生開支、借貸成本產生及使資產投入擬定用途或銷售所必須之準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售所必須之絕大部分準備工作中止或完成時，借貸成本便會暫停或停止資本化。

(s) 關連人士

(a) 如屬以下人士，該人士或其近親家族成員則與本集團有關連：

- (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) 為本集團或本集團母公司之主要管理人員。

(b) 如符合下列任何條件，該實體則與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一間實體為另一間實體之聯營公司或合營企業（或該實體為與另一間實體同屬集團旗下之成員公司之聯營公司或合營企業）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related parties (continued)

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

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

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

2. 主要會計政策(續)

(s) 關連人士(續)

- (b) 如符合下列任何條件，該實體則與本集團有關連：(續)
- (iii) 該實體與本集團均為同一第三方之合營企業。
 - (iv) 一間實體為一間第三方實體之合營企業，而另一間實體為該第三方實體之聯營公司。
 - (v) 該實體為本集團或本集團相關實體之僱員離職後福利計劃。
 - (vi) 該實體受(a)項所指人士控制或共同控制。
 - (vii) (a)(i)項所指人士可對該實體有重大影響力或屬該實體(或該實體之母公司)之主要管理人員。
 - (viii) 該實體或該實體所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

該人士之近親家族成員指預期可於該人士處理實體交易時對其產生或受其影響之家族成員。

凡於關連人士之間進行資源或責任轉移之交易均被視為關連人士交易。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision maker ("CODM") for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical location.

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

(u) Stock of properties

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes the cost of land, development expenditure and other directly attributable expenses. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale, determined by management based on prevailing market conditions.

2. 主要會計政策(續)

(t) 分部報告

經營分部及各分部項目於綜合財務報表呈報之金額，乃根據就分配資源至本集團不同業務及地理位置分部以及評估該等分部之表現而定期提供予本集團主要經營決策者(「主要經營決策者」)之財務資料識別。

就財務呈報而言，除非分部具備相似之經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分銷產品或提供服務之方法及監管環境之性質方面相似，否則個別重大之經營分部不會進行合算。個別非重大之經營分部，如果符合上述大部分標準，則可進行合算。

(u) 物業存貨

持作出售物業以成本及可變現淨值之較低者列賬。成本包括土地成本、開發支出及其他直接歸屬的開支。可變現淨值為於日常業務過程之估計售價減估計作出該銷售所需成本，乃由管理層按現行市場狀況釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Adoption of New HKFRSs — effective on 1 January 2019

In the current year, the Group has applied for the first time, the following New HKFRSs issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2019:

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

Except as described below, the application of the New HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”)

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 “Leases” (“HKAS 17”), and the related interpretations.

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本

採納新香港財務報告準則 — 於二零一九年一月一日生效

於本年度，本集團首次應用以下由香港會計師公會頒佈之新香港財務報告準則，有關準則於本集團於二零一九年一月一日開始之財政年度生效：

| | |
|------------------------|----------------------------|
| 香港會計準則第19號(修訂本) | 計劃修訂、縮減或結清 |
| 香港會計準則第28號(修訂本) | 於聯營公司及合營企業的長期權益 |
| 香港財務報告準則(修訂本) | 二零一五年至二零一七年週期香港財務報告準則之年度改進 |
| 香港財務報告準則第9號(修訂本) | 具有負面賠償之預付款項特徵 |
| 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 | 所得稅之不確定性之處理 |

除下文所述者外，於本年度應用新香港財務報告準則對本集團於本年度及過往年度之財務狀況及表現以及／或此等綜合財務報表所載披露並無重大影響。

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及其相關詮釋。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) — Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

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

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要

租賃的定義

本集團選用可行權宜方法，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「釐定安排是否包含租賃」識別為租賃的合約應用香港財務報告準則第16號，而對先前並無識別為包含租賃的合約則不會應用此準則。因此，本集團並無重新評估在首次應用日期之前已經存在的合約。

就於二零一九年一月一日或之後訂立或修改的合約而言，本集團於評估合約是否包含租賃時，根據香港財務報告準則第16號所載規定應用租賃的定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號於首次應用日期(即二零一九年一月一日)確認累計的影響。

於二零一九年一月一日，本集團應用香港財務報告準則第16號C8(b)(ii)的過渡規定，確認額外的租賃負債及使用權資產，金額相等於相關租賃負債。於首次應用日期的任何差額於期初保留溢利確認，且比較數字不予重列。

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” as an alternative of impairment review;
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- iv. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of office premises in Hong Kong and retail shops in Canada were determined on a portfolio basis; and
- v. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group’s leases with extension and termination options.

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要(續)

作為承租人(續)

本集團於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，已在相關租賃合約適用的範圍內，以個別租賃為基準，將以下可行權宜方法應用於先前根據香港會計準則第17號分類為經營租賃的租賃：

- i. 倚賴應用香港會計準則第37號「撥備、或然負債及或然資產」評估租賃是否繁重作為另一減值審閱方法；
- ii. 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；
- iii. 於首次應用日期計量使用權資產時撇除首次直接成本；
- iv. 就類似經濟環境內相似類別相關資產對類似剩餘租期的租賃組合應用單一貼現率。具體而言，香港寫字樓物業及加拿大的零售店舖若干租賃的貼現率乃按組合基準釐定；及
- v. 根據於首次應用日期的事實及情況於事後釐定本集團帶有續租及終止選擇權的租賃的租期。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

For the year ended 31 December 2019
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3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

On transition, the Group has made the following adjustments upon application of HKFRS 16:

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee’s incremental borrowing rates applied are approximately ranged from 3.4% to 4.0%.

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要(續)

作為承租人(續)

於過渡時，本集團已於應用香港財務報告準則第16號後作出以下調整：

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借貸利率。所用承租人的加權平均增量借貸利率範圍約為3.4%至4.0%。

Notes to the Consolidated Financial Statements (*Continued*)
綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要(續)

As a lessee (continued)

作為承租人(續)

| | | HK\$'000 港幣千元 |
|---|------------------------------------|------------------|
| Operating lease commitments disclosed as at 31 December 2018 | 於二零一八年十二月三十一日所披露的經營租賃承擔 | 10,857 |
| Lease liabilities discounted at relevant incremental borrowing rates as at 1 January 2019 | 於二零一九年一月一日按相關增量借貸利率貼現的租賃負債 | 10,680 |
| Less: commitments relating to leases exempt from capitalisation: | 減：獲豁免資本化的租賃相關的承擔： | |
| — short-term leases and other leases with remaining lease term ending on or before 31 December 2019 | — 短期租賃及剩餘租期於二零一九年十二月三十一日或之前屆滿的其他租賃 | (321) |
| — leases of low-value assets | — 低價值資產租賃 | (265) |
| Lease liabilities as at 1 January 2019 | 於二零一九年一月一日的租賃負債 | 10,094 |
| Analysed as: | 分析為： | |
| Current liabilities | 流動負債 | 4,999 |
| Non-current liabilities | 非流動負債 | 5,095 |
| | | 10,094 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

The recognised right-of-use assets relate to the following types of assets:

| | | 31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元 | 1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元 |
|---------------------------|---------|---|--|
| Rented premises | 租賃物業 | 5,692 | 10,094 |
| Total right-of-use assets | 使用權資產總值 | 5,692 | 10,094 |

The Group applies judgement to determine the lease term for lease contracts in which it is a lessee that includes renewal option. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要(續)

作為承租人(續)

與以下各類資產有關的已確認使用權資產：

| | 31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元 | 1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元 |
|---------------------------|---|--|
| Rented premises | 5,692 | 10,094 |
| Total right-of-use assets | 5,692 | 10,094 |

本集團應用判斷釐定其為承租人且包含續租選擇權的租賃合約的租期。評估本集團是否合理確定行使該等選擇權可影響租期，並對已確認租賃負債及使用權資產金額有重大影響。

就於二零一九年一月一日綜合財務狀況表確認的金額作出以下調整。不受變動影響的分項並無包括在內。

Notes to the Consolidated Financial Statements (*Continued*)
綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (“HKFRS 16”) (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)會計政策的影響及變動(續)

首次應用香港財務報告準則第16號產生的過渡情況及影響概要(續)

作為承租人(續)

| | | Carrying amounts previously reported at 31 December 2018 | Adjustments | Carrying amounts under HKFRS 16 at 1 January 2019 |
|--------------------------------|--------------|--|-------------|---|
| | | 先前於二零一八年十二月三十一日呈報的賬面值 | 調整 | 於二零一九年一月一日根據香港財務報告準則第16號的賬面值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 26,083 | 10,094 | 36,177 |
| Current liabilities | 流動負債 | | | |
| Lease liabilities | 租賃負債 | – | 4,999 | 4,999 |
| Non-current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | – | 5,095 | 5,095 |

The transition to HKFRS 16 has no impact on the accumulated losses at 1 January 2019. For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 January 2019 as disclosed above.

過渡至香港財務報告準則第16號對二零一九年一月一日的累計虧損並無影響。就根據間接法報告截至二零一九年十二月三十一日止年度來自經營活動的現金流而言，營運資金變動如上文所披露乃根據於二零一九年一月一日的期初綜合財務狀況表計算。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (CONTINUED)

New HKFRSs that have been issued but are not yet effective

The Group has not early applied the following New HKFRSs that have been issued but are not yet effective:

| | |
|---|--|
| HKAS 1 and HKAS 8 (Amendments) | Definition of Material ² |
| HKFRS 3 (Amendments) | Definition of a Business ¹ |
| HKFRS 9, HKAS 39 and HKFRS 7 (Amendments) | Interest Rate Benchmark Reform ² |
| HKFRS 10 and HKAS 28 (Amendments) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |
| HKFRS 17 | Insurance Contracts ³ |

¹ 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.

² Effective for annual periods beginning on or after 1 January 2020.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for annual periods beginning on or after a date to be determined.

In addition to the above New HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

Except for the New HKFRSs mentioned in the consolidated financial statements, the directors of the Company (the “Director(s)”) anticipate that the application of all other New HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. 應用香港財務報告準則(「香港財務報告準則」)之新訂準則及修訂本(續)

已頒佈但尚未生效之新香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效之新香港財務報告準則：

| | |
|---|---------------------------------------|
| 香港會計準則第1號及香港會計準則第8號(修訂本) | 對「重大」之定義 ² |
| 香港財務報告準則第3號(修訂本) | 對「業務」之定義 ¹ |
| 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本) | 利率基準改革 ² |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營企業之間之資產出售或注資 ⁴ |
| 香港財務報告準則第17號 | 保險合約 ³ |

¹ 於收購日期為二零二零年一月一日或於二零二零年一月一日或之後開始之首個年度期間開始後之業務合併及收購資產生效。

² 於二零二零年一月一日或之後開始之年度期間生效。

³ 於二零二一年一月一日或之後開始之年度期間生效。

⁴ 於待定日期或以後開始之年度期間生效。

除上述新香港財務報告準則外，於二零一八年已發佈經修訂的財務報告概念框架。其相應的修訂本(即對香港財務報告準則標準的概念框架引用的修訂本)將於二零二零年一月一日或之後開始之年度期間生效。

除綜合財務報表內所述新香港財務報告準則外，本公司董事(「董事」)預期，應用所有其他新香港財務報告準則於可見未來將不會對綜合財務報表帶來重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS

4. 金融工具

(a) Categories of financial instruments

(a) 金融工具之類別

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|------------------|--|--|
| Financial assets | 財務資產 | | |
| Financial assets measured at amortised cost | 按攤銷成本計量的 財務資產 | 368,811 | 424,960 |
| Financial liabilities | 財務負債 | | |
| Amortised costs | 攤銷成本 | 239,164 | 311,113 |

(b) Financial risk management and fair values

The Group has exposure to credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk) from its use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

(b) 財務風險管理及公平值

本集團因使用金融工具而面對信貸風險、流動資金風險及市場風險(包括貨幣風險、利率風險及其他價格風險)。本附註載有本集團面對上述各風險、本集團對於計量及管理風險之目標、政策及程序，以及本集團管理資本之資料。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(i) Credit risk

The credit risk of the Group mainly arises from bank balances and deposits, trade receivables, deposit and other receivables and amounts due from associates and joint venture. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

In respect of cash deposited at banks, the credit risk is considered to be low as the counterparties are reputable banks. The existing counterparties do not have defaults in the past. Therefore, ECL rate of cash at bank is assessed to be close to zero and no provision was made as of 31 December 2019.

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL. It considers available reasonable and supportive forwarding-looking information.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(i) 信貸風險

本集團的信貸風險主要來自銀行結餘及存款、應收貿易賬款、按金及其他應收賬款，以及應收聯營公司及合營企業款項。該等結餘的賬面值代表本集團就財務資產面對的最高信貸風險。

就存放於銀行的現金，信貸風險被視為很低，乃由於對方為知名銀行。現有對方過去並無違約記錄。因此，於二零一九年十二月三十一日，銀行現金的預期信貸虧損率為近乎零，且並無作出撥備。

本集團應用香港財務報告準則第9號所訂明的簡化方法就可使用年期內的預期信貸虧損作出撥備，該規定允許對所有應收貿易賬款採用可使用年期的預期信貸虧損。為計量預期信貸虧損，應收貿易賬款已按共有的信貸風險特徵分類。本集團已進行歷史分析，並確定影響信貸風險及預期信貸虧損的主要經濟變數。其考慮可取得的合理可靠前瞻性資料。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(i) Credit risk (continued)

As at 31 December 2019, trade and other receivables as well as amounts due from associates and a joint venture that are individually significant have been separately assessed for impairment. The Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience.

Majority of the Group's revenue is received from individual customers in relation to sales of air tickets and service fee income from provision of travel-related services. The Group's trade receivables majority arise from sales of air tickets to the customers. As at the end of the year, the top five customers and the largest customer accounted for approximately 28% and 4% respectively (2018: approximately 56% and 9%), of the Group's trade and other receivables balance. In view of the history of business dealings with the customers and the sound collection history of the receivables due from them, management believes that there is no material credit risk inherent in the Group's outstanding receivables balance due from these debtors saved for the debtor related to the impaired trade receivables disclosed in the below. Management makes periodic assessment on the recoverability of the trade and other receivables based on historical payment records, the length of overdue period, the financial strength of the debtors and whether there are any disputes with the debtors.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(i) 信貸風險(續)

於二零一九年十二月三十一日，個別重大應收貿易賬款及其他應收賬款以及應收聯營公司和一間合營企業的款項已就減值作出獨立評估。本集團根據客戶的背景及聲譽、過往結算記錄及過往經驗，定期評估應收賬款的可收回程度。

本集團大部分收益乃就銷售機票以及提供旅遊相關服務的服務費收入而來自個別客戶收取。本集團大部分的應收貿易賬款來自向客戶銷售機票。於年末，五大客戶及最大客戶分別佔本集團應收貿易賬款及其他應收賬款結餘約28%及4%（二零一八年：約56%及9%）。鑒於與該等客戶的業務往來記錄及應收彼等的應收賬款的收回記錄良好，管理層相信本集團應收該等債務人的尚未收回的應收賬款結餘本身並無重大信貸風險，惟下文披露與已減值應收貿易賬款有關的債務人除外。管理層根據債務人的過往付款記錄、逾期時期、債務人的財務實力及與債務人是否有任何糾紛，定期評估應收貿易賬款及其他應收賬款的可收回程度。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(i) Credit risk (continued)

Individual credit evaluations are performed on all of the Group's customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

As the amount of ECL were minimal resulted of impairment analysis performed, the Directors were of opinion that no loss allowance for trade receivables recognised as at 31 December 2019 under HKFRS 9.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(i) 信貸風險(續)

本集團對所有要求超過一定信貸金額的客戶進行個別信貸評估。該等評估集中於客戶過往於賬項到期時的還款記錄及目前的還款能力，並考慮客戶的特定資料以及客戶營運所處經濟環境。應收貿易賬款於開具發票日期起計30天內到期。一般而言，本集團不要求客戶提供抵押品。

本集團按相等於可使用年期內的預期信貸虧損的金額計量應收貿易賬款的虧損撥備，其乃使用撥備矩陣計算。由於本集團過往的信貸虧損經驗並未就不同客戶分部顯示重大不同虧損模式，基於逾期狀態的虧損撥備不會進一步於本集團不同客戶基礎之間進一步區分。

由於自所進行減值分析產生的預期信貸虧損金額並不重大，董事認為於二零一九年十二月三十一日無須根據香港財務報告準則第9號就應收貿易賬款確認為虧損撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(i) Credit risk (continued)

For other receivables as well as amounts due from associates and a joint venture, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The Directors believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its current and expected liquidity requirement and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(i) 信貸風險(續)

就其他應收賬款以及應收聯營公司和一間合營企業的款項而言，管理層定期就其他應收賬款的可收回性按過往清算記錄及過去經驗作出集體以及個別評估。董事相信本集團其他應收賬款的尚未收回結餘本身並無重大信貸風險。

(ii) 流動資金風險

流動資金風險指本集團無法履行到期之財務責任之風險。本集團之政策乃定期監察現有及預期流動資金需求及遵守借貸契約之情況，確保維持充足現金儲備及獲得主要財務機構提供足夠信貸額度，以應付短期及長遠之流動資金需求。

下表詳載於報告期末，本集團之非衍生財務負債之餘下合約到期日(按合約到期日計)。表內披露之款額乃合約未貼現現金流量(包括利用合約利率或(如為浮息)於報告期末之現行利率計算之利息付款)，以及本集團可被要求付款之最早日期：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(ii) Liquidity risk (continued)

| | | At 31 December 2019 於二零一九年十二月三十一日 | | | | | |
|--------------------------|---------------|---|---|---|--|---|--|
| | | Weighted average effective interest rate 加權平均實際利率 % | Within 1 year or on demand 一年內或按要求 HK\$'000 港幣千元 | More than 1 year but less than 2 years 超過一年但少於兩年 HK\$'000 港幣千元 | More than 2 years but less than 5 years 超過兩年但少於五年 HK\$'000 港幣千元 | Total contractual undiscounted cash flow 合約未貼現現金流量總額 HK\$'000 港幣千元 | Carrying amount 賬面值 HK\$'000 港幣千元 |
| Trade and other payables | 應付貿易賬款及其他應付賬款 | - | 39,424 | - | - | 39,424 | 39,424 |
| Bank loans (note) | 銀行貸款(附註) | 3.62 | 201,018 | - | - | 201,018 | 194,000 |
| Lease liabilities | 租賃負債 | 3.9 | 5,373 | 297 | 129 | 5,799 | 5,740 |
| | | | 245,815 | 297 | 129 | 246,241 | 239,164 |

| | | At 31 December 2018 於二零一八年十二月三十一日 | | | | | |
|--|---------------|---|---|---|--|---|--|
| | | Weighted average effective interest rate 加權平均實際利率 % | Within 1 year or on demand 一年內或按要求 HK\$'000 港幣千元 | More than 1 year but less than 2 years 超過一年但少於兩年 HK\$'000 港幣千元 | More than 2 years but less than 5 years 超過兩年但少於五年 HK\$'000 港幣千元 | Total contractual undiscounted cash flow 合約未貼現現金流量總額 HK\$'000 港幣千元 | Carrying amount 賬面值 HK\$'000 港幣千元 |
| Trade and other payables | 應付貿易賬款及其他應付賬款 | - | 49,613 | - | - | 49,613 | 49,613 |
| Bank loans (note) | 銀行貸款(附註) | 3.39 | 230,029 | - | - | 230,029 | 222,500 |
| Loan from a director and controlling shareholder | 一名董事兼控股股東貸款 | 5.13 | - | 41,001 | - | 41,001 | 39,000 |
| | | | 279,642 | 41,001 | - | 320,643 | 311,113 |

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(ii) 流動資金風險(續)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(ii) Liquidity risk (continued)

Note:

There is a clause for repayment on demand under the facility letters regarding the bank loans granted to the Group. Thus, the bank loans are categorised into the time band of "within 1 year or on demand" in the above maturity analysis. As at 31 December 2019, the aggregate undiscounted principal amount and interest of bank loans was approximately HK\$201,018,000 (2018: approximately HK\$230,029,000). Taking into account of the Group's financial position, the Directors believe that the bank exercising its discretionary rights to demand immediate repayment is remote and such bank loans shall be repaid one year after the end of the reporting period. For the year ended 31 December 2019, the aggregate principal and interest cash outflows will be in the amount of approximately HK\$201,018,000 (2018: approximately HK\$230,029,000) calculated with weighted average effective interest rate.

As at 31 December 2019 and 2018, it was not probable that the counterparties to the financial guarantee will claim under the contracts. Consequently, the carrying amount of the financial guarantee contract of approximately HK\$1.6 million (2018: approximately HK\$2.3 million) has not been presented above.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(ii) 流動資金風險(續)

附註：

有關授予本集團銀行貸款的融資函件項下訂有按要求償還之條款。因此，該銀行貸款於上文到期日分析內分類為「一年內或按要求」時間組別。於二零一九年十二月三十一日，該銀行貸款之未貼現本金及利息總金額約港幣201,018,000元(二零一八年：約港幣230,029,000元)。經考慮本集團之財務狀況，董事認為，銀行行使其酌情權要求即時還款之可能性甚微，而有關銀行貸款須於報告期末一年後償還。截至二零一九年十二月三十一日止年度，按加權平均實際利率計算之本金及利息現金流出總金額將約為港幣201,018,000元(二零一八年：約港幣230,029,000元)。

於二零一九年及二零一八年十二月三十一日，財務擔保之交易方不大可能根據合約作出申索。因此，財務擔保合約之賬面值約港幣1,600,000元(二零一八年：約港幣2,300,000元)並無於上文呈列。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(ii) Liquidity risk (continued)

| | | At 31 December 2019 於二零一九年 十二月三十一日 | | At 31 December 2018 於二零一八年 十二月三十一日 | |
|--|------------------------|--|-------------------------|--|-------------------------|
| | | HK\$'000 港幣千元 | Expiry period 屆滿期 | HK\$'000 港幣千元 | Expiry period 屆滿期 |
| Guarantee given to bank in respect of banking facilities granted to an associate | 就授予一間聯營公司之銀行融資向銀行作出之擔保 | 490,000 | 2022 | 490,000 | 2022 |

(iii) Currency risk

Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group's transactional currency are HK\$ and Canadian dollars ("CAD") as substantially all the revenue are in HK\$ and CAD. The Group's transactional foreign exchange exposure was insignificant.

(iv) Interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(ii) 流動資金風險(續)

(iii) 貨幣風險

目前，本集團並無有關外匯風險之對沖政策。本集團之交易貨幣為港幣及加元(「加元」)，原因為絕大部分收益乃以港幣及加元計值。本集團在交易上所承受之外匯風險甚微。

(iv) 利率風險

公平值利率風險指金融工具之價值因市場利率變動而波動之風險。現金流量利率風險指金融工具之未來現金流量因市場利率變動而波動之風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(iv) Interest rate risk (continued)

The Group's cash flow interest rate risk relates primarily to floating-rate borrowing. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis on interest rate risk

Regarding the cash flow interest rate risk, the sensitivity analysis set out below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable-rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis point higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2019 would increase/decrease by approximately HK\$970,000 (2018: approximately HK\$1,113,000). This is mainly attributable to the Group's exposure to interest rates on its floating-rate borrowings.

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(iv) 利率風險(續)

本集團之現金流量利率風險主要涉及浮動利率借貸。本集團之收入及經營現金流量大致不受市場利率變動影響。本集團現時並無任何利率對沖政策。然而，管理層監察利率風險，並考慮在必要時對沖重大利率風險。

利率風險敏感度分析

就現金流量利率風險而言，下文所載敏感度分析為根據報告期末非衍生工具承受之利率風險而釐定。就浮息借貸而言，分析乃假設於報告期末之未償還負債金額於整個年度仍為未償還而編製。增加或減少50個基點乃於向內部主要管理人員報告利率風險及陳述管理層對有關利率變動可能性之合理評估時使用。

倘若利率上升／下降50個基點而所有其他因素維持不變，本集團於截至二零一九年十二月三十一日止年度之溢利將增加／減少約港幣970,000元(二零一八年：約港幣1,113,000元)，主要歸因於本集團之浮息借貸所面對之利率風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and fair values (continued)

(v) Fair value

The fair values of the Group's financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions. The Directors consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements are not materially different from their fair values as at 31 December 2019 and 2018, except for the following financial instrument, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

4. 金融工具(續)

(b) 財務風險管理及公平值(續)

(v) 公平值

本集團財務資產及財務負債之公平值乃根據一般獲接納之定價模型釐定，並按採用可觀察之現行市場交易價格或利率進行之已貼現現金流量分析計算。董事認為，於二零一九年及二零一八年十二月三十一日於綜合財務報表按攤銷成本記錄之財務資產及財務負債之賬面值與其公平值並無重大差異，惟下列金融工具則除外，其賬面值、公平值及公平值等級披露如下：

| | Carrying amount at 31 December 2019 二零一九年十二月三十一日 的賬面值 HK\$'000 港幣千元 | Fair value at 31 December 2019 二零一九年十二月三十一日 的公平值 HK\$'000 港幣千元 | Fair value measurements as at 31 December 2019 categories into: 於二零一九年十二月三十一日的 公平值計量分類如下： | | |
|-------------------------------------|---|--|--|------------------------------------|------------------------------------|
| | | | Level 1 第一級 HK\$'000 港幣千元 | Level 2 第二級 HK\$'000 港幣千元 | Level 3 第三級 HK\$'000 港幣千元 |
| Financial guarantee contract 財務擔保合約 | 1,612 | - | - | - | - |

| | Carrying amount at 31 December 2018 二零一八年十二月三十一日 的賬面值 HK\$'000 港幣千元 | Fair value at 31 December 2018 二零一八年十二月三十一日 的公平值 HK\$'000 港幣千元 | Fair value measurements as at 31 December 2018 categories into: 於二零一八年十二月三十一日的 公平值計量分類如下： | | |
|-------------------------------------|---|--|--|------------------------------------|------------------------------------|
| | | | Level 1 第一級 HK\$'000 港幣千元 | Level 2 第二級 HK\$'000 港幣千元 | Level 3 第三級 HK\$'000 港幣千元 |
| Financial guarantee contract 財務擔保合約 | 2,256 | 0.4 | - | - | 0.4 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Key sources of estimated uncertainty

In the process of applying the Group's accounting policies which are described in note 2, management has made certain key assumptions concerning the future, and other key sources of estimated uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as discussed below:

(i) Impairment of property, plant and equipment and freehold land and buildings

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgement relating to the level of revenue and the amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying amount of the assets and could result in additional impairment charge or reversal of impairment in future periods.

5. 會計估計及判斷

(a) 估計不明朗因素之主要來源

於應用附註2所述本集團之會計政策之過程中，管理層已作出關於未來之若干主要假設，以及於報告期末存在可能對下個財政年度之資產及負債賬面值作出重大調整之主要風險之估計不明朗因素之其他主要來源，茲討論如下：

(i) 物業、廠房及設備以及永久業權土地及樓宇減值

資產之可收回金額為其銷售淨價及其使用價值兩者中之較高者。評估使用價值時，是以除稅前貼現率將估計未來現金流量貼現至現值，而該貼現率反映當時市場對金錢之時間價值之評估及該項資產之特有風險，當中需要對收益水平及經營成本金額作出重大判斷。本集團運用所有可得資料，以釐定可收回金額之合理概約數字，包括根據對收益及經營成本之合理和具支持之假設和預測所作出之估計。該等估計之變動可能對資產賬面值產生重大影響，並可產生未來期間額外減值費用或撥回減值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key sources of estimated uncertainty (continued)

(ii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group use judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

(iii) Impairment of intangible assets

The Group performs annual test on whether there has been impairment of intangible assets in accordance with the accounting policy stated in note 2(j). The recoverable amounts of CGUs are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations.

5. 會計估計及判斷(續)

(a) 估計不明朗因素之主要來源(續)

(ii) 財務資產減值

財務資產的虧損撥備乃按違約風險及預期虧損比率的假設而作出。本集團於作出該等假設及挑選減值計算所用之輸入數據時，根據本集團之過往經驗、現行市場狀況以及各報告期末的前瞻性估計行使判斷。

(iii) 無形資產減值

本集團根據附註2(j)所載會計政策按年對無形資產有否減值進行測試，而現金產生單位之可收回金額乃按照使用價值計算方法釐定。計算過程中須採用管理層對未來業務營運狀況和除稅前貼現率所作出之估算和假設，以及其他與計算使用價值有關之假設。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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

5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key sources of estimated uncertainty (continued)

(iv) Useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the property, plant and equipment regularly in order to determine the amount of depreciation expenses to be recorded during the reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or services output of the assets. The depreciation expenses for future periods are adjusted prospectively if there are significant changes from previous estimates.

5. 會計估計及判斷(續)

(a) 估計不明朗因素之主要來源(續)

(iv) 物業、廠房及設備之可使用年期

物業、廠房及設備於計及估計餘值後，按估計可使用年期以直線法折舊。本集團定期審閱物業、廠房及設備之估計可使用年期，以釐定於各報告期入賬之折舊開支金額。可使用年期以本集團在類似資產之歷史經驗為依據，並已考慮資產預期用途、損耗，以及市場需求轉變令技術過時或資產服務產出。倘過往估計出現重大變動，未來期間之折舊開支會予以調整。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key sources of estimated uncertainty (continued)

(v) Fair value of investment properties

As set out in note 17, investment properties were revalued as at 31 December 2019 on an open market value existing use basis by the independent professional valuers, whose have among their staff, fellow members of the Hong Kong Institute of Surveyor (the "Valuer(s)"). Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgement, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at each of reporting period.

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contract), adjusted to reflect those differences; and

5. 會計估計及判斷(續)

(a) 估計不明朗因素之主要來源(續)

(v) 投資物業之公平值

如附註17所載，投資物業於二零一九年十二月三十一日按獨立專業估值師(其員工包括香港測量師學會資深會員)(「估值師」)所採用之公開市值現有使用基準重估。該等估值基於若干假設，涉及不明朗因素且可能與實際結果有重大差異。在作出判斷時，本集團會考慮活躍市場中類似物業之現有價格資料，及使用主要根據於各報告期之當時市況作出之假設。

倘缺乏類似物業在活躍市場之現行價格，本集團會考慮從多個途徑所蒐集資料，包括：

- (a) 不同性質、狀況或地點(或受不同租賃或其他合約所規限)之物業於活躍市場之現行價格(經調整以反映各項差異)；及

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key sources of estimated uncertainty (continued)

(v) Fair value of investment properties (continued)

- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flow.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs.

5. 會計估計及判斷(續)

(a) 估計不明朗因素之主要來源(續)

(v) 投資物業之公平值(續)

- (b) 活躍程度稍遜之市場所提供類似物業之近期價格(經調整以反映自按該等價格進行交易當日以來經濟狀況之任何變動);及根據未來現金流量所作可靠估計預測之經貼現現金流量,此項預測以任何現有租約及其他合約之條款以及(在可行情況下)外來證據(如地點及狀況相同之類似物業現有市場租值)為憑證,並採用可反映有關現金流量金額及時間不明朗因素當時市場評估之貼現率。

本集團公平值估計之主要假設包括與地點及狀況相同之類似物業有關之當前市場租值、適當貼現率、預期未來市場租值及未來保養成本。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting judgements in applying the Group's accounting policies

In determining the carrying amounts of some assets and liabilities, the Group makes assumptions for the effects of uncertain future events on those assets and liabilities at the end of each reporting period. These estimates involve assumptions about such items as cash flows and discount rates used. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to assumptions and estimations of future events, judgements are also made during the process of applying the Group's accounting policies.

(i) Impairment test for interests in associates

The Group completed its annual impairment test for interests in associates by comparing the recoverable amount of interests in associates to its carrying amount as at 31 December 2019. The Group has engaged the Valuer to carry out a valuation of the interests in associates as at 31 December 2019 based on the value in use calculations. This valuation uses cash flow projections based on financial estimates covering a ten-year period, and a pre-tax discount rate of approximately 8% (2018: approximately 8%). The cash flows beyond the ten-year period are extrapolated using a steady 3% (2018: 3%) growth rate for the casino and hotel industries in which are operated by associates.

5. 會計估計及判斷(續)

(b) 應用本集團會計政策之主要會計判斷

於釐定部分資產與負債之賬面值時，本集團就不明朗之未來事項對於各報告期末資產與負債之影響作出假設。該等估計涉及對現金流量及所採用貼現率等項目之假設。本集團之估計及假設以過往經驗及對未來事項之預測為依據，並將定期檢討。除對未來事項之假設及估計外，於應用本集團之會計政策時亦需作出判斷。

(i) 於聯營公司之權益之減值測試

本集團將其於聯營公司之權益之可收回金額與其於二零一九年十二月三十一日之賬面值作比較，藉以完成其對於聯營公司之權益之年度減值測試。本集團已委聘估值師，根據使用價值計算方法為二零一九年十二月三十一日於聯營公司之權益進行估值。是次估值採用根據涵蓋十年期之財務估計以及除稅前貼現率約8%（二零一八年：約8%）得出之現金流量預測進行。超逾十年期之現金流量則採用聯營公司所經營娛樂場及酒店業之穩定增長率3%（二零一八年：3%）推算。

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting judgements in applying the Group's accounting policies (continued)

(i) Impairment test for interests in associates (continued)

Management has considered the above assumptions and valuation and also taken into account the business plan going forward. The valuation depends upon an estimate of future cash flows from the interests in associates and other key assumptions, which are based on the Directors' best estimates. The valuation is sensitive to these parameters. Changes in these parameters could lead to a material revision of the valuation which may have effects on the net assets and results of the Group.

5. 會計估計及判斷(續)

(b) 應用本集團會計政策之主要會計判斷(續)

(i) 於聯營公司之權益之減值測試(續)

管理層已考慮上述假設及估值，亦已計及未來業務規劃。估值乃根據於聯營公司之權益於未來之估計現金流量及其他主要假設(該等假設乃根據董事之最佳估計而作出)而定。此估值易受該等參數影響。倘若該等參數出現變動，估值可能需作出重大修訂，繼而可能對本集團之資產淨值及業績構成影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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5. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical accounting judgements in applying the Group's accounting policies (continued)

(ii) Principal versus agent consideration

The Group engages in sales of air tickets. Upon application of HKFRS 15, the Group reassessed whether the Group should continue to recognise revenue on gross basis based on the requirements in HKFRS 15. The Group concluded that the Group acts as the principal for such transactions as it controls the specified goods before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide the air tickets. The Group has inventory risk with respect to the air tickets because the Group committed itself to obtain the air tickets from the airline before obtaining a contract with a customer to purchase the air tickets. This is because the Group is obliged to pay the airline for that right regardless of whether it is able to obtain a customer to resell the air tickets to or whether it can obtain a favourable price for the ticket.

6. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports which provide information about components of the Group. This information are reported to and reviewed by the CODM for the purposes of resource allocation and performance assessment.

The CODM considers the business from both geographic and service perspective.

5. 會計估計及判斷(續)

(b) 應用本集團會計政策之主要會計判斷(續)

(ii) 委託人與代理方考慮事項

本集團從事機票銷售。應用香港財務報告準則第15號後，本集團重新評估本集團是否應繼續根據香港財務報告準則第15號之規定以總額基準確認收益。本集團經考慮得出以下結論：本集團為該等交易之委託人，因其特定貨品之控制權轉移至客戶前，如本集團主要負責履行提供機票之承諾等指標。本集團就機票存在存貨風險，由於本集團於獲得客戶購買機票之合約前已承諾向航空公司獲取機票。此乃由於本集團有責任向航空公司就該權利付款，無論其是否能夠向客戶再銷售機票或是否能夠就機票獲得合理定價。

6. 分部資料

經營分部按提供有關本集團組成部份資料之內部報告區分。該等資料乃提呈予主要經營決策者，並由其進行審閱，以分配資源及評估表現。

主要經營決策者從地區及服務兩方面考慮業務。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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6. SEGMENT INFORMATION (CONTINUED)

The Group has presented the following two reportable segments.

- Travel business: sales of air tickets and provision of travel-related services.
- Property investment business: receiving rental streams from leasing office premises and sales of properties in Hong Kong.

(a) Segment results, assets and liabilities

The travel reportable operating segment derives their revenue primarily from sales of air tickets and provision of travel-related services. Geographically, management considers the performance of the travel business in North America.

The property investment reportable operating segment derives their revenue from leasing office premises and sales of properties in Hong Kong.

In accordance with HKFRS 8, segment information disclosed in these consolidated financial statements has been prepared in a manner consistent with the information used by the Group's CODM for the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

6. 分部資料(續)

本集團已呈列以下兩個須予呈報分部：

- 旅遊業務：銷售機票及提供旅遊相關服務。
- 物業投資業務：自香港租賃辦公室物業及銷售物業獲取收入。

(a) 分部業績、資產及負債

旅遊須予呈報經營分部之收益主要來自銷售機票及提供旅遊相關服務。地區方面，管理層會考慮位於北美之旅遊業務表現。

物業投資須予呈報經營分部之收益來自香港租賃辦公室物業及銷售物業。

根據香港財務報告準則第8號，於此等綜合財務報表披露之分部資料乃按與本集團之主要經營決策者用以評估分部表現及於分部之間分配資源之資料貫徹一致之方式編製，本集團之主要經營決策者按照以下基準監察各須予呈報分部應佔之業績、資產及負債：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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6. SEGMENT INFORMATION (CONTINUED)

(a) Segment results, assets and liabilities (continued)

Segment profit represents the profit from each segment without allocation of corporate administrative costs such as directors' emoluments, share of results of associates and joint ventures and corporate finance costs. To arrive at reportable segment profit, the management additionally provides segment information concerning interest income, finance costs and major non-cash items such as depreciation, amortisation and impairment losses derived from reportable segments. Unallocated corporate income mainly comprises amortisation on financial guarantee contract, management fee income from an associate, interest income and other sundry income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment. Taxation is not allocated to reportable segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated statement of profit or loss.

All assets are allocated to reportable segments other than amount due from an associate, interests in associates and joint ventures. Unallocated corporate assets mainly include part of the property, plant and equipment as well as cash and cash equivalents of the central administration companies.

6. 分部資料(續)

(a) 分部業績、資產及負債(續)

分部溢利指各分部所賺取之溢利，而並無分配企業行政開支，如董事酬金、應佔聯營公司及合營企業業績以及企業財務成本。於計算須予呈報分部溢利時，管理層額外提供有關利息收入、財務成本及來自須予呈報分部之折舊、攤銷及減值虧損等主要非現金項目之分部資料。未分配企業收入主要包括財務擔保合約攤銷、來自一間聯營公司之管理費收入、利息收入及其他雜項收入。此乃就資源分配及表現評估向主要經營決策者匯報之計量標準。稅項並無分配至須予呈報分部。

收益及開支乃經參考有關分部產生之銷售及開支而分配至須予呈報分部。

呈報予主要經營決策者之外界人士之收益與綜合損益表所用之計量方法一致。

所有資產均分配至須予呈報分部，惟應收一間聯營公司款項、於聯營公司及合營企業的權益則除外。未分配企業資產主要包括中央行政公司之部份物業、廠房及設備以及現金及現金等值項目。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

6. SEGMENT INFORMATION (CONTINUED)

6. 分部資料(續)

(a) Segment results, assets and liabilities (continued)

All liabilities are allocated to reportable segments other than corporate liabilities. Unallocated corporate liabilities mainly include financial guarantee contracts and part of other payables borne by the central administration companies.

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the year is set out below:

(a) 分部業績、資產及負債(續)

所有負債均分配至須予呈報分部，惟企業負債則除外。未分配企業負債主要包括財務擔保合約及中央行政公司承擔之部份其他應付賬款。

於本年度向本集團主要經營決策者提供有關本集團以作分配資源及評估分部表現之須予呈報分部資料載列如下：

| | | Travel 旅遊 | | Property investment 物業投資 | | Total 合計 | |
|--|------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| Revenue from external customers and reportable segment revenue | 外部客戶之收益及須予呈報分部收益 | 1,128,574 | 1,090,196 | 18,797 | 30,082 | 1,147,371 | 1,120,278 |
| Reportable segment (loss)/profit | 須予呈報分部(虧損)/溢利 | (3,935) | 2,029 | 10,968 | 37,679 | 7,033 | 39,708 |
| Share of results of joint ventures | 應佔合營企業業績 | | | | | 761 | 597 |
| Share of results of associates | 應佔聯營公司業績 | | | | | 116,757 | 68,110 |
| Unallocated corporate income | 未分配企業收入 | | | | | 1,254 | 2,569 |
| Unallocated corporate expenses | 未分配企業開支 | | | | | (47,046) | (55,068) |
| Finance costs | 財務成本 | | | | | (4,565) | (1,703) |
| Consolidated profit before taxation | 除稅前綜合溢利 | | | | | 74,194 | 54,213 |
| Taxation | 稅項 | | | | | - | - |
| Consolidated profit for the year | 本年度綜合溢利 | | | | | 74,194 | 54,213 |
| Reportable segment assets | 須予呈報分部資產 | 89,352 | 90,219 | 565,967 | 631,507 | 655,319 | 721,726 |
| Unallocated corporate assets | 未分配企業資產 | | | | | | |
| — Interests in associates | — 於聯營公司之權益 | | | | | 624,188 | 605,074 |
| — Interests in joint ventures | — 於合營企業之權益 | | | | | 6,069 | 5,308 |
| — Corporate assets | — 企業資產 | | | | | 99,459 | 50,641 |
| | | | | | | 1,385,035 | 1,382,749 |
| Reportable segment liabilities | 須予呈報分部負債 | 33,186 | 40,972 | 137,154 | 128,517 | 170,340 | 169,489 |
| Unallocated corporate liabilities | 未分配企業負債 | | | | | | |
| — Corporate liabilities | — 企業負債 | | | | | 70,436 | 145,139 |
| | | | | | | 240,776 | 314,628 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

6. SEGMENT INFORMATION (CONTINUED)

(b) Other segment information

6. 分部資料(續)

(b) 其他分部資料

| | Travel 旅遊 | | Property investment 物業投資 | | Other corporate entities 其他企業實體 | | Total 合計 | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| Bank interest income 銀行利息收入 | 52 | 42 | 1 | 1 | 145 | 150 | 198 | 193 |
| Fair value gain on investment properties 投資物業之公平值 收益 | - | - | 1,200 | 27,300 | - | - | 1,200 | 27,300 |
| Depreciation: 折舊: | | | | | | | | |
| — owned property, plant and equipment — 自置物業、廠房及 設備 | (485) | (554) | - | - | (2,707) | (3,248) | (3,192) | (3,802) |
| — right-of-use assets — 使用權資產 | (368) | - | - | - | (4,775) | - | (5,143) | - |
| Reversal of impairment loss recognised on: 就下列各項確認之減值 虧損撥回: | | | | | | | | |
| — intangible assets — 無形資產 | - | 3,164 | - | - | - | - | - | 3,164 |
| — amount due from a joint venture — 應收一間合營 企業款項 | - | - | - | - | - | 1,500 | - | 1,500 |
| Write-down of stock of properties 撇減物業存貨 | - | - | (14,524) | - | - | - | (14,524) | - |
| Finance costs 財務成本 | (15) | (39) | (4,661) | (2,261) | (4,565) | (1,703) | (9,241) | (4,003) |
| Additions to non-current assets* 添置非流動資產* | 2,431 | 117 | - | 148,000 | 53 | 351 | 2,484 | 148,468 |

* Additions to non-current assets only include the additions to property, plant and equipment (but excluded right-of-use assets) as well as investment properties during the year.

* 添置非流動資產僅只包括於年內添置之物業、廠房及設備(但不包括使用權資產)以及投資物業。

Notes to the Consolidated Financial Statements (*Continued*)
 綜合財務報表附註(續)

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

6. SEGMENT INFORMATION
 (CONTINUED)

6. 分部資料(續)

(c) Disaggregation of revenue

(c) 收益分類

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|----------------|-----------------------------------|-----------------------------------|
| Revenue from contracts with customers: | 來自與客戶訂約之收益： | | |
| <i>Recognised at a point in time</i> | 於某一個時間點確認 | | |
| <u>Travel business:</u> | <u>旅遊業務：</u> | | |
| Sales of air tickets | 銷售機票 | 1,077,618 | 1,038,733 |
| Travel and related service fee income | 旅遊及相關服務費收入 | 50,956 | 51,463 |
| | | 1,128,574 | 1,090,196 |
| <u>Property investment business:</u> | <u>物業投資業務：</u> | | |
| Sales of properties | 銷售物業 | 8,490 | 22,076 |
| | | 1,137,064 | 1,112,272 |
| Revenue from other sources: | 其他來源之收益： | | |
| Rental income | 租金收入 | 10,307 | 8,006 |
| Total revenue | 收益總額 | 1,147,371 | 1,120,278 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

6. SEGMENT INFORMATION (CONTINUED)

(d) Geographical information

The following is an analysis of geographical location of (i) the Group's revenue from external customers; and (ii) the Group's non-current assets. The geographical location of customers refers to the location at which the services were provided. The Group's non-current assets included property, plant and equipment, investment properties, intangible assets, interests in associates and joint ventures.

The geographical location of property, plant and equipment and investment properties is based on the physical location of the asset under consideration. In the case of intangible assets, it is based on the location of operations to which these intangibles are allocated. In the case of interests in associates and joint ventures, it is based on the location of operations of such associates and joint ventures.

6. 分部資料(續)

(d) 地區資料

以下為(i)本集團來自外部客戶之收益；及(ii)本集團之非流動資產之地區地點分析。客戶之地區地點指提供服務之地點。本集團之非流動資產包括物業、廠房及設備、投資物業、無形資產、於聯營公司及合營企業之權益。

物業、廠房及設備以及投資物業之地區地點乃以所考慮資產之實際地點為基準。如屬無形資產，則以該等無形資產獲分配之經營地點為基準。如屬於聯營公司及合營企業之權益，則以該等聯營公司及合營企業之經營地點為基準。

| | | Revenue from external customers 來自外部客戶之收益 | | Non-current assets 非流動資產 At 31 December 於十二月三十一日 | |
|---|-------------------|---|-----------------------------------|---|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| Hong Kong (place of domicile) | 香港(所在地) | 18,797 | 30,082 | 468,321 | 464,214 |
| Macau | 澳門 | - | - | 624,188 | 605,074 |
| North America | 北美 | 1,128,574 | 1,090,196 | 20,727 | 17,292 |
| The People's Republic of China ("PRC") | 中華人民共和國 (「中國」) | - | - | 115 | 128 |
| | | 1,147,371 | 1,120,278 | 1,113,351 | 1,086,708 |

Notes to the Consolidated Financial Statements (*Continued*)

綜合財務報表附註(續)

For the year ended 31 December 2019
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6. SEGMENT INFORMATION (CONTINUED)

(e) Major customers

Revenue from customers arising from travel business segment who over 10% of the total revenue of the Group is set out as follows:

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|------------|------|-----------------------------------|-----------------------------------|
| Customer A | 客戶 A | 132,586 | —* |
| Customer B | 客戶 B | 115,277 | —* |
| Customer C | 客戶 C | —* | 132,333 |

* The corresponding revenue did not contribute over 10% of the total revenue of the Group in 2019 and 2018 respectively.

6. 分部資料(續)

(e) 主要客戶

達至本集團總收益10%或以上來自旅遊業務分部之客戶收益載列如下：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|------------|------|-----------------------------------|-----------------------------------|
| Customer A | 客戶 A | 132,586 | —* |
| Customer B | 客戶 B | 115,277 | —* |
| Customer C | 客戶 C | —* | 132,333 |

* 於二零一九年及二零一八年，該客戶之相關收益分別並不佔本集團總收益10%或以上。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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7. REVENUE

The principal activities of the Group are engaged in the travel-related and property investment businesses.

Revenue represents sales of air tickets, service fee income from provision of travel-related services, rental income as well as sales of properties. The amount of each significant category of revenue recognised in revenue during the year is as follows:

7. 收益

本集團之主要業務為從事旅遊相關及物業投資業務。

收益指銷售機票、提供旅遊相關服務之服務費收入、租金收入及銷售物業。於年內，各項已於收益內確認之主要類別收益金額如下：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|--------------------|-----------------------------------|-----------------------------------|
| Revenue from contracts with customers: | 來自與客戶訂約之收益： | | |
| <i>Recognised at a point in time</i> | 於某一個時間點確認 | | |
| Sales of air tickets | 銷售機票 | 1,077,618 | 1,038,733 |
| Travel and related service fee income | 旅遊及相關服務費收入 | 50,956 | 51,463 |
| Sales of properties | 銷售物業 | 8,490 | 22,076 |
| | | 1,137,064 | 1,112,272 |
| Revenue from other sources: | 其他來源之收益： | | |
| Rental income | 租金收入 | 10,307 | 8,006 |
| | | 1,147,371 | 1,120,278 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

8. OTHER REVENUE AND GAINS

8. 其他收益及收入

| | | Notes 附註 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|---------------------|-------------|-----------------------------------|-----------------------------------|
| Other revenue | 其他收益 | | | |
| Bank interest income | 銀行利息收入 | | 198 | 193 |
| Management fee income from an associate | 來自一間聯營公司之 管理費收入 | 37(a) | 357 | 274 |
| Other income | 其他收入 | | 2,904 | 634 |
| | | | 3,459 | 1,101 |
| Other gains | 其他收入 | | | |
| Amortisation of financial guarantee contract | 財務擔保合約攤銷 | 28 | 644 | 644 |
| Reversal of impairment loss recognised on: | 就下列各項確認之減值 虧損撥回： | | | |
| — intangible assets | — 無形資產 | 16 | — | 3,164 |
| — amount due from a joint venture | — 應收一間合營 企業款項 | | — | 1,500 |
| | | | 644 | 5,308 |
| Total | 合計 | | 4,103 | 6,409 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

9. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/
(crediting) as follows:

9. 除稅前溢利

除稅前溢利已扣除／(計入)下列項目：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|----------------------------------|-----------------------------------|-----------------------------------|
| (a) Finance costs | (a) 財務成本 | | |
| Interest on bank loans | 銀行貸款之利息 | 7,835 | 3,651 |
| Interest on other loan | 其他貸款之利息 | – | 39 |
| Interest on lease liabilities | 租賃負債之利息 | 138 | – |
| Interest on loan from a director and controlling shareholder (note 37(a)) | 一名董事兼控股 股東貸款之利息 (附註 37(a)) | 1,268 | 313 |
| | | 9,241 | 4,003 |
| (b) Staff costs | (b) 員工成本 | | |
| Salaries, wages and other benefits (including directors' emoluments) | 薪金、工資及其他 福利(包括董事 酬金) | 36,122 | 35,330 |
| Contributions to defined contribution retirement plan | 定額供款退休 計劃之供款 | 1,244 | 1,206 |
| | | 37,366 | 36,536 |
| (c) Other operating expenses | (c) 其他經營開支 | | |
| Write-down of stock of properties (note 20) | 撇減物業存貨 (附註 20) | 14,524 | – |
| (d) Other items | (d) 其他項目 | | |
| Auditors' remuneration | 核數師酬金 | | |
| — audit services | — 核數服務 | 925 | 925 |
| — other services | — 其他服務 | 280 | 260 |
| Depreciation | 折舊： | | |
| — owned property, plant and equipment | — 自置物業、 廠房及設備 | 3,192 | 3,802 |
| — right-of-use assets | — 使用權資產 | 5,143 | – |
| Operating lease rentals | 經營租賃租金 | | |
| — properties | — 物業 | – | 8,012 |
| — plant and equipment | — 廠房及設備 | – | 471 |
| — short-term lease | — 短期租賃 | 3,079 | – |
| — low-value assets | — 低價值資產 | 267 | – |
| Net exchange (gain)/loss | 外匯淨(收益)／ 虧損 | (514) | 245 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房 及設備之虧損 | 57 | – |

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

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

10. TAXATION IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

10. 於綜合損益表之稅項

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 於綜合損益表之稅項呈報：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--------------|------|-----------------------------------|-----------------------------------|
| Current tax | 即期稅項 | - | - |
| Deferred tax | 遞延稅項 | - | - |
| Tax charge | 稅項開支 | - | - |

On 21 March 2018, the Legislative Council of the Hong Kong Special Administrative Region of the PRC passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of the corporations will be taxed at 8.25% and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made for both years as the Group has no assessable profits in Hong Kong.

於二零一八年三月二十一日，中國香港特別行政區立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」)，條例草案引入利得稅兩級制稅率。條例草案於二零一八年三月二十八日簽署成為法律，並於翌日在憲報刊登。根據兩級制利得稅稅率，企業的首港幣2,000,000元的應課稅溢利將按8.25%徵稅，超過港幣2,000,000元的應課稅溢利將按16.5%徵稅。不合資格使用兩級制利得稅稅率的集團實體的溢利將繼續按劃一稅率16.5%徵稅。

由於本集團於兩個年度內概無在香港產生應課稅溢利，因此，概無就香港利得稅作出撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

10. TAXATION IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(a) Taxation in the consolidated statement of profit or loss represents: (continued)

Canadian subsidiaries are subject to Canadian Corporate Income Tax which comprises federal and provincial income taxes. The net federal income tax is calculated at 15% (2018: 15%) and the provincial income tax is calculated at the rates prevailing in the relevant provinces. No provision for Canadian Corporate Income Tax has been made as the Group has no assessable profit arising in Canada for the year ended 31 December 2019 (2018: no provision has been made as the Group has utilised tax loss).

PRC subsidiary is subject to PRC Enterprise Income Tax at 25% (2018: 25%). No provision for PRC Enterprise Income Tax has been made for both years as the Group has no assessable profits arising in the PRC.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. 於綜合損益表之稅項(續)

(a) 於綜合損益表之稅項呈報：(續)

加拿大附屬公司須繳付加拿大企業所得稅，當中包含聯邦及省級所得稅。淨聯邦所得稅按15%（二零一八年：15%）計算，而省級所得稅則按相關省份之當前稅率計算。由於本集團於截至二零一九年十二月三十一日止年度內概無在加拿大產生應課稅溢利，因此，概無就加拿大企業所得稅作出撥備（二零一八年：由於本集團已使用稅項虧損，因此，概無作出撥備）。

中國附屬公司須按25%（二零一八年：25%）繳付中國企業所得稅。由於本集團於兩個年度內概無在中國產生應課稅溢利，因此，概無就中國企業所得稅作出撥備。

於其他司法權區產生之稅項按於相關司法權區之當前稅率計算。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

10. TAXATION IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

10. 於綜合損益表之稅項(續)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率計算之稅項開支與會計溢利之對賬：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|---------------------------|-----------------------------------|-----------------------------------|
| Profit before taxation | 除稅前溢利 | 74,194 | 54,213 |
| National tax on profit before tax, calculated at the tax rates applicable to profit in the countries concerned | 按適用於有關國家溢利之稅率計算之除稅前溢利名義稅項 | (7,672) | 1,915 |
| Tax effect of share of results of associates | 應佔聯營公司業績之稅項影響 | 19,265 | 11,238 |
| Tax effect of share of results of joint ventures | 應佔合營企業業績之稅項影響 | 126 | 99 |
| Tax effect of non-deductible expense | 不可扣稅開支之稅項影響 | 10,423 | 13,501 |
| Tax effect of non-taxable revenue | 毋須課稅收入之稅項影響 | (24,278) | (21,388) |
| Tax effect of unrecognised tax losses | 未確認稅項虧損之稅項影響 | 2,428 | 794 |
| Utilisation of tax losses | 動用稅項虧損 | - | (5,908) |
| Unrecognised temporary differences | 未確認暫時性差額 | (292) | (251) |
| Tax expense for the year | 本年度稅項開支 | - | - |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

11. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Company Ordinance, Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Chapter 622G of the laws of Hong Kong) and the Listing Rules are as follows:

11. 董事酬金

根據公司條例第383(1)條、公司(披露董事利益資料)規例(香港法例第622G章)第2部及上市規則予以披露之董事酬金載列如下：

| Name 姓名 | Directors' fee 董事袍金 | | Salaries, allowance and other benefits 薪金、津貼及其他福利 | | Retirement benefit scheme contributions 退休福利計劃供款 | | Total 合計 | |
|---|------------------------------------|-----------------------------------|---|-----------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| | <i>Executive Directors</i> 執行董事 | | | | | | | |
| Yeung Hoi Sing, Sonny (Chairman) 楊海成(主席) | - | - | 960 | 160 | 18 | 3 | 978 | 163 |
| Ma Ho Man, Hoffman (Deputy chairman) 馬浩文 (副主席) | - | - | 807 | 796 | 18 | 18 | 825 | 814 |
| <i>Non-executive Director</i> 非執行董事 | | | | | | | | |
| Choi Kin Pui, Russelle 蔡健培 | 144 | 120 | - | - | - | - | 144 | 120 |
| <i>Independent Non-executive Directors</i> 獨立非執行董事 | | | | | | | | |
| Yeung Mo Sheung, Ann 楊慕嫻 | 144 | 120 | - | - | - | - | 144 | 120 |
| Chin Wing Lok, Ambrose 錢永樂 | 144 | 120 | - | - | - | - | 144 | 120 |
| Chong Ming Yu 莊名裕 | 144 | 120 | - | - | - | - | 144 | 120 |
| | 576 | 480 | 1,767 | 956 | 36 | 21 | 2,379 | 1,457 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

11. DIRECTORS' EMOLUMENTS (CONTINUED)

Notes:

- (a) For the years ended 31 December 2019 and 2018, no directors waived any emoluments and no emoluments were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.
- (b) Director's material interests in transaction, arrangement or contract is stated as below:

Pursuant to an agreement dated 1 December 2008 made between the Company and Mr. Yeung Hoi Sing, Sonny, being a Director and a controlling shareholder of the Company ("Mr. Yeung"), Mr. Yeung provided a HK\$200 million term loan facility to the Company with interest at the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. The principal amount of the loan facility was increased up to HK\$290 million on 14 April 2009. The Company paid the interest of approximately HK\$1,268,000 for the year ended 31 December 2019 (2018: approximately HK\$313,000) in relation to this transaction. Other details of the transaction are set out in note 27 to the consolidated financial statements.

Save for contracts amongst group companies and the aforementioned transaction, no other significant transactions, arrangements and contracts to which the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

11. 董事酬金(續)

附註：

- (a) 截至二零一九年及二零一八年十二月三十一日止年度，概無董事放棄任何酬金，本集團亦無向任何董事支付任何酬金，作為加入本集團或於加入本集團時之獎勵，或作為離職補償。
- (b) 董事於交易、安排或合約中之重大權益載列如下：

根據本公司與董事兼本公司控股股東楊海成先生(「楊先生」)於二零零八年十二月一日訂立之協議，楊先生向本公司提供港幣200,000,000元之有期貨款融資按香港上海滙豐銀行有限公司所報之港元貸款最優惠利率計息。於二零零九年四月十四日，該筆貸款融資之本金金額已增加至最高達港幣290,000,000元。截至二零一九年十二月三十一日止年度，本公司已就此交易支付利息約港幣1,268,000元(二零一八年：約港幣313,000元)。交易之其他詳情載於綜合財務報表附註27。

除集團公司間之合約以及上述交易外，本公司概無訂立其他於年終或於本年度內任何時間仍然生效，而董事於當中直接或間接擁有重大權益之交易、安排及合約。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

12. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, one (2018: nil) was executive Director, whose emoluments are disclosed in note 11. The emoluments of the remaining four (2018: five) individuals, included two (2018: two) senior management, are as follows:

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|------------|-----------------------------------|-----------------------------------|
| Salaries, allowances and other benefits | 薪金、津貼及其他福利 | 3,591 | 4,547 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 72 | 90 |
| | | 3,663 | 4,637 |

The emoluments of the four (2018: five) individuals with the highest emoluments are within the following band:

| | | Number of individuals 人數 | |
|--------------------------------|-----------------------------------|-----------------------------|---------------|
| | | 2019 二零一九年 | 2018 二零一八年 |
| Nil – HK\$1,000,000 | 零至港幣 1,000,000 元 | 4 | 4 |
| HK\$1,000,001 to HK\$1,500,000 | 港幣 1,000,001 元至 港幣 1,500,000 元 | – | 1 |

12. 高級管理人員酬金及最高薪人士

(a) 五名最高薪人士

本集團五名最高薪人士中，其中一名(二零一八年：無)為執行董事，其酬金已披露於附註 11。其餘四名(二零一八年：五名)人士當中包括兩名(二零一八年：兩名)高級管理人員，其酬金總額載列如下：

該四名(二零一八年：五名)最高薪人士之酬金介乎下列範圍內：

Notes to the Consolidated Financial Statements (Continued)
 綜合財務報表附註(續)

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

**12. SENIOR MANAGEMENT'S
 EMOLUMENTS AND INDIVIDUALS
 WITH HIGHEST EMOLUMENTS
 (CONTINUED)**

(b) Senior management of the Company

The emoluments of the senior management of the Company are within the following band:

| | | Number of individuals 人數 | |
|-----------------------------------|-----------------------------------|-----------------------------|---------------|
| | | 2019 二零一九年 | 2018 二零一八年 |
| Nil – HK\$1,000,000 | 零至港幣 1,000,000 元 | 2 | 1 |
| HK\$1,000,001 to HK\$1,500,000 | 港幣 1,000,001 元至 港幣 1,500,000 元 | – | 1 |

13. DIVIDENDS

No interim dividend was paid during the year (2018: nil). The Directors do not recommend any payment of a final dividend for the year ended 31 December 2019 (2018: nil).

**12. 高級管理人員酬金及最高薪
 人士(續)**

(b) 本公司高級管理人員

本公司高級管理人員之酬金介乎下列範圍內：

13. 股息

年內並無派付中期股息(二零一八年：無)。董事不建議就截至二零一九年十二月三十一日止年度派付任何末期股息(二零一八年：無)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

14. 每股盈利

本公司股東應佔每股基本盈利乃根據以下數據計算：

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|------------------|-----------------------------------|-----------------------------------|
| Profit: | 溢利： | | |
| Profit for the year attributable to the owners of the Company | 本公司股東應佔本年度溢利 | 74,194 | 54,464 |
| | | | |
| | | 2019 二零一九年 '000 千股 | 2018 二零一八年 '000 千股 |
| Number of shares: | 股份數目： | | |
| Weighted average number of shares for the purpose of basic earnings per share | 計算每股基本盈利之股份加權平均數 | 4,926,491 | 4,926,491 |

Diluted earnings per share for the years ended 31 December 2019 and 2018 were the same as the basic earnings per share. There were no potential dilutive ordinary shares outstanding for both years presented.

截至二零一九年及二零一八年十二月三十一日止年度，每股攤薄盈利相等於每股基本盈利。於該兩個呈報年度內概無發行在外之潛在攤薄普通股。

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

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

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

| | | Freehold land and building 永久業權 土地及樓宇 HK\$'000 港幣千元 | Leasehold improvements 租賃裝修 HK\$'000 港幣千元 | Furniture, fittings and office equipment 傢俬、裝置 及辦公室設備 HK\$'000 港幣千元 | Motor vehicles 汽車 HK\$'000 港幣千元 | Motor yacht 遊艇 HK\$'000 港幣千元 | Right-of- use assets 使用權資產 HK\$'000 港幣千元 | Total 合計 HK\$'000 港幣千元 |
|---|-------------------------|---|---|--|---|--|--|---------------------------------|
| Cost | 成本 | | | | | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 13,971 | 2,490 | 1,983 | 4,918 | 20,047 | - | 43,409 |
| Additions | 添置 | - | 9 | 264 | 195 | - | - | 468 |
| Disposals | 出售 | - | - | (31) | - | - | - | (31) |
| Exchange alignment | 匯兌調整 | (1,060) | (238) | (482) | (4) | - | - | (1,784) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 12,911 | 2,261 | 1,734 | 5,109 | 20,047 | - | 42,062 |
| Adjustments upon application of HKFRS 16 (note 3) | 於應用香港財務報告準則第16號後調整(附註3) | - | - | - | - | - | 10,094 | 10,094 |
| At 1 January 2019 (restated) | 於二零一九年一月一日(重列) | 12,911 | 2,261 | 1,734 | 5,109 | 20,047 | 10,094 | 52,156 |
| Additions | 添置 | 2,027 | 329 | 120 | 8 | - | 699 | 3,183 |
| Disposals | 出售 | - | (73) | (153) | - | - | - | (226) |
| Exchange alignment | 匯兌調整 | 486 | 107 | 221 | 1 | - | 45 | 860 |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 15,424 | 2,624 | 1,922 | 5,118 | 20,047 | 10,838 | 55,973 |
| Accumulated depreciation | 累計折舊 | | | | | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 2,404 | 2,119 | 1,781 | 3,129 | 3,676 | - | 13,109 |
| Charge for the year | 年內支出 | 328 | 116 | 164 | 1,189 | 2,005 | - | 3,802 |
| Disposals | 出售 | - | - | (31) | - | - | - | (31) |
| Exchange alignment | 匯兌調整 | (204) | (216) | (480) | (1) | - | - | (901) |
| At 31 December 2018 and 1 January 2019 | 於二零一八年十二月三十一日及二零一九年一月一日 | 2,528 | 2,019 | 1,434 | 4,317 | 5,681 | - | 15,979 |
| Charge for the year | 年內支出 | 321 | 83 | 147 | 638 | 2,003 | 5,143 | 8,335 |
| Disposals | 出售 | - | (17) | (152) | - | - | - | (169) |
| Exchange alignment | 匯兌調整 | 101 | 89 | 232 | 1 | - | 3 | 426 |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 2,950 | 2,174 | 1,661 | 4,956 | 7,684 | 5,146 | 24,571 |
| Carrying amount | 賬面值 | | | | | | | |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 12,474 | 450 | 261 | 162 | 12,363 | 5,692 | 31,402 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 10,383 | 242 | 300 | 792 | 14,366 | - | 26,083 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

15. 物業、廠房及設備(續)

| | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---|--|--|
| Freehold land and building held outside Hong Kong | 12,474 | 10,383 |

Lease liabilities of approximately HK\$5,740,000 are recognised with related right-of-use assets of approximately HK\$5,692,000 as at 31 December 2019.

租賃負債約港幣5,740,000元連同相關使用權資產港幣5,692,000元於二零一九年十二月三十一日確認。

Details of total cash outflow of leases are set out in the consolidated statement of cash flows.

租賃現金流出總額的詳情載於綜合現金流量表。

During the current year, the Group leases properties for self-own use. Lease contracts are entered into for fixed term of one to three years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於本年度，本集團租賃物業以供自用。所訂立的租賃合約的固定期限為一至三年。租賃年期乃按個別基準協商，並包含廣泛的條款及條件。於釐定租賃年期及評估不可撤銷期間的期限時，本集團應用合約的定義並確定合約可強制執行的期間。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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16. INTANGIBLE ASSETS

16. 無形資產

| | | Trademark 商標 HK\$'000 港幣千元 | Client lists 客戶名單 HK\$'000 港幣千元 | Total 合計 HK\$'000 港幣千元 |
|---|---------------------------------|-------------------------------------|--|---------------------------------|
| Cost | 成本 | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 27,078 | 7,569 | 34,647 |
| Exchange alignment | 匯兌調整 | (2,043) | (571) | (2,614) |
| At 31 December 2018 and 1 January 2019 | 於二零一八年 十二月三十一日及 二零一九年一月一日 | 25,035 | 6,998 | 32,033 |
| Exchange alignment | 匯兌調整 | 937 | 262 | 1,199 |
| At 31 December 2019 | 於二零一九年 十二月三十一日 | 25,972 | 7,260 | 33,232 |
| Accumulated amortisation and impairment losses | 累計攤銷及減值虧損 | | | |
| At 1 January 2018 | 於二零一八年一月一日 | (23,151) | (7,569) | (30,720) |
| Reversal of impairment loss | 減值虧損撥回 | 3,164 | - | 3,164 |
| Exchange alignment | 匯兌調整 | 1,595 | 571 | 2,166 |
| At 31 December 2018 and 1 January 2019 | 於二零一八年 十二月三十一日及 二零一九年一月一日 | (18,392) | (6,998) | (25,390) |
| Exchange alignment | 匯兌調整 | (688) | (262) | (950) |
| At 31 December 2019 | 於二零一九年 十二月三十一日 | (19,080) | (7,260) | (26,340) |
| Carrying amount | 賬面值 | | | |
| At 31 December 2019 | 於二零一九年 十二月三十一日 | 6,892 | - | 6,892 |
| At 31 December 2018 | 於二零一八年 十二月三十一日 | 6,643 | - | 6,643 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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16. INTANGIBLE ASSETS (CONTINUED)

Trademark

The trademark named as “Jade Tours” is a well-known travel agency brand registered in Canada. The Directors assessed that the trademark is having indefinite useful lives because the trademark was expected to contribute to net cash inflow indefinitely and can be renewed by the Group at minimal cost.

In accordance with HKAS 36, the Group completed its annual impairment test for the trademark by comparing its recoverable amount to its carrying amount as at 31 December 2019 and 2018. The Group has conducted a valuation of the trademark based on the value in use calculations. With reference to the valuations carried out by the Valuer, no impairment loss has been recognised for the year ended 31 December 2019 (2018: reversal of impairment loss equivalent to approximately HK\$3,164,000). Any adverse change in the assumptions used in the calculation of the recoverable amount would result in impairment loss.

The valuation of the trademark is based on the relief-from-royalty method and uses cash flow projections based on financial estimates covering a five-year period, the expected sales deriving from the trademark in the travel CGU and a pre-tax discount rate of approximately 23% (2018: approximately 26%). The cash flows beyond the five-year period are extrapolated using a steady 2% (2018: 2%) growth rate. This growth rate does not exceed the long-term average growth rate for travel markets in which the Group operates. The values assigned to the above assumptions reflect past experience and are consistent with management plans for focusing operations in these markets. Management believes that the assumption is reasonably achievable.

16. 無形資產(續)

商標

「Jade Tours」商標名稱乃加拿大知名註冊旅遊代理品牌。由於商標預期可無限期貢獻現金流入淨額，並可由本集團以微不足道之成本續新，故董事評估商標之可使用年期為無限。

根據香港會計準則第36號，本集團將商標之可收回金額與其於二零一九年及二零一八年十二月三十一日之賬面值作比較，藉以完成對商標之年度減值測試。本集團已根據使用價值計算方法為商標進行估值。參考估值師進行之估值，於截至二零一九年十二月三十一日止年度概無確認減值虧損(二零一八年：撥回減值虧損相等於約港幣3,164,000元)。用於計算可收回金額之假設如有任何不利變動，均可能產生減值虧損。

商標之估值按免納專利權使用費方法計算，並採用根據涵蓋五年期之財務估計、預期來自旅遊現金產生單位之商標之銷售額以及除稅前貼現率約23%(二零一八年：約26%)得出之現金流量預測進行。超逾五年期之現金流量則採用穩定增長率2%(二零一八年：2%)推算。有關增長率並不超過本集團經營所在旅遊市場之長期平均增長率。上述假設之相關價值反映過往經驗，並與管理層專注於該等市場業務之計劃相符。管理層相信該假設可合理實踐。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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16. INTANGIBLE ASSETS (CONTINUED)

Client List

The Directors assessed that the client list is having 15 years of useful lives from the date of acquisition. The carrying amount of the client list was fully impaired in the year ended 31 December 2014. The recognition of impairment loss is mainly contributed by the increase in contributory charge of fixed assets.

17. INVESTMENT PROPERTIES

| Fair value 公平值 | | HK\$'000 港幣千元 |
|---|-------------------------|------------------|
| At 1 January 2018 | 於二零一八年一月一日 | 292,000 |
| Acquisitions of assets through acquisition of subsidiaries (note 33) | 透過收購附屬公司購置資產(附註33) | 148,000 |
| Increase in fair value recognised in the consolidated statement of profit or loss | 於綜合損益表內確認之公平值增加 | 27,300 |
| Transfer to stock of properties (note 20) | 轉撥至物業存貨(附註20) | (23,700) |
| At 31 December 2018 and 1 January 2019 | 於二零一八年十二月三十一日及二零一九年一月一日 | 443,600 |
| Increase in fair value recognised in the consolidated statement of profit or loss | 於綜合損益表內確認之公平值增加 | 1,200 |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 444,800 |

A fair value gain on the investment properties of approximately HK\$1,200,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2019 (2018: approximately HK\$27,300,000). The direct operating expense from investment properties is amounting to approximately HK\$1,021,000 (2018: approximately HK\$943,000) and the rental income generated from the investment properties is approximately HK\$10,307,000 (2018: approximately HK\$8,006,000).

16. 無形資產(續)

客戶名單

董事評估客戶名單之可使用年期為收購日期起計15年。客戶名單之賬面值於截至二零一四年十二月三十一日止年度已全面減值。確認減值虧損主要來自固定資產之繳納支出增加。

17. 投資物業

截至二零一九年十二月三十一日止年度，投資物業之公平值收益約港幣1,200,000元於綜合損益表中確認(二零一八年：約港幣27,300,000元)。來自投資物業之直接經營開支約為港幣1,021,000元(二零一八年：約港幣943,000元)，而來自投資物業之租金收入約為港幣10,307,000元(二零一八年：約港幣8,006,000元)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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17. INVESTMENT PROPERTIES (CONTINUED)

The Group's properties interest held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for an investment properties. The fair value of the investment properties for the years ended 31 December 2019 and 2018 have been arrived at on the basis of valuations carried out on the respective dates by the Valuers who have appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The management works closely with the Valuers to establish the appropriate valuation techniques and inputs to model. The management reports the valuation report and findings to the Directors half yearly to explain the cause of fluctuations in the fair value of the investment properties. The highest and best use of the investment properties are its current use in estimating the fair value of the properties.

The fair value of investment properties located in Hong Kong is determined using combination of income capitalisation method and direct comparison method (2018: combination of income capitalisation method and direct comparison method) by reference to recent sales price of comparable properties on a price per saleable square foot basis.

For the year ended 31 December 2019, the investment properties were classified as level 3 under the fair value hierarchy (2018: level 3). There were no transfers into or out of level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out the fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

17. 投資物業(續)

本集團根據經營租賃持有以賺取租金或作資本增值用途的物業權益採用公平值模式計量，並分類為投資物業及按其入賬。截至二零一九年及二零一八年十二月三十一日止年度，投資物業之公平值已由具備適當資格並於相關地區之類似物業估值方面具有近期經驗之估值師，於相關日期按估值基準達致。管理層與估值師緊密合作，制定合適的估值方法及模式的輸入數據。管理層每半年向董事報告一次估值報告及結果，以解釋投資物業公平值波動的原因。在估計物業之公平值時，投資物業之最高及最佳用途為其目前用途。

位於香港之投資物業之公平值乃經參考可比較物業近期售價按每平方米實用面積價格基準以採用合併收入資本化法及直接比較法(二零一八年：合併收入資本化法及直接比較法)釐定。

截至二零一九年十二月三十一日止年度，投資物業分類為公平值架構級別項下第三級(二零一八年：第三級)。年內，第一、二及三級概無轉入或轉出。

本集團之政策是當導致轉移之事件或情況變化發生之日之時確認公平值架構級別之轉入及轉出。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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17. INVESTMENT PROPERTIES (CONTINUED)

17. 投資物業(續)

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

下表描述本集團投資物業的公平值層級計量：

| Description | Fair value at 31 December 2019 於二零一九年 十二月三十一日 之公平值 HK\$'000 港幣千元 | Valuation technique | Fair value hierarchy | Significant unobservable inputs | Range or weighted average |
|---|---|--|-------------------------|--|---|
| 描述 | | 估值方法 | 公平值層級 | 重大不可觀察輸入數據 | 範圍或加權平均 |
| Office Nos. 1003 and 1004A, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓1003號及 1004A號辦公室 | 285,600 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積 價格 Capitalisation rate 資本化率 | HK\$40,877 to HK\$47,690 港幣40,877元至港幣47,690元 2.3% |
| Office No. 1001A, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓1001A號 辦公室 | 57,500 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積價格 Capitalisation rate 資本化率 | HK\$46,084 to HK\$53,766 港幣46,084元至港幣53,766元 2.3% |
| Office No. 1004B, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓1004B號 辦公室 | 101,700 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積價格 Capitalisation rate 資本化率 | HK\$45,669 to HK\$53,282 港幣45,669元至港幣53,282元 2.3% |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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17. INVESTMENT PROPERTIES (CONTINUED)

17. 投資物業(續)

| Description | Fair value at 31 December 2018 於二零一八年 十二月三十一日 之公平價值 HK\$'000 港幣千元 | Valuation technique | Fair value hierarchy | Significant unobservable inputs | Range or weighted average |
|---|--|--|-------------------------|---|---|
| 描述 | | 估值方法 | 公平值層級 | 重大不可觀察輸入數據 | 範圍或加權平均 |
| Office Nos. 1003 and 1004A, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓1003號及 1004A號辦公室 | 284,600 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積價格 | HK\$35,472 to HK\$54,224 港幣35,472元至港幣54,224元 |
| | | | | Capitalisation rate 資本化率 | 1.2% |
| Office No. 1001A, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓 1001A號辦公室 | 57,600 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積價格 | HK\$39,991 to HK\$61,133 港幣39,991元至港幣61,133元 |
| | | | | Capitalisation rate 資本化率 | 1.2% |
| Office No. 1004B, 10th Floor, Tower 1, Admiralty Centre 海富中心1座10樓 1004B號辦公室 | 101,400 | Income capitalisation method and direct comparison method 收入資本化法及直接比較法 | Level 3 第三級 | Estimated price per saleable square foot 估計每平方呎實用面積價格 | HK\$39,955 to HK\$54,225 港幣39,955元至港幣54,225元 |
| | | | | Capitalisation rate 資本化率 | 1.2% |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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17. INVESTMENT PROPERTIES (CONTINUED)

As at 31 December 2019, the valuations of investment properties were based on either the investment method which capitalises the rent receivables from the existing tenancies and the potential reversionary market rent of the properties or direct comparison method by reference to comparable market transactions.

A significant increase/(decrease) in estimated rental value per saleable square foot in isolation would result in a significantly higher/(lower) fair value of the investment properties. A significant increase/(decrease) in the capitalisation rate in isolation would result in a significantly lower/(higher) fair value of the investment properties.

A significant increase/(decrease) in price per saleable square foot in isolation would result in significantly higher/(lower) fair value of the investment properties.

The Directors believe that any possible changes in input values would not cause significant change in fair value of the investment properties.

The properties are either leased out in return of receiving rental income or held for capital appreciation and are measured using the fair value model and are classified and accounted as investment properties.

For the year ended 31 December 2019, the Group had pledged all (2018: all) of the investment properties with carrying amount of approximately HK\$444.8 million (2018: approximately HK\$443.6 million) to secure bank loans granted to the Group (note 25).

17. 投資物業(續)

於二零一九年十二月三十一日，投資物業乃根據投資法(即將物業的現行租賃應收之租金及潛在復歸市場租金資本化)或直接比較法(即參考可資比較市場交易)進行估值。

估計每平方呎實用面積租金價值單獨大幅增加/(減少)會令投資物業之公平值大幅上升/(下降)。資本化率單獨大幅增加/(減少)會令投資物業之公平值大幅下降/(上升)。

每平方呎實用面積價格單獨大幅增加/(減少)會令投資物業之公平值大幅上升/(下降)。

董事相信，輸入數據之任何可能變動將不會對投資物業之公平值造成重大變動。

物業是為換取租金收入而租出或持作資本升值，採用公平值模式計量並分類及入賬為投資物業。

截至二零一九年十二月三十一日止年度，本集團已抵押所有(二零一八年：所有)投資物業，賬面值約為港幣444,800,000元(二零一八年：約港幣443,600,000元)以為授予本集團的銀行貸款作出抵押(附註25)。

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綜合財務報表附註(續)

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18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

| | | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|------------|------------|--|--|
| Deemed capital contribution | 視作資本出資 | (b) | 103,200 | 103,200 |
| Goodwill | 商譽 | (c) | 19,409 | 19,409 |
| Share of results of associates | 應佔聯營公司業績 | | 281,803 | 165,046 |
| | | | 404,412 | 287,655 |
| Amounts due from associates | 應收聯營公司款項 | (d), 37(b) | 219,776 | 317,419 |
| Amounts shown under non-current assets | 非流動資產中列示金額 | | 624,188 | 605,074 |

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2019
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18. INTERESTS IN ASSOCIATES
(CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interests in associates recognised in the consolidated financial statements:

18. 於聯營公司之權益(續)

上文概列之財務資料與綜合財務報表中所確認於聯營公司之權益賬面值之對賬：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---|-----------------------|--|--|
| Net assets/(liabilities) of the associates | 聯營公司資產淨值／ (負債淨額) | 83,910 | (154,370) |
| Proportion of the Group's ownership interests | 本集團之擁有權權益比例 | 49% | 49% |
| Share of net assets/(liabilities) of the associates | 應佔聯營公司 資產淨值／(負債淨額) | 41,116 | (75,641) |
| Goodwill | 商譽 | 19,409 | 19,409 |
| Effect of fair value adjustments at acquisition | 收購時公平值調整之影響 | 240,687 | 240,687 |
| Deemed capital contribution | 視作資本出資 | 103,200 | 103,200 |
| Amounts due from associates (note 37(b)) | 應收聯營公司款項 (附註37(b)) | 219,776 | 317,419 |
| | | 624,188 | 605,074 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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18. INTERESTS IN ASSOCIATES (CONTINUED)

- (a) The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group:

18. 於聯營公司之權益(續)

- (a) 下表僅載列對本集團業績或資產構成主要影響之聯營公司之詳情，該等聯營公司均為非上市法人實體：

| Name of associate 聯營公司名稱 | Place of incorporation/ operations 註冊成立/ 營業地點 | Particulars of issued and paid up share capital 已發行及 繳足股本詳情 | Proportion of ownership interests 擁有權益比例 | | | Principal activity 主要業務 |
|---|--|---|---|--|--|----------------------------|
| | | | Group's effective interests 本集團 實際權益 % | Held by the Company 由本公司 持有 % | Held by a subsidiary 由一間附屬 公司持有 % | |
| Pier 16 — Property Development Limited ("Pier 16 — Property Development") (note) 十六浦物業發展股份有限公司 (「十六浦物業發展」)(附註) | Macau 澳門 | 100,000 shares of MOP100 each 100,000股每股面值 100澳門元之股份 | 49 | — | 49 | Property holding 物業控股 |

Note: As at 31 December 2019 and 2018, Pier 16 — Property Development held the equity interests of the following companies with the details as below:

附註：於二零一九年及二零一八年十二月三十一日，十六浦物業發展持有下列公司股權，詳情如下：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

18. INTERESTS IN ASSOCIATES (CONTINUED)

- (a) The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group: (continued)

18. 於聯營公司之權益(續)

- (a) 下表僅載列對本集團業績或資產構成主要影響之聯營公司之詳情，該等聯營公司均為非上市法人實體：(續)

| Name of associate 聯營公司名稱 | Place of incorporation/ operations 註冊成立/ 營業地點 | Particulars of issued and paid up share capital 已發行及繳足股本詳情 | Proportion of effective interests held by Pier 16 — Property Development 由十六浦物業發展持有 實際權益比例 | | Principal activity 主要業務 |
|--|--|--|---|--------------------|--|
| | | | 2019 二零一九年 % | 2018 二零一八年 % | |
| Pier 16 — Entertainment Group Corporation Limited 十六浦娛樂集團有限公司 | Macau 澳門 | 2 shares of MOP24,000 and MOP1,000 respectively 2股分別面值24,000澳門元及1,000澳門元之股份 | 100 | 100 | Provision of management services for casino operations 為娛樂場營運提供管理服務 |
| Pier 16 — Management Limited 十六浦管理有限公司 | Macau/ Hong Kong and Macau 澳門/香港及澳門 | 2 shares of MOP24,000 and MOP1,000 respectively 2股分別面值24,000澳門元及1,000澳門元之股份 | 100 | 100 | Hotel management 酒店管理 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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18. INTERESTS IN ASSOCIATES (CONTINUED)

(b) The deemed capital contribution is referenced to the financial guarantee contract (note 28) granted by the Group to the associates.

(c) **Goodwill**

Because goodwill is included in the carrying amount of the interests in associates and is not separately recognised, it is not tested for impairment separately by applying the requirements for impairment testing in HKAS 36. Instead, the entire carrying amount of the interests in associates is tested for impairment as set out in note 18(d) below.

(d) The amounts due from associates are unsecured, interest-free and have no fixed terms of repayment. Their carrying amounts are not materially different from their fair value.

The Group completed its annual impairment test for interests in associates by comparing the recoverable amount of interests in associates to its carrying amount as at 31 December 2019 and 2018. The Group has engaged the Valuer to carry out a valuation of the interests in associates as at 31 December 2019 based on the value in use calculations. This valuation uses cash flow projections based on financial estimates covering a ten-year period, and a pre-tax discount rate of approximately 8% (2018: approximately 8%). The cash flows beyond the ten-year period are extrapolated using a steady 3% (2018: 3%) growth rate for the casino and hotel industries in which are operated by associates. The values assigned to the above assumptions reflect past experience and are consistent with management plans for focusing operations in these markets. Management believes that the assumption is reasonably achievable.

18. 於聯營公司之權益(續)

(b) 視作資本出資指本集團向聯營公司發出之財務擔保合約(附註28)。

(c) **商譽**

由於商譽列入於聯營公司之權益賬面值，並無獨立確認，故毋須應用香港會計準則第36號之減值測試規定進行獨立減值測試。然而，誠如下文附註18(d)所載，於聯營公司之權益之全部賬面值均接受減值測試。

(d) 應收聯營公司款項為無抵押、免息及並無固定還款期。該等款項之賬面值與其公平值並無重大差異。

本集團將其於聯營公司之權益之可收回金額與其於二零一九年及二零一八年十二月三十一日之賬面值作比較，藉以完成其對於聯營公司之權益之年度減值測試。本集團已委聘估值師根據使用價值計算方法為截至二零一九年十二月三十一日其於聯營公司之權益進行估值。是次估值採用根據涵蓋十年期之財務估計以及除稅前貼現率約8%(二零一八年：約8%)得出之現金流量預測進行。超逾十年期之現金流量採用聯營公司所經營娛樂場及酒店業之穩定增長率3%(二零一八年：3%)推算。上述假設之相關價值反映過往經驗，並與管理層專注於該等市場業務之計劃一致。管理層相信該假設可合理實踐。

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綜合財務報表附註(續)

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18. INTERESTS IN ASSOCIATES
(CONTINUED)

- (e) The following is summary of aggregate amounts of assets, liabilities, revenue, and results of the Group's associates:

18. 於聯營公司之權益(續)

- (e) 本集團聯營公司之資產、負債、收益及業績總額概述如下：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--------------------------|-------------|--|--|
| Non-current assets | 非流動資產 | 663,990 | 729,513 |
| Current assets | 流動資產 | 372,918 | 461,884 |
| Current liabilities | 流動負債 | (469,014) | (463,329) |
| Non-current liabilities | 非流動負債 | (483,984) | (882,438) |
| Net assets/(liabilities) | 資產淨值/(負債淨額) | 83,910 | (154,370) |
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| Revenue | 收益 | 808,218 | 735,202 |
| Other revenue and gains | 其他收益及收入 | 18,958 | 56,321 |
| Profit for the year | 本年度溢利 | 238,280 | 139,000 |

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綜合財務報表附註(續)

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19. INTERESTS IN JOINT VENTURES

19. 於合營企業之權益

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---|-------------------------|--|--|
| Share of net assets | 應佔資產淨值 | 4,299 | 3,538 |
| Amount due from a joint venture (note 37(b)) | 應收一間合營企業款項 (附註37(b)) | 8,970 | 8,970 |
| | | 13,269 | 12,508 |
| Less: Recognised of impairment loss | 減：確認減值虧損 | (7,200) | (7,200) |
| | | 6,069 | 5,308 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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19. INTERESTS IN JOINT VENTURES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interests in joint ventures recognised in the consolidated financial statements:

19. 於合營企業之權益(續)

上文概列之財務資料與綜合財務報表中所確認於合營企業之權益賬面值之對賬：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|-------------------------|--|--|
| Net assets of the joint venture | 合營企業之資產淨值 | 14,402 | 12,498 |
| Less: Non-controlling interests | 減：非控股權益 | (5,804) | (5,422) |
| Net assets attributable to owners of joint venture | 合營企業股東應佔資產淨值 | 8,598 | 7,076 |
| Proportion of the Group's ownership interests | 本集團之擁有權權益比例 | 50% | 50% |
| Share of net assets of the joint venture | 應佔合營企業之資產淨值 | 4,299 | 3,538 |
| Amount due from a joint venture (note 37(b)) | 應收一間合營企業款項 (附註37(b)) | 8,970 | 8,970 |
| Less: Recognise of impairment loss | 減：確認減值虧損 | (7,200) | (7,200) |
| | | 6,069 | 5,308 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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19. INTERESTS IN JOINT VENTURES (CONTINUED)

19. 於合營企業之權益(續)

(a) Details of the Group's interests in the joint ventures are as follows:

(a) 本集團於合營企業之權益詳情如下：

| Name of Joint venture | Form of business structure | Place of incorporation | Particulars of issued and paid up share capital 已發行及繳足股本詳情 | Group's effective interests 本集團實際權益 | Principal activity 主要業務 |
|--|----------------------------|------------------------|---|--|----------------------------|
| 合營企業名稱 | 業務架構形式 | 註冊成立地點 | | | |
| Surplus Win Enterprises Limited (note) 盈勝企業有限公司(附註) | Incorporated 註冊成立 | BVI 英屬處女群島 | 2 shares of USD1 each 2股每股面值1美元之股份 | 50% | Investment holding 投資控股 |

Note: As at 31 December 2019 and 2018, Surplus Win Enterprises Limited held 80% effective interests in Double Diamond International Limited ("Double Diamond", a company incorporated in the BVI with limited liability). The principal activity of Double Diamond is pier operation in Macau.

附註：於二零一九年及二零一八年十二月三十一日，盈勝企業有限公司持有Double Diamond International Limited(「Double Diamond」，一間於英屬處女群島註冊成立之有限公司)之80%實際權益。Double Diamond主要在澳門營運碼頭業務。

(b) Aggregate financial information of joint ventures that are not individually material:

(b) 個別並不重大之合營企業之財務資料總述：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---------------------|-------|--|--|
| Non-current assets | 非流動資產 | 29,293 | 29,293 |
| Current assets | 流動資產 | 3,460 | 1,659 |
| Current liabilities | 流動負債 | (18,351) | (18,454) |
| Net assets | 資產淨值 | 14,402 | 12,498 |

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

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19. INTERESTS IN JOINT VENTURES
(CONTINUED)

(b) Aggregate financial information of joint ventures that are not individually material: (continued)

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|------------------------|-------|-----------------------------------|-----------------------------------|
| Revenue | 收益 | 2,202 | 1,898 |
| Expenses | 開支 | (298) | (403) |
| Profit before taxation | 除稅前溢利 | 1,904 | 1,495 |
| Taxation | 稅項 | - | - |
| Profit for the year | 本年度溢利 | 1,904 | 1,495 |

The above amounts of assets and liabilities include the following:

上述資產及負債金額包括以下各項：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|-----------------------------|-----------|--|--|
| Cash and cash equivalents | 現金及現金等值項目 | 3,316 | 1,659 |
| Amounts due to shareholders | 應付股東款項 | (17,940) | (17,940) |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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19. INTERESTS IN JOINT VENTURES (CONTINUED)

- (c) The amount due from a joint venture is unsecured, interest-free and has no fixed terms of repayment.
- (d) The Group has advanced HK\$12 million to the joint venture to finance the acquisition of certain assets. In the opinion of the Directors, the Group will not demand for repayment within twelve months from the end of the reporting period and is therefore classified as non-current assets.

As at 31 December 2019, the carrying amount of amount due from a joint venture was approximately HK\$9.0 million (2018: approximately HK\$9.0 million).

As at 31 December 2019, the accumulated impairment loss of interests in joint ventures was approximately HK\$7.2 million (2018: approximately HK\$7.2 million), which is considered to be adequate as there are no indication for further impairment (2018: reversal of impairment of approximately HK\$1.5 million). The recoverable amount of this advance is determined based on the net cash flows from operations estimated by the management for the coming five years.

19. 於合營企業之權益(續)

- (c) 應收一間合營企業款項為無抵押、免息及並無固定還款期。
- (d) 本集團已向合營企業墊付港幣12,000,000元，為收購若干資產提供資金。董事認為，本集團將不會要求於報告期末起十二個月內還款，故已將該筆墊款分類為非流動資產。

於二零一九年十二月三十一日，應收一間合營企業款項之賬面值約為港幣9,000,000元(二零一八年：約港幣9,000,000元)。

於二零一九年十二月三十一日，於合營企業之權益之累計減值虧損約為港幣7,200,000元(二零一八年：約港幣7,200,000元)，由於並無跡象顯示需進一步作出減值，故被視為足夠(二零一八年：撥回減值約港幣1,500,000元)。該筆墊款之可收回金額乃按管理層對未來五年經營所得之現金流量淨額之估計釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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20. STOCK OF PROPERTIES

20. 物業存貨

| | | HK\$'000 港幣千元 |
|---|-----------------------------|------------------|
| At 1 January 2018 | 於二零一八年一月一日 | – |
| Acquisitions of assets through acquisition of subsidiaries (note 33) | 透過收購附屬公司購置資產 (附註33) | 58,180 |
| Additions during the year | 年內增加 | 120,416 |
| Transfer from investment properties (note 17) | 轉自投資物業(附註17) | 23,700 |
| Disposal during the year | 年內出售 | (16,078) |
| At 31 December 2018 and 1 January 2019 | 於二零一八年十二月三十一日及 二零一九年一月一日 | 186,218 |
| Additions during the year | 年內增加 | 1,123 |
| Disposal during the year | 年內出售 | (53,067) |
| Write-down of stock of properties (note 9(c)) | 撇減物業存貨(附註9(c)) | (14,524) |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 119,750 |

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綜合財務報表附註(續)

For the year ended 31 December 2019
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21. TRADE AND OTHER RECEIVABLES

21. 應收貿易賬款及其他應收賬款

| | | Note | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|-----------------------------|-------------------|------|--|--|
| Trade receivables | 應收貿易賬款 | (a) | 33,481 | 42,267 |
| Other receivables | 其他應收賬款 | | 2,099 | 657 |
| Trade and other receivables | 應收貿易賬款及 其他應收賬款 | | 35,580 | 42,924 |
| Prepayments and deposits | 預付款項及按金 | | 7,247 | 6,215 |
| | | | 42,827 | 49,139 |

All of the trade and other receivables are expected to be recovered within one year.

Including in trade receivables, the lease receivables of approximately HK\$487,000 (2018: approximately HK\$234,000) arise from properties rental income.

所有應收貿易賬款及其他應收賬款預期於一年內收回。

包括在應收貿易賬款，應收租金約港幣487,000元(二零一八年：約港幣234,000元)來自物業租金收入。

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

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21. TRADE AND OTHER RECEIVABLES
(CONTINUED)

(a) Aging analysis

Included in trade and other receivables, the aging analysis for trade receivables, based on the due date and net of impairment loss, is as follows:

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|-----------------------|----------|--|--|
| Current | 即期 | 27,735 | 37,848 |
| 31 to 60 days overdue | 逾期31至60日 | 2,826 | 3,920 |
| 61 to 90 days overdue | 逾期61至90日 | 665 | 234 |
| Over 90 days overdue | 逾期超過90日 | 2,255 | 265 |
| | | 33,481 | 42,267 |

The Group normally allows an average credit period of 30 days to customers of travel business (2018: average credit period of 30 days). For the customers of property investment business, no credit period was granted. Further details on the Group's credit policy are set out in note 4(b)(i).

21. 應收貿易賬款及其他應收賬款(續)

(a) 賬齡分析

包括在應收貿易賬款及其他應收賬款中之應收貿易賬款按到期日及扣除減值虧損後之賬齡分析如下：

本集團一般給予旅遊業務客戶30日之平均信貸期(二零一八年：30日之平均信貸期)。就物業投資業務客戶而言，並無授予信貸期。本集團信貸政策之進一步詳情載於附註4(b)(i)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly (see note 2(k)). At the end of the reporting period, there has no impairment loss recognised on trade receivables (2018: nil).

Movement in the impairment loss of trade receivables is as follows:

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--------------------------------------|------------|--|--|
| Balance at the beginning of the year | 年初結餘 | - | 81 |
| Amount written off as uncollectible | 撇銷為不可收回之金額 | - | (81) |
| Balance at the end of the year | 年末結餘 | - | - |

21. 應收貿易賬款及其他應收賬款(續)

(b) 應收貿易賬款減值

應收貿易賬款之減值虧損乃以撥備賬記錄，惟本集團信納收回該款項之機會極微則另作別論；在此情況下，減值虧損乃直接於應收貿易賬款撇銷(見附註2(k))。於報告期末，概無就應收貿易賬款確認減值虧損(二零一八年：無)。

應收貿易賬款減值虧損之變動如下：

Notes to the Consolidated Financial Statements (Continued)

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|-------------------------------|----------|--|--|
| Neither past due nor impaired | 並無逾期或減值 | 27,735 | 37,848 |
| Past due but not impaired | 逾期但並無減值 | | |
| — Less than 1 month past due | —逾期不足一個月 | 2,826 | 3,920 |
| — 1 to 3 months past due | —逾期一至三個月 | 2,920 | 499 |
| | | 5,746 | 4,419 |
| | | 33,481 | 42,267 |

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

21. 應收貿易賬款及其他應收賬款(續)

(c) 並無減值之應收貿易賬款

個別或共同不視為已減值之應收貿易賬款賬齡分析如下：

並無逾期或減值之應收賬款乃與近期並無拖欠還款記錄之各類型客戶有關。

逾期但並無減值之應收賬款乃與若干獨立客戶有關，該等客戶與本集團之往績記錄良好。根據過往經驗，管理層相信毋須就該等結餘計提減值撥備，原因為信貸質素並未出現重大變動，且該等結餘仍被視為可悉數收回。本集團並無就該等結餘持有任何抵押品。

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綜合財務報表附註(續)

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22. PLEDGED BANK DEPOSITS

The amounts are pledged to secure certain banking facilities granted to the Group (note 39). The pledged bank deposits carry fixed interest rate of approximately 0.30% to 1.85% per annum (2018: approximately 1.20% to 1.70% per annum).

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated statement of financial position and cash flows

Deposits with banks carry interest at market rates which is approximately 0.10% to 0.96% per annum for current year (2018: approximately 0.18% to 0.95% per annum).

Included in cash and cash equivalents as at 31 December 2019, there has an amount denominated in Renminbi ("RMB") of approximately RMB45,000 (equivalent to approximately HK\$51,000) (2018: approximately RMB383,000, equivalent to approximately HK\$441,000). Remittance of RMB out of the PRC is subject to exchange restrictions imposed by the PRC government.

22. 已抵押銀行存款

該等款項已予抵押，藉以取得授予本集團之若干銀行融資(附註39)。該等已抵押銀行存款按固定年利率約0.30%至1.85%(二零一八年：年利率約1.20%至1.70%)計息。

23. 現金及現金等值項目

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|---------------------------|--|--|
| Cash and bank balances | 現金及銀行結餘 | 40,752 | 35,720 |
| Non-pledged bank deposits | 無抵押銀行存款 | 58,000 | 15,000 |
| Cash and cash equivalents in the consolidated statement of financial position and cash flows | 綜合財務狀況表及綜合現金流量表之現金及現金等值項目 | 98,752 | 50,720 |

於本年度，銀行存款按市場年利率約0.10%至0.96%(二零一八年：年利率約0.18%至0.95%)計息。

於二零一九年十二月三十一日之現金及現金等值項目中，包括一筆以人民幣(「人民幣」)計值之款項約人民幣45,000元(相等於約港幣51,000元)(二零一八年：約人民幣383,000元，相等於約港幣441,000元)。將人民幣匯出中國境外須受中國政府實施之外匯管制規限。

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綜合財務報表附註(續)

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23. CASH AND CASH EQUIVALENTS
(CONTINUED)

23. 現金及現金等值項目(續)

Reconciliation of liabilities arising from financing activities:

融資活動產生的負債對賬：

| | | Bank loans | Loans payable | Lease liabilities | Loan from a director and controlling shareholder 一名董事兼控股股東 貸款 | Total |
|--|--------------------|---|--------------------------|---|---|------------------------|
| | | 銀行貸款 HK\$'000 港幣千元 (note 25) (附註25) | 應付貸款 HK\$'000 港幣千元 | 租賃負債 HK\$'000 港幣千元 (note 26) (附註26) | 貸款 HK\$'000 港幣千元 (note 27) (附註27) | 總計 HK\$'000 港幣千元 |
| At 1 January 2018 | 於二零一八年一月一日 | - | 27,232 | - | - | 27,232 |
| Changes in financing cash flows: | 融資現金流量變動： | | | | | |
| New bank loans raised | 新籌集銀行貸款 | 222,500 | - | - | - | 222,500 |
| Loan from a director and controlling shareholder | 一名董事兼控股股東 貸款 | - | - | - | 39,000 | 39,000 |
| Total changes in financing cash flows | 融資現金流量變動總額 | 222,500 | - | - | 39,000 | 261,500 |
| Exchange adjustments | 匯兌調整 | - | (2,054) | - | - | (2,054) |
| Other changes: | 其他變動： | | | | | |
| Transaction with non-controlling interests (note 34) | 與非控股權益交易 (附註34) | - | (25,178) | - | - | (25,178) |
| At 31 December 2018 | 於二零一八年 十二月三十一日 | 222,500 | - | - | 39,000 | 261,500 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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23. CASH AND CASH EQUIVALENTS (CONTINUED)

Reconciliation of liabilities arising from financing activities: (continued)

23. 現金及現金等值項目(續)

融資活動產生的負債對賬：(續)

| | | Bank loans | Loans payable | Lease liabilities | Loan from a director and controlling shareholder 一名董事兼控股股東 貸款 | Total |
|---|--------------------|---|--------------------------|---|---|------------------------|
| | | 銀行貸款 HK\$'000 港幣千元 (note 25) (附註25) | 應付貸款 HK\$'000 港幣千元 | 租賃負債 HK\$'000 港幣千元 (note 26) (附註26) | 貸款 HK\$'000 港幣千元 (note 27) (附註27) | 總計 HK\$'000 港幣千元 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 225,000 | - | - | 39,000 | 261,500 |
| Adjustments upon application of HKFRS 16 | 於應用香港財務報告準則第16號後調整 | - | - | 10,094 | - | 10,094 |
| At 1 January 2019 (restated) | 於二零一九年一月一日(重列) | 222,500 | - | 10,094 | 39,000 | 271,594 |
| Changes in financing cash flows: | 融資現金流量變動： | | | | | |
| Repayment of bank loans | 償還銀行貸款 | (28,500) | - | - | - | (28,500) |
| Loan from a director and controlling shareholder | 一名董事兼控股股東貸款 | - | - | - | 40,000 | 40,000 |
| Repayment in loan from a director and controlling shareholder | 償還一名董事兼控股股東貸款 | - | - | - | (79,000) | (79,000) |
| Payment of lease rentals | 支付租賃租金 | - | - | (5,191) | - | (5,191) |
| Total changes in financing cash flows | 融資現金流量變動總額 | (28,500) | - | (5,191) | (39,000) | (72,691) |
| Other changes: | 其他變動： | | | | | |
| Increase in lease liabilities | 租賃負債增加 | - | - | 699 | - | 699 |
| Interest expenses on lease liabilities (note 9(a)) | 租賃負債之利息開支(附註9(a)) | - | - | 138 | - | 138 |
| Total other changes | 其他變動總額 | - | - | 837 | - | 837 |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 194,000 | - | 5,740 | - | 199,740 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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24. TRADE AND OTHER PAYABLES

24. 應付貿易賬款及其他應付賬款

| | | Note | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|------------------------------------|-------------|------|--|--|
| Trade payables | 應付貿易賬款 | (a) | 23,682 | 32,592 |
| Accrued charges and other payables | 應計費用及其他應付賬款 | | 15,742 | 17,021 |
| | | | 39,424 | 49,613 |

(a) Aging analysis

Included in trade and other payables, the aging analysis of trade payables, based on the due date, is as follows:

(a) 賬齡分析

包括在應付貿易賬款及其他應付賬款中之應付貿易賬款按到期日之賬齡分析如下：

| | | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---------------|-----------|--|--|--|
| Current | 即期 | | 22,537 | 31,248 |
| 31 to 60 days | 31 至 60 日 | | 583 | 435 |
| 61 to 90 days | 61 至 90 日 | | 118 | 243 |
| Over 90 days | 超過 90 日 | | 444 | 666 |
| | | | 23,682 | 32,592 |

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綜合財務報表附註(續)

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25. BANK LOANS

25. 銀行貸款

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|-------------------|--|--|
| Bank loans, secured | 有抵押銀行貸款 | 194,000 | 222,500 |
| Carrying amount repayable: | 須於下列期間償還之 賬面值： | | |
| On demand or within one year | 按要求或一年內 | 194,000 | 222,500 |
| | | 194,000 | 222,500 |
| Less: Amount shown under current liabilities | 減：流動負債列示金額 | (194,000) | (222,500) |
| Amounts shown under non-current liabilities | 非流動負債列示金額 | - | - |

As at 31 December 2019, the Group had pledged all (2018: all) of its investment properties (note 17) and one (2018: nil) of its stock of properties (note 20) to secure the bank loans granted to the Group. The bank loans are carrying an interest rate at Hong Kong interbank offered rate (HIBOR) plus 1.7% to 1.75% per annum. The weighted average effective interest rate on the bank loans was approximately 3.62% per annum for the year ended 31 December 2019 (2018: approximately 3.39% per annum).

於二零一九年十二月三十一日，本集團已抵押其所有(二零一八年：所有)投資物業(附註17)及一項(二零一八年：無)物業存貨(附註20)，作為本集團獲授銀行貸款之抵押品。銀行貸款按香港銀行同業拆息加1.7%至1.75%年利率帶息。截至二零一九年十二月三十一日止年度，銀行貸款之加權平均實際年利率約為3.62%(二零一八年：年利率約3.39%)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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26. LEASE LIABILITIES

The Group's lease liabilities arise from lease properties in Hong Kong and Canada for fixed term of one to three years. Interest rates underlying the leases are fixed at respective contract rates of 3.4% to 4.0% per annum.

At 31 December 2019, the Group had lease liabilities repayable as follows:

26. 租賃負債

本集團的租賃負債來自香港及加拿大固定年期為一至三年的租賃物業。租賃的利率固定為各合約利率每年3.4%至4.0%。

於二零一九年十二月三十一日，本集團應償還的租賃負債如下：

| | | At 31 December 2019 於二零一九年十二月三十一日 | | At 1 January 2019 於二零一九年一月一日 | |
|--------------------------------------|------------|--|---|--|---|
| | | Present | | Present | |
| | | value of the minimum lease payments 最低租賃付款 現值 HK\$'000 港幣千元 | Total minimum lease payments 最低租賃付款 總額 HK\$'000 港幣千元 | value of the minimum lease payments 最低租賃付款 現值 HK\$'000 港幣千元 | Total minimum lease payments 最低租賃付款 總額 HK\$'000 港幣千元 |
| Within 1 year | 一年內 | 5,319 | 5,373 | 4,999 | 5,130 |
| After 1 year but within 2 years | 一年後但兩年內 | 293 | 297 | 5,066 | 5,112 |
| After 2 years but within 5 years | 兩年後但五年內 | 128 | 129 | 29 | 30 |
| | | 421 | 426 | 5,095 | 5,142 |
| | | 5,740 | 5,799 | 10,094 | 10,272 |
| Less: total future interest expenses | 減：未來利息開支總額 | | (59) | | (178) |
| Present value of lease liabilities | 租賃負債現值 | | 5,740 | | 10,094 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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26. LEASE LIABILITIES (CONTINUED)

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 3.

Lease obligations that are denominated in currencies are set out below:

26. 租賃負債(續)

本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整二零一九年一月一日的期初結餘以確認與過往根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。於二零一八年十二月三十一日的比較資料並未重列。有關過渡至香港財務報告準則第16號的影響的進一步詳情載於附註3。

按下列貨幣計值的租賃責任列載如下：

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 |
|------|----|--|
| HK\$ | 港元 | 4,841 |
| CAD | 加元 | 899 |
| | | 5,740 |

Notes to the Consolidated Financial Statements (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2019
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27. LOAN FROM A DIRECTOR AND CONTROLLING SHAREHOLDER

27. 一名董事兼控股股東貸款

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---------------------|-------|--|--|
| Loan from Mr. Yeung | 楊先生貸款 | – | 39,000 |

On 1 December 2008, Mr. Yeung provided a HK\$200 million term loan facility to the Company which is unsecured and charged with interest at the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. The principal amount of the loan facility was increased up to HK\$290 million on 14 April 2009 (the "Revised Mr. Yeung's Loan Facility") and the final repayment date of the loan and all other sums owing to Mr. Yeung under the Revised Mr. Yeung's Loan Facility was further extended from 31 October 2020 to 31 October 2022 by a supplemental letter of agreement dated 20 September 2019.

In the opinion of the Directors, the borrowing of the said loan from Mr. Yeung was for the benefit of the Company and on normal commercial terms where no security over the assets of the Company was granted.

於二零零八年十二月一日，楊先生向本公司提供為數港幣200,000,000元之有期貸款融資，該貸款融資為無抵押，且按香港上海滙豐銀行有限公司所報之港元貸款最優惠利率計息。於二零零九年四月十四日，該貸款融資之本金金額增至港幣290,000,000元（「經修訂之楊先生之貸款融資」），並通過日期為二零一九年九月二十日所訂立之補充協議函件，經修訂之楊先生之貸款融資之貸款及所有結欠楊先生之其他款項的最後還款日期，由二零二零年十月三十一日進一步延遲至二零二二年十月三十一日。

董事認為，上述楊先生貸款項下的借貸符合本公司的利益，乃按一般商業條款進行，且本公司概無授出資產抵押。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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28. FINANCIAL GUARANTEE CONTRACT

28. 財務擔保合約

| | | | At 31 December 2019 | At 31 December 2018 |
|------------------------------|-------|------------|------------------------------------|---------------------------|
| | | | 於 二零一九年 十二月三十一日 | 於 二零一八年 十二月三十一日 |
| | | Note 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Carrying amount | 賬面值 | | | |
| At the beginning of the year | 於年初 | | 2,256 | 2,900 |
| Amortisation for the year | 本年度攤銷 | 8 | (644) | (644) |
| At the end of the year | 於年末 | | 1,612 | 2,256 |
| Current liabilities | 流動負債 | | 644 | 644 |
| Non-current liabilities | 非流動負債 | | 968 | 1,612 |
| | | | 1,612 | 2,256 |

In 2017, the Company gave a corporate guarantee (the "Guarantee") to a bank in respect of the loan facilities granted to Pier 16 — Property Development (the "Loan Facilities"). The maximum guarantee amount borne by the Company under the Guarantee was HK\$490 million.

The outstanding loan under the Loan Facilities as at 31 December 2019 was approximately HK\$235.0 million (2018: approximately HK\$435.0 million). The contingent liabilities were disclosed in note 36.

於二零一七年，本公司就授予十六浦物業發展的貸款融資(「該貸款融資」)向一間銀行提供企業擔保(「該擔保」)。本公司根據該擔保承擔的最高保證金額為港幣490,000,000元。

於二零一九年十二月三十一日，就該貸款融資項下之未償還貸款約為港幣235,000,000元(二零一八年：約港幣435,000,000元)。或然負債披露於附註36。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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28. FINANCIAL GUARANTEE CONTRACT (CONTINUED)

The carrying amount of the financial guarantee contract recognised in the Group's consolidated statement of financial position is in accordance with HKFRS 9 and is carried at amortised cost.

No provision for financial guarantee contracts has been made at 31 December 2019 and 2018 as the Directors considered the default risk is low.

29. TAXATION IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Deferred tax assets are recognised for tax loss carried forward to the extent that the realisation of the related tax benefit through utilisation against future taxable profits is probable. At 31 December 2019, the Group had tax losses of approximately HK\$172.8 million (2018: approximately HK\$163.0 million) that are available to carry forward indefinitely for offsetting against future taxable profits. Estimated tax losses of approximately HK\$4.0 million and HK\$28.0 million will expire within 5 years and over 5 years respectively (2018: approximately HK\$2.4 million and HK\$27.9 million expire within 5 years and over 5 years respectively).

No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future tax profit streams.

28. 財務擔保合約(續)

根據香港財務報告準則第9號，財務擔保合約之賬面值已於本集團之綜合財務狀況表確認，並按攤銷成本列賬。

由於董事認為違約風險低，故於二零一九年及二零一八年十二月三十一日並無就財務擔保合約作出撥備。

29. 綜合財務狀況表內之稅項

倘若有關稅務利益可能透過用作抵銷未來應課稅溢利變現，則遞延稅項資產就所結轉之稅項虧損確認入賬。於二零一九年十二月三十一日，本集團之稅項虧損約為港幣172,800,000元(二零一八年：約港幣163,000,000元)，可供無限期結轉以抵銷未來應課稅溢利。估計稅項虧損分別約港幣4,000,000元及港幣28,000,000元將分別於五年內及五年後到期(二零一八年：約港幣2,400,000元及港幣27,900,000元將分別於五年內及五年後到期)。

由於未來稅務溢利來源不可預測，故並無就未動用稅項虧損確認任何遞延稅項資產。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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30. SHARE CAPITAL

30. 股本

| | | Number of shares 股份數目 '000 千股 | Nominal value 面值 HK\$'000 港幣千元 |
|---|--|---|--|
| Authorised: | 法定： | | |
| Ordinary shares of HK\$0.01 each | 每股面值港幣0.01元之 普通股 | | |
| At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019 | 於二零一八年一月一日、 二零一八年 十二月三十一日、 二零一九年一月一日 及二零一九年 十二月三十一日 | 160,000,000 | 1,600,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| Ordinary shares of HK\$0.01 each | 每股面值港幣0.01元 之普通股 | | |
| At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019 | 於二零一八年一月一日、 二零一八年 十二月三十一日、 二零一九年一月一日 及二零一九年 十二月三十一日 | 4,926,491 | 49,265 |

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank pari passu in all respects among themselves.

普通股持有人有權獲得不時宣派之股息及有權於本公司股東大會上按一股一票之方式投票。所有普通股彼此間在各方面均具有相同地位。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

31. DISPOSAL OF SUBSIDIARIES

- (a) Victory Devotion Limited (“Victory Devotion”), a direct wholly-owned subsidiary of the Company, as vendor entered into a sale and purchase agreement with an independent third party as purchaser and the Company as guarantor for Victory Devotion to dispose of (i) the 100% equity interest in Gain Glory Development Limited (“Gain Glory”); and (ii) the shareholder’s loan due and owing by Gain Glory to Victory Devotion in the amount of approximately HK\$15.7 million, at a total consideration of approximately HK\$31.6 million. Completion of the said disposal took place on 8 January 2019.
- (b) Style Best Limited (“Style Best”), an indirect wholly-owned subsidiary of the Company, as vendor entered into a provisional sale and purchase agreement with an independent third party as purchaser and the Company as guarantor for Style Best to dispose of (i) the 100% equity interest in Joint Cosmos Limited (“Joint Cosmos”); and (ii) the shareholder’s loan due and owing by Joint Cosmos to Style Best in the amount of approximately HK\$25.6 million, at a total consideration of approximately HK\$33.6 million. Completion of the said disposal took place on 22 July 2019.

31. 出售附屬公司

- (a) 本公司一間直接全資附屬公司致勝有限公司(「致勝」)(作為賣方)與一名獨立第三方(作為買方)及本公司作為致勝的擔保人訂立一份買賣協議，以出售(i) Gain Glory Development Limited (「Gain Glory」) 的100% 股權；及(ii) Gain Glory應付及結欠致勝的股東貸款約港幣15,700,000元，總代價約為港幣31,600,000元。上述出售事項已於二零一九年一月八日完成。
- (b) 本公司一間間接全資附屬公司型佳有限公司(「型佳」)(作為賣方)與一名獨立第三方(作為買方)及本公司作為型佳的擔保人訂立一份臨時買賣協議，以出售(i)暉途有限公司(「暉途」) 的100% 股權；及(ii)暉途應付及結欠型佳的股東貸款約港幣25,600,000元，總代價約為港幣33,600,000元。上述出售事項已於二零一九年七月二十二日完成。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

31. DISPOSAL OF SUBSIDIARIES (CONTINUED)

Details of the assets and liabilities disposed of, and the calculation of the gain on disposal, are disclosed below:

(i) Consideration received

| | Gain Glory | Joint Cosmos | Total |
|--|------------|----------------|----------------|
| | HK\$'000 | 暉途 HK\$'000 | 總計 HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 |
| Consideration received by the Group in cash and cash equivalents | 31,628 | 33,646 | 65,274 |
| 本集團以現金及現金等值項目收取之代價 | | | |

(ii) Analysis of assets and liabilities over which control was lost

| | Gain Glory | Joint Cosmos | Total |
|-----------------------------------|------------|----------------|----------------|
| | HK\$'000 | 暉途 HK\$'000 | 總計 HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 |
| Stock of properties | 22,213 | 24,772 | 46,985 |
| Prepayment and deposit | 8 | 14 | 22 |
| Accrued charges | (6) | - | (6) |
| Shareholder's loan | (15,727) | (25,567) | (41,294) |
| Net assets/(liabilities) disposed | 6,488 | (781) | 5,707 |
| 物業存貨 | | | |
| 預付款項及按金 | | | |
| 應計費用 | | | |
| 股東貸款 | | | |
| 已出售資產淨值／(負債淨額) | | | |

31. 出售附屬公司(續)

已出售資產及負債之詳情及計算出售收益之方法披露如下：

(i) 已收代價

(ii) 失去控制權之資產及負債分析

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

31. DISPOSAL OF SUBSIDIARIES
(CONTINUED)

31. 出售附屬公司(續)

(iii) Gain on disposal of subsidiaries

(iii) 出售附屬公司之收益

| | | Gain Glory | Joint Cosmos 暉途 | Total 總計 |
|---|-------------------------|------------|--------------------|-------------|
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 |
| Consideration received by the Group | 本集團已收取之代價 | 31,628 | 33,646 | 65,274 |
| Expenses relating to disposal | 與出售有關之開支 | (1,377) | (926) | (2,303) |
| Assignment of shareholders' loans | 股東貸款之轉讓 | (15,727) | (25,567) | (41,294) |
| Net (assets)/liabilities disposed of subsidiaries attributable to the Group | 本集團應佔出售附屬公司的(資產淨值)/負債淨額 | (6,488) | 781 | (5,707) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 8,036 | 7,934 | 15,970 |

(iv) Net cash inflow from disposal of subsidiaries

(iv) 出售附屬公司之現金流入淨額

| | | Gain Glory | Joint Cosmos 暉途 | Total 總計 |
|---|---------------|------------|--------------------|-------------|
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 |
| Total consideration received | 已收取之代價總額 | 31,628 | 33,646 | 65,274 |
| Expenses paid relating to disposal | 與出售相關之已付開支 | (1,377) | (926) | (2,303) |
| Net cash inflow from disposal of subsidiaries | 出售附屬公司之現金流入淨額 | 30,251 | 32,720 | 62,971 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

32. EMPLOYEE RETIREMENT BENEFIT

(a) Defined contribution retirement plan

The Group participates in a Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Employment Ordinance of Hong Kong. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 effective from 1 June 2014. Contributions to the plan vest immediately.

Pursuant to the regulations of the relevant authorities in the PRC, the Group participates in the relevant social retirement benefit schemes (the “PRC Schemes”) whereby the Group is required to contribute to the PRC Schemes to fund the retirement benefits of the eligible employees. Contributions made to the PRC Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the PRC Schemes is to pay the ongoing required contributions under the PRC Schemes.

The retirement benefit schemes contribution represents gross contributions by the Group to the PRC Schemes operated by the relevant authorities of the PRC.

32. 僱員退休福利

(a) 定額供款退休計劃

本集團根據香港強制性公積金計劃條例，為香港僱傭條例管轄範圍內受聘之僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款退休計劃，由獨立信託人管理。根據強積金計劃，僱主及其僱員各自須為計劃作出供款，金額為僱員有關收入之5%，每月有關收入之上限自二零一四年六月一日起為港幣30,000元。計劃供款將即時歸屬。

根據中國有關部門之法規，本集團參與相關社會退休福利計劃(「中國計劃」)，據此，本集團須向中國計劃供款，以支付合資格僱員之退休福利。根據中國之規定，向中國計劃所作供款按適用工資費用若干指定百分比計算。中國有關主管部門負責向退休僱員支付所有退休金。本集團於中國計劃之唯一責任為根據中國計劃持續支付所需供款。

退休福利計劃供款指本集團向中國有關主管部門管理之中國計劃所作之供款總額。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

32. EMPLOYEE RETIREMENT BENEFIT (CONTINUED)

(b) Share option scheme

The Company adopted a share option scheme on 5 June 2014 (the "Share Option Scheme") which became effective on 10 June 2014. Unless early termination by the Company in general meeting or by the board of Directors (the "Board"), the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

The purpose of the Share Option Scheme is to provide incentives or rewards to eligible persons for their contribution to the Group or any entity in which any member of the Group holds any equity interest and any subsidiary of such entity ("Invested Entity").

Under the Share Option Scheme, the Directors are authorised at their absolute discretion to invite eligible persons to take up options to subscribe for shares. Eligible persons under the Share Option Scheme include (i) any employee (whether full time or part time and including executive director) of any member(s) of the Group or any Invested Entity; (ii) any non-executive director (including independent non-executive director) of any member of the Group or any Invested Entity; (iii) any consultant, adviser or agent engaged by any member of the Group or any Invested Entity, who is eligible to participate in a share option scheme of the Company; and (iv) any vendor, supplier of goods or services or customer of or to any member of the Group or any Invested Entity, who is eligible to participate in a share option scheme of the Company.

32. 僱員退休福利(續)

(b) 購股權計劃

本公司於二零一四年六月五日採納一項購股權計劃(「購股權計劃」)，並於二零一四年六月十日生效。除非由本公司於股東大會或由董事會(「董事會」)提早終止，否則購股權計劃將自採納日期起持續有效十年。

購股權計劃目的旨在提供激勵或獎勵予對本集團或本集團任何成員公司持有任何股權之任何實體以及該實體之任何附屬公司(「投資實體」)作出貢獻之合資格人士。

根據購股權計劃，董事獲授權可全權酌情邀請合資格人士接納購股權以認購股份。購股權計劃之合資格人士包括(i)本集團任何成員公司或任何投資實體之任何僱員(不論全職或兼職，並包括執行董事)；(ii)本集團任何成員公司或任何投資實體之任何非執行董事(包括獨立非執行董事)；(iii)本集團任何成員公司或任何投資實體所委聘且合資格參與本公司購股權計劃之任何顧問、專家顧問或代理；及(iv)本集團任何成員公司或任何投資實體合資格參與本公司購股權計劃之任何賣家、產品或服務供應商或客戶。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

32. EMPLOYEE RETIREMENT BENEFIT (CONTINUED)

(b) Share option scheme (continued)

There is no provision in the Share Option Scheme to require a grantee to fulfill any performance target or to hold the option for a certain period before exercising the option, but the Board may at its absolute discretion from time to time provide such requirements in the offer of grant of options.

The maximum number of shares available for issue under options which may be granted under the Share Option Scheme and any other share option scheme(s) of the Company is 492,649,119 shares (being not more than 10% of the total number of shares in issue as at the date of adoption of the Share Option Scheme (the "Scheme Limit")), representing approximately 10% of the total number of shares in issue as at the date of this annual report.

The Company may seek approval of its shareholders in general meeting for refreshing the Scheme Limit save that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company under the Scheme Limit so refreshed shall not exceed 10% of the total number of shares in issue as at the date of such approval (the "New Scheme Limit"). Options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with the respective provisions of the scheme(s) of the Company or exercised options) will not be counted for the purpose of calculating the New Scheme Limit.

32. 僱員退休福利(續)

(b) 購股權計劃(續)

購股權計劃內並無條文規定承授人在行使購股權前須達致任何表現目標，亦無規定其在行使購股權前須持有該購股權的若干時限，但董事會可不時全權酌情決定於授出購股權之要約中附加該等規定。

根據購股權計劃及本公司任何其他購股權計劃可授出之購股權可予發行之股份最高數目為492,649,119股(即不超過購股權計劃採納當日已發行股份總數之10%(「計劃上限」))，相當於本年報日期已發行股份總數約10%。

本公司可於股東大會上尋求其股東批准更新計劃上限，惟在計劃上限更新後，因根據購股權計劃及本公司任何其他購股權計劃將予授出之全部購股權獲行使而可予發行之股份總數，不得超過批准更新計劃上限當日已發行股份總數之10%(「新計劃上限」)。就計算新計劃上限而言，先前根據購股權計劃及本公司任何其他購股權計劃已授出之購股權(包括按照本公司相關計劃條文尚未行使、已註銷、已失效或已行使之購股權)將不會計算在內。

Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

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

32. EMPLOYEE RETIREMENT BENEFIT (CONTINUED)

(b) Share option scheme (continued)

Notwithstanding aforesaid in above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the options granted and to be granted under the Share Option Scheme or any other share option scheme(s) adopted by the Company (whether exercised, cancelled or outstanding) to each eligible person in any 12-month period up to and including the date of offer shall not exceed 1% of the total number of shares in issue on the date of offer, unless such grant is approved by the shareholders of the Company in general meeting at which such eligible person and his or her associates shall abstain from voting.

The exercise price in respect of any option granted under the Share Option Scheme shall be a price determined by the Board in its absolute discretion but in any event shall not be less than the highest of (i) the closing price of the shares as stated in the daily quotation sheets of the Stock Exchange on the date of offer of the option, which must be a business day; (ii) the average closing price of the shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date on which the option is offered; and (iii) the nominal value of a share.

32. 僱員退休福利(續)

(b) 購股權計劃(續)

儘管如前文所述，根據購股權計劃及本公司任何其他購股權計劃授出且尚未行使之全部在外流通購股權獲行使而可予發行之股份最高數目，不得超過不時已發行股份總數之30%。

於任何截至並包括要約日期止十二個月期間，因每名合資格人士根據購股權計劃或本公司所採納之任何其他購股權計劃已授出及將授出之購股權（不論為已行使、已註銷或未行使）獲行使而已發行及將發行之股份總數，不得超過於要約日期當日已發行股份總數之1%，惟本公司股東已於股東大會上批准授出有關購股權，且有關合資格人士及其聯繫人已於有關會議上放棄表決，則屬例外。

根據購股權計劃授出之任何購股權之行使價將由董事會全權酌情決定，惟在任何情況下不得低於以下三者中之最高者：(i) 股份於購股權要約日期（必須為營業日）在聯交所每日報價表所報之收市價；(ii) 股份於緊接購股權要約日期前五個營業日在聯交所每日報價表所報之平均收市價；及(iii) 股份之面值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

32. EMPLOYEE RETIREMENT BENEFIT (CONTINUED)

(b) Share option scheme (continued)

The offer of a grant of share option must be accepted not later than 28 days after the date of offer, upon payment of a consideration of HK\$1 by the grantee. The exercise period of the share option granted is determined by the Board, save that such period shall not exceed a period of 10 years commencing on the date upon which the share option is granted.

No share options had been granted under the Share Option Scheme since its adoption and up to 31 December 2019 (2018: Nil).

33. ACQUISITIONS OF ASSETS

In April 2018, the Group completed the acquisition of the entire issued share capital of Gain Glory and Perfect Top Development Limited ("Perfect Top") for an aggregate consideration of approximately HK\$58.2 million. The principal assets of Gain Glory and Perfect Top are properties in Hong Kong, the purpose of the acquisition is for the Group's business operation.

In May 2018, the Group completed the acquisition of the entire issued share capital of and the related shareholders' loans to Merchant Charm Limited ("Merchant Charm") and Massive Success Global Limited ("Massive Success") for an aggregate consideration of approximately HK\$147.5 million. The principal assets of Merchant Charm and Massive Success are investments in their respective subsidiaries which hold investment properties in Hong Kong, the purpose of the acquisition is for the Group's business operation. Details please refer to the announcements dated 13 February 2018 and 29 March 2018 respectively as well as the circular dated 6 April 2018 all issued by the Company.

32. 僱員退休福利(續)

(b) 購股權計劃(續)

授出購股權之要約最遲須於要約日期後二十八日內由承授人透過支付港幣1元之代價接納。所授購股權之行使期由董事會釐定，惟該期間自購股權獲授出當日起計不得超過十年。

自採納購股權計劃以來及截至二零一九年十二月三十一日止，概無根據購股權計劃授出任何購股權(二零一八年：無)。

33. 收購資產

於二零一八年四月，本集團完成收購 Gain Glory 及 Perfect Top Development Limited (「Perfect Top」) 的全部已發行股本，總代價約港幣 58,200,000 元。Gain Glory 及 Perfect Top 的主要資產為在香港的物業，是次收購旨在用於本集團的業務營運。

於二零一八年五月，本集團完成收購 Merchant Charm Limited (「Merchant Charm」) 及 Massive Success Global Limited (「Massive Success」) 的全部已發行股本及相關股東貸款，總代價約為港幣 147,500,000 元。Merchant Charm 及 Massive Success 的主要資產是透過投資於彼等各自的附屬公司所持有位於香港的投資物業，是次收購旨在用於本集團的業務營運。詳情請參閱本公司刊發日期分別為二零一八年二月十三日及二零一八年三月二十九日的公佈以及二零一八年四月六日的通函。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

33. ACQUISITIONS OF ASSETS (CONTINUED)

The acquisitions of Gain Glory, Perfect Top, Merchant Charm and Massive Success did not constitute business combinations and were for the purposes of acquiring properties. In accordance with HKFRS 3 "Business Combinations", such acquisitions did not give rise to goodwill. Therefore, the Company recognised the assets and liabilities at the dates of acquisitions.

(a) The assets acquired and liabilities recognised at the date of the acquisition are as follows:

33. 收購資產(續)

收購Gain Glory、Perfect Top、Merchant Charm及Massive Success並不構成業務合併，實質旨在收購物業。根據香港財務報告準則第3號「業務合併」，有關收購並無產生商譽。因此，本公司於收購日期確認其資產及負債。

(a) 於該收購日之已收購資產及已確認負債如下：

| | | Merchant Charm | Massive Success | Gain Glory | Perfect Top | Total 合計 |
|---|-------------------------|-------------------|--------------------|------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Net assets acquired: | 已收購資產淨值： | | | | | |
| Investment properties (note 17) | 投資物業(附註17) | 53,200 | 94,800 | - | - | 148,000 |
| Stock of properties (note 20) | 物業存貨(附註20) | - | - | 20,750 | 37,430 | 58,180 |
| Trade and other receivables | 應收貿易賬款及 其他應收賬款 | 33 | 213 | 3 | 9 | 258 |
| Trade and other payables | 應付貿易賬款及 其他應付賬款 | (181) | (391) | - | - | (572) |
| Tax payable | 應付稅項 | (11) | (236) | - | - | (247) |
| Net assets | 資產淨值 | 53,041 | 94,386 | 20,753 | 37,439 | 205,619 |
| Total consideration, satisfied by: | 總代價以下列方式 撥付： | | | | | |
| Cash consideration | 現金代價 | 53,041 | 94,386 | 20,753 | 37,439 | 205,619 |
| Consideration paid in cash | 已付現金代價 | 53,041 | 94,386 | 20,753 | 37,439 | 205,619 |

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綜合財務報表附註(續)

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34. TRANSACTION WITH NON-CONTROLLING INTERESTS

In November 2018, 1338 Successful Venture Ltd., a wholly-owned subsidiary of the Company, as purchaser, entered into a share purchase agreement with a company, as vendor, which is the holder of 25% of all outstanding and issued shares of 665127 British Columbia Ltd. ("665127 BC") to purchase and accept the assignment of (i) 25% of all outstanding and issued shares of 665127 BC; and (ii) the entire amount of the shareholder's loans owing by 665127 BC to the vendor at a total consideration of CAD1,370,000 (equivalent to approximately HK\$8,184,000). The said acquisition was completed in end of November 2018 and Jade Travel Ltd. ("Jade Travel") became an indirect wholly-owned subsidiary of the Company upon completion. Details please refer to the announcement dated 9 November 2018 issued by the Company.

The difference of approximately HK\$4,431,000 between the decrease in the non-controlling interests and assignment of non-controlling shareholder's loans and the consideration paid has been credited to accumulated losses.

34. 與非控股權益之交易

於二零一八年十一月，本公司一間全資附屬公司1338 Successful Venture Ltd. (作為買方)與一間公司(作為賣方)(持有665127 British Columbia Ltd. (「665127 BC」)所有發行在外及已發行股份之25%權益)訂立股份購買協議，就有關購買及受讓(i) 665127 BC所有發行在外及已發行股份之25%；及(ii) 665127 BC結欠賣方之股東貸款全數款項，總代價為1,370,000加元(相等於約港幣8,184,000元)。上述收購事項已於二零一八年十一月底完成，而Jade Travel Ltd. (「Jade Travel」)於該收購完成後成為本公司一間間接全資附屬公司。詳情請參閱本公司刊發日期為二零一八年十一月九日的公佈。

非控股權益減少及轉讓非控股股東貸款與已付代價的差額約港幣4,431,000元已計入累計虧損。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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35. COMMITMENTS

- (a) At 31 December 2019, the Group had no outstanding capital commitments (2018: approximately HK\$808,000 in respect of renovation works for the stock of properties which does not provide for in the consolidated financial statements).
- (b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases for the Group are payable as follows:

The Group as lessee

| | | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|---|-----------------|--|
| Within one year | 一年內 | 5,551 |
| In the second to fifth years, inclusive | 於第二至第五年(包括首尾兩年) | 5,306 |
| | | 10,857 |

The Group lease certain office premises and office equipment under operating leases. The leases typically run for period ranging from two to five years. None of leases includes contingent rentals.

35. 承擔

- (a) 於二零一九年十二月三十一日，本集團並無未支付的資本承擔(二零一八年：有關物業存貨翻新工程約港幣808,000元並未於綜合財務報表作出撥備)。
- (b) 於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃之應付未來最低租賃付款總額如下：

本集團作為承租人

本集團根據經營租賃租用若干辦公室物業及辦公室設備。租約一般為期二至五年。租約並不包括或然租金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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35. COMMITMENTS (CONTINUED)

- (c) At 31 December 2019, the Group had contracted with the tenants for the following future minimum lease receivables:

The Group as lessor

| | | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|----------------------|--|--|
| Within one year | 一年內 | 13,675 | 3,539 |
| In the second to fifth years, inclusive | 於第二年至第五年 (包括首尾兩年) | 9,253 | – |
| | | 22,928 | 3,539 |

Property rental income earned during the year was approximately HK\$12,668,000 (2018: approximately HK\$8,006,000). All of the Group's investment properties are held for rental purpose and one of stock of properties is rented. It is expected to generate rent yield of approximately 2.5% (2018: approximately 1.8%) on an ongoing basis. The Group's rental property has committed tenant for the next two to three years.

36. CONTINGENT LIABILITIES

The Company gave the Guarantee to a bank in respect of the Loan Facilities in 2017. The maximum guarantee amount borne by the Company under the Guarantee was HK\$490 million (notes 18 and 28).

The outstanding loan under the Loan Facilities as at 31 December 2019 was approximately HK\$235.0 million (2018: approximately HK\$435.0 million).

35. 承擔(續)

- (c) 於二零一九年十二月三十一日，本集團與租戶訂約之未來最低應收租金如下：

本集團作為出租人

| | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|--|--|
| Within one year | 13,675 | 3,539 |
| In the second to fifth years, inclusive | 9,253 | – |
| | 22,928 | 3,539 |

年內賺取之物業租金收入約為港幣12,668,000元(二零一八年：約港幣8,006,000元)。本集團所有投資物業均持有作租賃用途及一項物業存貨經已出租，預期可持續帶來約2.5%(二零一八年：約1.8%)之租金回報率。本集團的租賃物業已就未來二至三年與租戶訂約。

36. 或然負債

於二零一七年，本公司就該貸款融資向一間銀行提供該擔保。本公司根據該擔保承擔的最高保證金額為港幣490,000,000元(附註18及28)。

於二零一九年十二月三十一日，該貸款融資項下的未償還貸款約為港幣235,000,000元(二零一八年：約港幣435,000,000元)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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37. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detail elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year:

(a) The Group had the following transactions with the related parties during the year:

| | | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|-------------------|-------------|-----------------------------------|-----------------------------------|
| | | Notes 附註 | | |
| Management fee income received and receivable from an associate | 已收及應收一間聯營公司之管理費收入 | 8, (i) | 357 | 274 |
| Interest expenses paid to a director and controlling shareholder | 已支付一名董事兼控股股東之利息開支 | 9(a), 27 | 1,268 | 313 |
| Rental income received and receivable from related company | 關連公司已收及應收租金收入 | 37(f), (h) | 9,276 | 6,991 |

Note:

(i) The management fee was charged on actual cost incurred by the Group for provision of management and technical services.

37. 關連人士交易

除綜合財務報表其他地方詳述的交易及結餘外，本集團於年內與關連人士有以下重大交易：

(a) 本集團於本年度內與關連人士進行以下交易：

附註：

(i) 管理費乃按本集團就提供管理及技術服務所產生之實際成本收取。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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37. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) The outstanding balances with related parties at the end of the reporting period are as follows:

37. 關連人士交易(續)

(b) 於報告期末與關連人士之未償還結餘如下：

| | | Notes 附註 | At 31 December 2019 於 二零一九年 十二月三十一日 HK\$'000 港幣千元 | At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 港幣千元 |
|--|-----------------|-------------|--|--|
| Amounts due from associates | 應收聯營公司款項 | 18 | 219,776 | 317,419 |
| Amount due from a joint venture | 應收一間合營企業款項 | 19 | 8,970 | 8,970 |
| Loan from a director and controlling shareholder | 一名董事兼 控股股東貸款 | 27 | – | 39,000 |

Notes to the Consolidated Financial Statements (*Continued*)
 綜合財務報表附註(續)

For the year ended 31 December 2019
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**37. RELATED PARTY TRANSACTIONS
 (CONTINUED)**

**(c) Key management personnel
 compensation**

Compensation for key management personnel, including amounts paid to the Directors as disclosed in note 11, senior management of the Company and certain of the highest paid employees as disclosed in note 12 is as follows:

37. 關連人士交易(續)

(c) 主要管理人員補償

主要管理人員之補償(包括於附註11披露之已付董事款項及附註12披露之已付本公司高級管理人員及若干最高薪僱員之款項)如下:

| | | The Group 本集團 | |
|--|--------------|---|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
| | | Note 附註 | |
| Salaries, allowance and other benefits | 薪金、津貼及其他福利 | | 5,358 |
| Retirement scheme contributions | 退休計劃供款 | | 5,524 |
| | | | 108 |
| Total emoluments are included in "staff costs" | 報酬總額列入「員工成本」 | 9(b) | 5,466 |
| | | | 111 |
| | | | 5,635 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019
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37. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) On 1 December 2008, the Company entered into a letter of agreement with Mr. Yeung regarding a term loan facility of up to HK\$200 million, the loan is unsecured and charged with interest at the prime rate quoted for Hong Kong dollars loans by The Hongkong and Shanghai Banking Corporation Limited. The principal amount of the loan facility was increased up to HK\$290 million on 14 April 2009 and the final repayment date of the loan and all other sums owing to Mr. Yeung under the Revised Mr. Yeung's Loan Facility was further extended from 31 October 2020 to 31 October 2022 by a supplemental letter of agreement dated 20 September 2019. The said loan from Mr. Yeung constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules, but is fully exempt from shareholders' approval and all disclosure requirements under Chapter 14A of the Listing Rules.

(e) During the year, a two-year management and services contract entered into between Jade Travel and a company owned by a director of Jade Travel in an amount of equivalent to approximately HK\$840,000 per annum also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules, but is fully exempt from shareholders' approval and all disclosure requirements under Chapter 14A of the Listing Rules.

37. 關連人士交易(續)

(d) 於二零零八年十二月一日，本公司與楊先生就一項金額最高達港幣200,000,000元之有期貸款融資訂立一份協議函件，該貸款為無抵押，且按香港上海滙豐銀行有限公司所報之港元貸款最優惠利率計息。於二零零九年四月十四日，該貸款融資之本金金額增至最高達港幣290,000,000元，且通過日期為二零一九年九月二十日所訂立之補充協議函件，經修訂貸款融資項下之貸款及所有結欠楊先生之其他款項之最後還款日期由二零二零年十月三十一日進一步延遲至二零二二年十月三十一日。根據上市規則第十四A章，上述來自楊先生之貸款構成本公司一項關連交易，惟根據上市規則第十四A章獲全面豁免遵守股東批准及所有披露之規定。

(e) 年內，Jade Travel與一間由Jade Travel的一名董事擁有的公司訂立每年金額相等於約港幣840,000元為期兩年的管理及服務合約，根據上市規則第十四A章亦構成本公司一項關連交易，惟根據上市規則第十四A章獲全面豁免遵守股東批准及所有披露之規定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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37. RELATED PARTY TRANSACTIONS (CONTINUED)

- (f) In June 2017, the Group entered into a tenancy agreement (the “Tenancy Agreement I”) for a term of two-year in respect of the leasing of one of the investment properties of the Group to a company which is wholly and beneficially owned by Mr. Yeung, the tenant therefore is a connected person of the Company. The rental chargeable under the Tenancy Agreement I was determined after taking into account of the valuation conducted by the Valuer in connection with the market rental chargeable in May 2017 in respect of the said property. The entering into of the Tenancy Agreement I constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules and the Company has complied with all requirements under Chapter 14A of the Listing Rules. For further details, please refer to the announcement of the Company dated 26 June 2017.
- (g) In February 2018, the Group entered into a sale and purchase agreement with a company which is direct wholly and beneficially owned by Mr. Yeung to acquire the entire issued share capital of and the related shareholders’ loans to Merchant Charm and Massive Success, which hold indirectly two investment properties situated at Admiralty Centre respectively with tenancy agreements both entered into in June 2017 for a term of two-year (the “Tenancy Agreements II”) at a total consideration of approximately HK\$147.5 million (note 33). The acquisition was completed in May 2018.

37. 關連人士交易(續)

- (f) 於二零一七年六月，本集團訂立為期兩年的租賃協議(「租賃協議I」)，內容有關本集團向一間由楊先生全資實益擁有之公司出租本集團其中一項投資物業，因此該租戶為本公司之關連人士。於租賃協議I項下的可收取租金乃經考慮估值師就上述物業於二零一七年五月的市場可收取租金進行的估值而釐定。根據上市規則第十四A章，訂立租賃協議I構成本公司一項持續關連交易及本公司已遵守上市規則第十四A章之所有規定。進一步詳情請參閱本公司日期為二零一七年六月二十六日的公佈。
- (g) 於二零一八年二月，本集團與一間由楊先生直接全資實益擁有的公司訂立一份買賣協議，以收購 Merchant Charm 及 Massive Success 的全部已發行股本及相關股東貸款，該兩間公司間接持有兩項分別位於海富中心的投資物業，並附有均於二零一七年六月訂立為期兩年的租賃協議(「租賃協議II」)，總代價約為港幣147,500,000元(附註33)。收購事項已於二零一八年五月完成。

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綜合財務報表附註(續)

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37. RELATED PARTY TRANSACTIONS (CONTINUED)

(g) (continued)

Upon completion of the acquisition of Merchant Charm and Massive Success, the tenant in respect of the two investment properties of the Group is a company which is wholly and beneficially owned by Mr. Yeung, therefore, the tenant is a connected person of the Company. According to the opinion letters of the Valuer, the rental payables by the tenant under the Tenancy Agreements II were at the market rental prevailing at the date of the relevant Tenancy Agreements II and that the commercial terms in the Tenancy Agreements II were fair and reasonable and on normal commercial terms. The Tenancy Agreements II constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and the Company has complied with all requirements under Chapter 14A of the Listing Rules. For further details, please refer to the announcements of the Company dated 13 February 2018 and 29 March 2018 respectively as well as the circular of the Company dated 6 April 2018.

- (h) In June 2019, the Group entered into three tenancy agreements (the "Renewal of Tenancy Agreements") for a term of two-year to renew the Tenancy Agreement I and the Tenancy Agreements II respectively. The tenant in respect of the relevant investment properties of the Group is a company which is wholly and beneficially owned by Mr. Yeung, therefore, the tenant is a connected person of the Company. The rentals chargeable under the Renewal of Tenancy Agreements were determined after taking into account of the valuation conducted by the Valuer in connection with the market rental chargeable in June 2019 in respect of the said properties. The entering into of the Renewal of Tenancy Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and the Company has complied with all requirements under Chapter 14A of the Listing Rules. For further details, please refer to the announcement of the Company dated 25 June 2019.

37. 關連人士交易(續)

(g) (續)

完成收購Merchant Charm及Massive Success後，有關該兩項本集團投資物業的租戶為一間由楊先生全資實益擁有的公司，因此，該租戶為本公司之關連人士。根據估值師的意見函，根據租賃協議II該租戶應付租金乃符合相關租賃協議II日期之現行市場租金，且租賃協議II的商業條款屬公平合理，乃按一般商業條款進行。租賃協議II根據上市規則第十四A章構成本公司之持續關連交易及本公司已遵守上市規則第十四A章之所有規定。進一步詳情請參閱本公司日期分別為二零一八年二月十三日及二零一八年三月二十九日的公佈以及二零一八年四月六日的通函。

- (h) 二零一九年六月，本集團分別訂立三份為期兩年的租賃協議(「重續租賃協議I」及租賃協議II)。有關本集團相關投資物業的租戶為一間由楊先生全資實益擁有的公司，因此，該租戶為本公司之關連人士。於重續租賃協議項下的可收取租金乃經考慮估值師就上述物業於二零一九年六月的市場可收取租金進行的估值而釐定。根據上市規則第十四A章，訂立重續租賃協議構成本公司之持續關連交易及本公司已遵守上市規則第十四A章之所有規定。進一步詳情請參閱本公司日期為二零一九年六月二十五日的公佈。

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綜合財務報表附註(續)

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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, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of debt-to-capital ratio. For this purpose the Group defines debt as total borrowings which are bearing variable interest rate such as bank loans (note 25) and loan from a director and controlling shareholder (note 27). Capital represents total equity attributable to owners of the Company in the consolidated statement of financial position.

The Group's strategy was to maintain the debt-to-capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. As at 31 December 2019, the debt-to-capital ratio is approximately 17% (2018: approximately 25%).

38. 資本風險管理

本集團管理資本之主要目的乃保障本集團能夠持續經營，致令其可繼續為股東帶來回報及為其他持份者帶來利益，並維持優良資本架構，以減低資本成本。

本集團積極及定期檢討及管理其資本架構，以在維持較高股東回報(可能帶來較高借貸水平)與穩健資本狀況所帶來之好處及保障之間取得平衡，以及因應經濟狀況轉變而調整資本架構。

本集團按債務對資本比率監控其資本架構。為此，本集團將債務界定為按浮動利率計息(如銀行貸款(附註25)及一名董事兼控股股東貸款(附註27))之借貸總額。資本指綜合財務狀況表內之本公司股東應佔權益總值。

本集團之策略為盡力將債務對資本比率維持於低水平。為維持或調整該比率，本集團可能調整向股東派付之股息金額、向股東退還資本、發行新股或出售資產減低債務。於二零一九年十二月三十一日，債務對資本比率約為17%(二零一八年：25%)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

39. PLEDGE OF ASSETS

As at 31 December 2019, the Group has pledged the following assets:

- (a) the Group pledged the time deposits of approximately HK\$10.4 million (2018: approximately HK\$10.0 million) to certain banks for the issuance of certain banking facilities of approximately HK\$9.6 million (2018: approximately HK\$9.3 million) for the operations of the Group (note 22);
- (b) World Fortune Limited (“World Fortune”) pledged all (2018: all) of its shares in Pier 16 — Property Development to a bank in respect of the Loan Facilities;
- (c) the Group’s all of investment properties and one of its stock of properties totally with carrying amount of approximately HK\$547.3 million (2018: all of its investment properties with the carrying amount of approximately HK\$443.6 million) were pledged to secure against bank loans granted to the Group (note 25); and
- (d) the Group pledged one of its freehold land and building held outside Hong Kong with the carrying amount of approximately HK\$10.5 million (2018: nil) to secure against a credit facility of approximately HK\$5.4 million (2018: nil) granted by a bank for the operation of the Group’s travel business.

39. 資產抵押

於二零一九年十二月三十一日，本集團已抵押下列資產：

- (a) 本集團向若干銀行抵押定期存款約港幣10,400,000元(二零一八年：約港幣10,000,000元)，以就本集團業務取得約港幣9,600,000元(二零一八年：約港幣9,300,000元)之數項銀行融資(附註22)；
- (b) 世兆有限公司(「世兆」)就該貸款融資向一間銀行抵押其於十六浦物業發展之全部股份(二零一八年：全部股份)；
- (c) 本集團合共賬面值約港幣547,300,000元(二零一八年：賬面值約港幣443,600,000元之所有投資物業)之所有投資物業及一項物業存貨已被抵押，作為本集團獲授銀行貸款之抵押品(附註25)；及
- (d) 本集團已抵押其中一項賬面值約港幣10,500,000元(二零一八年：無)於香港以外地區持有之永久業權土地及樓宇，作為本集團獲一間銀行批授之信貸融資約港幣5,400,000元(二零一八年：無)之抵押品，以作本集團旅遊業務營運之用。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

40. STATEMENT OF FINANCIAL POSITION
AND RESERVE MOVEMENT OF THE
COMPANY40. 本公司之財務狀況表及儲備
變動(a) Statement of financial position of the
Company

(a) 本公司之財務狀況表

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|---|--------------------|-----------------------------------|-----------------------------------|
| Non-current asset | 非流動資產 | | |
| Investments in subsidiaries | 於附屬公司之投資 | 1,111,236 | 1,270,675 |
| Current assets | 流動資產 | | |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收賬款 | 495 | 482 |
| Pledged bank deposits | 已抵押銀行存款 | 6,801 | 6,556 |
| Cash and cash equivalents | 現金及現金等值項目 | 70,153 | 24,557 |
| | | 77,449 | 31,595 |
| Current liabilities | 流動負債 | | |
| Other payables and accruals | 其他應付賬款及應計費用 | 3,004 | 2,626 |
| Bank loan | 銀行貸款 | 60,000 | 100,000 |
| Financial guarantee contract | 財務擔保合約 | 644 | 644 |
| | | 63,648 | 103,270 |
| Net current assets/(liabilities) | 流動資產/(負債)淨額 | 13,801 | (71,675) |
| Total asset less current liabilities | 資產總值減流動負債 | 1,125,037 | 1,199,000 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

40. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

40. 本公司之財務狀況表及儲備變動(續)

(a) Statement of financial position of the Company (continued)

(a) 本公司之財務狀況表(續)

| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 |
|--|--------------|-----------------------------------|-----------------------------------|
| Non-current liabilities | 非流動負債 | | |
| Financial guarantee contract | 財務擔保合約 | 968 | 1,612 |
| Loan from a director and controlling shareholder | 一名董事兼控股股東貸款 | - | 39,000 |
| | | 968 | 40,612 |
| Net assets | 資產淨值 | 1,124,069 | 1,158,388 |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 49,265 | 49,265 |
| Reserves (note 40(b)) | 儲備(附註40(b)) | 1,074,804 | 1,109,123 |
| Total equity | 權益總值 | 1,124,069 | 1,158,388 |

Approved and authorised for issue by the board of directors on 30 March 2020.

董事會已於二零二零年三月三十日批准及授權刊發。

On behalf of the board

代表董事會

Yeung Hoi Sing, Sonny
楊海成
Director
董事

Ma Ho Man, Hoffman
馬浩文
Director
董事

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

40. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

40. 本公司之財務狀況表及儲備變動(續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

| | | Share premium | Accumulated losses | Total |
|--|-------------------------------------|------------------|-----------------------|------------------|
| | | 股份溢價 | 累計虧損 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 |
| At 1 January 2018 | 於二零一八年 一月一日 | 1,418,963 | (249,435) | 1,169,528 |
| Loss and other comprehensive loss for the year | 本年度虧損及 其他全面虧損 | - | (60,405) | (60,405) |
| At 31 December 2018 and 1 January 2019 | 於二零一八年 十二月三十一日 及二零一九年 一月一日 | 1,418,963 | (309,840) | 1,109,123 |
| Loss and other comprehensive loss for the year | 本年度虧損及 其他全面虧損 | - | (34,319) | (34,319) |
| At 31 December 2019 | 於二零一九年 十二月三十一日 | 1,418,963 | (344,159) | 1,074,804 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

41. PRINCIPAL SUBSIDIARIES

- (a) The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

All of these are controlled subsidiaries as defined under note 2(c) and have been consolidated into the consolidated financial statements of the Group.

41. 主要附屬公司

- (a) 下表僅載列對本集團業績、資產或負債構成主要影響之附屬公司詳情。除另有列明外，所持股份類別均指普通股。

所有該等公司均為附註2(c)所界定之受控附屬公司，並已綜合計入本集團之綜合財務報表。

| Name of subsidiary 附屬公司名稱 | Place of Incorporation/ operations 註冊成立/ 營業地點 | Particulars of issued shares and paid up share capital 已發行股份及 繳足股本詳情 | Proportion of ownership interests 擁有權權益比例 | | | Principal activities 主要業務 |
|--|---|---|---|--|---|---|
| | | | Group's effective interests 本集團 實際權益 % | Held by the Company 由本公司 持有 % | Held by a subsidiary 由一間附屬 公司持有 % | |
| Macau Success (Hong Kong) Limited 澳門實德(香港)有限公司 | Hong Kong 香港 | 10,000,000 shares/ HK\$1,076,000 10,000,000 股股份/ 港幣 1,076,000 元 | 100 | 100 | – | Investment holding 投資控股 |
| Macau Success Management Services Limited | Hong Kong 香港 | 100 shares/HK\$100 100 股股份/港幣 100 元 | 100 | – | 100 | Provision of administration services 提供行政服務 |
| World Fortune 世兆 | Hong Kong 香港 | 1,000 shares/ HK\$1,000 1,000 股股份/ 港幣 1,000 元 | 100 | – | 100 | Investment holding 投資控股 |
| 665127 BC | Canada 加拿大 | 9,400 common shares without par value 9,400 股並無面值之 普通股 | 100 | – | 100 | Investment holding 投資控股 |

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

41. PRINCIPAL SUBSIDIARIES (CONTINUED)

(a) (continued)

| Name of subsidiary 附屬公司名稱 | Place of Incorporation/ operations 註冊成立/ 營業地點 | Particulars of issued shares and paid up share capital 已發行股份及 繳足股本詳情 | Proportion of ownership interests 擁有權權益比例 | | | Principal activities 主要業務 |
|--|---|---|---|--|---|--|
| | | | Group's effective interests 本集團 實際權益 % | Held by the Company 由本公司 持有 % | Held by a subsidiary 由一間附屬 公司持有 % | |
| Jade Travel | Canada 加拿大 | 15,000 class "A" non-voting special shares of CAD1,500,000 and 7 common shares without par value 為數1,500,000加元之 15,000股「A」類 無投票權特別股 及7股並無面值之 普通股 | 100 | – | 100 | Wholesale and retail business of selling airline tickets and tour packages 銷售機票及旅行 套票之批發及 零售業務 |
| Good Sun Development Limited 日佳發展有限公司 | Hong Kong 香港 | 1 share/HK\$1 1股股份/港幣1元 | 100 | – | 100 | Property investment 物業投資 |
| Total Gain Limited 全溢有限公司 | Hong Kong 香港 | 1 share/HK\$1 1股股份/港幣1元 | 100 | – | 100 | Property investment 物業投資 |
| Powerful Concept Limited 權創有限公司 | Hong Kong 香港 | 1 share/HK\$1 1股股份/港幣1元 | 100 | – | 100 | Property investment 物業投資 |
| Famous Capital International Limited | BVI/Hong Kong 英屬處女群島/ 香港 | 1,000 shares/USD1,000 1,000股股份/1,000美元 | 100 | – | 100 | Property investment 物業投資 |
| Perfect Top | BVI 英屬處女群島 | 1 share/USD1 1股股份/1美元 | 100 | – | 100 | Property investment 物業投資 |

41. 主要附屬公司(續)

(a) (續)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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

41. PRINCIPAL SUBSIDIARIES (CONTINUED)

(b) Significant Restriction

Cash of RMB held in the PRC are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the PRC, other than through normal dividends.

42. EVENT AFTER THE REPORTING PERIOD

The outbreak of the novel coronavirus (COVID-19) is having negative effect on the tourism industry around the world. The sales of air tickets and the share of results of associates in Macau in 2020 will be affected. The duration and extent of impacts due to the COVID-19 are yet to be determined. Due to such uncertainties, impacts on the Group's operating results, cash flows and financial position may be significant, but currently cannot be reasonably estimated.

41. 主要附屬公司(續)

(b) 重大限制

於中國持有以人民幣計值之現金須受當地外匯管制條例所規限。該等當地外匯管制條例就從中國輸出資本規定限制，惟透過正常股息除外。

42. 報告期末後事項

新型冠狀病毒(2019冠狀病毒病)疫症的爆發對全球旅遊業帶來負面影響。二零二零年的機票銷售及應佔位於澳門的聯營公司的業績將受到影響。2019冠狀病毒病的持續時間及帶來的影響程度仍未能確定。由於此等不確定性，對本集團的經營業績、現金流及財務狀況或會有重大的影響，但目前尚無法作出合理估計。

Five-Year Financial Summary

五年財務概要

RESULTS

業績

| | | Year ended 31 December 截至十二月三十一日止年度 | | | | |
|---|-------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2017 二零一七年 HK\$'000 港幣千元 | 2016 二零一六年 HK\$'000 港幣千元 | 2015 二零一五年 HK\$'000 港幣千元 |
| Continuing operations | 持續經營業務 | | | | | |
| Revenue | 收益 | 1,147,371 | 1,120,278 | 589,935 | 564,848 | 941,078 |
| Profit/(loss) before taxation from continuing operations | 來自持續經營業務之 除稅前溢利/(虧損) | 74,194 | 54,213 | 4,369 | (16,299) | 7,500 |
| Taxation | 稅項 | - | - | - | - | - |
| Profit/(loss) after taxation from continuing operations | 來自持續經營業務之 除稅後溢利/(虧損) | 74,194 | 54,213 | 4,369 | (16,299) | 7,500 |
| Discontinued operations | 已終止經營業務 | | | | | |
| Loss after taxation from discontinued operations | 來自已終止經營業務之 除稅後虧損 | - | - | (37,825) | (20,766) | (19,143) |
| Profit/(loss) for the year | 本年度溢利/(虧損) | 74,194 | 54,213 | (33,456) | (37,065) | (11,643) |
| Attributable to: | 由以下各項應佔： | | | | | |
| Owners of the Company | 本公司股東 | 74,194 | 54,464 | (29,810) | (30,977) | (6,670) |
| Non-controlling interests | 非控股權益 | - | (251) | (3,646) | (6,088) | (4,973) |
| Profit/(loss) for the year | 本年度溢利/(虧損) | 74,194 | 54,213 | (33,456) | (37,065) | (11,643) |
| Earnings/(loss) per share attributable to owners of the Company: | 本公司股東應佔每股 盈利/(虧損)： | | | | | |
| From continuing and discontinued operations — Basic and diluted | 來自持續經營及 已終止經營業務 — 基本及攤薄 | 1.51 | 1.11 | (0.61) | (0.63) | (0.14) |
| | | HK cents 港仙 | HK cents 港仙 | HK cents 港仙 | HK cents 港仙 | HK cents 港仙 |

Five-Year Financial Summary (Continued)
五年財務概要(續)

ASSETS AND LIABILITIES

資產及負債

| | | As at 31 December 於十二月三十一日 | | | | |
|--|-------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2019 二零一九年 HK\$'000 港幣千元 | 2018 二零一八年 HK\$'000 港幣千元 | 2017 二零一七年 HK\$'000 港幣千元 | 2016 二零一六年 HK\$'000 港幣千元 | 2015 二零一五年 HK\$'000 港幣千元 |
| Total assets | 資產總值 | 1,385,035 | 1,382,749 | 1,046,047 | 1,188,434 | 1,153,279 |
| Total liabilities | 負債總值 | (240,776) | (314,628) | (48,191) | (182,077) | (107,607) |
| Net assets | 資產淨值 | 1,144,259 | 1,068,121 | 997,856 | 1,006,357 | 1,045,672 |
| Total equity attributable to owners of the Company | 本公司股東應佔權益總值 | 1,144,259 | 1,068,121 | 1,010,630 | 1,033,534 | 1,066,188 |
| Non-controlling interests | 非控股權益 | - | - | (12,774) | (27,177) | (20,516) |
| Total equity | 權益總值 | 1,144,259 | 1,068,121 | 997,856 | 1,006,357 | 1,045,672 |

Particulars of Properties

物業詳情

Particulars of the properties held by the Group at the end of the reporting year are as follows:

於報告年末，本集團持有的物業詳情如下：

A. Investment properties

A. 投資物業

| Location | Use/Status | Type | Tenure | Attributable interest of the Group |
|---|------------------|-------------------------------|-------------------------------|------------------------------------|
| 地點 | 用途／狀況 | 類型 | 租用年期 | 本集團應佔權益 |
| 1 Office Nos. 1003 and 1004A on the 10th Floor of Tower 1 of Admiralty Centre, No. 18 Harcourt Road, Admiralty, Hong Kong 香港金鐘夏愨道18號海富中心1座10樓1003號及1004A號辦公室 | Rental 出租 | Commercial building 商廈 | Medium term lease 中期契約 | 100% |
| 2 Office No. 1001A on the 10th Floor of Tower 1 of Admiralty Centre, No. 18 Harcourt Road, Admiralty, Hong Kong 香港金鐘夏愨道18號海富中心1座10樓1001A號辦公室 | Rental 出租 | Commercial building 商廈 | Medium term lease 中期契約 | 100% |
| 3 Office No. 1004B on the 10th Floor of Tower 1 of Admiralty Centre, No. 18 Harcourt Road, Admiralty, Hong Kong 香港金鐘夏愨道18號海富中心1座10樓1004B號辦公室 | Rental 出租 | Commercial building 商廈 | Medium term lease 中期契約 | 100% |

Particulars of Properties (Continued)

物業詳情(續)

B. Stock of properties

B. 物業存貨

| Location | Use/Status | Type | Gross Floor Area | Attributable interest of the Group |
|---|---------------|---------------------------|--|------------------------------------|
| 地點 | 用途／狀況 | 類型 | 總樓面面積 | 本集團應佔權益 |
| 1 Office Nos. 1905 and 1906 on the 19th Floor of Eastern Commercial Centre, Nos. 395–399 Hennessy Road, Wanchai, Hong Kong 香港灣仔軒尼斯道395至399號東區商業中心19樓1905號及1906號辦公室 | On Sale 待售 | Commercial building 商廈 | Approximately 1,532 square feet 約1,532平方呎 | 100% |
| 2 34th Floor and Store Room of Sunshine Plaza, No. 353 Lockhart Road, Wanchai, Hong Kong 香港灣仔駱克道353號三湘大廈34樓及儲物室 | On Sale 待售 | Commercial building 商廈 | Approximately 5,134 square feet 約5,134平方呎 | 100% |



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