



**Enviro Energy
International Holdings Limited**

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1102)

Annual
Report
年報 **2019**

Contents

目錄

Corporate Information	公司資料	3
Chairman's Statement	主席報告	5
Management Discussion and Analysis	管理層討論及分析	6
Corporate Governance Report	企業管治報告	19
Directors and Chief Executive Officer Profile	董事及行政總裁簡介	39
Report of the Directors	董事會報告	46
Environmental, Social and Governance Report	環境、社會及管治報告	66
Independent Auditor's Report	獨立核數師報告	75
Consolidated Statement of Profit or Loss	綜合損益表	81
Consolidated Statement of other Comprehensive Income	綜合其他全面收益表	82
Consolidated Statement of Financial Position	綜合財務狀況表	83
Consolidated Statement of Changes in Equity	綜合權益變動表	85
Consolidated Statement of Cash Flows	綜合現金流量表	86
Notes to the Consolidated Financial Statements	綜合財務報表附註	88
Five-Year Financial Summary	五年財務概要	168

Abbreviations 簡稱

In this annual report, the following abbreviations have the following meanings unless otherwise specified:

於本年報內，除文義另有所指外，下列簡稱具有以下涵義：

“Articles of Association” 「組織章程細則」	指	articles of association of the Company 本公司之組織章程細則
“Board” 「董事會」	指	Board of Directors of the Company 本公司之董事會
“Company” 「本公司」	指	Enviro Energy International Holdings Limited 環能國際控股有限公司
“Companies Ordinance” 「公司條例」	指	Chapter 622 of the Laws of Hong Kong 香港法例第622章
“Directors” 「董事」	指	directors of the Company 本公司之董事
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“Listing Rules” 「上市規則」	指	Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	指	The People’s Republic of China 中華人民共和國
“SFO” 「證券及期貨條例」	指	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 證券及期貨條例（香港法例第571章）
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“HK\$” and “HK cent” 「港元」及「港仙」	指	Hong Kong dollar(s) and cent, the lawful currency of Hong Kong 港元及港仙，香港法定貨幣
“US\$” 「美元」	指	United States dollar(s), the lawful currency of the United States of America 美元，美利堅合眾國的法定貨幣
“%” 「%」	指	per cent. 百分比

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Li Sen (*Chairman*)
Mr. Jiang Senlin
Mr. Zhong Jinhua

Independent Non-executive Directors

Ms. Liu Yan
Mr. Li Jinyuan
Mr. Zhong Jian*

CHIEF EXECUTIVE OFFICER

Mr. Wei Junqing

AUDIT COMMITTEE

Ms. Liu Yan (*Chairman*)
Mr. Li Jinyuan
Mr. Zhong Jian*

REMUNERATION COMMITTEE

Mr. Zhong Jian* (*Chairman*)
Ms. Liu Yan
Mr. Li Jinyuan

NOMINATION COMMITTEE

Mr. Li Jinyuan (*Chairman*)
Ms. Liu Yan
Mr. Zhong Jian*

COMPANY SECRETARY

Mr. Ho Wai Kuen**

TRADING OF SHARES

Hong Kong Stock Exchange
(Stock Code: 1102)

董事會

執行董事

李森先生 (*主席*)
姜森林先生
鍾勁華先生

獨立非執行董事

劉岩女士
李錦元先生
鍾劍先生*

行政總裁

魏俊青先生

審核委員會

劉岩女士 (*主席*)
李錦元先生
鍾劍先生*

薪酬委員會

鍾劍先生* (*主席*)
劉岩女士
李錦元先生

提名委員會

李錦元先生 (*主席*)
劉岩女士
鍾劍先生*

公司秘書

何渭權先生**

股份買賣

香港聯交所
(股份代號：1102)

* Appointed on 22 October 2019

** Appointed on 24 February 2020

* 於二零一九年十月二十二日獲委任

** 於二零二零年二月二十四日獲委任

Corporate Information

公司資料

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1603-5, 16th Floor
Harcourt House
39 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL BANKERS

Bank of Communications Co., Ltd.,
Hong Kong Branch
China CITIC Bank International Limited
Yingkou Coastal Bank Co., Ltd.
Agricultural Bank of China Limited

AUDITOR

ZHONGHUI ANDA CPA Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

<http://www.enviro-energy.com.hk>

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港灣仔
告士打道39號
夏慤大廈
16樓1603-5室

主要往來銀行

交通銀行股份有限公司香港分行

中信銀行(國際)有限公司
營口沿海銀行股份有限公司
中國農業銀行股份有限公司

核數師

中匯安達會計師事務所有限公司

主要股份過戶登記處

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

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

公司網站

<http://www.enviro-energy.com.hk>

* The above information is updated to 22 April 2020, the latest practicable date before printing of this annual report.

* 上述資料更新至二零二零年四月二十二日，即本年報付印前之最後實際可行日期。

Chairman's Statement

主席報告

On behalf of the Board, I hereby present to the shareholders the results of the Group for the year ended 31 December 2019.

RESULTS

In 2019, the national economy in the People's Republic of China (the "PRC") is facing downward pressure amid external uncertainties. Against the challenges relating to the US-China trade dispute, the coronavirus outbreak in the World in early 2020 and the socio-political conditions in Hong Kong, we maintained prudent but optimistic towards our core business.

For the year ended 31 December 2019, the Group recorded a consolidated revenue of approximately HK\$56,883,000, decreased by 94% from the previous year (2018: approximately HK\$885,871,000). Loss attributable to owners of the Company was approximately HK\$25,086,000 (2018: approximately HK\$14,531,000) and basic loss per share of HK5.55 cent (2018: HK3.21 cent (restated) after taking into account the share consolidation which came in effect on 2 July 2019). The increase in loss was mainly attributable to (i) decrease in other gains, net resulting from an one-off gain on disposal of subsidiaries of approximately HK\$9,203,000, gain on disposal of assets held for sale of approximately HK\$7,137,000 and gain on disposal of investment properties of HK\$2,129,000 recognised during the previous financial year; and (ii) the decrease in interest income from approximately HK\$21,755,000 in 2018 to approximately HK\$15,735,000 in 2019 arising from loan receivables.

PROSPECTS

It is the intention of the management to step up its effort to improve the financial performance of the existing businesses of the Group and to explore investment opportunities in the properties investment, investment holding and trading of building materials segments or other new segments with good prospects with the view to bring substantial value to the shareholders of the Company.

APPRECIATION

I would like to take this opportunity to thank all shareholders, investors, bankers, business associates and customers for their continuing support to the Group, my fellow directors for their valuable services and all staff members for their hard work during the past year.

Li Sen
Chairman

Hong Kong, 31 March 2020

本人謹代表董事會向股東提呈本集團截至二零一九年十二月三十一日止年度之業績。

業績

在外來不確定性的影響下，於二零一九年中華人民共和國（「中國」）的經濟面臨下行壓力。面對美中貿易爭端，二零二零年年初全球冠狀病毒的爆發以及香港的社會政治條件帶來的挑戰，我們對我們的核心業務保持審慎但樂觀的態度。

截至二零一九年十二月三十一日止年度，本集團錄得綜合收益為約56,883,000港元，較去年減少94%（二零一八年：約885,871,000港元）。本公司擁有人應佔虧損為約25,086,000港元（二零一八年：約14,531,000港元），及於二零一九年七月二日生效之股份合併後之每股基本虧損為5.55港仙（二零一八年：3.21港仙（經重列））。虧損增加主要由於(i)上一財年度確認一次性出售附屬公司收益約9,203,000港元、出售持作銷售資產收益約7,137,000港元及出售投資物業收益約2,129,000港元導致其它收益減少及(ii)應收貸款之利息收入由二零一八年約21,755,000港元減少至二零一九年約15,735,000港元。

前景

管理層有意加大力度改善本集團現有業務之財務表現，並於物業投資、投資控股及建築材料貿易分部或其他具備良好前景之新分部發掘投資機會，藉此為本公司股東帶來重大價值。

致謝

對於全體股東、投資者、銀行家、業務夥伴及客戶堅定不移地支持本集團，本人謹藉此機會向彼等表示誠摯謝意。本人衷心感謝各位董事作出的貢獻及對於全體員工於過去一年的努力，本人深表謝意。

李森
主席

香港，二零二零年三月三十一日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

For the year ended 31 December 2019, the Group engaged in properties investment, investment holding and trading of building materials businesses.

REVIEW BY BUSINESS

Properties investment

The Group's investment properties comprise 23 commercial units situated in Yingkou city, Liaoning province, the PRC, with gross floor area of approximately 7,891 square meters. These properties are currently being leased out for rental income.

The Group also owns a piece of land of gross floor area of approximately 4,320 square meters together with a twelve-floor property erected thereon with gross floor area of approximately 17,800 square meters. This property is situated in Yingkou city, Liaoning province, the PRC and is currently being leased out for rental income.

During the year ended 31 December 2019, the Group's rental income amounted to approximately HK\$301,000 (2018: approximately HK\$4,270,000). The properties investment segment recorded valuation loss of approximately HK\$2,270,000 (2018: approximately HK\$5,369,000) on its investment properties, as a whole, this business segment recorded a loss of approximately HK\$3,215,000 for the year ended 31 December 2019 (2018: profit of approximately HK\$17,222,000).

The decrease in rental income from properties investment during the year ended 31 December 2019 was mainly attributable to the persistent depressed state of the property market in Liaoning Province and adverse situation in property demand in the region where such properties are located.

Investment holding

For the year ended 31 December 2019, the Group had no revenue and profit from investment holding (2018: nil and nil).

Trading of building materials

The Group has commenced its building materials trading business since the second half of 2017 through its indirect wholly owned subsidiary, Qianhai Shitong Supply Chain (Shenzhen) Company Limited ("前海世通供應鏈(深圳)有限公司") ("Qianhai Shitong").

During the year ended 31 December 2019, the trading of building materials segment contributed a revenue of approximately HK\$56,582,000 (2018: approximately HK\$881,601,000), representing 99.5% of total revenue. The segment contributed a gross profit of approximately HK\$196,000 (2018: approximately HK\$4,890,000), representing 39.4% of total gross profit for the year ended 31 December 2019.

業務回顧

於截至二零一九年十二月三十一日止年度，本集團從事物業投資、投資控股及建築材料貿易業務。

業務回顧

物業投資

本集團之投資物業由23個位於中國遼寧省營口市之商用單位組成，總樓面面積約為7,891平方米。該等物業現時已出租以賺取租金收入。

本集團亦擁有一幅樓面面積約4,320平方米之地塊連同建於該地塊上樓高十二層、總樓面面積約為17,800平方米之物業。該物業位於中國遼寧省營口市，現時已出租以賺取租金收入。

於截至二零一九年十二月三十一日止年度，本集團之租金收入約為301,000港元(二零一八年：約4,270,000港元)。物業投資分部就投資物業錄得估值虧損約2,270,000港元(二零一八年：約5,369,000港元)，整體而言，截至二零一九年十二月三十一日止年度，此項業務分部錄得虧損約3,215,000港元(二零一八年：溢利約17,222,000港元)。

於截至二零一九年十二月三十一日止年度期間，物業投資的租金收入減少主要由於遼寧省物業市場持續低迷及有關物業所處地區對物業需求疲弱。

投資控股

於截至二零一九年十二月三十一日止年度，本集團並沒有從投資控股錄得收入及溢利(二零一八年：無及無)。

建築材料貿易

本集團自二零一七年下半年起透過其間接全資附屬公司前海世通供應鏈(深圳)有限公司(「前海世通」)開展建築材料貿易業務。

於截至二零一九年十二月三十一日止年度，建築材料貿易分部錄得收入約56,582,000港元(二零一八年：約881,601,000港元)，相當於業務總收入之99.5%。於截至二零一九年十二月三十一日止年度，該分部貢獻毛利約196,000港元(二零一八年：約4,890,000港元)，相當於業務總毛利之39.4%。

Management Discussion and Analysis

管理層討論及分析

The significant decrease in sale revenue from trading of building materials during the year ended 31 December 2019 was mainly due to keen market competition, the shortfall of funding need for the expansion of said business and the uncertainty over the China's and Hong Kong's economies resulting from the US-China trade war. Accordingly, the Group limited their purchases on building materials for trading activities during the year ended 31 December 2019, leading to decrease in revenue from trading of building materials of approximately 93.6% recorded under the building materials trading business compared to the last financial year.

BUSINESS PROSPECTS AND FUTURE PLANS

As set forth in the section headed "Business Review" in this report, the Group significantly reduces its scale of building material trading business during the year ended 31 December 2019. Despite this, the market of building material trading in the Southeast Region of the PRC is expected to grow in the foreseeable future because the increase in expected demand for properties in the Greater Bay Area will stimulate the revenue from trading of building materials following the economic growth in the Greater Bay Area benefited from the PRC national policies promulgated by the government of the PRC.

Given that the Group's funding need for the business operation and the potential investment, the Group will actively consider to explore different avenues by obtaining new bank borrowings and carrying out fund raising including, but not limited to, right issue, open offer, placing of new shares and issuance of other convertible bonds. If materialize, additional funds will be provided to the Group for the expansion of the building materials trading business which will bring a huge amount of profit in the long run.

At present, the economy development of Liaoning Province did not grow as expected and lagged behind the national economy growth. Subsequent to completion of acquisition of the investment properties in Liaoning Province in the second half of 2016, certain investment properties of the Group were vacant for some time due to the persistent depressed state of the property market in Liaoning Province and adverse situation in property demand in the region where such properties are located. In this connection, the Group did not acquire any investment properties in the Northeast Region of the PRC since 2017. The Group will continue to develop its properties investment business segment given its vast potential and opportunity. Driven by the market potential in the Greater Bay Area and taking advantage of the extensive business network of the Chairman of the Board, Mr. Li Sen, the Group has been and is reviewing its property investment portfolio with the aim to seize new properties investment opportunities in Shenzhen City and the Greater Bay Area.

於截至二零一九年十二月三十一日止年度期間，建築材料貿易的銷售收入顯著減少主要由於市場競爭激烈、業務擴張所需資金短缺以及中美貿易戰對中國及香港經濟造成不確定性所致。因此，於截至二零一九年十二月三十一日止年度期間，本集團限制其購買貿易活動之建築材料，導致建築材料貿易業務所錄得建築材料貿易的收入較上一財政年度減少約93.6%。

業務前景及未來計劃

誠如本報告「業務回顧」一節所載，於截至二零一九年十二月三十一日止年度期間，本集團大幅縮減其建築材料貿易業務之規模。儘管如此，受惠於中國政府頒佈之中國國家政策，隨著大灣區經濟增長，預期對大灣區的物業需求將會增加，繼而刺激建築材料貿易的收入，因此預期中國東南地區之建築材料貿易市場於可見將來將有所增長。

鑑於本集團於業務營運及潛在投資的資金需求，本集團將積極考慮透過取得新的銀行借貸及進行（包括但不限於）供股、公開發售、配售新股份及發行其他可換股債券集資開拓不同渠道。倘若落實，將為本集團帶來額外資金以擴展建築材料貿易業務，長遠而言將帶來可觀溢利。

目前，遼寧省經濟發展未如預期增長，落後於國家經濟增長。於二零一六年下半年完成收購遼寧省之投資物業後，由於遼寧省物業市場持續低迷及有關物業所處地區對物業需求疲弱，本集團若干投資物業已空置一段時間。就此而言，本集團自二零一七年起並無於中國東北地區收購任何投資物業。鑒於物業投資業務的巨大潛力及機遇，本集團將繼續發展其物業投資業務分部。受大灣區的市場潛力帶動，並透過善用董事會主席李森先生的廣大業務網絡，本集團一直及正在檢視其物業投資組合，旨在抓緊深圳市及大灣區的物業投資新機會。

Management Discussion and Analysis

管理層討論及分析

As at 31 December 2019, all investments in securities or bonds were disposed of. Going forward, the Company will continue to actively explore the potential for other strategic investments and capture the opportunities and balance the investment risks.

Looking ahead, the Group has been facing a series of challenges, such as the US-China trade tension, the protests and marches in Hong Kong, the coronavirus outbreak in the World in early 2020 and the rapid change in overall economic environment posing uncertainties on the political and financial risks in short term.

Under these circumstances, cost cutting measures will be implemented as priority for improving operating performances of the Group. The Group will also adopt measures and exploring other means to cope with these challenges and to turn them into opportunities. The Group will continuously restructure and reorganize its businesses, adopt measures that are beneficial to the growth of its existing businesses, expand its marketing channels and customer base, pursuing quality suppliers, and taking a proactive role to boost business and profit growth.

The Board remains cautiously optimistic about perpetuating the steady growth in the markets of properties investment and building materials trading in the Southeast Region of the PRC as a result of the economic and financial reform driven by the States with the PRC national policies related to the Greater Bay Area. The Board is fully confident in the future business development of the Group.

The Board will continue to look out for opportunities to make investments in any new business when suitable opportunities arise to diversify revenue streams of the Group and strengthen the Group's financial position, and thereby maximising the benefits of the shareholders as a whole.

In view of the coronavirus outbreak, the Board are taking all necessary precautions to safeguard our employees and to ensure business continuity. We will continue to monitor the development and take steps as appropriate to mitigate the risks.

於二零一九年十二月三十一日，所有證券或債券投資已被出售。展望將來，本公司將繼續積極發掘其他戰略投資的潛力，並抓緊機遇，平衡投資風險。

展望未來，本集團面臨一系列挑戰，例如中美貿易緊張、香港示威遊行、於二零二零年初全球爆發新冠肺炎，以及整體經濟環境的快速變化於短期內對政治及財務風險構成不確定性。

於該等情況下，改善本集團經營業績的優先事項為實施成本削減措施。本集團亦將採取措施並開拓其他方法應對該等挑戰，並將其轉化為機遇。本集團將不斷重整及重組其業務、採取有利於其現有業務增長的措施、拓展營銷渠道及客戶基礎、追求優質供應商，並積極推動業務及溢利增長。

隨著中國透過大灣區相關的中國國家政策推動經濟及金融改革，董事會對中國東南地區之物業投資及建築材料貿易市場的穩定增長保持謹慎樂觀態度。董事會對本集團的未來業務發展充滿信心。

董事會將會繼續尋找機會，當合適機會出現時投資任何新業務，令本集團的收入來源多元化，並強化本集團的財務狀況，從而增加股東整體的利益。

為預防新冠肺炎擴散，董事會已採取所有必要的措施，全力保護僱員安全及確保業務持續運作。我們會繼續監察疫情發展，並採取適當方法紓緩風險。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Overall Results

For the year ended 31 December 2019, the Group recorded a consolidated revenue of approximately HK\$56,883,000 (2018: approximately HK\$885,871,000), representing a decrease by 93.6% when compared with the year ended 31 December 2018. The significant decrease in revenue was mainly due to the decrease in revenue recorded under the Group's building material trading business by 93.6% during the year ended 31 December 2019 resulting from the reduction in trading volume of building material as discussed in the above "Business Review" section.

The Group's gross profit for the year ended 31 December 2019 was approximately HK\$497,000 (2018: approximately HK\$9,160,000) with gross profit margin of 0.9% (2018: 1.0%), which resulted in a decrease of approximately HK\$8,663,000, representing a decrease of approximately 94.6% when compared with the year ended 31 December 2018.

The Group's net loss was approximately HK\$25,086,000 for the year ended 31 December 2019 (2018: approximately HK\$14,531,000). The increase in loss was mainly attributable to (i) decrease in other gains, net resulting from absence of one-off gain on disposal of subsidiaries of approximately HK\$9,203,000, gain on disposal of assets held for sale of approximately HK\$7,137,000 and gain on disposal of investment properties of approximately HK\$2,129,000 recognised during the previous financial year; and (ii) the decrease in interest income from approximately HK\$21,755,000 in 2018 to approximately HK\$15,735,000 in 2019 arising from loan receivables.

The overall net loss attributable to owners of the Company for the year ended 31 December 2019 was approximately HK\$25,086,000 (2018: approximately HK\$14,531,000), representing an increase of losses by approximately HK\$10,555,000 when compared with the year ended 31 December 2018. Taking into account the Share Consolidation (as defined in the section headed "Material Events" below), both the basic and diluted loss per share attributable to owners of the Company for the year ended 31 December 2019 were HK5.55 cents as compared with HK3.21 cents (restated) for the year ended 31 December 2018.

財務回顧

整體業績

截至二零一九年十二月三十一日止年度，本集團業務錄得綜合收入約56,883,000港元（二零一八年：約885,871,000港元），較截至二零一八年十二月三十一日止年度減少93.6%。收益顯著減少乃主要由於上文「業務回顧」一節所討論，建築材料交易量減少導致本集團建築材料貿易業務於截至二零一九年十二月三十一日止年度期間錄得之收入減少93.6%。

截至二零一九年十二月三十一日止年度，本集團業務之毛利為約497,000港元（二零一八年：約9,160,000港元），毛利率為0.9%（二零一八年：1.0%），減少約8,663,000港元，較截至二零一八年十二月三十一日止年度減少約94.6%。

截至二零一九年十二月三十一日止年度，本集團之業務虧損淨額約為25,086,000港元（二零一八年：約14,531,000港元）。虧損增加主要由於(i)並無上一財政年度確認的一次性出售附屬公司之收益約9,203,000港元、出售持作出售資產之收益約7,137,000港元及出售投資物業之收益約2,129,000港元導致其他收益減少及(ii)應收貸款之利息收入由二零一八年約21,755,000港元減少至二零一九年約15,735,000港元。

截至二零一九年十二月三十一日止年度，本公司擁有人應佔虧損淨額合共約為25,086,000港元（二零一八年：約14,531,000港元），較截至二零一八年十二月三十一日止年度之虧損增加約10,555,000港元。經計及股份合併（定義見下文「重大事件」一節），於截至二零一九年十二月三十一日止年度，本公司擁有人應佔每股基本及攤薄虧損均為5.55港仙，於截至二零一八年十二月三十一日止年度則為3.21港仙（經重列）。

Management Discussion and Analysis

管理層討論及分析

Liquidity, Financial Resources and Capital Structure

As at 31 December 2019, the Group had current assets of approximately HK\$634,034,000 comprising the loan receivables of approximately HK\$167,154,000 (2018: nil), interest receivables of HK\$22,468,000 (2018: approximately HK\$8,556,000), trade deposit paid in advance of approximately HK\$292,491,000 (2018: approximately HK\$293,824,000) and receivables of approximately HK\$130,601,000 (2018: approximately HK\$134,864,000) from disposal of investment properties during the previous financial year. The Group's current ratio, calculated based on current assets of approximately HK\$634,034,000 (2018: approximately HK\$462,283,000) over current liabilities of approximately HK\$272,344,000 (2018: approximately HK\$236,451,000), was about 2.33 at 31 December 2019 (2018: 1.96).

As at 31 December 2019, the Group's current liabilities increased by 15.2% to approximately HK\$272,344,000 (2018: approximately HK\$236,451,000) over last year and the increase was primarily due to the increase in shareholders' loan by approximately HK\$6,452,000, increase in loan from a related company by approximately HK\$5,083,000 and accruals and other payables by approximately HK\$29,422,000 respectively used for the general working capital during the year ended 31 December 2019. As at 31 December 2019, all bank borrowings amounted to approximately HK\$180,526,000 (2018: approximately HK\$184,425,000) were secured, denominated in Renminbi, bore interest of fixed rate and were due within one year.

As at 31 December 2019, the equity attributable to owners of the Company amounted to approximately HK\$538,273,000 (2018: approximately HK\$575,791,000).

As at 31 December 2019, the Group had cash and bank balances of approximately HK\$2,087,000 (2018: approximately HK\$2,123,000).

As at 31 December 2019, the debt to equity ratio and net debt to equity ratio of the Group, which were calculated by dividing total debt by total equity and dividing total debt less bank balances and cash by total equity, were approximately 36% (2018: 33%) and 36% (2018: 32%) respectively.

With the amount of liquid assets on hand and unutilised loan facility, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational needs.

流動資金、財務資源及資本架構

於二零一九年十二月三十一日，本集團之流動資產為約634,034,000港元，包括應收貸款約167,154,000港元（二零一八年：無）、應收利息22,468,000港元（二零一八年：約8,556,000港元）、預先支付之貿易按金約292,491,000港元（二零一八年：約293,824,000港元）及於上一財政年度期間出售投資物業之應收款項為約130,601,000港元（二零一八年：約134,864,000港元）。本集團於二零一九年十二月三十一日之流動比率約為2.33（二零一八年：1.96），乃按流動資產約634,034,000港元（二零一八年：約462,283,000港元）除以流動負債約272,344,000港元（二零一八年：約236,451,000港元）計算。

於二零一九年十二月三十一日，本集團之流動負債較上一年度增加15.2%至約272,344,000港元（二零一八年：約236,451,000港元），錄得增加主要由於截至二零一九年十二月三十一日止年度用作一般營運資金之股東貸款增加約6,452,000港元、來自關連公司之貸款增加約5,083,000港元以及應計費用及其他應付款項增加約29,422,000港元所致。於二零一九年十二月三十一日，所有銀行貸款約180,526,000港元（二零一八年：約184,425,000港元）乃有抵押，以人民幣計值，按固定利率計息，並須於一年內償還。

於二零一九年十二月三十一日，本公司擁有人應佔權益約為538,273,000港元（二零一八年：約575,791,000港元）。

於二零一九年十二月三十一日，本集團之現金及銀行結餘約為2,087,000港元（二零一八年：約2,123,000港元）。

於二零一九年十二月三十一日，本集團之負債權益比率及淨負債權益比率（按負債總額除以權益總額以及按負債總額減銀行結餘及現金除以權益總額計算）分別約為36%（二零一八年：33%）及36%（二零一八年：32%）。

憑藉手頭之流動資產金額及未動用之貸款融資，管理層認為本集團有充足財務資源以應付其持續經營所需。

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group had no material acquisitions or disposals of subsidiaries and affiliated companies during the year ended 31 December 2019.

The Group had no significant investments held during the year ended 31 December 2019.

MATERIAL EVENTS

Share Consolidation

Pursuant to the poll results of an annual general meeting dated 28 June 2019, the Company's Share Consolidation (as defined below) has been approved by the shareholders of the Company. Every twenty issued and unissued ordinary shares of par value of HK\$0.0025 each (the "Old Shares") in the share capital of the Company are consolidated into one share of par value of HK\$0.05 each (the "Share Consolidation") which effected on 2 July 2019. Prior to the Share Consolidation, the authorized share capital of the Company was HK\$50,000,000 divided into 20,000,000,000 Old Shares, of which 9,047,844,141 Old Shares were in issue and were fully paid or credited as fully paid. Following the implementation of the Share Consolidation, the Company's authorized share capital becomes HK\$50,000,000 divided into 1,000,000,000 shares of par value of HK\$0.05 each, and its issued share capital becomes HK\$22,619,610 divided into 452,392,207 shares of par value of HK\$0.05 each.

Adjustment to exercise price and number of option share of share options under the share option scheme

Prior to the implementation of the Share Consolidation, the Company had the outstanding share options to subscribe for an aggregate of 224,969,596 Old Shares at an weighted average exercise price of HK\$0.36 per Old Share (the "Share Options") under the share option schemes of the Company adopted on 25 January 2003 and 12 May 2011 (the "Share Option Schemes") respectively.

所持有之重大投資、重大收購及出售附屬公司及聯屬公司

於截至二零一九年十二月三十一日止年度，本集團並無重大收購或出售附屬公司及聯屬公司。

於截至二零一九年十二月三十一日止年度，本集團並無持有任何重大投資。

重大事件

股份合併

根據日期為二零一九年六月二十八日之股東週年大會投票結果，本公司之股份合併(定義見下文)已獲本公司股東批准。本公司股本中每二十股每股面值0.0025港元之已發行及未發行普通股份(「舊股股份」)合併為一股每股面值0.05港元之股份(「股份合併」)，於二零一九年七月二日生效。於股份合併前，本公司之法定股本為50,000,000港元，分為20,000,000,000股舊股股份，其中9,047,844,141股為已發行及繳足或入賬列作繳足之舊股股份。進行股份合併後，本公司之法定股本變為50,000,000港元(分為1,000,000,000股每股面值0.05港元之股份)，其已發行股本則變為22,619,610港元(分為452,392,207股每股面值0.05港元之股份)。

調整購股權計劃項下購股權之行使價及購股權股份數目

於進行股份合併前，根據本公司於二零零三年一月二十五日及二零一一年五月十二日分別採納的購股權計劃(「購股權計劃」)，尚未行使購股權(「購股權」)可按加權平均行使價每股舊股股份0.36港元認購合共224,969,596股舊股股份。

Management Discussion and Analysis

管理層討論及分析

Pursuant to the terms and conditions of the Share Option Schemes, the weighted average exercise price and the number of option shares of the Share Options were adjusted upon the implementation of the Share Consolidation on 2 July 2019 (the “Adjustment”). Details of the Adjustment are set out below:

根據購股權計劃之條款及條件，購股權之加權平均行使價及購股權股份數目已於二零一九年七月二日進行股份合併後作出調整（「該調整」）。該調整詳情載於下文：

		Before completion of the Share Consolidation 股份合併完成前		After completion of the Share Consolidation 股份合併完成後	
		Prevailing weighted average exercise price	Number of option shares of HK\$0.0025 each 每股面值 0.0025港元 之購股權 股份數目	Adjusted weighted average exercise price	Adjusted number of option shares of HK\$0.05 each 每股面值 0.05港元 之經調整 購股權 股份數目
		當前加權 平均行使價		經調整加權 平均行使價	
Share Options	購股權	HK\$0.36 0.36港元	224,969,596	HK\$7.20 7.20港元	11,248,480

Save for the above Adjustment, all other terms and conditions of the Share Options remain unchanged.

除上述該調整外，購股權之所有其他條款及條件維持不變。

The Company’s auditor, ZHONGHUI ANDA CPA Limited, has performed certain factual finding procedures on the Adjustment in accordance with Hong Kong Standard on Related Services 4400 “Engagements to Perform Agreed-Upon Procedures Regarding Financial Information” issued by the Hong Kong Institute of Certified Public Accountants and issued a report of factual findings to the Board stating that the computation of the Adjustment is mathematically accurate and is in compliance with the terms and conditions of the Share Option Schemes.

本公司之核數師中匯安達會計師事務所有限公司已根據由香港會計師公會頒佈之香港相關服務準則第4400號「就財務資料執行商定程序之應聘工作」，就該調整執行若干事證發現程序，並已向董事會發出事證發現報告，指出該調整之計算為準確且符合購股權計劃之條款及條件。

Management Discussion and Analysis

管理層討論及分析

Financial Assistance

On 28 August 2019, the Company (the “**Borrower**”), has entered into the loan facilities agreement of HK\$10,000,000 (the “**Loan**”) with Wonderland International Finance Limited (the “**Lender**”) and Mr. Li Sen (the Chairman, Executive Director and a substantial shareholder of the Company) as guarantor (the “**Loan Facilities Agreement**”). Pursuant to the Loan Facilities Agreement, the Lender has conditionally agreed to grant the Loan to the Company for a 12 months period commencing from the date of the Loan Facilities Agreement. Pursuant to the Loan Facilities Agreement, Mr. Li Sen, has provided his personal guarantee in favour of the Lender to guarantee, among others, the due performance of the obligations of the Company under the Loan Facilities Agreement (the “**Guarantee**”).

Pursuant to the Loan Facilities Agreement, Able Victory Enterprises Limited (“**Able Victory**”) shall, as mortgagor and controlling shareholder of the Company, deposit: (1) not less than HK\$44,000,000 cash; or (2) 110,374,271 shares of par value of HK\$0.05 each of the Company registered in the name of Able Victory or any securities with market value not less than HK\$44,000,000 as collateral (the “**Pledged Collateral**”) for the purpose of securing the Loan provided by the Lender to the Borrower.

財務資助

於二零一九年八月二十八日，本公司（「**借款人**」）與華德國際財務有限公司（「**貸款人**」）及李森先生（本公司主席、執行董事及主要股東）（作為擔保人）訂立貸款額為10,000,000港元（「**該貸款**」）之貸款融資協議（「**貸款融資協議**」）。根據貸款融資協議，貸款人已有條件地同意向本公司授予該貸款，自貸款融資協議日期起計為期12個月。根據貸款融資協議，李森先生將以貸款人為受益人提供個人擔保，以擔保（其中包括）本公司妥善履行貸款融資協議項下之責任（「**擔保**」）。

根據貸款融資協議，Able Victory Enterprises Limited（「**Able Victory**」）將（作為按揭人及本公司控股股東）存放：(1)不少於44,000,000港元現金；或(2)每股面值0.05港元之110,374,271股本公司股份（以Able Victory之名義登記）或市值不低於44,000,000港元之任何證券，作為貸款人向借款人提供該貸款之抵押品（「**質押抵押品**」）。

Management Discussion and Analysis

管理層討論及分析

As at the date of the announcement on 28 August 2019, the Lender is an associate of Wonderland International Finance Holdings Limited (“**Wonderland**”), the substantial shareholder of the Company. Therefore, the Lender is a connected person of the Company under the Listing Rules. Under the Listing Rules, the provision of the Loan to the Company by the Lender contemplated under the Loan Facilities Agreement is fully exempt from reporting, announcement and independent shareholders’ approval requirements pursuant to Rule 14A.90 of the Listing Rules as such transaction constitute financial assistance provided by a connected person to the Company on normal commercial terms, where no security over the assets of the Group is granted in respect of the financial assistance. Since Mr. Li Sen is a connected person of the Company under the Listing Rules, the execution of the Guarantee is financial assistance provided by a connected person to the Company on normal commercial terms, where no security over the assets of the Group is granted in respect of the financial assistance. Accordingly, the Guarantee is also fully exempt from reporting, announcement and independent shareholders’ approval requirements pursuant to Rule 14A.90 of the Listing Rule. Since Able Victory is the controlling shareholder of the Company, the provision of the Pledged Collateral triggers disclosure obligation of the Company under Rule 13.17 of the Listing Rules and therefore the announcement dated 28 August 2019 is made by the Company pursuant to Rule 13.17 of the Listing Rules. The relevant details are set out in the announcement of the Company dated 28 August 2019.

Proposed Convertible Bonds

On 31 January 2019, the Company entered into a convertible bonds subscription agreement (the “**Proposed CB Agreement**”) for the issue of 15% convertible bonds due 2020 with Huajun Group (Asia) Limited in the principal amount of HK\$50 million which are convertible into 844,594,595 Old Shares upon conversion of the convertible bonds at the exercise price of HK\$0.0592 per Old Shares. The Proposed CB Agreement has lapsed on 1 April 2019. Details of issue of proposed convertible bonds are set out in the announcement of the Company dated 31 January 2019 and 2 April 2019.

於日期為二零一九年八月二十八日之公佈，貸款人為本公司主要股東華德國際金融控股有限公司（「**華德**」）之聯繫人。因此，根據上市規則，貸款人為本公司之關連人士。根據上市規則，由於貸款融資協議項下貸款人向本公司提供該貸款構成一名關連人士按一般商業條款向本公司提供財務援助，且並無就財務援助提供本集團資產作為抵押，因此有關交易獲全面豁免遵守上市規則第14A.90條之申報、公佈及獨立股東批准之規定。根據上市規則，由於李森先生為本公司之關連人士，簽立擔保為一名關連人士按一般商業條款向本公司提供財務援助，當中並無就財務援助提供本集團資產作為抵押。因此，擔保亦獲全面豁免遵守上市規則第14A.90條之申報、公佈及獨立股東批准之規定。由於Able Victory為本公司之控股股東，根據上市規則第13.17條，提供質押抵押品觸發本公司之披露責任，因此於二零一九年八月二十八日之公佈乃由本公司根據上市規則第13.17條而作出。有關詳情已載於本公司日期為二零一九年八月二十八日之公佈內。

建議可換股債券

於二零一九年一月三十一日，本公司與Huajun Group (Asia) Limited就發行二零二零年到期15%可換股債券訂立可換股債券認購協議（「**建議可換股債券協議**」），可換股債券之本金額為50,000,000港元，可按行使價每股舊股股份0.0592港元轉換為844,594,595股舊股股份。建議可換股債券協議已於二零一九年四月一日失效。有關發行建議可換股債券之詳情載於本公司日期為二零一九年一月三十一日及二零一九年四月二日之公佈。

Management Discussion and Analysis

管理層討論及分析

First Proposed Subscription

On 2 April 2019, the Company entered into the subscription agreement (the “**First Proposed Subscription Agreement**”) with the independent third part subscriber, pursuant to which the subscriber has conditionally agreed to subscribe 1,809,568,828 new Old Shares of the Company at the issue price of HK\$0.0496 per share of the Company (the “**First Proposed Subscription**”). The First Proposed Subscription Agreement has lapsed on 4 April 2019. Details of issue of First Proposed Subscription are set out in the announcement of the Company dated 2 April 2019 and 4 April 2019.

Second Proposed Subscription

On 4 April 2019, the Company entered into the subscription agreement (the “**Second Proposed Subscription Agreement**”) with the independent third party subscriber, pursuant to which the subscriber has conditionally agreed to subscribe 1,809,568,828 new Old Shares of the Company at the issue price of HK\$0.05022 per share of the Company (the “**Second Proposed Subscription**”). The Second Proposed Subscription Agreement has lapsed on 1 June 2019. Details of issue of Second Proposed Subscription are set out in the announcement of the Company dated 4 April 2019 and 3 June 2019.

GEARING RATIO

Gearing ratio is calculated based on total debts divided by total equity as of the end of each period. Gearing ratio was 36% as at 31 December 2019 (2018: 33%).

CHARGE ON GROUP ASSETS

As at 31 December 2019, the investment properties of the Group with carrying amount of approximately HK\$171,946,000 (2018: approximately HK\$177,936,000) were pledged to secure certain bank borrowings.

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 December 2019, the Group mainly earned revenue and incurred costs in Hong Kong Dollar, Renminbi and United States dollar and no hedging measures had been undertaken. The management will continue to monitor closely the Group’s foreign exchange risks by entering into forward contracts and utilising applicable derivatives to hedge out foreign exchange risks when considers appropriate.

第一次建議認購事項

於二零一九年四月二日，本公司與獨立第三方認購人訂立認購協議（「**第一份建議認購協議**」），據此，認購人有條件地同意按發行價每股本公司股份0.0496港元認購1,809,568,828股本公司新舊股份（「**第一次建議認購事項**」）。第一份建議認購協議已於二零一九年四月四日失效。有關第一次建議認購事項的詳情載於本公司日期為二零一九年四月二日及二零一九年四月四日之公佈。

第二次建議認購事項

於二零一九年四月四日，本公司與獨立第三方認購人訂立認購協議（「**第二份建議認購協議**」），據此，認購人有條件地同意按發行價每股本公司股份0.05022港元認購1,809,568,828股本公司新舊股份（「**第二次建議認購事項**」）。第二份建議認購協議已於二零一九年六月一日失效。有關第二次建議認購事項的詳情載於本公司日期為二零一九年四月四日及二零一九年六月三日之公佈。

資本負債比率

資本負債比率乃根據各期間末之總債務除以總權益計算。於二零一九年十二月三十一日，資本負債比率為36%（二零一八年：33%）。

集團資產抵押

於二零一九年十二月三十一日，本集團賬面值約171,946,000港元（二零一八年：約177,936,000港元）的投資物業已予抵押作為若干銀行貸款的擔保。

外匯風險

截至二零一九年十二月三十一日止年度，本集團賺取的收入及產生的費用主要以港元、人民幣及美元列值，且並無採取對沖措施。管理層將繼續密切監察本集團之外匯風險，並在適當時候透過訂立遠期合約及利用適當之衍生工具對沖外匯風險。

Management Discussion and Analysis 管理層討論及分析

CAPITAL COMMITMENTS

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

CONTINGENT LIABILITIES

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

EMPLOYEES AND REMUNERATION POLICIES

The Group had 18 employees in Hong Kong and the PRC as at 31 December 2019 (2018: 21 employees). The Group implements remuneration policy, bonus and share options schemes to ensure that pay scales of its employees are rewarded on performance-related basis within the general framework of the Group's remuneration strategy.

RISK FACTORS

The Group has identified and is facing a number of significant risks during the year ended 31 December 2019. Some of these risks are ongoing factors which the industry has to cope with in medium to long term. Other risk factors are specific to the Group.

1. Economic Risk

The global economic conditions and the state of international financial and investment markets, including the economy, financial and investment markets of the United States, Mainland China and Hong Kong, of which the Group has no control, have significant influences on the business and financial performance of the Group. The management policy to mitigate this risk is to diversify the Group's business and to diversify its investments (where possible) within the same business.

2. Market Risk

The Group's trading business of building materials is operating in a competitive environment that puts pressure on the revenue and profitability of this business. The management policy to mitigate this risk is to continue to put effort in enlarging the market share and enhancing the market competitiveness of this business by various means.

資本承擔

於二零一九年十二月三十一日，本集團並無重大資本承擔(二零一八年：無)。

或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債(二零一八年：無)。

僱員及薪酬政策

本集團於二零一九年十二月三十一日於香港及中國共聘有18名僱員(二零一八年：21名僱員)。本集團實行薪酬政策、花紅及購股權計劃，確保其僱員之薪酬水平乃於本集團之一般薪酬政策架構內按工作表現釐定。

風險因素

於截至二零一九年十二月三十一日止年度，本集團已識別且一直面臨數項重大風險。其中若干風險因素為業界中長期需要面對的風險。其他風險因素則為本集團承受之特定風險。

1. 經濟風險

環球經濟狀況及國際金融和投資市場(包括美國、中國內地及香港之經濟、金融及投資市場)之狀況並非本集團所能控制，且對本集團之業務及財務表現有重大影響。本集團舒緩此風險的管理政策為分散本集團之業務及在可能情況下分散其於相同業務之投資。

2. 市場風險

本集團建築材料貿易業務的營運環境充滿競爭，導致該業務的收入及盈利能力備受壓力。本集團舒緩此風險的管理政策為繼續努力透過各種方法擴大該業務的市場份額及提高其市場競爭力。

Management Discussion and Analysis

管理層討論及分析

3. Environmental Risk

The Group is constantly exposed to inherent risks such as pollution, mechanical breakdown of machinery, adverse weather conditions, fire or other calamity. During the period of potential development of any properties, the Group would expose to potential risks such as pollution, adverse weather conditions or fire etc. Any of these factors may cause disruptions to the Group's operations. The Group may also be liable for compensation payable as a result of these unpredictable events which may adversely affect its financial performance.

4. Customer Risk

The Group has been relied on a small number of customers in its trading business. This has been limiting the Group's bargaining power on credit terms and discount rate. The Group may not be able to significantly expand its customer base in the short term which may adversely affect its financial performance.

5. Financial Risk

The Group is exposed to financial risks relating to foreign currency, interest rate, equity price, liquidity and credit risk in its ordinary course of business. For further details of such risks and relevant management policies, please refer to Note 6 to the consolidated financial statements for details.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 December 2019, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

3. 環境風險

本集團經常承受污染、機械設備故障、惡劣天氣狀況、火災或其他災難等固有風險。於任何物業之潛在發展期間，本集團將面臨污染、惡劣天氣狀況或火災等潛在風險。任何該等因素均可能干擾本集團業務。本集團亦可能因該等未能預計事件賠償支付款項，故此可能對其財務表現產生不利影響。

4. 客戶風險

本集團於貿易業務方面一直依賴少數客戶，令本集團有關信貸條款及貼現率的議價能力受到限制。本集團可能無法於短期內大幅拓闊客戶群，或會對本集團的財務表現造成不利影響。

5. 財務風險

本集團於日常業務過程中面臨與外幣、利率、股權價格、流動資金及信貸風險有關的財務風險。該等風險及相關管理政策的進一步詳情，請參閱綜合財務報表附註6。

遵守相關法律及法規

就董事會及管理層所知，本集團已於各重要方面遵守對本集團業務及經營產生重大影響之相關法律及法規。於截至二零一九年十二月三十一日止年度內，本集團概無嚴重違反或不遵守適用法律及法規。

Management Discussion and Analysis

管理層討論及分析

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 December 2019, there were no significant dispute between the Group and its employees, customers and suppliers.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the long term sustainability of the environment and communities in which it operates. In order to reduce the degree of environmental damage when developing the Group's business, the Group strictly complies with the local laws, rules and guidance in relation to environmental protection.

與僱員、客戶及供應商之關係

本集團瞭解與其僱員、客戶及供應商保持良好關係對達到其短期及長期目標之重要性。於截至二零一九年十二月三十一日止年度，本集團與其僱員、客戶及供應商之間概無重大糾紛。

環境政策及表現

本集團致力於其經營所處的環境及社區之長期可持續性。為發展本集團業務時降低對環境的損害程度，本集團嚴格遵守有關環境保護的地方法律、規則及指引。

Corporate Governance Report

企業管治報告

The Company is committed to attaining and maintaining a high standard of corporate governance, the principles of which are to uphold integrity, transparency and accountability in all aspects of business and to ensure that affairs are conducted in accordance with applicable laws and regulations. It is believed that good corporate governance is fundamental to the success of the Company and to the enhancement of shareholders' value.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions (the “**Code Provisions**”) of the Corporate Governance Code (the “**CG Code**”) set out in Appendix 14 to the Listing Rules for the year ended 31 December 2019.

MODEL CODE FOR SECURITIES TRANSACTIONS OF DIRECTORS

The Company has adopted its own code of conduct regarding directors' dealing in the Company's securities (the “**Own Code**”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers. Specific enquiries have been made with the Directors and they have confirmed their compliance with the Own Code during the year ended 31 December 2019.

BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises six directors, including three Executive Directors, namely Mr. Li Sen (Chairman), Mr. Jiang Senlin and Mr. Zhong Jinhua and three Independent Non-executive Directors (the “**INED(s)**”), namely Ms. Liu Yan, Mr. Li Jinyuan and Mr. Zhong Jian. Biographical details of the Directors and Chief Executive Officer are set out in the “Directors and Chief Executive Officer Profile” section on pages 39 to 45 of this annual report.

Mr. Li Sen, the chairman of the Board (the “**Chairman**”), is the president of Shenzhen City Oriental Ginza Group Company Limited (“**Oriental Ginza**”). Mr. Wei Junqing, the chief executive officer of the Company (the “**CEO**”), is the assistant president of Oriental Ginza.

To the best knowledge of the Directors, save for the aforesaid, there is no other financial, business, family or other material/relevant relationships between the Chairman, CEO and among members of the Board.

本公司致力於達致及維持高水平之企業管治，以於業務所有方面強調健全性、透明度及問責性以及確保按照適用法例及法規進行事務為原則。本公司深信，良好企業管治乃本公司成功及提升股東價值之基本要素。

企業管治

截至二零一九年十二月三十一日止年度，本公司一直遵守上市規則附錄十四所載之企業管治守則（「**企業管治守則**」）之所有適用守則條文（「**守則條文**」）。

董事進行證券交易的標準守則

本公司採納其自訂之有關董事買賣本公司證券之行為守則（「**自訂守則**」），其條款並不比上市發行人董事進行證券交易之標準守則所規定之標準寬鬆。已向董事作出特別查詢，而彼等確認彼等於截至二零一九年十二月三十一日止年度遵守自訂守則。

董事會

於本年報日期，董事會由六名董事組成，包括三名執行董事李森先生（主席）、姜森林先生及鍾勁華先生，以及三名獨立非執行董事（「**獨立非執行董事**」）劉岩女士、李錦元先生及鍾劍先生。董事及行政總裁之簡歷詳情載於本年報第39至45頁之「**董事及行政總裁簡介**」一節內。

李森先生，董事會主席（「**主席**」），為深圳市東方銀座集團有限公司（「**東方銀座**」）之總裁。本公司行政總裁（「**行政總裁**」）魏俊青先生為東方銀座之助理總裁。

就董事所深知，除上文所述外，主席、行政總裁及董事會成員之間概無任何其他財務、業務、家屬或其他重要／相關關係。

Corporate Governance Report

企業管治報告

The Board meets regularly and at least four times a year. The attendance of individual director at the regular Board meetings and general meetings during the years ended 31 December 2019 is set out in the following table:

董事會定期且每年最少舉行四次會議。下表載列各董事於截至二零一九年十二月三十一日止年度舉行之董事會例會及股東大會之出席記錄：

		Number of attendance 出席次數	
		Board Meetings 董事會會議	General Meetings 股東大會
Executive Directors	執行董事		
Mr. Li Sen (Chairman)	李森先生(主席)	5/5	0/2
Mr. Jiang Senlin (appointed on 28 June 2019)	姜森林先生 (於二零一九年六月二十八日獲委任)	1/1	1/1
Mr. Zhong Jinhua (appointed on 28 June 2019)	鍾勁華先生 (於二零一九年六月二十八日獲委任)	1/1	1/1
Mr. Zhou Xuesheng (retired on 28 June 2019)	周學生先生 (於二零一九年六月二十八日退任)	3/3	0/1
Mr. Wei Junqing (retired on 28 June 2019)	魏俊青先生 (於二零一九年六月二十八日退任)	3/3	1/1
Independent Non-executive Directors	獨立非執行董事		
Ms. Liu Yan (appointed on 28 June 2019)	劉岩女士 (於二零一九年六月二十八日獲委任)	2/2	1/1
Mr. Li Jinyuan (appointed on 28 June 2019)	李錦元先生 (於二零一九年六月二十八日獲委任)	2/2	1/1
Mr. Zhong Jian (appointed on 22 October 2019)	鍾劍先生 (於二零一九年十月二十二日獲委任)	N/A 不適用	N/A 不適用
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年六月二十八日獲委任 及二零一九年十月二十二日辭任)	2/2	1/1
Mr. Wen Guangwei (resigned on 28 June 2019)	文光偉先生 (於二零一九年六月二十八日辭任)	1/3	1/1
Dr. Hou Chaohui (retired on 28 June 2019)	侯超惠博士 (於二零一九年六月二十八日退任)	1/3	0/1
Mr. Jiang Maolin (retired on 28 June 2019)	姜茂林先生 (於二零一九年六月二十八日退任)	1/3	0/1

During the year ended 31 December 2019, the Directors have participated in the approval of routine and operational matters of the Company by way of written resolutions circulated to them together with supporting documents and briefings from the company secretary of the Company (the “**Company Secretary**”). The Directors receive at least 14 days’ prior written notice of a regular Board meeting and may propose matters for discussion to be included in the agenda. The agenda together with board papers are sent to the Directors at least three days prior to a regular Board meeting.

於截至二零一九年十二月三十一日止年度，董事亦透過向彼等傳閱附有說明文件之書面決議案，及由本公司之公司秘書（「**公司秘書**」）作出簡報，參與審批本公司之日常及營運事宜。董事於董事會例會舉行最少十四日前接獲書面通知，並可提呈討論事項納入會議議程內。議程連同會議文件會於董事會例會舉行最少三日前送交各董事。

Corporate Governance Report

企業管治報告

The Board, led by the Chairman, approves and monitors the Group's business strategies and policies, strategic decisions and directions, annual budget, and other major corporate matters. Besides, the Board delegated the management team, led by the CEO, with the authority and responsibility for the daily operations and administration of the Group.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed. The Board is briefed on all legislative, regulatory and corporate governance developments and the Board has regarded to them when making decisions. The Company Secretary, together with the Board, are also directly responsible for the Group's compliance with the continuing obligations of listed issuers under the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Ordinance, the SFO and other applicable laws, rules and regulations.

Throughout the year ended 31 December 2019, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three INEDs with at least one INED possessing appropriate professional qualifications or accounting or related financial management expertise. In addition, more than one-third of the composition of the Board consisted of INEDs, so there is strong element of independence in the Board to exercise independent judgment. The Company has received from each INED an annual written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs have met the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with terms of the guidelines.

The Company has put in place appropriate insurance cover in respect of the Directors' liability.

CHAIRMAN AND CHIEF EXECUTIVE

Under the Code Provision A.2.1, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. As at the date of this annual report, the position of the chairman of the Board is held by Mr. Li Sen and the position of the chief executive officer is held by Mr. Wei Junqing. The Code Provision A.2.1 of the CG Code has been complied with.

由主席領導之董事會批准及監察本集團之業務策略及政策、決策及方針、年度預算及其他重大企業事宜。此外，董事會賦予及委託由行政總裁領導之管理層團隊權力及責任以管理本集團日常營運及行政事務。

公司秘書須向董事會負責，確保董事會程序獲得遵守。董事會獲一切有關法例、規管及企業管治之發展的簡報，並以之作為決策參考。公司秘書與董事會亦直接負責確保本集團遵守上市規則、公司收購、合併及股份回購守則、公司條例、證券及期貨條例及其他適用法律、法規及規例所規定上市發行人之持續責任。

於截至二零一九年十二月三十一日止年度，董事會一直符合上市規則有關委任最少三名獨立非執行董事且其中最少一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識之規定。此外，董事會超過三分之一成員為獨立非執行董事，故董事會具備高度獨立性，以作出獨立判斷。本公司已接獲各獨立非執行董事根據上市規則第3.13條呈交之獨立身份年度確認書。本公司認為，全體獨立非執行董事已均符合上市規則第3.13條所載獨立性指引，且根據該指引條款，彼等均為獨立人士。

本公司已就董事之責任投保合適之責任保險。

主席及行政總裁

根據守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。於本年報日期，董事會主席之職位由李森先生擔任及行政總裁一職由魏俊青先生擔任。因此已遵守企業管治守則之守則條文第A.2.1條之規定。

Corporate Governance Report

企業管治報告

TERM OF APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-executive Directors are appointed for a term of twelve months and subject to retirement by rotation and re-election in accordance with the Articles of Association.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

All Directors must keep abreast of their collective responsibilities. Any newly appointed Directors would receive an induction package covering the Group's businesses and the statutory regulatory obligations of a director of a listed company. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Directors are continually updated on developments in statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news released published by the Stock Exchange to the Directors. Continuing briefings and professional development for the Directors are arranged where necessary.

委任獨立非執行董事的年期

獨立非執行董事的委任年期為十二個月，並須根據組織章程細則輪值告退及膺選連任。

董事培訓及專業發展

所有董事均須瞭解其集體職責。任何新獲委任之董事將收到一套就任資料文件(涵蓋本集團之業務及上市公司董事之法定監管責任)。本公司鼓勵所有董事參與持續專業發展，以提升及增進彼等之知識及技能。董事持續獲提供有關法規及監管制度及業務環境發展之最新資料，以協助彼等履行職責。本公司已適時向董事提供最新的技術性資料，包括上市規則修訂之簡報及聯交所致董事之新聞發佈。本公司於有需要時會為董事安排持續簡報及專業發展。

Corporate Governance Report

企業管治報告

In compliance with the Code Provision A.6.5 during the year ended 31 December 2019, Directors have provided with relevant seminar and reading materials to keep them informed of the latest updates in the relevant market and changes on the legal and regulatory environment. The records of the training received by the respective Directors are kept and updated by the Company Secretarial department with areas of training activities listed out as follows:

於截至二零一九年十二月三十一日止年度，為符合守則條文第A.6.5條，已提供予董事相關研討會及閱讀文件讓彼等知悉相關市場的最新消息以及法律和法規環境的最新變化。各董事所接受之培訓紀錄已由本公司秘書部保管及更新，所提供的培訓活動範圍概況如下：

Name of Director	董事姓名	Reading materials relevant to the Company's business or director's duties and responsibilities 閱讀與本公司之業務或董事職務及職責相關的資料	Attended in-house seminar conducted by the Company 出席本公司舉辦的內部研討會
Executive Directors			
Mr. Li Sen (Chairman)	李森先生(主席)	✓	✓
Mr. Jiang Senlin (appointed on 28 June 2019)	姜森林先生 (於二零一九年六月二十八日獲委任)	✓	N/A 不適用
Mr. Zhong Jinhua (appointed on 28 June 2019)	鍾勁華先生 (於二零一九年六月二十八日獲委任)	✓	N/A 不適用
Mr. Zhou Xuesheng (retired on 28 June 2019)	周學生先生 (於二零一九年六月二十八日退任)	✓	✓
Mr. Wei Junqing (retired on 28 June 2019)	魏俊青先生 (於二零一九年六月二十八日退任)	✓	✓
Independent Non-executive Directors			
Ms. Liu Yan (appointed on 28 June 2019)	劉岩女士 (於二零一九年六月二十八日獲委任)	✓	N/A 不適用
Mr. Li Jinyuan (appointed on 28 June 2019)	李錦元先生 (於二零一九年六月二十八日獲委任)	✓	N/A 不適用
Mr. Zhong Jian (appointed on 22 October 2019)	鍾劍先生 (於二零一九年十月二十二日獲委任)	✓	N/A 不適用
Mr. Wen Guangwei (resigned on 28 June 2019)	文光偉先生 (於二零一九年六月二十八日辭任)	✓	✓
Dr. Hou Chaohui (retired on 28 June 2019)	侯超惠博士 (於二零一九年六月二十八日退任)	✓	✓
Mr. Jiang Maolin (retired on 28 June 2019)	姜茂林先生 (於二零一九年六月二十八日退任)	✓	✓
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年六月二十八日獲委任及於二零一九年十月二十二日辭任)	✓	N/A 不適用

Remarks:
✓ = attend

備註：
✓ = 出席

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

Mr. Ho Wai Kuen was appointed as the Company Secretary on 24 February 2020.

In compliance with Rule 3.29 of the Listing Rules, Mr. Ho Wai Kuen had undertaken not less than 15 hours of relevant professional training during the year ended 31 December 2019.

INDEPENDENT AUDITOR'S REMUNERATION

During the year ended 31 December 2019, the independent auditor provided the following audit and non-audit services to the Company with remunerations as follows:

Audit for current year	本年度核數
Non-audit service	非核數服務

公司秘書

何渭權先生於二零二零年二月二十四日獲委任為公司秘書。

為遵守上市規則第3.29條，於截至二零一九年十二月三十一日止年度，何渭權先生已接受不少於15個小時之相關專業培訓。

獨立核數師酬金

截至二零一九年十二月三十一日止年度，獨立核數師為本公司提供以下核數及非核數服務及其酬金：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Audit for current year	1,050	1,050
Non-audit service	50	-

BOARD COMMITTEES

The Board has established several committees. The authority and duties of the Audit Committee of the Company (the "Audit Committee"), Remuneration Committee of the Company (the "Remuneration Committee") and the Nomination Committee of the Company (the "Nomination Committee") are set out in written terms of reference which are of no less exacting terms than those set out in the CG Code. The terms of reference of both the Audit Committee and the Nomination Committee have been revised and adopted by the Board on 28 December 2018. The terms of reference of all committees are posted on the websites of the Stock Exchange and the Company respectively. All committees are provided with sufficient resources to discharge their duties.

董事委員會

董事會已成立多個委員會。本公司之審核委員會（「審核委員會」）、本公司之薪酬委員會（「薪酬委員會」）及本公司之提名委員會（「提名委員會」）之權力及職責載於其書面職權範圍內，其條款均不較企業管治守則所載者寬鬆。審核委員會及提名委員會之職權範圍均於二零一八年十二月二十八日經董事會修訂及採納。所有委員會之職權範圍並刊載於聯交所及本公司各自之網站。所有委員會均獲提供充足資源以履行其職務。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

As at the date of this annual report, the Audit Committee comprises three INEDs, namely, Ms. Liu Yan, Mr. Li Jinyuan and Mr. Zhong Jian, with Ms. Liu Yan as the chairman of the Audit Committee.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and the effectiveness of the Group's internal controls and risk management. The Audit Committee meets at least twice a year in reviewing the interim and annual reports of the Company before submission to the Board for approval.

The Audit Committee meets regularly with management and external auditors and reviews their reports. During the year ended 31 December 2019, the Audit Committee met three times in reviewing the consolidated financial statements for the year ended 31 December 2018 and the unaudited condensed consolidated financial information for the six months ended 30 June 2019, and the internal control, risk management and corporate governance issues related to financial reporting of the Company. The record of attendance of each member at the committee meetings is set out below.

審核委員會

於本年報日期，審核委員會由三名獨立非執行董事（即劉岩女士、李錦元先生及鍾劍先生）組成，而劉岩女士為審核委員會主席。

審核委員會之主要職責為審閱及監察本集團之財務申報程序以及內部監控及風險管理之成效。審核委員會每年最少舉行兩次會議，以於呈交予董事會批准前審閱本公司中期及年度報告。

審核委員會定期與管理層及外聘核數師會面及審閱其報告。截至二零一九年十二月三十一日止年度，審核委員會曾舉行三次會議，以審閱截至二零一八年十二月三十一日止年度之綜合財務報表、截至二零一九年六月三十日止六個月之未經審核簡明綜合財務資料以及有關本公司財務申報之內部監控、風險管理及企業管治事項。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Ms. Liu Yan (appointed on 28 June 2019)	劉岩女士 (於二零一九年六月二十八日獲委任)	2/2
Mr. Li Jinyuan (appointed on 28 June 2019)	李錦元先生 (於二零一九年六月二十八日獲委任)	2/2
Mr. Zhong Jian (appointed on 22 October 2019)	鍾劍先生 (於二零一九年十月二十二日獲委任)	N/A 不適用
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年六月二十八日獲委任及 於二零一九年十月二十二日辭任)	1/2
Mr. Wen Guangwei (resigned on 28 June 2019)	文光偉先生 (於二零一九年六月二十八日辭任)	1/1
Dr. Hou Chaohui (retired on 28 June 2019)	侯超惠博士 (於二零一九年六月二十八日退任)	1/1
Mr. Jiang Maolin (retired on 28 June 2019)	姜茂林先生 (於二零一九年六月二十八日退任)	1/1

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

As at the date of this annual report, the Remuneration Committee comprises three INEDs, namely, Mr. Zhong Jian, Ms. Liu Yan and Mr. Liu Jinyuan, with Mr. Zhong Jian as the chairman of the Remuneration Committee.

The Remuneration Committee should consult with the Chairman on its remuneration proposals for other Executive Directors, and may access to independent professional advice if necessary. The principal responsibilities of the Remuneration Committee include, among others, the recommendation to the Board on the Company's policy and structure for all Directors' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, the review and approval of management's remuneration proposals with reference to the Board's corporate goals and objectives, and the determination, with delegated responsibility, the remuneration packages of individual Executive Director.

The Remuneration Committee met once during the year ended 31 December 2019 to review and approve the remuneration packages of Directors. During the process, no individual director was involved in decisions relating to his/her own remuneration. The record of attendance of each member at the committee meetings is set out below.

薪酬委員會

於本年報日期，薪酬委員會由三名獨立非執行董事（即鍾劍先生、劉岩女士及李錦元先生）組成，而鍾劍先生為薪酬委員會主席。

薪酬委員會應就其他執行董事的薪酬建議諮詢主席，如有需要，薪酬委員會應可尋求獨立專業意見。薪酬委員會之主要職責為（其中包括）就本公司董事的薪酬政策及架構，以及就設立正規而具透明度的程序制訂薪酬政策向董事會提出建議，並因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議，以及獲董事會轉授責任，釐定個別執行董事的薪酬待遇。

薪酬委員會於截至二零一九年十二月三十一日止年度舉行了一次會議以審閱及批准董事之薪酬待遇。在此期間並無個別董事參與釐定其本身之薪酬。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Mr. Zhong Jian (appointed on 22 October 2019)	鍾劍先生 (於二零一九年十月二十二日獲委任)	N/A 不適用
Ms. Liu Yan (appointed on 28 June 2019)	劉岩女士 (於二零一九年六月二十八日獲委任)	N/A 不適用
Mr. Li Jinyuan (appointed on 28 June 2019)	李錦元先生 (於二零一九年六月二十八日獲委任)	N/A 不適用
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年六月二十八日獲委任及 於二零一九年十月二十二日辭任)	N/A 不適用
Mr. Wen Guangwei (resigned on 28 June 2019)	文光偉先生 (於二零一九年六月二十八日辭任)	1/1
Dr. Hou Chaohui (retired on 28 June 2019)	侯超惠博士 (於二零一九年六月二十八日退任)	1/1
Mr. Jiang Maolin (retired on 28 June 2019)	姜茂林先生 (於二零一九年六月二十八日退任)	1/1

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

As at the date of this annual report, the Nomination Committee comprises three INEDs, namely Mr. Li Jinyuan, Ms. Liu Yan and Mr. Zhong Jian with Mr. Li Jinyuan as the chairman of the Nomination Committee.

The primary duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of INEDs; and to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the CEO.

The Nomination Committee had reviewed the diversity of the Board during the year ended 31 December 2019 and will review the Board Diversity Policy from time to time to ensure that the policy will be implemented effectively.

提名委員會

於本年報日期，提名委員會包括三名獨立非執行董事（即李錦元先生、劉岩女士及鍾劍先生），而李錦元先生為提名委員會主席。

提名委員會之主要職責為至少每年審閱董事會的架構、規模及組成（包括技能、知識及經驗），以及就董事會為配合本公司企業策略而提議之任何變動向董事會作出推薦建議；物色具備合適資格可成為董事會成員之人士，挑選提名擔任董事之人士，並向董事會提供有關推薦建議；評核獨立非執行董事之獨立性；並就委任或重新委任董事以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出推薦建議。

提名委員會已審閱截至二零一九年十二月三十一日止年度之董事會多元化，並將不時審閱董事會多元化政策以確保有關政策將獲有效實施。

Corporate Governance Report

企業管治報告

The Nomination Committee met once during the year ended 31 December 2019 to review the structure, size and composition of the Board, assess the independence of INEDs and review the Board Diversity Policy and nominate INED. The record of attendance of each member at the committee meetings is set out below.

提名委員會於截至二零一九年十二月三十一日止年度舉行了一次會議以審閱董事會之架構、規模及組成、審閱獨立非執行董事之獨立性及評估董事會多元化政策以及提名獨立非執行董事。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Mr. Li Jinyuan (appointed on 28 June 2019)	李錦元先生 (於二零一九年六月二十八日獲委任)	N/A 不適用
Ms. Liu Yan (appointed on 28 June 2019)	劉岩女士 (於二零一九年六月二十八日獲委任)	N/A 不適用
Mr. Zhong Jian (appointed on 22 October 2019)	鍾劍先生 (於二零一九年十月二十二日獲委任)	N/A 不適用
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年六月二十八日獲委任及 於二零一九年十月二十二日辭任)	N/A 不適用
Mr. Wen Guangwei (resigned on 28 June 2019)	文光偉先生 (於二零一九年六月二十八日辭任)	1/1
Dr. Hou Chaohui (retired on 28 June 2019)	侯超惠博士 (於二零一九年六月二十八日退任)	1/1
Mr. Jiang Maolin (retired on 28 June 2019)	姜茂林先生 (於二零一九年六月二十八日退任)	1/1

Corporate Governance Report

企業管治報告

NOMINATION POLICY

The Board has resolved on 28 December 2018 to adopt the following Nomination Policy:

1. The Nominee Committee will:
 - 1.1 review and monitor the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - 1.2 identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - 1.3 assess the independence of Independent Non-executive Directors ("INEDs", and each an "INED") and where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders ("Shareholders", and each a "Shareholder") and/or explanatory statement accompanying the notice of the relevant general meeting:
 - 1.3.1 the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - 1.3.2 if the proposed INED will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - 1.3.3 the perspectives, skills and experience that the individual can bring to the Board; and
 - 1.3.4 how the individual contributes to diversity of the Board.

提名政策

董事會已於二零一八年十二月二十八日議決採納以下提名政策：

1. 提名委員會將：
 - 1.1 至少每年檢討及監察董事會的架構、人數及組成（包括技能、知識、經驗及多樣性層面方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
 - 1.2 物色具備合資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
 - 1.3 評核獨立非執行董事之獨立性及若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，有關股東大會通告所隨附的致股東通函及／或說明函件中，應該列明：
 - 1.3.1 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及他們認為該名人士屬獨立人士的原因；
 - 1.3.2 如果候任獨立非執行董事將出任第七家（或以上）上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
 - 1.3.3 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
 - 1.3.4 該名人士如何促進董事會成員多元化。

Corporate Governance Report

企業管治報告

- | | |
|---|---|
| <p>1.4 review the diversity of Board members periodically which can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience;</p> <p>1.5 make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the Chief Executive Officer; and</p> <p>1.6 assist the Board in the development and review of the Board's diversity policy and directors' nomination policy, as appropriate; and review the measurable objectives for the implementation of the Board's diversity policy and monitor progress towards the achievement of such.</p> | <p>1.4 定期檢討董事會成員多元化，可透過考慮多項因素達到，包括(但不限於)性別、年齡、文化及教育背景或專業經驗；</p> <p>1.5 就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；及</p> <p>1.6 協助董事會制定及檢討董事會的多元化政策及提名董事的政策(如適用)，及對推行董事會的多元化政策而制定的可衡量目標進行檢討，以及監察達致這些目標的進度。</p> |
| <p>2. The Company's process for appointing a Director</p> | <p>2. 本公司委任董事的流程</p> |
| <p>2.1 Approach and procedures for the Board to appoint a Director</p> <p>2.1.1 Nomination Committee considers the candidates based on merit having regard to the skills, knowledge, experience and diversity of perspectives and then makes recommendations to the Board as appropriate;</p> <p>2.1.2 Executive Directors' appointment will be made through a service contract with a term of service continues unless and until terminated by either party by giving to the other three months' period notice in writing;</p> <p>2.1.3 Non-executive Directors' ("NEDs", and each a "NED") appointment will be made through a formal letter of appointment with a term of twelve-month period which automatically renews for successive twelve months periods unless terminated by either party in writing prior to the expiry of the term;</p> | <p>2.1 董事會委任董事之方法及程序</p> <p>2.1.1 提名委員會根據用人惟才的原則，以候選人的個人技能、知識、經驗及多樣性層面方面作考慮，並向董事會提出合適的建議；</p> <p>2.1.2 執行董事之委任將通過與本公司訂立一份服務合約，而服務年期將持續生效，除非及直至任何一方向另一方發出三個月之事先書面通知予以終止；</p> <p>2.1.3 非執行董事之委任將通過與本公司訂立一份正式委任函，任期十二個月，而除非任何一方於任期屆滿前以書面提出終止，否則每次屆滿時將自動續期十二個月；</p> |

Corporate Governance Report

企業管治報告

- 2.1.4 Retiring NEDs, including those who have served as NEDs for a period of 9 consecutive years, are eligible for nomination by the Board to stand for re-election at a general meeting. For the avoidance of doubt, (a) the 9-year period for determining the eligibility of an NED for nomination by the Board to stand for election at a general meeting would count from his/her date of first appointment as an NED until the date of the forthcoming annual general meeting when his/her current term of service will expire at the end of that meeting; and (b) an NED who has been serving on the Board for a period of 9 consecutive years or more may continue to hold office until expiry of his/her current term;
- 2.1.5 Serving more than 9 years could be relevant to the determination of a NED's independence. If an INED serves more than 9 years, his further appointment should be subject to a separate resolution to be approved by Shareholders of the Company. In addition to the receipt of their confirmation of independence, the papers to Shareholders accompanying that resolution should include the reasons why the Board believes he is still independent and should be re-elected;
- 2.1.6 Newly appointed Directors approved by the Board are subject to election by Shareholders at the first general meeting following the appointment (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an additional to the Board), but he shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation in case he retires at an annual general meeting; and
- 2.1.4 退任之非執行董事，包括在任連續九年的非執行董事，有資格獲董事會任命並通過股東會重選。為避免懷疑，(a)用以決定非執行董事的合資格性，以被董事會提名並通過股東會重選的九年期，將由該非執行董事最初委任日期開始計算，直至該非執行董事的服務年期於即將舉行的股東週年大會結束時終止；及(b)於董事會在任連續九年或以上之非執行董事可能會繼續任職直至他當前任期屆滿；
- 2.1.5 在釐定非執行董事的獨立性時，「擔任董事超過九年」足以作為一個考慮界線。若獨立非執行董事在任已過九年，其是否獲續任應以獨立決議案形式由股東審議通過。除了取得確認他們的獨立性，隨附該決議案一同發給股東的文件中，應載有董事會為何認為該名人士仍屬獨立人士及應獲重選的原因；
- 2.1.6 任何董事會新委任的董事，需要於緊隨委任日期後的首屆股東大會（如屬填補臨時空缺）或本公司下屆股東週年大會（如屬董事會新成員）獲得股東的重選，惟如需於股東週年大會退任，則不用計入輪值退任之董事或董事人數；及

Corporate Governance Report

企業管治報告

2.1.7 Existing Directors are subject to retirement by rotation at the annual general meeting at least once every three years but are eligible for re-election. This applies to one-third of existing Directors according to the Articles of Association. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election.

2.1.7 現任董事必須最少每三年於股東週年大會上輪值退任，退任董事將符合資格重選連任。根據章程，需要三分之一的現任董事退任及重選。輪值退任的董事包括願意退任且不再膺選連任的任何董事。

2.2 Procedures for shareholders to propose a person for election as a Director

2.2 股東提名他人選舉為董事的程序

2.2.1 If a Shareholder of the Company wishes to propose a person other than a retiring director for election as a director of the Company at a general meeting, the Shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the Shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected;

2.2.1 倘本公司股東擬於股東大會上提名退任董事以外人選參選本公司董事，則該名正式合資格出席股東大會並可於會上投票的股東（並非擬提名的人士）須發出妥為簽署的書面通知，當中表明建議提名該人士參選董事的意向，隨附獲提名人士簽署表示願意參選的通知；

2.2.2 These notices should be lodged at the Company's head office in Hong Kong or the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, during a period commencing no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting provided that such period shall be at least seven days; and

2.2.2 有關通知須於不早於股東大會的通知寄發後翌日開始至不遲於有關大會日期前七日止期間內送交本公司的香港總辦事處或本公司的香港股份過戶登記分處卓佳登捷時有限公司，惟有關期限不得少於七日；及

2.2.3 Shareholders may put forward their enquiries about the Company to the Board through the Company Secretary at Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

2.2.3 股東可透過公司秘書（致函至香港灣仔告士打道39號夏慤大廈16樓1603-5室）向董事會作出有關本公司之查詢。

Corporate Governance Report

企業管治報告

- 2.3 Approach and procedures for Shareholders' approval to appoint a Director at the general meeting
- 2.3.1 Proposed Director appointment is considered as an individual resolution at the general meeting;
- 2.3.2 Shareholders will approve the election or re-election of Directors by Ordinary Resolution at the Company's general meeting; and
- 2.3.3 Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a causal vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at the meeting, but he shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation in case he retires at an annual general meeting.

- 2.3 股東大會由股東通過委任董事的方法及程序
- 2.3.1 在股東大會中選舉通過擬委任的董事被視為個別決議案；
- 2.3.2 在本公司的股東大會中，股東將通過普通決議案選舉或重選董事；及
- 2.3.3 任何獲委任董事之任期僅直至本公司下屆股東大會（如屬填補臨時空缺）或本公司下屆股東週年大會（如屬董事會新增成員）為止，並將合資格於會上重選連任，惟如須於股東週年大會退任，則不得計入輪值退任之董事或董事人數。

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the "Policy") which sets out the approach to achieve a sustainable and balanced development of the Company and to enhance the quality of performance of the Company. The Policy aims at achieving diversity on the Board.

Measurable Objectives and Selection

In designing the Board's composition, a number of perspectives which include race, gender, age, cultural and educational background, industry experience, technical and professional experience, knowledge, skills, length of service, personal integrity and time commitments of the proposed candidates will be taken into consideration. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the candidates will bring to the Board. Candidates will be considered against objective criteria, having due regard for the benefits of diversity on the board.

The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

董事會多元化政策

董事會已採納董事會多元化政策（「政策」），其載列達致本公司可持續及平衡發展之方法，及提升本公司業績質素。政策旨在達致董事會多元化。

可計量目標及甄選

於制定董事會之組合時，本公司將從多方角度考慮，包括建議候選人的種族、性別、年齡、文化及教育背景、行業經驗、技術及專業經驗、知識、技能、服務任期、個人誠信和時間投入。本公司亦將不時計及與其本身業務模式及具體需要有關的因素。最終決定將基於候選人將為董事會帶來的價值及所作的貢獻。本公司將以客觀條件考慮人選時並充分顧及董事會多元化的裨益。

董事會將在選擇合適的董事會候選人並提出建議時，把握機會提高女性成員的比例。董事會將確保經參照持份者的期望以及國際及當地推薦的最佳做法後取得適當的多元性別平衡，從而實現帶領董事會走向性別均等的最終目標。董事會亦期望於本集團核心市場擁有直接經驗並來自不同種族背景的董事佔有適當的比例，從而反映本集團的策略。

Corporate Governance Report

企業管治報告

Implementation and Monitoring

The Nomination Committee will monitor the implementation of the Board Diversity Policy and report to the Board annually.

CORPORATE GOVERNANCE FUNCTIONS

The Company's corporate governance duties are carried out by the Board pursuant to the following terms of reference adopted by the Board:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of the Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility for preparing the consolidated financial statements of the Group and ensures that the consolidated financial statements have adopted the accounting principles generally accepted in Hong Kong and complied with the requirements of the Hong Kong Financial Reporting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Companies Ordinance and the Listing Rules.

The statement of the auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report section of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility to ensure that appropriate and effective risk management and internal control systems are in place for the Group.

實施及監控

提名委員會將監控董事會多元化政策的實施情況及每年向董事會作出匯報。

企業管治職能

董事會根據其所採納之職權範圍進行本公司企業管治職能，當中包括：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (c) 檢討及監察本公司的政策及常規有否遵守法律及監管規定；
- (d) 制定、檢討及監察適用於本公司的僱員及董事的行為守則及合規手冊(如有)；及
- (e) 檢討本公司有否遵守企業管治守則及企業管治報告內的披露。

問責性及審核

董事會確認其編製本集團綜合財務報表之責任，並確保綜合財務報表已採納香港公認會計原則及按照香港會計師公會發出之香港財務報告準則及詮釋之規定，以及公司條例及上市規則之披露規定而編製。

本公司核數師就其對本集團綜合財務報表之報告責任所作聲明載於本年報獨立核數師報告一節內。

風險管理及內部監控

董事會有整體責任確保本集團具有合適及有效的風險管理及內部監控制度。

Corporate Governance Report

企業管治報告

The Group's system of risk management and internal control includes a defined management structure with limits of authority, and is designed to safeguard the Group's assets against unauthorised use or misappropriation, ensure the maintenance of proper accounts, and ensure compliance with applicable laws and regulations. The systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate the risk of failure to achieve the Group's business objectives.

The Group has a risk management process in place to identify, evaluate and manage significant risks and to resolve material internal control defects, if any. Risks are compiled, rated and mitigation plans are proposed and documented in a risk template by the responsible managers of the Company and its subsidiaries. The risk assessment is reviewed and evaluated by the management of the Company. The identified risks are managed by the Group through (i) implementing controls that eliminate the risk entirely, (ii) implementing mitigation plans to reduce the severity of the risk to an acceptable level, or (iii) taking no action if the risk is acceptable for the Group (as the case may be). The risk assessments are presented to the Audit Committee and the Board for their review semi-annually.

During the year ended 31 December 2019, the Board have conducted two reviews on the effectiveness of the risk management and internal control systems of the Group, and considered such systems are effective and adequate to safeguard the interests of the stakeholders.

The Group does not have an internal audit function for the year ended 31 December 2019. The Board has discussed and reviewed the need for an internal audit function. After taking into account the current internal resources of the Group and the costs of setting up an in-house internal audit team or engaging an external service provider, the Board considers that there is no immediate need to set up an internal audit function. The Board is of the view that the existing supervision of the management could provide adequate risk management and internal control for the Group. However, the Board will regularly review the need to set up an internal audit function or engage an external service provider to review the Group's internal control and risk management system.

本集團之風險管理及內部監控系統包括一套具有職權限制之界定管理架構，旨在保障本集團資產免受未經授權的使用或挪用、確保維護適當的會計記錄，及確保遵守相關法律及規例。該等系統旨在提供合理（但非絕對）保障以免出現重大失實陳述或損失，並管理（而非消除）無法達致本集團業務目標的風險。

本集團訂有風險管理程序，以識別、評估及管理重大風險，及解決內部監控的嚴重缺陷（如有），以及對風險進行匯總、評級及建議緩解計劃，並由本公司及其附屬公司之負責經理於風險管理文檔進行記錄。風險評估由本公司管理層審閱及評估。已識別之風險由本集團透過以下方式管理：(i)實施控制以完全消除風險；(ii)實施緩解計劃，將風險嚴重性降至可接受水平，或(iii)倘本集團可接受該風險（視情況而定），則不會採取行動。風險評估乃提呈予審核委員會及董事會，以供彼等每半年檢討有關評估。

於截至二零一九年十二月三十一日止年度，董事會已就本集團風險管理及內部監控系統之效用進行兩次檢討，並認為有關系統屬有效且足以保障持份者之利益。

截至二零一九年十二月三十一日止年度，本集團並無內部審核職能。董事會已討論及檢討內部審核職能之需要。考慮到本集團現時的內部資源及設立內部審核職能或委聘外部服務供應商之成本，董事會認為毋須即時設立內部審核職能。董事會認為管理層現有之監管可為本集團提供足夠風險管理及內部監控。然而，董事會將定期檢討設立內部審核職能或委聘外部服務供應商檢討內部監控及風險管理系統之需求。

Corporate Governance Report

企業管治報告

In view of the qualified opinion of the auditors for the year ended 31 December 2017, the Company understands the importance of improving its internal control procedures. On 30 May 2018, the Company engaged AVISTA PRO-WIS Risk Advisory Limited (“**AVISTA**”) as its internal control consultant to conduct a review of the Group’s internal control system for the year ended 31 December 2017 and for the three months ended 31 March 2018, including the Group’s revenue and receipt cycle, trading and procurement cycle, inventory cycle, expenditure cycle, financial reporting cycle, cash management and treasury cycle, property investment and development cycle (the “**Internal Control Review**”), and to make recommendations to the Company for this purpose. The first review on Internal Control Review report was circulated on 28 September 2018. After gathering the management responses from the subsidiaries and the Company’s responses and replies of each finding as mentioned in the Internal Control Review report, the Internal Control Review report was finalised and has been reviewed and approved by the Board on 7 August 2019. An announcement for the results of Internal Control Review has been published on 27 August 2019 on the websites of the Stock Exchange and the Company.

SHAREHOLDERS’ RIGHTS

The Board recognises the importance of good communication with Shareholders. Information in relation to the Group which includes interim and annual reports, announcements and circulars, is disseminated to Shareholders in a timely manner through the websites of the Stock Exchange and the Company, respectively.

The Company also acknowledges that general meetings are valuable forums for the Board to communicate directly with the Shareholders and members of the Board and committees are encouraged to attend and answer questions at the general meetings.

鑒於核數師就截至二零一七年十二月三十一日止年度之保留意見，本公司明白到改善其內部監控程序之重要性。於二零一八年五月三十日，本公司委聘艾華迪風險諮詢有限公司（「**艾華迪**」）為其內部監控審核顧問，以對本集團截至二零一七年十二月三十一日止年度及截至二零一八年三月三十一日止三個月之內部監控系統進行審核，內容包括本集團之收益及收款周期、貿易及採購周期、存貨周期、支出周期、財務報告周期、現金管理及財政周期、物業投資及發展周期（「**內部監控審核**」），並就此向本公司提供推薦建議。內部監控審核報告的第一次審查已於二零一八年九月二十八日傳閱。於收集附屬公司之管理層回應及本公司對內部監控審核報告提述的各項調查結果的回應及回覆後，內部監控審核報告已最終敲定，並已於二零一九年八月七日經董事會審查及批准。內部監控審核結果之公佈已於二零一九年八月二十七日刊載於聯交所及本公司網站。

股東之權利

董事會深明與股東維持良好溝通之重要性。有關本集團之資料包括中期及年度報告、公佈及通函，適時分別透過聯交所及本公司各自之網站發放予股東。

本公司亦知悉股東大會為董事會直接與股東溝通之重要平台，故鼓勵董事會及各委員會成員出席股東大會，並於會上回應提問。

Corporate Governance Report

企業管治報告

Procedures for Shareholders to Convene an Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

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

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

Procedures for Shareholders to Propose a Person for Election as a Director

If a shareholder of the Company wishes to propose a person other than a retiring director for election as a director of the Company at a general meeting, the shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's head office in Hong Kong or the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, during a period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting provided that such period shall be at least seven days.

Shareholders may put forward their enquiries about the Company to the Board through the Company Secretary at Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

股東召開股東特別大會及於股東大會上提呈議案的程序

根據組織章程細則第64條，股東特別大會亦須於一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票的繳足股本十分之一的股東要求時召開。該項要求須以書面形式向董事或公司秘書提呈，以供董事就處理該項要求所指定的任何事宜召開股東特別大會。該大會須於該項要求遞呈後兩個月內舉行。倘於有關遞呈後二十一日內，董事未有召開該大會，則遞呈要求人士可自行以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事未能召開大會而產生的所有合理開支。

有意提呈決議案之股東可按上段所載程序要求本公司召開股東大會。

股東提名他人選舉為董事的程序

倘本公司股東擬於股東大會上提名退任董事以外人選參選本公司董事，則該名正式合資格出席股東大會並可於會上投票的股東（並非擬提名的人士）須發出妥為簽署的書面通知，當中表明建議提名該人士參選董事的意向，隨附獲提名人士簽署表示願意參選的通知。有關通知須於不早於股東大會的通知寄發後翌日開始至不遲於有關大會日期前七日止期間內送交本公司的香港總辦事處或本公司的香港股份過戶登記分處卓佳登捷時有限公司，惟有關期限不得少於七日。

股東可透過公司秘書（致函至香港灣仔告士打道39號夏慤大廈16樓1603-5室）向董事會作出有關本公司之查詢。

Corporate Governance Report

企業管治報告

The Shareholders' Communication Policy adopted by the Company is publicly available on the websites of the Stock Exchange and the Company.

Dividend Policy

The Board has suggested to adopt a dividend policy to provide the Shareholders with regular dividends (the “**Dividend Policy**”). The Company considers stable and sustainable returns to Shareholders to be our goal and endeavours to maintain a progressive dividend policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account the Group's earnings performance, financial position, investment requirements and future prospects. There can be no assurance that a dividend will be proposed or declared in any given year. If a dividend is proposed or declared, there can be no assurance that the dividend amount will be as contemplated above.

CONSTITUTIONAL DOCUMENTS

There had been no change in the Company's constitutional documents during the year ended 31 December 2019. A copy of the Company's latest constitutional documents is publicly available on the websites of the Stock Exchange and the Company respectively.

本公司已採納的股東通訊政策可於聯交所及本公司之網站上公開查閱。

股息政策

董事會建議採納一項股息政策，以向本公司股東定期派付股息（「**股息政策**」）。本公司以提供穩定及可持續回報予股東作為目標，並努力延續漸進式的股息政策。在決定是否建議派發股息及釐定股息金額時，董事會將考慮本集團之收益表現、財務狀況、投資需求及未來前景。本公司不保證在任何一年建議或宣派股息。如建議或宣派股息，本公司不保證股息金額如上所述。

章程文件

截至二零一九年十二月三十一日止年度，本公司之章程文件並無變動。本公司章程文件最新版可分別於聯交所及本公司之網站上公開查閱。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

The biographical details of Directors and Chief Executive Officer as at 31 March 2020, the date of this annual report, are set out below:

EXECUTIVE DIRECTORS

Mr. Li Sen (“Mr. Li”), *Chairman*

Mr. Li, aged 56, joined the Company as an Executive Director and the Chairman of the Board on 15 September 2017 and appointed as the chief executive officer (the “CEO”) in January 2018 and is also a director of various subsidiaries of the Company. Mr. Li has been re-designated to Co-CEO on 9 November 2018 and resigned as Co-CEO of the Company on 27 November 2018. Mr. Li holds a Bachelor’s degree from Chengdu University of Technology in the People’s Republic of China (the “PRC”) majoring in radiation geophysics.

Mr. Li is a president of Shenzhen City Oriental Ginza Group Company Limited (literal translation of the Chinese name) (“Oriental Ginza”), a company established in the PRC which is principally engaged in, among other things, real estate development, hotel management and property management in the PRC. Mr. Li was awarded as (i) one of the “China’s 100 Elites for Economy” by China Economy Daily (literal translation of the Chinese name); (ii) one of the “Shenzhen City’s 100 Outstanding Entrepreneurs” by Shenzhen Entrepreneur Association (literal translation of the Chinese name) in 2008; and (iii) the “Influential Figure in Real Estate” by Boao Real Estate Forum in 2012.

Mr. Li has not held any other directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

Mr. Li is deemed to be a substantial shareholder of the Company, as disclosed in the section headed “Interests and Short Positions of Shareholders Discloseable under the SFO” in the Report of the Directors. Save as disclosed above, Mr. Li does not have any other interests in the Shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

於二零二零年三月三十一日(即本年報日期), 董事及行政總裁簡介之履歷詳情載列如下:

執行董事

李森先生(「李先生」), 主席

李先生, 56歲, 於二零一七年九月十五日加入本公司出任執行董事及董事會主席, 並於二零一八年一月獲委任為行政總裁(「行政總裁」), 亦為本公司多間附屬公司之董事。於二零一八年十一月九日, 李先生獲調任為本公司聯席行政總裁及於二零一八年十一月二十七日已辭任本公司聯席行政總裁一職。李先生持有中華人民共和國(「中國」)成都理工大學學士學位, 主修放射物探。

李先生為深圳市東方銀座集團有限公司(「東方銀座」)之總裁, 該公司於中國成立, 主要於中國從事(其中包括)房地產開發、酒店管理及物業管理業務。李先生曾(i)獲中國經濟日報社選為「中國經濟百名傑出人物」之一; (ii)於二零零八年獲深圳市企業家協會選為「深圳市傑出企業家100強」之一; 及(iii)於二零一二年獲博鰲房地產論壇評為「房地產行業最具影響力人物」。

李先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

誠如董事會報告中「根據證券及期貨條例股東披露的權益及短倉」一節所披露, 李先生被視為本公司之主要股東。除上述披露者外, 根據證券及期貨條例第XV部, 李先生並無於本公司之股份或相關股份中擁有任何其他權益。

除上文披露者外, 於最後實際可行日期, 李先生(i)並無於本公司或其附屬公司擔任任何其他職位; 及(ii)與本公司任何董事、高級管理人員、主要股東或控股股東概無任何其他關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

Mr. Jiang Senlin (“Mr. Jiang”)

Mr. Jiang, aged 48, has been appointed as Executive Director of the Company since 28 June 2019.

Mr. Jiang has been the vice-president and chief financial officer in Wonderland International Financial Holdings Limited (華德國際金融控股有限公司) since January 2018 and the independent non-executive director of China Ruifeng Renewable Energy Holdings Limited (Stock Code: 527) since 31 January 2019. Mr. Jiang worked in BeijingRenge Technology Corp. Ltd (北京仁歌科技股份有限公司) (NEEQ Code: 837824, voluntarily delisted in December 2018) as vice general manager and chief financial officer from September 2015 to December 2017. He also worked as chief financial officer (Asia) in Morningstar, Inc. (NASDAQ: MORN) from August 2009 to September 2015.

Mr. Jiang qualified as an accountant in the People’s Public of China in May 1998 and as an intermediate financial officer conferred by the Ministry of Personnel People’s Republic of China in November 1997. Mr. Jiang completed his research program in Art and Culture* (文藝學) at Sichuan University in July 2000 and obtained his bachelor degree in Accountancy at the Central Institute of Finance (中央財政金融學院) (now known as the Central University of Finance and Economics) in June 1993.

Save as disclosed above, Mr. Jiang has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Jiang does not have any interests in the shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Jiang (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

姜森林先生 (「姜先生」)

姜先生，48歲，於二零一九年六月二十八日獲委任為本公司之執行董事。

姜先生自二零一八年一月起擔任華德國際金融控股有限公司的副總裁兼首席財務官及自二零一九年一月三十一日起擔任中國瑞風新能源控股有限公司 (股份代號：527) 之獨立非執行董事。由二零一五年九月至二零一七年十二月，姜先生曾於北京仁歌科技股份有限公司 (新三板股份代號：837824，已於二零一八年十二月自願除牌) 擔任副總經理兼首席財務官。彼亦於二零零九年八月至二零一五年九月擔任 Morningstar, Inc. (納斯達克：MORN) 的亞洲首席財務官。

姜先生於一九九八年五月獲得中華人民共和國會計師資格，及於一九九七年十一月獲中華人民共和國人事部授予中級財務官資格。於二零零零年七月，姜先生於四川大學完成文藝學研究項目，及於一九九三年六月取得中央財政金融學院 (現稱中央財經大學) 會計學學士學位。

除上文披露者外，姜先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，姜先生並無於本公司之股份或相關股份中擁有證券及期貨條例第XV部項下之任何權益。

除上文披露者外，於最後實際可行日期，姜先生 (i) 並無於本公司或其附屬公司擔任任何其他職位；及 (ii) 與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

Mr. Zhong Jinhua

Mr. Zhong Jinhua, aged 50, has been appointed as Executive Director of the Company since 28 June 2019.

Mr. Zhong graduated from the Tianjin University of Commerce in 1992 and obtained a Bachelor of Engineering degree. He is currently holding the director position at various companies, including Zhong Ye City Investment Holding Company Limited* (中冶城市投資控股有限公司) as director since 2019, Guangdong Ruyi Island Investment Company Limited* (廣東如意島投資有限公司) as managing director since 2014, Shenzhenshi Huajianyu Construction Engineering Company Limited* (深圳市華建宇建設工程有限公司) as managing director since 2013 and Guangdong Tai Jia Feng Investment Company Limited* (廣東泰嘉峰投資有限公司) as managing director since 2008.

Save as disclosed above, Mr. Zhong has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Zhong does not have any interests in the shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zhong (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

鍾勁華先生

鍾勁華先生，50歲，於二零一九年六月二十八日獲委任為本公司之執行董事。

鍾先生於一九九二年畢業於天津商學院，取得工程學士學位。彼現時於多間公司擔任董事職位，包括自二零一九年起於中冶城市投資控股有限公司擔任董事、自二零一四年起於廣東如意島投資有限公司擔任董事長、自二零一三年起於深圳市華建宇建設工程有限公司擔任董事長及自二零零八年起於廣東泰嘉峰投資有限公司擔任董事長。

除上文披露者外，鍾先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，鍾先生並無於本公司之股份或相關股份中擁有證券及期貨條例第XV部項下之任何權益。

除上文披露者外，於最後實際可行日期，鍾先生(i)並無於本公司或其附屬公司擔任任何其他職位；及(ii)與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Liu Yan (“Ms. Liu”)

Ms. Liu, aged 48, has been appointed as the Independent Non-executive Director, Chairman of the Audit Committee, and member of Remuneration Committee and Nomination Committee of the Company since 28 June 2019.

Ms. Liu obtained a master’s degree in accounting from the Chinese University of Hong Kong and was admitted as a Professional National Accountant of the National Institute of Accountants in 2005. Ms. Liu has previously acted as the financial controller, chief financial officer, vice president and director of various renowned companies in the PRC and has over 10 years of experience in financial management. Ms. Liu is currently the executive director of Shanghai Dezheng Consulting Management Company Limited* (上海德證諮詢管理有限公司).

Save as disclosed above, Ms. Liu has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Ms. Liu does not have any interests in the shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Ms. Liu (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

獨立非執行董事

劉岩女士 (「劉女士」)

劉女士，48歲，於二零一九年六月二十八日獲委任為本公司之獨立非執行董事、審核委員會主席以及薪酬委員會及提名委員會成員。

劉女士於二零零五年取得香港中文大學會計學碩士學位，並成為國家會計師協會專業國家執業會計師。劉女士曾於中國多間知名公司擔任財務總監、首席財務官、副總裁及董事等職務，於財務管理方面積逾十年經驗。劉女士現為上海德證諮詢管理有限公司執行董事。

除上文披露者外，劉女士於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，劉女士並無於本公司之股份或相關股份中擁有任何證券及期貨條例第XV部所界定之權益。

除上文所披露者外，於最後實際可行日期，劉女士(i)並無於本公司或其附屬公司擔任任何其他職務；及(ii)與本公司任何董事、高級管理層、主要股東或控股股東並無任何關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

Mr. Li Jinyuan

Mr. Li Jinyuan, aged 56, has been appointed as the Independent Non-executive Director, Chairman of the Nomination Committee and member of the Audit Committee and Remuneration Committee of the Company since 28 June 2019.

Mr. Li has accumulated 30 years of experience in the financial and banking industry in the PRC. Mr. Li is a Senior Economist. From 2006 to 2017, Mr. Li served as the standing committee member and deputy branch manager of the Shenzhen branch of the Agricultural Bank of China. In 2005, Mr. Li obtained a master's degree in International Relations from the Jinan University. Due to Mr. Li's extensive experience in the financial and banking industry, the Board believes that he will have a positive contribution to the diversity of the board.

Mr. Li has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Li does not have any interests in the shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

李錦元先生

李錦元先生，56歲，於二零一九年六月二十八日獲委任為本公司之獨立非執行董事、提名委員會主席以及審核委員會及薪酬委員會成員。

李先生於中國金融及銀行業累積30年經驗。李先生為高級經濟師。由二零零六年至二零一七年，李先生曾擔任中國農業銀行深圳分行之常委委員及分行副行長。於二零零五年，李先生取得暨南大學國際關係碩士學位。由於李先生於金融及銀行業擁有豐富經驗，董事會相信彼將為董事會多元化帶來正面貢獻。

李先生於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，李先生並無於本公司之股份或相關股份中擁有任何證券及期貨條例第XV部所界定之權益。

除上文所披露者外，於最後實際可行日期，李先生(i)並無於本公司或其附屬公司擔任任何其他職務；及(ii)與本公司任何董事、高級管理層、主要股東或控股股東並無任何其他關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

Mr. Zhong Jian

Mr. Zhong Jian, aged 49, has been appointed as Independent Non-executive Director, Chairman of the Remuneration Committee, a member of the Audit Committee and Nomination Committee of the Company since 22 October 2019.

Mr. Zhong has obtained a bachelor's degree in Finance from The Central University of Finance and Economics, a master's degree in International Finance from Renmin University of China and a master's degree in Executive Master of Business Administration from Chinese Europe International Business School.

Mr. Zhong is currently the fund manager of Shanghai Mingyu Asset Management Co., Ltd. He was the vice president and chief financial officer of Kasen International Holdings Limited (Stock Code: 496) from August 2007 to June 2014 and September 2007 to June 2014, respectively.

Save as disclosed above, Mr. Zhong has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Zhong does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Mr. Zhong (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any other relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

鍾劍先生

鍾劍先生，49歲，於二零一九年十月二十二日獲委任為本公司之獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。

鍾先生持有中央財經大學金融學士學位、中國人民大學國際金融碩士學位及中歐國際工商管理學院高層管理人員工商管理碩士學位。

鍾先生現任上海名禹資產管理有限公司之基金經理。由二零零七年八月至二零一四年六月及二零零七年九月至二零一四年六月，彼曾分別擔任卡森國際控股有限公司（股份代號：496）之副總裁及首席財務官。

除上文披露者外，鍾先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，鍾先生並無於本公司之股份或相關股份中擁有證券及期貨條例第XV部項下之任何權益。

於最後實際可行日期，鍾先生(i)並無於本公司或其附屬公司擔任任何其他職位；及(ii)與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

Directors and Chief Executive Officer Profile

董事及行政總裁簡介

CHIEF EXECUTIVE OFFICER

Mr. Wei Junqing (“Mr. Wei”)

With effect from the conclusion of the annual general meeting held on 28 June 2019 (the “2019 AGM”), Mr. Wei Junqing (“Mr. Wei”), former Executive Director of the Company whose retirement was effective from the conclusion of the 2019 AGM, has been appointed as the CEO of the Company. In conjunction with the appointment of Mr. Wei as the CEO of the Company, Mr. Zhou Xuesheng ceased to be CEO of the Company with effect from the conclusion of the 2019 AGM held on 28 June 2019.

Mr. Wei, aged 54, was an Executive Director of the Company from 15 September 2017 to 28 June 2019. Mr. Wei is also a director of various subsidiaries of the Company. Mr. Wei holds a bachelor’s degree in accounting from Southwest University in the PRC and a master’s degree of business administration with a specialization in executive business administration from American World University by distance learning program conducted at Wuhan University in the PRC. Mr. Wei is also a qualified accountant registered with the Ministry of Finance in the PRC. Mr. Wei is currently the assistant president of Oriental Ginza.

Mr. Wei has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Wei does not have any interests in the shares or underlying shares of the Company pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wei (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

行政總裁

魏俊青先生 (「魏先生」)

於二零一九年六月二十八日舉行之股東週年大會 (「二零一九年股東週年大會」) 結束起，已於二零一九年股東週年大會結束起退任之本公司前執行董事魏俊青先生 (「魏先生」)，已獲委任為本公司之行政總裁。於委任魏先生為本公司行政總裁之同時，周學生先生已於二零一九年六月二十八日舉行之二零一九年股東週年大會結束起不再為本公司之行政總裁。

魏先生，54歲，於二零一七年九月十五日至二零一九年六月二十八日為本公司之執行董事。魏先生亦為本公司多間附屬公司之董事。魏先生持有中國西南大學會計學學士學位以及透過中國武漢大學開辦之遙距教育課程自American World University取得工商管理碩士學位，主修行政人員商業管理。魏先生亦為中國財政部註冊合資格會計師。魏先生現時為東方銀座之助理總裁。

魏先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，魏先生並無於本公司之股份或相關股份中擁有證券及期貨條例第XV部項下之任何權益。

除上文披露者外，於最後實際可行日期，魏先生 (i) 並無於本公司或其附屬公司擔任任何其他職位；及(ii) 與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

Report of the Directors

董事會報告

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the activities of its principal subsidiaries are set out in Note 21 to the consolidated financial statements.

Further discussion and analysis of Group's activities as required by Schedule 5 to the Companies Ordinance, including a fair review of the business, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the "Chairman's Statement" and "Management Discussion and Analysis" sections of this annual report. These sections form part of this report of the Directors.

FINAL DIVIDEND

The Board has resolved not to declare a final dividend for the year ended 31 December 2019 (2018: nil).

RESULTS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 81 to 82.

PROPERTY, PLANT AND EQUIPMENT

Details of movement in the property, plant and equipment of the Group during the year are set out in Note 17 to the consolidated financial statements.

SHARE CAPITAL

Particulars of the Share Consolidation are set out on pages 11 to 12 of this annual report. Details of movements in the Company's share capital during the year ended 31 December 2019 are set out in Note 26 to the consolidated financial statements.

董事會謹提呈其報告及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。

主要業務及業務回顧

本公司之主要業務為投資控股，其主要附屬公司之業務載於綜合財務報表附註21。

根據公司條例附表5的規定，有關本集團業務的進一步討論及分析，包括該業務的公平審閱、本集團所面臨主要風險及不明朗因素的討論及本集團業務的未來可能發展的揭示，載於本年報「主席報告」及「管理層討論及分析」兩節。該兩節構成董事會報告的一部分。

末期股息

董事會已議決不宣派截至二零一九年十二月三十一日止年度之末期股息(二零一八年：無)。

業績

本集團截至二零一九年十二月三十一日止年度之業績載於第81至82頁之綜合損益表及綜合全面收益表。

物業、廠房及設備

本集團物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註17。

股本

股份合併的詳情載於本年報第11至12頁。本公司截至二零一九年十二月三十一日止年度之股本變動詳情載於綜合財務報表附註26。

Report of the Directors

董事會報告

EQUITY-LINKED AGREEMENTS

Save for the share option schemes as set out in “Share Option Schemes” section in this report, no equity-linked agreements were entered into by the Group, or existed during the year.

DISTRIBUTABLE RESERVES

Details of the movement in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 85 and Note 36(b) to the consolidated financial statements.

As at 31 December 2019, the Company had no reserves available for distribution.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2019, sales to the Group’s five largest customers accounted for approximately 98% of the Group’s total revenue and sales to the largest customer included therein accounted for approximately 29%.

During the year ended 31 December 2019, purchases from the Group’s five largest suppliers accounted for approximately 67% of the Group’s total purchases and purchases from the largest supplier included therein accounted for approximately 16%.

As one of the Group’s customers is an indirectly wholly owned entity of Mr. Li Sen, being an executive director of the Company and controls a company which is a substantial shareholder of the Company, he is deemed to have interest in the said customer. Save as disclosed herein, none of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors owns more than 5% of the Company’s issued share capital) has any beneficial interest in the Group’s five largest customers or suppliers.

股票掛鈎協議

除本報告「購股權計劃」一節所載購股權計劃外，本集團概無訂立或於本年度存在之股票掛鈎協議。

可供分派儲備

有關本集團及本公司儲備於本年度之變動詳情載於第85頁之綜合權益變動表以及綜合財務報表附註36(b)。

於二零一九年十二月三十一日，本公司並無任何可供分派儲備。

主要客戶及供應商

截至二零一九年十二月三十一日止年度，本集團五大客戶之銷售額約佔本集團業務總收入之98%，當中最大客戶約佔29%。

截至二零一九年十二月三十一日止年度，本集團五大供應商之採購額約佔本集團業務之採購總額之67%，當中最大供應商約佔16%。

由於本集團其中一名客戶由李森先生間接全資擁有的實體，而李森先生為本公司之執行董事，並控制一間為本公司之主要股東的公司，因此彼被視為擁有該客戶之權益。除本年報所披露者外，概無本公司董事或彼等之任何聯繫人或任何股東（據董事所深知擁有本公司已發行股本5%以上之股東）擁有本集團之五大客戶或供應商之任何實益權益。

Report of the Directors

董事會報告

DIRECTORS

The Directors of the Company during the year ended 31 December 2019 and up to the date of this report were:

Executive Directors

Mr. Li Sen
Mr. Jiang Senlin (appointed on 28 June 2019)
Mr. Zhong Jinhua (appointed on 28 June 2019)
Mr. Zhou Xuesheng (retired on 28 June 2019)
Mr. Wei Junqing (retired on 28 June 2019)

Independent Non-Executive Directors

Ms. Liu Yan (appointed on 28 June 2019)
Mr. Li Jinyuan (appointed on 28 June 2019)
Mr. Zhong Jian (appointed on 22 October 2019)
Mr. Du Hongwei (appointed on 28 June 2019 and resigned on 22 October 2019)
Mr. Wen Guangwei (resigned on 28 June 2019)
Dr. Hou Chaohui (retired on 28 June 2019)
Mr. Jiang Maolin (retired on 28 June 2019)

In accordance with Article 108(A) of the Articles of Association, Mr. Li Sen (“**Mr. Li**”), shall retire from his office by rotation at the forthcoming annual general meeting (the “**AGM**”) and being eligible, will offer himself for re-election at the AGM.

In accordance with Article 111 of the Articles of Association, Mr. Jiang Senlin (“**Mr. Jiang**”), Mr. Zhong Jinhua, Ms. Liu Yan (“**Ms. Liu**”) and Mr. Li Jinyuan shall retire from their office at the AGM, being eligible, will offer themselves for re-election at the AGM.

In accordance with Article 112 of the Articles of Association, Mr. Zhong Jian shall retire from his office at the AGM, being eligible, will offer himself for re-election at the AGM.

Each of Mr. Li, Mr. Jiang, Mr. Zhong Jinhua, Ms. Liu, Mr. Li Jinyuan and Mr. Zhong Jian have indicated their willingness to offer themselves for re-election at the AGM.

Mr. Zhou Xuesheng and Mr. Wei Junqing retired on 28 June 2019 as Executive Directors of the Company. Mr. Wen Guangwei resigned; Dr. Hou Chaohui and Mr. Jiang Maolin retired as Independent Non-executive Directors of the Company on 28 June 2019. Mr. Du Hongwei resigned from Independent Non-executive Director of the Company on 22 October 2019. They have confirmed that they have no disagreement with the Board and nothing relating to the affairs of the Company need to be brought to the attention of the shareholders of the Company.

董事

截至二零一九年十二月三十一日止年度及截至本報告日期之本公司董事如下：

執行董事

李森先生
姜森林先生(於二零一九年六月二十八日獲委任)
鍾勁華先生(於二零一九年六月二十八日獲委任)
周學生先生(於二零一九年六月二十八日退任)
魏俊青先生(於二零一九年六月二十八日退任)

獨立非執行董事

劉岩女士(於二零一九年六月二十八日獲委任)
李錦元先生(於二零一九年六月二十八日獲委任)
鍾劍先生(於二零一九年十月二十二日獲委任)
杜宏偉先生(於二零一九年六月二十八日獲委任及於二零一九年十月二十二日辭任)
文光偉先生(於二零一九年六月二十八日辭任)
侯超惠博士(於二零一九年六月二十八日退任)
姜茂林先生(於二零一九年六月二十八日退任)

根據組織章程細則第108(A)條，李森先生(「**李先生**」)將於應屆股東週年大會(「**股東週年大會**」)上輪值退任，並將符合資格及願意於股東週年大會上重選連任。

根據組織章程細則第111條，姜森林先生(「**姜先生**」)、鍾勁華先生、劉岩女士(「**劉女士**」)及李錦元先生將於股東週年大會上輪值退任，並將均符合資格及願意於股東週年大會上重選連任。

根據組織章程細則第112條，鍾劍先生應於應屆股東週年大會上輪值退任，鍾劍先生符合資格並願意於股東週年大會上重選連任。

李先生、姜先生、鍾勁華先生、劉女士、李錦元先生及鍾劍先生均表示願意於股東週年大會上重選連任。

周學生先生及魏俊青先生於二零一九年六月二十八日退任本公司執行董事。於二零一九年六月二十八日，文光偉先生辭任、侯超惠博士及姜茂林先生退任為本公司獨立非執行董事。杜宏偉先生於二零一九年十月二十二日辭任為本公司獨立非執行董事。彼等確認，彼等與董事會並無意見分歧，且並無有關本公司之事務須提請本公司股東垂注。

Report of the Directors

董事會報告

The Company received from each of the Independent Non-executive Directors an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considered all of the Independent Non-executive Directors as independent.

DIRECTORS PROFILE

Biographical details of Directors of the Company are set out on pages 39 to 45 of this annual report.

DIRECTORS' SERVICE CONTRACTS

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

UPDATES ON DIRECTORS' INFORMATION

The following is updated information of Directors of the Company since the publication of the Company's 2019 interim report are disclosed as below pursuant to Rule 13.51B(1) of the Listing Rules:

1. With effect from 22 October 2019, Mr. Du Hongwei resigned as the Independent Non-executive Director, Chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company.

本公司已自每名獨立非執行董事接獲其根據上市規則第3.13條呈交之年度獨立確認書。本公司認為所有獨立非執行董事均屬獨立人士。

董事簡介

本公司董事之履歷資料載於本年報第39至45頁。

董事服務合約

概無擬於股東週年大會上建議重選連任之董事與本公司或其任何附屬公司訂有本集團不可於一年內毋須支付賠償(法定賠償除外)終止之服務合約。

更新董事資料

下列為根據上市規則第13.51B(1)條，自本公司二零一九年中期報告刊發之董事資料變動披露如下：

1. 由二零一九年十月二十二日起，杜宏偉先生已辭任本公司獨立非執行董事、薪酬委員會主席、審核委員會成員及提名委員會成員之職務。

Report of the Directors 董事會報告

2. Mr. Zhong Jian, aged 49, has been appointed as Independent Non-executive Director, Chairman of the Remuneration Committee, a member of the Audit Committee and the Nomination Committee of the Company since 22 October 2019.

Mr. Zhong has obtained a bachelor's degree in Finance from The Central University of Finance and Economics, a master's degree in International Finance from Renmin University of China and a master's degree in Executive Master of Business Administration from Chinese Europe International Business School.

Mr. Zhong is currently the fund manager of Shanghai Mingyu Asset Management Co., Ltd. He was the vice president and chief financial officer of Kasen International Holdings Limited (Stock Code: 496) from August 2007 to June 2014 and September 2007 to June 2014, respectively.

Save as disclosed above, Mr. Zhong has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Mr. Zhong does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Mr. Zhong (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

2. 鍾劍先生，49歲，於二零一九年十月二十二日獲委任為本公司之獨立非執行董事、薪酬委員會主席、審核委員會成員及提名委員會成員。

鍾先生持有中央財經大學金融學士學位、中國人民大學國際金融碩士學位及中歐國際工商管理學院高層管理人員工商管理碩士學位。

鍾先生現任上海名禹資產管理有限公司之基金經理。由二零零七年八月至二零一四年六月及二零零七年九月至二零一四年六月，彼曾分別擔任卡森國際控股有限公司（股份代號：496）之副總裁及首席財務官。

除上文披露者外，鍾先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

於最後實際可行日期，鍾先生並無於本公司之股份或相關股份中擁有證券及期貨條例第XV部項下之任何權益。

於最後實際可行日期，鍾先生(i)並無於本公司或其附屬公司擔任任何其他職位；及(ii)與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

Report of the Directors

董事會報告

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in Note 37 to the consolidated financial statements.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Other than as disclosed in Note 30 to the consolidated financial statements, no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, its subsidiaries or its parent companies was a party and in which a director of the Company and the Director's core connected persons had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2019.

董事酬金

董事酬金之詳情載於綜合財務報表附註37。

董事於交易、安排及有關本公司業務之重大合約之重大權益

除綜合財務報表附註30所披露外，本公司、本公司附屬公司或其母公司概無參與訂立本公司董事及董事核心關連人士直接或間接擁有重大權益且於年末或於年內任何時間仍然有效之其他交易、安排及有關本集團業務之重大合約。

管理合約

截至二零一九年十二月三十一日止年度，本公司並無簽訂或存在任何有關本公司全部或大部分業務之管理及行政之合約。

Report of the Directors

董事會報告

SHARE OPTION SCHEMES

The purpose of each of the 2003 Share Option Scheme (hereinafter defined) and the 2011 Share Option Scheme (hereinafter defined) is to enable the Group to recognise the contribution of the participants to the Group and to motivate the participants to continuously work to the benefit of the Group by offering the participants an opportunity to have personal interest in the share capital of the Company.

(1) Share option scheme adopted by the Company on 25 January 2003 ("2003 Share Option Scheme")

On 25 January 2003, the 2003 Share Option Scheme was approved pursuant to written resolutions of the Company. Pursuant to the terms and conditions of the 2003 Share Option Scheme, following the implementation of the Share Consolidation (as defined as "every twenty issued and unissued ordinary shares of par value of HK\$0.0025 each (the "Old Shares") in the share capital of the Company are consolidated into one share of par value of HK\$0.05 each which effected on 2 July 2019"), the weighted average exercise price of the outstanding share options was adjusted from HK\$0.377 per Old Share to HK\$7.54 per share of HK\$0.05 each and the total number of outstanding share options was adjusted from 159,557,433 to 7,977,872. Details of movement of the options granted under the 2003 Share Option Scheme for the year ended 31 December 2019 were as follows:

Movement in the 2003 Share Option Scheme

Name or category of participants	Date of grant	Exercise period	As at 1 January 2019	Granted during the year	Lapsed during the year	Adjustment during the year (note 5)	Cancelled during the year	Exercised during the year	Adjusted exercise price per share (note 4)	As at 31 December 2019
參與者姓名或類別	授出日期	行使期	於二零一九年一月一日	年內授出	年內失效	年內調整 (附註5)	年內註銷	年內行使	經調整行使價 (附註4) (HK\$) (港元)	於二零一九年十二月三十一日
Others										
其他										
In aggregate	15/06/2009	15/06/2011 to 15/06/2019	28,378,379	-	(28,378,379)	-	-	-	0.5145	-
總計		15/06/2011至15/06/2019								
	06/10/2009	06/10/2011 to 06/10/2019	496,622	-	(24,831)	(471,791)	-	-	10.572	-
		06/10/2011至06/10/2019								
	04/02/2010	04/02/2012 to 04/02/2020	71,300,676	-	-	(67,735,642)	-	-	7.244	3,565,034
		04/02/2012至04/02/2020								
	09/07/2010	09/07/2012 to 08/07/2020	87,760,135	-	-	(83,372,128)	-	-	7.894	4,388,007
		09/07/2012至08/07/2020								
			Total:	187,935,812	-	(28,403,210)	(151,579,561)	-	-	7,953,041
			總計:							

購股權計劃

2003年購股權計劃(定義見下文)及2011年購股權計劃(定義見下文)旨在讓本集團透過令參與者有機會擁有本公司股本之個人權益，表揚參與者對本集團之貢獻，並鼓勵參與者繼續為本集團之利益作出建樹。

(1) 於二零零三年一月二十五日獲本公司採納之購股權計劃("2003年購股權計劃")

於二零零三年一月二十五日，本公司根據書面決議案批准2003年購股權計劃。根據2003年購股權計劃之條款及條件，於進行股份合併(定義為「本公司股本中每二十股每股面值0.0025港元之已發行及未發行普通股份(「舊股份」)合併為一股每股面值0.05港元之股份，於二零一九年七月二日生效)後，尚未行使購股權之加權平均行使價已由每股舊股股份0.377港元調整至每股面值0.05港元股份7.54港元，而尚未行使購股權之總數已由159,557,433份調整至7,977,872份。截至二零一九年十二月三十一日止年度，根據2003年購股權計劃授出之購股權變動詳情如下：

2003年購股權計劃變動

Report of the Directors

董事會報告

notes:

- (1) 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing three (3) years from the date of grant and expiring on the tenth anniversary from the date of grant.
- (2) 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing three (3) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant.
- (3) As at 31 December 2019, the Company had 7,953,041 (2018: 187,935,812) share options outstanding under the 2003 Share Option Scheme, which represented approximately 1.76% (2018: approximately 2.08%) of the Company's shares in issue on that date.
- (4) The adjusted exercise price represented the adjusted exercise price of the outstanding share option under the 2003 Share Option Scheme upon implementation of the Share Consolidation on 2 July 2019.
- (5) The Adjustment represented the adjustments arising from the implementation of Share Consolidation during the year ended 31 December 2019.
- (6) No share options under the 2003 Share Option Scheme were granted, exercised or cancelled during the year ended 31 December 2019 and the ungranted share options under the 2003 Share Option Scheme have now been lapsed.

附註：

- (1) 50%購股權可自授出日期兩(2)年後之日起至授出日期十週年止期間行使。餘下50%購股權可自授出日期三(3)年後之日起至授出日期十週年止期間行使。
- (2) 50%購股權可自授出日期兩(2)年後之日起至授出日期十週年前一日止期間行使。餘下50%購股權可自授出日期三(3)年後之日起至授出日期十週年前一日止期間行使。
- (3) 於二零一九年十二月三十一日，本公司根據2003年購股權計劃有7,953,041份購股權尚未行使（二零一八年：187,935,812份），相當於本公司於該日之已發行股份約1.76%（二零一八年：約2.08%）。
- (4) 經調整行使價指於二零一九年七月二日進行股份合併後有關2003年購股權計劃之尚未行使購股權之經調整行使價。
- (5) 調整指於截至二零一九年十二月三十一日止年度進行股份合併所產生之調整。
- (6) 概無2003年購股權計劃下之購股權於截至二零一九年十二月三十一日止獲授出、行使或註銷，及在2003年購股權計劃下未授出之購股權現已失效。

Report of the Directors

董事會報告

(2) Share option scheme adopted by the Company on 12 May 2011 ("2011 Share Option Scheme")

The Company adopted the 2011 Share Option Scheme which was approved by shareholders in the Company's annual general meeting held on 12 May 2011. Pursuant to the terms and conditions of the 2011 Share Option Scheme, following the implementation of the Share Consolidation on 2 July 2019, the weighted average exercise price of the outstanding share options was adjusted from HK\$0.30675 per Old Share to HK\$6.135 per share of HK\$0.05 each and the total number of outstanding share options was adjusted from 65,412,163 to 3,270,608. Details of movement of the options granted under the 2011 Share Option Scheme for the year ended 31 December 2019 were as follows:

Movement in the 2011 Share Option Scheme

Name or category of participants	Date of grant	Exercise period	As at 1 January 2019 於二零一九年一月一日	Granted during the year 年內授出	Lapsed during the year 年內失效	Adjustment during the year (note 4) 年內調整 (附註4)	Cancelled during the year 年內註銷	Exercised during the year 年內行使	Adjusted exercise price per share (note 3) 每股 經調整行使價 (附註3) (HK\$) (港元)	As at 31 December 2019 於二零一九年十二月三十一日
Others										
In aggregate	23/06/2011	23/06/2012 to 22/06/2021	64,347,974	-	-	(61,130,575)	-	-	6.132	3,217,399
合計	31/12/2012	23/06/2012至22/06/2021 31/12/2013 to 30/12/2022 31/12/2013至30/12/2022	1,064,189	-	-	(1,010,980)	-	-	2.298	53,209
			Total: 總計:	65,412,163	-	-	(62,141,555)	-	-	3,270,608

(2) 於二零一一年五月十二日獲本公司採納之購股權計劃(「2011年購股權計劃」)

本公司已採納於二零一一年五月十二日舉行之本公司股東週年大會上獲股東批准之2011年購股權計劃。根據2011年購股權計劃之條款及條件，於二零一九年七月二日進行股份合併後，尚未行使購股權之加權平均行使價已由每股舊股份0.30675港元調整至每股面值0.05港元之股份6.135港元，而尚未行使購股權之總數已由65,412,163份調整至3,270,608份。截至二零一九年十二月三十一日止年度，根據2011年購股權計劃授出之購股權變動詳情如下：

2011年購股權計劃變動

Report of the Directors

董事會報告

notes:

- (1) 50% of the share options are exercisable in a period commencing one (1) year from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant.
- (2) As at 31 December 2019, the Company had 3,270,608 (2018: 65,412,163) share options outstanding under the 2011 Share Option Scheme, which represented approximately 0.72% (2018: 0.72%) of the Company's shares in issue on that date.
- (3) The adjusted exercise price represented the adjusted exercise price of the outstanding share option under the 2011 Share Option Scheme upon implementation of the Share Consolidation on 2 July 2019.
- (4) The adjustment represented the adjustments arising from the implementation of Share Consolidation during the year ended 31 December 2019.
- (5) No share options under the 2011 Share Option Scheme were granted, exercised or cancelled during the year ended 31 December 2019.

附註：

- (1) 50%購股權可自授出日期一(1)年後之日起至授出日期十週年前一日止期間行使。餘下50%購股權可自授出日期兩(2)年後之日起至授出日期十週年前一日止期間行使。
- (2) 於二零一九年十二月三十一日，本公司根據2011年購股權計劃有3,270,608份購股權尚未行使（二零一八年：65,412,163份），相當於本公司於該日之已發行股份約0.72%（二零一八年：0.72%）。
- (3) 經調整行使價指於二零一九年七月二日進行股份合併後有關2011年購股權計劃之尚未行使購股權之經調整行使價。
- (4) 調整指於截至二零一九年十二月三十一日止年度進行股份合併所產生之調整。
- (5) 概無2011年購股權計劃下之購股權於截至二零一九年十二月三十一日止年度獲授出、行使或註銷。

Report of the Directors

董事會報告

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

As at 31 December 2019, the interests and short positions of the Directors and chief executive of the Company, if any, in the shares, underlying shares and 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 under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

Long positions of Directors in the shares and underlying shares of the Company

Name of director	Capacity and nature of interest	Number of shares held	Number of underlying shares held	Total	Approximate % of shareholding
董事姓名	身份及權益性質	所持股份數目	所持相關股份數目	總計	概約持股份百分比
Li Sen ("Mr. Li")	Interest of controlled corporation	110,374,271	–	110,374,271	24.40%
李森(「李先生」)	受控制公司之權益	(note)	(附註)		

notes:

These interests were held by Able Victory Enterprises Limited ("**Able Victory**"), which was wholly owned by Mr. Li. Mr. Li was the sole director of Able Victory. Accordingly, Mr. Li was deemed to be interested in 110,374,271 shares of the Company under the SFO. Hua Shang Consumer Premium Selection Investment Fund ("**Hua Shang**") holds 72,675,300 shares of the Company, representing 16.06% of the Company's all issued shares. Since Wonderland International Asset Management Company, a wholly-owned subsidiary of Wonderland International Financial Holdings Limited ("**Wonderland**"), is the asset manager of Hua Shang, the above mentioned 16.06% of shareholding should be included in the shares that Wonderland is interested in the Company. As disclosed in the Form 2 – Corporate Substantial Shareholder Notice, filed by Wonderland, on 5 November 2018 with Supplementary Information (the "**First Supplementary Information**") that followed by the announcement of inside information made by the Company on 2 November 2018, the Company's substantial shareholder – Able Victory, controlled by the Company's Chairman and Executive Director, Mr. Li, had entered into a share charge in relation to the 110,374,271 (24.40%) shares of the Company, in favour of Wonderland and another individual on 2 November 2018 ("**Existing Share Charge**" or "**First Share Charge**"). After the above event, Wonderland becomes one of the chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

董事及最高行政人員於股份、相關股份及債券之權益及短倉

於二零一九年十二月三十一日，本公司董事及最高行政人員(如有)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、相關股份及債券中，擁有根據證券及期貨條例第352條記入本公司登記冊或根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)知會本公司及聯交所之權益及短倉如下：

董事於本公司股份及相關股份之長倉

附註：

該等權益由Able Victory Enterprises Limited(「**Able Victory**」)持有，其由李先生全資擁有。李先生為Able Victory之唯一董事。因此，根據證券及期貨條例，李先生被視為擁有本公司110,374,271股股份之權益。Hua Shang Consumer Premium Selection Investment Fund(「**Hua Shang**」)擁有本公司72,675,300股股份之權益，佔本公司全部已發行股份的16.06%。因華德國際金融控股有限公司(「**華德**」)之全資附屬公司Wonderland International Asset Management Company為Hua Shang之資產管理人，故在計算華德擁有的本公司權益時，上述16.06%持股應計算在內。緊隨本公司於二零一八年十一月二日發出有關內幕消息之公告後，華德於二零一八年十一月五日呈交附載補充資料的「表格2—主要股東通知」(「**第一次補充資料**」)內披露，由本公司主席兼執行董事李先生控制的本公司主要股東Able Victory，已於二零一八年十一月二日簽訂股權抵押，將110,374,271股(24.40%)股份抵押予華德及另一自然人(「**現有股份抵押**」或「**第一項股份抵押**」)。在上述事件之後，華德為本公司24.40%股權的現有股份抵押承押人之一。

Report of the Directors

董事會報告

notes: (Continued)

Following the announcement pursuant to Issue of the convertible bond under general mandate and Rule 13.17 of the Listing Rules of the Company on 31 January 2019, as disclosed in the Form 2 – Corporate Substantial Shareholder Notice, filed by Huajun Group (Asia) Limited on 1 February 2019, Able Victory pledged 110,374,271 (24.40%) shares to Huajun Group (Asia) Limited (“**Second Share Charge**”). Second Share Charge will be executed upon the completion of the transaction for the issue of 15% convertible bonds due 2020 with Huajun Group (Asia) Limited in the principal amount of HK\$50 million (the “**Convertible Bond**”) and subject to Existing Share Charge/First Share Charge. Second Share Charge has not executed due to the lapse of the subscription agreement for the Convertible Bond on 1 April 2019.

Subsequently, regarding the announcement pursuant to Rule 13.17 of the Listing Rules of the Company on 28 August 2019 for provision of financial assistance to the Company by a connected person and pledge of shares by controlling shareholder, as disclosed in the Form 2 – Corporate Substantial Shareholder Notice, filed by Wonderland International Finance Limited (“**Wonderland International Finance**”) on 30 August 2019 with Supplementary Information (the “**Second Supplementary Information**”), Able Victory pledged 110,374,271 (24.40%) shares to Wonderland International Finance for security relating to the loan facilities of HK\$10,000,000 provided by Wonderland International Finance to the Company. After the above event, Wonderland International Finance becomes one of the chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

(*As at 31 December 2019, the number of issued shares of the Company was 452,392,207)

Save as disclosed above, as at 31 December 2019, none of the Directors and chief executive of the Company had registered an interest or short position in the shares, underlying shares and debentures of the Company, or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：(續)

緊隨本公司於二零一九年一月三十一日發出有關根據一般授權發行可換股債券及上市規則第13.17條刊發之公告，Huajun Group (Asia) Limited於二零一九年二月一日呈交的「表格2—主要股東通知」內披露，Able Victory已將110,374,271股(24.40%)股份抵押予Huajun Group (Asia) Limited(「**第二項股份抵押**」)，第二項股份抵押之執行須於與Huajun Group (Asia) Limited就發行本金額50,000,000港元於二零二零年到期15%可換股債券(「**可換股債券**」)交易完成後及須受限於現有股份抵押／第一項股份抵押執行。可換股債券的認購協議已於二零一九年四月一日失效，因此，第二項股份抵押未能執行。

其後，本公司於二零一九年八月二十八日，根據上市規則第13.17條，刊發有關一名關連人士向本公司提供財務援助及控股股東質押股份之公告，關於華德國際財務有限公司(「**華德國際財務**」)於二零一九年八月三十日呈交附載補充資料的「表格2—主要股東通知」(「**第二次補充資料**」)內披露，Able Victory將110,374,271股(24.40%)股份抵押予華德國際財務作為華德國際財務向本公司提供貸款額10,000,000港元之抵押品。在上述事件之後，華德國際財務為本公司24.40%股權的現有股份抵押承押記人之一。

(*於二零一九年十二月三十一日，本公司已發行股份數目為452,392,207股)

除上文披露者外，於二零一九年十二月三十一日，概無本公司董事及最高行政人員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、相關股份及債券中，登記擁有須根據證券及期貨條例第352條予以記錄，或根據標準守則之規定而須知會本公司及聯交所之權益及短倉。

Report of the Directors

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Schemes" and "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, 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, and none of the Directors or their respective spouses or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2019, the following interests of more than 5% of the total number of issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

董事購買股份或債權證之權利

除上文「購股權計劃」及「董事及最高行政人員於股份、相關股份及債券之權益及短倉」章節所披露之事項外，於年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲取利益，亦無董事或彼等之配偶或未成年子女有權認購本公司證券，或於年內行使任何該等權利。

根據證券及期貨條例股東披露的權益及短倉

於二零一九年十二月三十一日，本公司根據證券及期貨條例第336條規定本公司須存置之權益登記冊載有以下佔本公司已發行股份總數5%以上之權益：

Report of the Directors

董事會報告

Long positions in the shares or underlying shares of the Company

於本公司股份或相關股份的長倉

Name of shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of shares held 所持股份數目	Approximate % of shareholding 概約持股百分比
Mr. Li 李先生	Interest of controlled corporation 受控制公司之權益	110,374,271 (note 1) (附註1)	24.40%
Able Victory Able Victory	Beneficial owner 實益擁有人	110,374,271 (note 1) (附註1)	24.40%
Hua Shang Hua Shang	Beneficial owner 實益擁有人	72,675,300 (note 1) (附註1)	16.06%
Wonderland 華德	The First Supplementary Information 第一次補充資料	183,049,571 (note 1) (附註1)	40.46%
Wonderland International Finance 華德國際財務	The Second Supplementary Information 第二次補充資料	110,374,271 (note 1) (附註1)	24.40%
Li, Stephen Hing Yue ("Mr. Stephen Li") Li, Stephen Hing Yue (「Stephen Li先生」)	Interest of controlled corporation 受控制公司之權益	22,620,000 (note 2) (附註2)	5.00%
Cool Legend Limited ("Cool Legend") Cool Legend Limited (「Cool Legend」)	Beneficial owner 實益擁有人	22,620,000 (note 2) (附註2)	5.00%

Report of the Directors

董事會報告

notes:

1. These interests were held by Able Victory, which was wholly owned by Mr. Li. Mr. Li was the sole director of Able Victory. Accordingly, Mr. Li was deemed to be interested in 110,374,271 shares of the Company under the SFO. Hua Shang holds 72,675,300 shares of the Company, representing 16.06% of the Company's all issued shares. Since Wonderland International Asset Management Company, a wholly-owned subsidiary of Wonderland, is the asset manager of Hua Shang, the above mentioned 16.06% of shareholding should be included in the shares that Wonderland is interested in the Company. As disclosed in the First Supplementary Information that followed by the announcement of inside information made by the Company on 2 November 2018, the Company's substantial shareholder – Able Victory, controlled by the Company's Chairman and Executive Director Mr. Li, had entered into the Existing Share Charge/First Share Charge. After the above event, Wonderland becomes one of the chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

Following the announcement pursuant to Issue of the convertible bond under general mandate and Rule 13.17 of the Listing Rules of the Company on 31 January 2019, as disclosed in the Form 2 – Corporate Substantial Shareholder Notice, filed by Huajun Group (Asia) Limited on 1 February 2019, Able Victory pledged 110,374,271 (24.40%) shares to Huajun Group (Asia) Limited. Second Share Charge will be executed upon the completion of the Convertible Bond transaction and subject to Existing Share Charge/First Share Charge. Second Share Charge has not executed due to the lapse of the subscription agreement for the Convertible Bond on 1 April 2019.

Subsequently, regarding the announcement pursuant to Rule 13.17 of the Listing Rules of the Company on 28 August 2019 for provision of financial assistance to the Company by a connected person and pledge of shares by controlling shareholder, as disclosed in the Second Supplementary Information, Able Victory pledged 110,374,271 (24.40%) shares to Wonderland International Finance for security relating to the loan facilities of HK\$10,000,000 provided by Wonderland International Finance to the Company. After the above event, Wonderland International Finance becomes one of the chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

(*As at 31 December 2019, the number of issued shares of the Company was 452,392,207)

附註：

1. 該等權益由Able Victory持有，其由李先生全資擁有。李先生為Able Victory之唯一董事。因此，根據證券及期貨條例，李先生被視為擁有本公司110,374,271股股份之權益。Hua Shang擁有本公司72,675,300股股份之權益，佔本公司全部已發行股份的16.06%。因華德之全資附屬公司Wonderland International Asset Management Company為Hua Shang之資產管理人，故在計算華德擁有的本公司權益時，上述16.06%持股應計算在內。緊隨本公司於二零一八年十一月二日發出有關內幕消息之公告後，就第一次補充資料披露，由本公司主席兼執行董事李先生控制的本公司主要股東Able Victory，已簽訂現有股份抵押／第一項股份抵押。在上述事件之後，華德為本公司24.40%股承押記的現有股份抵押權人之一。

緊隨本公司於二零一九年一月三十一日發出有關根據一般授權發行可換股債券及上市規則第13.17條刊發之公告後，Huajun Group (Asia) Limited於二零一九年二月一日呈交的「表格2—主要股東通知」內披露，Able Victory已將110,374,271股(24.40%)股份抵押予Huajun Group (Asia) Limited。第二項股份抵押之執行須於可換股債券交易完成及須受限於現有股份抵押／第一項股份抵押。可換股債券的認購協議已於二零一九年四月一日失效，因此，第二項股份抵押未能執行。

其後，本公司於二零一九年八月二十八日，根據上市規則第13.17條，刊發有關一名關連人士向本公司提供財務援助及控股股東質押股份之公告，就第二次補充資料披露，Able Victory將110,374,271股(24.40%)股份抵押予華德國際財務作為華德國際財務向本公司提供貸款額10,000,000港元之抵押品。在上述事件之後，華德國際財務為本公司24.40%股權的現有股份抵押承押記人之一。

(#於二零一九年十二月三十一日，本公司已發行股份數目為452,392,207股)

Report of the Directors

董事會報告

2. These interests were held by Cool Legend, which was wholly owned by Mr. Stephen Li. Accordingly, Mr. Stephen Li was deemed to be interested in 22,620,000 shares of the Company under the SFO.

The interests of Mr. Li and Able Victory in 110,374,271 shares of the Company referred to above related to the same parcel of shares.

The interests of Mr. Stephen Li and Cool Legend in 22,620,000 shares of the Company referred to above related to the same parcel of shares.

Save as disclosed above, as at 31 December 2019, the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company as required to be recorded pursuant to Section 336 of the SFO.

GROUP'S EMOLUMENT POLICY

The Group adopted the following philosophies in determining its emolument policy:

- the Group adopts a performance driven policy so that each individual is motivated to perform to the best he/she can;
- individual competence, contribution and responsibility are taken into account when considering the remuneration level for each employee;
- the Company offers provident fund, medical insurance and leave benefits to provide basic coverage to staff for retirement, sickness, rest and relaxation reasons, respectively;
- share option grants are made from time to time to better link the corporate performance as reflected in the share price performance and the contributions made by the staff in the intermediate to longer time frame; and
- the economic factors and the affordability of the Group are taken into account in coming up with the overall remuneration budget for the Group.

The Group has also adopted a discretionary bonus scheme. Factors, such as overall financial performance, the affordability of the Company and individual performance, have been taken into account before determining the entitlement of each qualified employee.

The determination of Directors' remuneration has taken into consideration of their respective responsibilities and contributions to the Company and with reference to market terms.

2. 該等權益由Cool Legend持有，而Cool Legend由Stephen Li先生全資擁有。因此，根據證券及期貨條例，Stephen Li先生被視為擁有本公司22,620,000股股份之權益。

上述李先生及Able Victory所持有之本公司110,374,271股股份權益為同一批股份。

上述Stephen Li先生及Cool Legend所持有之本公司22,620,000股股份權益為同一批股份。

除上文披露者外，於二零一九年十二月三十一日，本公司概無獲知會任何於本公司股份或相關股份中登記擁有須根據證券及期貨條例第336條予以記錄之其他相關權益或短倉。

本集團之薪酬政策

本集團於釐定薪酬政策時採納以下理念：

- 本集團採用以表現為本之政策，激勵員工發揮最佳表現；
- 在考慮每位僱員薪酬水平時綜合考慮個人能力、貢獻及職責；
- 本公司提供公積金、醫療保險及假期福利，分別照顧員工於退休、生病、休息及消閒方面之基本需要；
- 不時授出購股權以加強在中長時期由股價表現反映出本公司業績與員工貢獻之間的聯繫；及
- 以經濟因素及本集團之負擔能力作為本集團釐定整體薪酬預算之考慮因素。

本集團亦實行酌情花紅計劃。在釐定每位合資格員工應得之花紅時考慮之因素包括本公司整體財務表現、負擔能力以及員工個人表現。

本集團根據董事各自之責任及對本公司之貢獻及經參考市場情況後釐定董事酬金。

Report of the Directors

董事會報告

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every director or other officer of the Company for the time being acting in relation to any affairs of the Company shall be entitled to be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she shall or may incur or sustain in or about the execution of the duties of his/her office or otherwise in relation thereto provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty of the above persons. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and other officers of the Company during the year.

MAJOR AND CONNECTED TRANSACTION

前海國興融資租賃(深圳)有限公司 ((Qianhai Guoxing Finance Lease (Shenzhen) Company Limited) ("**QH Finance**"), a company established in the PRC and an indirect wholly owned subsidiary of the Company) and 深圳市瑞迅嘉科技有限公司 (Shenzhen Ruixunjia Information Technology Company Limited) (the "**Borrower**"), a company established in the PRC and an independent third party) which, however, had lending-borrowing relationship (including DYF Indebtedness (as defined below) owing to Shenzhen Dongyin Financial Holdings Company Limited ("**Dongyin Finance**"), a company incorporated in the PRC, in which Mr. Li Sen (the Chairman, Executive Director and a substantial shareholder of the Company) has a controlling interest) with Dongyin Finance, entered into the loan agreement dated 1 May 2018 (the "**Original Loan Agreement**") in respect of the grant of the loan facility up to RMB60 million (the "**Loan Facility**"). Under the Original Loan Agreement, the Loan Facility is agreed to be available for drawdown from 1 May 2018 onward, and the maturity date of the principal amounts so drawn under the Loan Facility is 31 December 2018. By the supplemental agreement dated 3 May 2018 and entered into by QH Finance, the Borrower and Dongyin Finance (the "**Supplemental Agreement**"), the Borrower directed QH Finance to make payment of the amounts drawn under the Loan Facility to Dongyin Finance for the purpose of settling the indebtedness in the sum of RMB66.5 million owing by the Borrower to Dongyin Finance (the "**DYF Indebtedness**"). During the period from May to August 2018, a total of approximately RMB57.7 million (the "**Loan**") was drawn by instalments under the Loan Facility and paid by QH Finance (as directed by the Borrower) to Dongyin Finance for repayment of the DYF Indebtedness.

獲准許彌償條文

根據組織章程細則，就本公司任何事務行事之本公司各董事或其他高級管理人員於其任期內，或因履行其職責而蒙受或發生與此相關之所有訴訟、費用、收費、損失、賠償及開支，均可自本公司之資產獲得彌償，確保免就此受損。惟彌償須不延伸至任何與上述人士之任何欺詐或不誠實有關的事宜。年內，本公司已為本公司董事及其他高級管理人員購買適當的董事及高級職員責任保險作為保障。

重大及關連交易

前海國興融資租賃(深圳)有限公司(「前海融資」)(一家於中國成立之公司，為本公司之間接全資附屬公司)與深圳市瑞迅嘉科技有限公司(「借款人」)(一家於中國成立之公司及一名獨立第三方)，惟與深圳市東銀金融控股有限公司(「東銀金融」，一家於中國註冊成立之公司，李森先生(本公司主席、執行董事及主要股東)於當中有控股權益)有借貸關係(包括結欠東銀金融之東銀金融債務(定義見下文))，於二零一八年五月一日訂立人民幣60,000,000元貸款融資(「貸款融資」)之貸款協議(「原貸款協議」)。根據原貸款協議，已協定可由二零一八年五月一日起提取貸款融資，而根據貸款融資所提取之本金額之到期日為二零一八年十二月三十一日。根據前海融資、借款人與東銀金融訂立日期為二零一八年五月三日之補充協議(「補充協議」)，借款人已指示前海融資以貸款融資項下所提取之款額，用作償還借款人結欠東銀金融之債務人民幣66,500,000元(「東銀金融債務」)。於二零一八年五月至八月期間，貸款融資已獲分期提取合共約人民幣57,700,000元(「該貸款」)，並由前海融資(按借款人之指示)支付予東銀金融，以償還東銀金融債務。

Report of the Directors 董事會報告

Since one of the applicable percentage ratios in respect of the Loan exceeds 25%, but all the applicable percentage ratios are less than 100%, the grant of the Loan Facility under the Original Loan Agreement constitutes a major transaction under Chapter 14 of the Listing Rules. As at the date of the Supplemental Agreement, Dongyin Finance was wholly owned by Shenzhen Guangshen Investment Group Limited (深圳市廣森投資集團有限公司), in which Mr. Li Sen had (and still has) a controlling interest. Accordingly, Dongyin Finance was (and still is) a connected person of the Company. As the drawings under the Loan Facility were paid to Dongyin Finance for repayment of the DYF Indebtedness, the Supplemental Agreement and the related drawings pursuant to it are deemed to constitute a connected transaction for the Company pursuant to Chapter 14A of the Listing Rules. Since one of the applicable percentage ratios in respect of the Loan exceeds 25%, and the total value of the financial assistance plus any monetary advantage to Dongyin Finance is more than HK\$10 million, the Supplemental Agreement and the transactions contemplated thereunder are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under the Listing Rules. Further details of the transactions are stated in the Company's announcement dated 2 October 2018.

QH Finance, the Borrower and Dongyin Finance entered into the second supplemental agreement dated 24 December 2018 (the "**Tripartite Confirmation Agreement**"). Under the Tripartite Confirmation Agreement, QH Finance, the Borrower and Dongyin Finance agreed that the Borrower shall repay the principal amounts and accrued interests under the Loan directly into QH Finance's bank account in full instead of entrusting the repayment to Dongyin Finance. On 24 December 2018, the Borrower had repaid the above principal amounts of RMB57,735,451 and interests of RMB4,554,717 under the Loan directly into the QH Finance's bank account in full. The Borrower and Dongyin Finance had fulfilled all of their obligations in respect of the Loan and there is not any debt payable by the Borrower and Dongyin Finance to the QH Finance.

由於有關該貸款之一項適用百分比率高於25%，惟所有適用百分比率均低於100%，根據原貸款協議授出貸款融資構成上市規則第14章項下之主要交易。於補充協議日期，東銀金融由深圳市廣森投資集團有限公司全資擁有，而李森先生於當中擁有（及仍然擁有）控股權益。因此，東銀金融當時為（及現時仍為）本公司之關連人士。由於根據貸款融資提取之款項已支付予東銀金融以償還東銀金融債務，根據上市規則第14A章，補充協議及據此提取相關款項被視為構成本公司之關連交易。由於有關該貸款之一項適用百分比率超過25%，而財務援助加上給予東銀金融之任何金錢利益之總值高於10,000,000港元，根據上市規則，補充協議及據此擬進行之交易須遵守申報、公佈、年度審核及獨立股東批准之規定。有關該等交易之進一步詳情載於本公司日期為二零一八年十月二日之公佈內。

前海融資、借款人及東銀金融訂立日期為二零一八年十二月二十四日之第二份補充協議（「**三方確認協議**」）。根據三方確認協議，前海融資、借款人及東銀金融同意借款人須直接全數撥入前海融資之銀行戶口內以償還該貸款項下之本金額及應計利息而非委託東銀金融償還。於二零一八年十二月二十四日，借款人已直接全數撥入前海融資之銀行戶口內以償還該貸款項下之本金額人民幣57,735,451元及利息人民幣4,554,717元。借款人及東銀金融已履行有關貸款之所有責任，借款人及東銀金融並無任何應付前海融資之債務。

Report of the Directors

董事會報告

The proposed resolution the Original Loan Agreement, the Supplemental Agreement and the transactions contemplated thereunder to be approved, confirmed and ratified (as defined and described in the Company's circular dated 24 June 2019 to its shareholders) set out in the Extraordinary General Meeting ("EGM") Notice was duly passed by the shareholders at the EGM held on 10 July 2019 by way of poll.

PRE-EMPTIVE RIGHTS

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as otherwise disclosed, none of the Directors of the Company had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group for the year ended 31 December 2019.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company during the year ended 31 December 2019.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the issued share capital of the Company was held by the public.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions (the "Code Provisions") of the Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules for the year ended 31 December 2019.

有關批准、確認及追認原貸款協議、補充協議及據此擬進行之交易(定義及詳情見本公司日期為二零一九年六月二十四日致其股東的通函)於二零一九年七月十日舉行之股東特別大會上，股東已透過投票表決之方式正式通過股東特別大會通告所載之建議決議案。

優先購買權

根據組織章程細則或開曼群島法例，概無有關本公司須按比例向現有股東提呈發售新股份之優先購買權之條文。

董事於競爭業務中的權益

除另行披露者外，截至二零一九年十二月三十一日止年度，概無本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有任何權益。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於截至二零一九年十二月三十一日止年度並無購買、贖回或出售本公司任何上市證券。

足夠公眾持股量

於本報告日期，根據本公司現有公開可得資料及就董事所深知，本公司已發行股本最少25%由公眾人士持有。

企業管治

截至二零一九年十二月三十一日止年度，本公司一直遵守上市規則附錄十四所載之企業管治守則(「企業管治守則」)之所有適用守則條文(「守則條文」)。

Report of the Directors

董事會報告

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 168.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2019 have been reviewed by the Audit Committee and have been duly approved by the Board under the recommendation of the Audit Committee.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2019 were audited by ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA"). ZHONGHUI ANDA will retire and being eligible, offer themselves for re-appointment. A resolution for the reappointment of Zhonghui Anda as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Li Sen

Chairman and Executive Director

Hong Kong, 31 March 2020

五年財務概要

本集團於過去五個財政年度之已公佈業績及資產及負債概要載列於第168頁。

審核委員會

本公司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已由審核委員會審閱及由董事會在審核委員會之建議下正式批准。

核數師

本集團截至二零一九年十二月三十一日止年度綜合財務報表乃由中匯安達會計師事務所有限公司（「中匯安達」）審核。中匯安達將會告退，並將符合資格及願意重新獲委聘。建議再度委聘中匯安達為本公司核數師的決議案將於本公司應屆股東週年大會上提呈。

代表董事會

主席及執行董事

李森

香港，二零二零年三月三十一日

Environmental, Social and Governance Report

環境、社會及管治報告

GENERAL

The Directors are pleased to present the Environmental, Social and Governance Report for the year ended 31 December 2019 in compliance with the applicable code provision set out in the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Listing Rules. Information on the environmental and social aspects of the report is set out below whilst information on the governance aspect is set out in the Corporate Governance Report on page 19. During the year ended 31 December 2019, the Company has complied with the “comply and explain” provisions set out in the ESG Guide.

OVERVIEW

The Group has always placed significant emphasis in minimising potential impact on the environment in conducting businesses, and in faces of the challenges of climate changes the Group has integrated Environmental, Social and Governance considerations into daily operations, with a particular focus on maintaining closer connections with stakeholders and taking on more responsibilities in the society. Comprehensive assessments had been performed by the Group and the Group believes that its existing businesses are not expected to pose a material impact on the environment.

MATERIALITY ASSESSMENT AND ESG STRATEGY

According to the requirements of ESG Guide, the Board has overall responsibility for the Company’s ESG strategy and reporting. During the year, the Company has conducted internal and external materiality assessments on the Company’s business (as reflected in 2019 Materiality Matrix of Enviro Energy). Taking into account the reporting principles as set out in the ESG Guide, the nature of business and principal activity of the Company, the general disclosures under the aspects of Operating Practices and Social Area of the ESG Guide are considered to be crucial to the Company’s investors, stakeholders and businesses.

一般資料

董事會根據上市規則附錄27所載環境、社會及管治報告指引(「環境、社會及管治指引」)之適用守則條文欣然提呈截至二零一九年十二月三十一日止年度之環境、社會及管治報告。有關環境及社會方面之資料載於下文，而有關管治方面之資料載於第19頁之企業管治報告。截至二零一九年十二月三十一日止年度，本公司已遵守環境、社會及管治指引所載之「不遵守就解釋」條文。

概覽

本集團一直重視將所進行的業務對環境的潛在影響減至最低，加上面對氣候變化的挑戰，本集團已將環境、社會及管治的考慮因素融入日常業務營運中，尤其是著重與持份者保持緊密聯繫及承擔社會責任。本集團已進行全面評估，並相信其現有業務預期將不會對環境造成重大影響。

重要性評估及環境、社會及管治策略

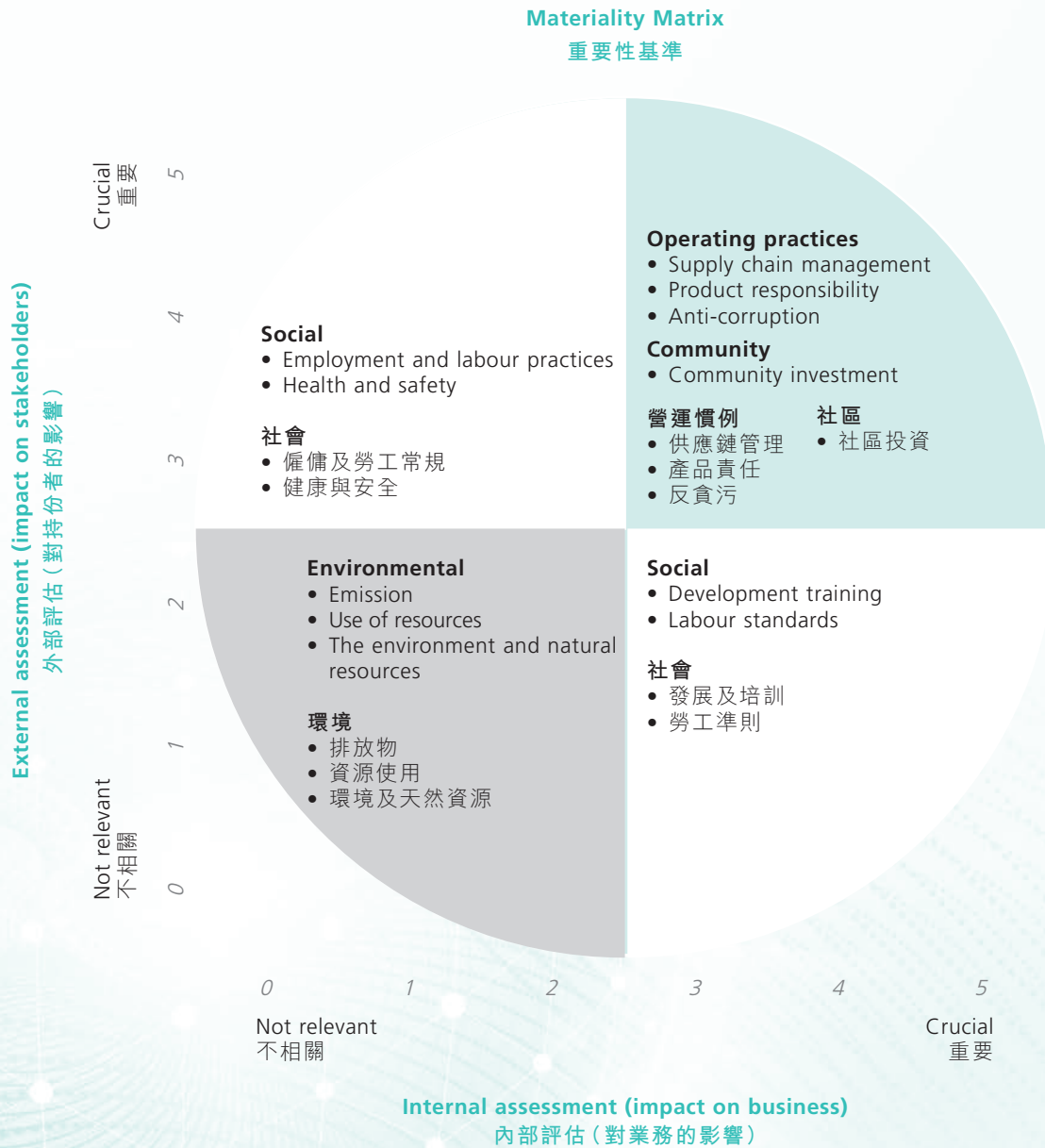
根據環境、社會及管治指引之規定，董事會已全權負責本公司之環境、社會及管治策略及報告。年內，本公司已就本公司之業務進行內部及外部重要性評估(反映於二零一九年環能重要性基準)。經計及環境、社會及管治指引所載之報告原則、本公司之業務性質及主要活動，環境、社會及管治指引之營運慣例及社會層面方面的全面披露被視為對本公司之投資者、持份者及業務而言屬重大。

Environmental, Social and Governance Report

環境、社會及管治報告

2019 Materiality Matrix of Enviro Energy

二零一九年環能重要性基準



Environmental, Social and Governance Report

環境、社會及管治報告

Given the fact that the existing businesses of the Company does not pose a material impact on the environment, therefore, the three aspects of key performance indicators (KPI) under the Environment Area, namely Emissions (Aspect A1), Use of Resources (Aspect A2) and the Environment and Natural Resources (Aspect A3), are not considered material for disclosure according to the requirements of the ESG Guide. However, the Company recognises the importance of environmental protection and always supports its employees to protect the environment and use of resources and energy in the most efficient and effective manner on one hand and considers this as one of the assessment criteria for assessing and selecting suppliers and business partners on the other hand.

Environmental

Emissions

Existing businesses of the Group do not produce significant amount of waste and thus the Group does not have significant air and greenhouse gas emissions, and none of the operations of the Group have significant discharges into water and land, nor generate significant hazardous and non-hazardous wastes. The Group however considers management of impacts on the environment as one of the assessment criteria in assessing and selecting suppliers and business partners.

Use of resources

Among the existing businesses that the Group currently involves in, all of which do not require consumption of a significant amount of resources, including energy, water and other raw materials. The Group does acknowledge that effort in promoting efficient usage of resources and therefore make efforts in preparing and introducing policies on efficient usage of resources in operations. Besides, the Group also considers this as one of the assessment criteria for assessing and selecting suppliers and business partners.

鑒於本公司之現有業務並不會對環境造成重大影響，因此，根據環境、社會及管治指引之規定，環境層面項下的三個關鍵表現指標層（即排放物（A1層）、資源使用（A2層）及環境及天然資源（A3層））並不被視為重大披露事項。然而，本公司認同環保的重要性，並一直為其僱員提供保護環境方面的支持，一方面以最有效的方式使用資源及能源，另一方面將環保視為評估及挑選供應商及業務夥伴的評估基準之一。

環境

排放物

本集團的現有業務不會產生大量廢棄物，因此本集團並無重大空氣及溫室氣體排放，本集團業務並無重大污水排放及土地污染，亦無產生重大有害及無害廢棄物。然而，本集團視管理環境影響為評估及挑選供應商及業務夥伴的其中一項評估標準。

資源使用

本集團現時所從事的現有業務均毋須消耗大量資源，包括能源、水及其他原材料。本集團明白須致力促使有效運用資源，因此已致力制定及實施政策以於業務營運中有效運用資源。此外，本集團亦視此為評估及挑選供應商及業務夥伴的其中一項評估標準。

Environmental, Social and Governance Report

環境、社會及管治報告

According to the requirements of the ESG Guide, the Company has quantified the resources usage of its offices operation in Hong Kong, Shenzhen and Yingkou respectively. The results are summarized as follows:

根據環境、社會及管治指引的規定，本公司已量化其分別於香港、深圳及營口之辦公室營運的資源使用。結果概述如下：

Hong Kong Office 香港辦公室

2019
二零一九年

(Electricity)	(電力)	
Electricity Consumed (kWh) ¹	用電量(千瓦時) ¹	18,812
Electricity Consumed per gross floor area (KWh/m ²)	每樓面面積用電量(千瓦時/平方米)	3.58
CO2 Emission from Electricity Consumed (kg)	用電產生之二氧化碳排放(千克)	14,861
(Paper)	(紙張)	
Paper used (tonne)	用紙(噸)	1.242
(Water)	(水)	
Water Consumption ²	用水量 ²	

Notes:

附註：

- Consumption from the central building services including electricity usage due to the elevator and central air-conditioning are excluded from the reporting scope since it was not within the operational boundary of the Company.
- Consumption from the central building services for water usage.

- 由於中央樓宇裝備如電梯及中央空調的電力消耗不包括在本公司的營運邊界內，因此並不包括在報告範圍內。
- 中央樓宇裝備用水量。

Shenzhen Office 深圳辦公室

2019
二零一九年

(Electricity)	(電力)	
Electricity Consumed (kWh)	用電量(千瓦時)	960
Electricity Consumed per gross floor area (KWh/m ²)	每樓面面積用電量(千瓦時/平方米)	34.29
CO2 Emission from Electricity Consumed (kg)	用電產生之二氧化碳排放(千克)	520
(Paper)	(紙張)	
Paper used (tonne)	用紙(噸)	0.205
(Water)	(水)	
Water Consumption (m ³)	用水量(立方米)	170
Water Consumed per gross floor area (m ³ /m ²)	每樓面面積用水量(立方米/平方米)	6.07

Environmental, Social and Governance Report

環境、社會及管治報告

Yingkou Office

營口辦公室

2019

二零一九年

(Electricity)

Electricity Consumed (kWh)

(電力)

用電量(千瓦時)

61,892

Electricity Consumed per gross floor area (KWh/m²)

每樓面面積用電量(千瓦時/平方米)

2.41

CO₂ Emission from Electricity Consumed (kg)

用電產生之二氧化碳排放(千克)

44,537

(Paper)

Paper used (tonne)

(紙張)

用紙(噸)

0.35

(Water)

Water Consumption (m³)

(水)

用水量(立方米)

2,427

Water Consumed per gross floor area (m³/m²)

每樓面面積用水量(立方米/平方米)

0.09

The environment and natural resources

環境及天然資源

Due to the nature of the Group's existing businesses, the Group does not engage in any operations that have a significant impact on the environment. The Group made efforts to promote, and where possible, integration of environmentally friendly business practices into daily operations. Practical steps implemented by the management include issuing notices that promote "green office management" concept to employees, reminding staff the use of double-sided printing, energy saving by switching off idle lighting and air conditioners and using equipment carrying Energy Label issued by the Electrical and Mechanical Services Department. Further, the Group also consider this as one of the Group's most important assessment criteria when assessing and selecting suppliers and business partners. Environmental, Social and Governance Report.

鑒於本集團現有業務的性質，本集團並無從事對環境造成重大影響的業務。本集團致力促使及在可行之情況下將環保業務常規融入日常業務營運中。管理層實施的實際措施包括向僱員發佈促進「環保辦公室管理」概念的通告、提醒員工使用雙面列印、關掉閒置照明裝置及空調以及使用貼有機電工程署發出能源標籤的設備，以節約能源。此外，本集團視此為評估及挑選供應商及業務夥伴最重要之評估標準之一。

Environmental, Social and Governance Report

環境、社會及管治報告

Social

Employment and Labour Practices

A respectful and fair working environment for maintaining a sound system of human resources management is considered to be vital to the operation of the Group. The Group ensures strict compliance with all relevant regulatory standards, particularly the Employment Ordinance in Hong Kong in respect of recruitment, remuneration, and separation. Employment process of the Group stresses the consideration of experience, qualifications, and knowledge, with an objective to ensure that there is no discrimination on the grounds of age, gender, marital status, family status, gender orientation, disability, race, nationality or religion. Upon satisfactory consideration, the Group ensures that employment contract is fully understood by potential employees before contracts are signed. Employment contract of the Group includes employment terms such as job duties, working hours, holidays, remuneration, termination process, and benefits.

The Group had adopted a five-day workweek arrangement to facilitate work-life balance. In addition to all general holidays (including Sundays) as specified in the General Holidays Ordinance, employees are entitled to annual leaves, maternity leaves, paternity leaves, marriage leaves and compassionate leaves with pay. Employees enjoy medical benefits, provident fund scheme and other benefits subject to the Group's policies.

The Group continuously evaluates the remuneration and promotion mechanism so as to share the fruitful achievement with employees of the Group. The Group motivates employees by promotion and salary increment based on results of annual performance appraisal, and to award double-pay payment and discretionary bonus in addition to basic salary.

Dismissal is conducted with strict compliance with the Employment Ordinance and the requirement as stipulated in the employment contract.

社會

僱傭及勞工常規

建立受尊重及公平的工作環境以維繫完善的人力資源管理制度對本集團的業務營運至關重要。本集團確保嚴格遵守所有相關監管標準，尤其是香港《僱傭條例》有關招聘、薪酬及遣散方面的規定。本集團的招聘程序強調經驗、資歷及知識之考慮，目的是確保因年齡、性別、婚姻狀況、家庭狀況、性別取向、殘疾、種族、國籍或宗教信仰的歧視不存在。經審慎考慮後，本集團確保潛在僱員於簽訂僱傭合約前已全面了解合約內容。本集團之合約內容包括職責、工時、假期、薪酬、終止程序及福利等僱傭條款。

本集團採取五天工作週安排，以促進工作與生活平衡。除《公眾假期條例》訂明的公眾假期（包括星期日）外，僱員可享有有薪年假、產假、侍產假、婚假及恩恤假。僱員亦可根據本集團之政策享有醫療福利、公積金計劃及其他福利。

本集團不斷評估薪酬及晉升機制，以與僱員分享集團的豐碩成果。本集團根據僱員的年度績效評核結果提供晉升及加薪機會作為激勵，除基本薪金外，僱員亦可享有雙糧及酌情花紅作為獎勵。

於解僱員工時，我們會嚴格遵守《僱傭條例》及僱傭合約所載之規定。

Environmental, Social and Governance Report

環境、社會及管治報告

Health and safety

Operations of the Group do not involve heavy machinery or labor intensive routines and are conducted in a safe office environment. The Group does acknowledge the potential health issues that exist in office settings, and therefore the Group promotes measures to talents of the Group from exposure to occupational diseases or injuries, no matter severe or minor.

The Group leverages on the promotional materials from Occupational Safety and Health Council regarding information on providing a safe working environment and protecting employees from occupational hazards in an office working environment. Further, the Group ensures full compliance towards Occupational Safety and Health Ordinance and applicable regulations that protected employees from occupation hazards. The Group did not experience any lost days due to injury or work-related fatalities during the reporting period.

The Group encourages contractors and business partners in placing great emphasis on health and safety issues, and the Group shares views with them, in particular, business partners that operate in factories.

Development and Training

The Group has a team of professionals to manage businesses of the Group, and it is, therefore, vital for the Group to support their continuous professional developments. For example, the Group provides financial support to trainings relevant to their profession, where necessary subsidies were given to employees for participation in training sessions which aim at enhancing their job skills. These trainings covered the areas such as management skill and leadership improvement, company's organization strategy and corporate culture, and employee's business knowledge. From time to time the Group also provides updates of regulatory requirements and standards to employees. In addition, the Group provides induction training materials for Directors.

In the face of the ever-evolving business landscape, the Group also places emphasis on the employees' learning experience gained through work assignments so as to build up their on-going job skills which benefit their career development.

健康與安全

本集團的業務營運並不涉及重型機械或勞工密集之工作程序，並提供安全的辦公環境。本集團明白辦公室環境中存在可能影響健康的問題，因此本集團為本集團的人才提供措施以減低任何重大或輕微的職業病或工傷。

本集團利用職業安全健康局有關提供安全工作環境及保障僱員於辦公室工作環境避免職業性危害的資料作為宣傳材料。此外，本集團確保已全面遵守《職業安全及健康條例》及適用法規以保障僱員免受職業性危害。本集團於報告期間並無因工傷或工作相關死亡事故而損失工作日數。

本集團鼓勵承包商及業務夥伴重視健康及安全問題，本集團向彼等（尤其是營運廠房的業務夥伴）分享吾等的觀點。

發展及培訓

本集團擁有一支專業團隊管理本集團的業務，因此本集團對彼等的持續專業發展的支持乃非常重要。例如，本集團就彼等的職業相關培訓提供財務支援，並於需要時為參與培訓課程的僱員提供資助以提升彼等的工作技能。該等培訓涵蓋的範疇包括提升管理技能和領導能力、公司組織策略和企業文化及僱員之業務知識。本集團不時向僱員提供監管規定及標準的最新資料。此外，本集團為董事提供入職培訓資料。

為面對不斷變化的商業環境，本集團亦重視僱員透過工作實踐獲得學習經驗，以增強僱員的現有工作技能，從而有利於僱員的職業發展。

Environmental, Social and Governance Report

環境、社會及管治報告

Labour Standards

The businesses of the Group involve specialised skill and higher level education standards and are not labour intensive in nature. As such, the Group does not employ under-age employees, and the Group does not engage in forced labour. The Group conveys its stance on child labour and forced labour to key business partners and if there is any confirmed report of such case in relation to business partners, the Group will conduct an investigation in detail and critically reconsider the relationships with such party. As part of the recruitment process, the Group performs a background check and a reference check where deemed necessary. Candidates who do not meet the legal requirements would not be hired. The Group fully complies with relevant regulations that prohibit child or forced labour.

Operating Practices

Supply chain management

The Group is in the trading business and the Group recognises the role in promoting sustainability issues within the industry. The Group, therefore, advocates the standards and expectations in respect of environment issues and labour practices to suppliers and business partners, with the expectation that they will uphold standards that are similar to that of the Group. The Group relentlessly assesses and monitors key business partners based on a wide range of aspects and standards, including attitude towards environmental and social issues, to evaluate the quality as well as their moral standards.

Product responsibility

Among all business lines, the Group does not have any packaged products being sold to general public. In the trading business, products are specialised industrial components with detailed specifications stipulated in trade contracts. The Group specified the product specifications in details and documented in sale and purchase contracts for each trading project. The commodities shall meet the guaranteed specifications for the completion of the trade. In the course of conducting such business, the Group made efforts to comply with the relevant laws and regulations that have a significant impact on the Group. The Group had not received any litigation regarding the health and safety, advertising, labeling and privacy matters during the year ended 31 December 2019.

勞工準則

本集團的業務涉及專門技能及高教育水平，並非勞工密集類型。因此，本集團並無僱用未成年僱員，亦無強制勞工。本集團向主要業務夥伴傳達其對童工及強制勞工的立場，倘若在獲得業務夥伴確認有關情況之報告下，本集團將進行詳細調查，本集團亦會審慎地重新考慮與有關人士的關係。作為招聘過程的部份，本集團會進行背景審查及如認為有需要時會審查參考資料。候選人如不符合法律規定將不會獲僱用。本集團全面遵守有關禁止童工或強制勞工的相關法規。

營運慣例

供應鏈管理

本集團從事貿易業務，並知悉本集團有責任促進業界的可持續發展事宜。因此，本集團向供應商及業務夥伴傳達環保事宜及勞工慣例的標準及期望，冀盼彼等將支持與本集團類似的標準。本集團不懈地評估及監督主要業務夥伴的不同方面及標準以評估彼等的質素及道德標準，包括對環境及社會事宜的態度。

產品責任

於所有業務線中，本集團並無向公眾出售任何包裝產品。於貿易業務中，產品是貿易合約所訂明具有詳細規格的專門工業部件。本集團就每項貿易項目於買賣合約中詳細訂明及記錄產品規格。商品將符合保證規格以完成貿易。於進行有關業務時，本集團致力遵守對本集團產生重大影響的相關法例及法規。截至二零一九年十二月三十一日止年度，本集團並無收到任何有關健康和安安全、廣告、標籤及私隱事宜的訴訟。

Environmental, Social and Governance Report

環境、社會及管治報告

Anti-corruption

The Group's commitment to preventing bribery, extortion, fraud and money laundering is one of the core values and the Group is committed to preventing bribery, extortion, fraud and money laundering in all businesses dealings or transactions of the Group. The Group has made available a whistle-blowing reporting channel to report any suspected fraud, malpractice, corruption, or any other unethical actions. It is the policy of the Group to maintain high moral standards in conducting businesses.

The Group has strictly adhered to relevant laws and regulations, including the Prevention of Bribery Ordinance. During the year ended 31 December 2019, there was no legal case or dispute in respect of bribery, extortion, fraud or money laundering against employees of the Group and the Group itself.

Community

Community investment

The Group is in the stage of expanding its business reach, and thus by far the customer bases are mainly formed by commercial business or strategic partners. The Group will continue to access which particular community the Group can direct community investment in. Nonetheless, the Group recognises the need to participate in the community and therefore the Group both encourages and motivates its employees to partake in communities. The Group from time to time motivates employees to volunteer, contribute to support and participate in community activities.

反貪污

本集團致力防止賄賂、勒索、欺詐和洗黑錢作為我們其中一項核心價值，並致力於本集團的所有業務往來或交易中防止賄賂、勒索、欺詐和洗黑錢。本集團提供了一個舉報渠道以舉報任何涉嫌欺詐、不法行為、貪污或任何其他不道德行為。本集團的政策是以高度的道德標準進行業務。

本集團一直嚴格遵守相關法例及法規，包括《防止賄賂條例》。於截至二零一九年十二月三十一日止年度，本集團的僱員及本集團並無牽涉任何賄賂、勒索、欺詐或洗黑錢的法律訴訟或糾紛。

社區

社區投資

本集團的業務層面正處於擴充的階段，因此於目前為止，客戶群主要為商業或策略性夥伴。本集團將繼續探索本集團可進行社區投資的特定社區。然而，本集團知悉參與社區的需要，因此本集團鼓勵及推動其僱員參與社區活動。本集團不時激勵僱員自願貢獻支持及參與社區活動。

Independent Auditor's Report

獨立核數師報告



To the member of Enviro Energy International Holdings Limited
(Incorporated in Cayman Islands with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of Enviro Energy International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 81 to 167, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and 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, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致環能國際控股有限公司股東
(於開曼群島註冊成立之有限公司)

保留意見

我們已審計環能國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第81至167頁的綜合財務報表，包括於二零一九年十二月三十一日的綜合財務狀況表，以及綜合損益表、綜合其他全面收益表、綜合權益變動表及截至該日止年度的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，除了在本報告中「保留意見的基礎」部份所述事項的可能影響外，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一九年十二月三十一日之綜合財務狀況，及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report

獨立核數師報告

BASIS OF QUALIFIED OPINION

Trade receivables, loan receivable, interest receivable, prepayments and consideration receivables

We have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of trade receivables of approximately HK\$17,812,000, loan receivable of approximately HK\$167,154,000, interest receivable of approximately HK\$22,468,000, prepayments for purchase of trading materials of approximately HK\$292,491,000 and consideration receivables of approximately HK\$130,601,000 as at 31 December 2019; as well as loan receivable of approximately HK\$170,764,000, interest receivable of approximately HK\$8,556,000, prepayments for purchase of trading materials of approximately HK\$293,824,000 and consideration receivables of approximately HK\$134,864,000 as at 31 December 2018. There are no other satisfactory audit procedures that we could adopt to determine whether any allowance for non-recovery of the amounts should be made and whether the related interest income is properly recorded in the consolidated financial statements.

Any adjustments to the figures as described above might have a consequential effect on the Group's financial performance and cash flows for the years ended 31 December 2019 and 2018 and the financial positions of the Group as at 31 December 2019 and 2018, and the related disclosures thereof in the consolidated financial statements.

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

保留意見的基礎

應收貿易賬款、應收貸款、應收利息、預付款項及應收代價

我們無法取得充足適當審計證據，以令我們信納於二零一九年十二月三十一日之應收貿易賬款約17,812,000港元、應收貸款約167,154,000港元、應收利息約22,468,000港元、採購貿易材料的預付款項約292,491,000港元及應收代價約130,601,000港元；以及於二零一八年十二月三十一日之應收貸款約170,764,000港元、應收利息約8,556,000港元、採購貿易材料的預付款項約293,824,000港元及應收代價約134,864,000港元是否可收回。概無其他我們可選擇採納的令人滿意的審計程序，以釐定是否應於綜合財務報表中就有關不可收回的款項作出任何撥備及是否妥善記錄相關利息收入。

上述數字的任何調整可能對 貴集團於截至二零一九年及二零一八年十二月三十一日止年度的財務表現及現金流量以及於二零一九年及二零一八年十二月三十一日的財務狀況及其於綜合財務報表的相關披露造成影響。

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」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），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保留意見提供基礎。

Independent Auditor's Report

獨立核數師報告

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to owners of the Company of approximately HK\$25,086,000 for the year ended 31 December 2019. In addition, as at 31 December 2019, the Group's bank and cash balances of approximately HK\$2,087,000 is insufficient to cover the current liabilities of approximately HK\$272,344,000. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the Basis for Qualified Opinion section and the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Investment properties

Refer to Note 20 to the consolidated financial statements

The Group measured its investment properties at fair value with the changes in fair value recognised in the consolidated profit or loss. This fair value measurement is significant to our audit because the balance of investment properties of approximately HK\$171,946,000 as at 31 December 2019 and the fair value loss of approximately HK\$2,270,000 for the year then ended are material to the consolidated financial statements. In addition, the Group's fair value measurement involves application of judgement and is based on assumptions and estimates.

與持續經營有關之重大不確定性

須注意的是，綜合財務報表附註2提述 貴集團於截至二零一九年十二月三十一日止年度產生 貴公司擁有人應佔虧損約25,086,000港元。此外，於二零一九年十二月三十一日， 貴集團之銀行及現金結餘約2,087,000港元不足涵蓋流動負債約272,344,000港元。有關情況顯示可能對 貴集團的持續經營能力產生重大疑慮的重大不確定性。我們就此事項的意見並無修改。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。除了「保留意見基準」及「與持續經營有關之重大不確定性」兩節中所述的事項外，我們確定以下事項為需要在報告中溝通的關鍵審計事項。

投資物業

參閱綜合財務報表附註20

貴集團以公允價值計量其投資物業，有關公允價值變動並於綜合損益表內確認。公允價值計量對我們的審計而言屬重大，因投資物業於二零一九年十二月三十一日之結餘約171,946,000港元及截至該日止年度公允價值虧損約2,270,000港元對綜合財務報表而言屬重大。此外， 貴集團之公允價值計量涉及判斷之應用並根據多個假設及估計。

Independent Auditor's Report

獨立核數師報告

Our audit procedures included, among others:

- Assessing the competence, independence and integrity of the external valuer engaged by client;
- Obtaining the external valuation report and meeting with the external valuer to discuss and challenge the valuation process, methodologies used and market evidence to support significant judgements and assumptions applied in the valuation model;
- Checking key assumptions and input data in the valuation model to supporting evidence;
- Checking arithmetical accuracy of the valuation model; and
- Assessing the disclosure of the fair value measurement in the consolidated financial statements.

We consider that the Group's fair value measurement of the investment properties is supported by the available evidence.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

我們的審計程序包括(其中包括):

- 評估客戶委聘之外部估值師之資格、獨立性及誠信;
- 取得外部估值報告並與外部估值師就估值程序、所使用的方法及支持重大判斷之市場證據及估值模型應用之假設進行討論及提出質疑;
- 檢查估值模型之主要假設及輸入數據;
- 檢查估值模型之計算準確性;及
- 評估綜合財務報表內公允價值計量之披露。

我們認為已取得的證據支持 貴集團對投資物業的公允價值計量。

其他信息

董事須對其他信息負責。其他信息包括在 貴公司年報內的所有信息(但不包括綜合財務報表及我們的核數師報告)。其他信息預期會在本核數師報告日後取得。

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

有關我們對綜合財務報表的審計，我們的責任是閱讀上述的其他信息(當取得時)，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。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

董事就綜合財務報表須承擔的責任

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

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

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不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向 閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report

獨立核數師報告

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report.

有關審計綜合財務報表的責任之進一步詳情載於香港會計師公會之網址：

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

本說明組成獨立核數師報告的一部分。

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Sze Lin Tang

Audit Engagement Director

Practising Certificate Number P03614

Hong Kong, 31 March 2020

中匯安達會計師事務所有限公司

執業會計師

施連燈

審計項目董事

執業證書編號 P03614

香港，二零二零年三月三十一日

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	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Revenue	收入	9	56,883	885,871
Cost of sales	銷售成本		(56,386)	(876,711)
Gross profit	毛利		497	9,160
Other gains, net	其他淨收益	10	69	18,261
Interest income	利息收入	11	15,736	22,126
Fair value change on investment properties	投資物業公允價值變動	20	(2,270)	(5,369)
Administrative and operating expenses	行政及經營開支		(21,560)	(35,211)
(Loss)/profit from operations	經營(虧損)/溢利		(7,528)	8,967
Finance costs	融資成本	12	(17,558)	(21,408)
Loss before tax	除稅前虧損	13	(25,086)	(12,441)
Income tax expense	所得稅開支	14	-	(2,090)
Loss for the year	年度虧損		(25,086)	(14,531)
Loss per share attributable to owners of the company (expressed in HK cent per share)	本公司擁有人 應佔每股虧損 (以每股港仙呈列)			(Restated) (經重列)
Basic and diluted	基本及攤薄	16	(5.55)	(3.21)

Consolidated Statement of Other Comprehensive Income

綜合其他全面收益表

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 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year	年度虧損	(25,086)	(14,531)
Other comprehensive loss, net of tax:	其他全面虧損，扣除稅項：		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目：</i>		
– Exchange differences arising on translation foreign operations	– 換算海外業務產生之匯兌差額	(12,432)	(9,465)
– Release of reserves upon disposal of subsidiaries	– 於出售附屬公司時儲備撥回	–	(3,121)
Other comprehensive loss for the year, net of tax	年度其他全面虧損，扣除稅項	(12,432)	(12,586)
Total comprehensive loss for the year	年度全面虧損總額	(37,518)	(27,117)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	650	750
Right-of-use assets	使用權資產	18	2,547	–
Loan receivable	應收貸款	19	–	170,764
Investment properties	投資物業	20	171,946	177,936
Intangible assets	無形資產		780	780
Rental deposits	租金按金		1,210	1,387
			177,133	351,617
Current assets	流動資產			
Loan receivable	應收貸款	19	167,154	–
Trade receivables	應收貿易賬款	22	17,812	18,211
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	23	446,981	441,949
Bank and cash balances	銀行結餘及現金		2,087	2,123
			634,034	462,283
Total assets	資產總額		811,167	813,900
Capital and reserves	資本及儲備			
Share capital	股本	26	22,620	22,620
Reserves	儲備		515,653	553,171
			538,273	575,791

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Deferred loan interest income – non-current portion	遞延貸款利息收入 – 非即期部分		55	1,163
Asset retirement obligation	資產退廢債務		495	495
			550	1,658
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	24	69,351	44,304
Lease liabilities	租賃負債		3,285	–
Deferred loan interest income – current portion	遞延貸款利息收入 – 即期部分		1,114	1,138
Shareholders' loan	股東貸款	30(b)	10,652	4,200
Loan from a related company	來自關連公司之貸款	30(c)	5,083	–
Bank borrowings	銀行貸款	25	180,526	184,425
Income tax payable	應付所得稅		2,333	2,384
			272,344	236,451
Total liabilities	負債總額		272,894	238,109
Total equity and liabilities	權益及負債總額		811,167	813,900

The consolidated financial statements on pages 81 to 167 have been approved by the Board of Directors on 31 March 2020 and are signed on its behalf by:

第81至167頁之綜合財務報表經董事會於二零二零年三月三十一日批准及由下列董事代表董事會簽署：

Li Sen
李森
Director
董事

Jiang Senlin
姜森林
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	22,620	1,092,712	19,980	68,487	(6,653)	(594,238)	602,908
Comprehensive loss	全面虧損							
Loss for the year	年度虧損	-	-	-	-	-	(14,531)	(14,531)
Other comprehensive loss	其他全面虧損							
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(9,465)	-	(9,465)
Release of reserve upon disposal of subsidiaries (Note 31)	於出售附屬公司時儲備撥回(附註31)	-	-	-	-	(3,121)	-	(3,121)
Total comprehensive loss	全面虧損總額	-	-	-	-	(12,586)	(14,531)	(27,117)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易							
Lapse of options (Note 28(b))	購股權失效(附註28(b))	-	-	-	(2,499)	-	2,499	-
At 31 December 2018	於二零一八年十二月三十一日	22,620	1,092,712	19,980	65,988	(19,239)	(606,270)	575,791
Comprehensive loss	全面虧損							
Loss for the year	年度虧損	-	-	-	-	-	(25,086)	(25,086)
Other comprehensive loss	其他全面虧損							
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(12,432)	-	(12,432)
Total comprehensive loss	全面虧損總額	-	-	-	-	(12,432)	(25,086)	(37,518)
Transactions with owner in their capacity as owners	與擁有人以擁有人之身份進行之交易							
Lapse of options (Note 28(b))	購股權失效(附註28(b))	-	-	-	(10,404)	-	10,404	-
At 31 December 2019	於二零一九年十二月三十一日	22,620	1,092,712	19,980	55,584	(31,671)	(620,952)	538,273

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損	(25,086)	(12,441)
Adjustments for:	就下列項目作出調整：		
Interest income	融資收入	(15,736)	(22,126)
Finance costs	融資成本	17,558	21,408
Depreciation of property, plant and equipment	物業、廠房及設備折舊	118	118
Depreciation of right-of-use assets	使用權資產折舊	2,778	-
Provision for expected credit loss	預期信貸虧損撥備	-	2,768
Fair value change on investment properties	投資物業公允價值變動	2,270	5,369
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(9,203)
Gain on disposal of asset held for sales	出售持作出售資產之收益	-	(7,137)
Gain on disposal of investment properties	出售投資物業之收益	-	(2,129)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(18,098)	(23,373)
Change in inventories	存貨變動	-	129
Change in trade receivables	應收貿易賬款變動	69	41,442
Change in deposit, prepayment and other receivables	按金、預付款項及其他應收款項變動	5,681	54,539
Change in trade and other payables	應付貿易賬款及其他應付款項變動	24,341	4,237
Cash generated from operations	經營所產生現金	11,993	76,974
Income tax paid	已付所得稅	-	(121)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營業務所得之現金淨額	11,993	76,853
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	1	12,271
Purchase of property, plant and equipment	購入物業、廠房及設備	(19)	(105)
Purchase of intangible asset	購入無形資產	-	(450)
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	出售附屬公司(扣除所出售之現金及現金等價物)	-	27,321
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	投資活動(所用)/所得現金淨額	(18)	39,037

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(17,186)	(21,408)
Interest on lease liabilities paid	已付租賃負債利息	(289)	-
Proceeds from bank borrowings	銀行貸款所得款項	180,526	-
Repayment of bank borrowings	償還銀行貸款	(184,425)	(185,977)
Proceeds from/(Repayment of) loan from a related company	關連公司貸款 所得/(償還)款項	5,000	(62,331)
Proceeds from shareholders' loan	股東貸款所得款項	6,452	2,200
Repayment of lease liabilities	償還租賃負債	(2,040)	-
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(11,962)	(267,516)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/ (減少)淨額	13	(151,626)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR, REPRESENTED BY BANK BALANCES AND CASH	年初之現金及現金等價物， 即為銀行結餘及現金	2,123	154,140
EXCHANGE DIFFERENCE ON CASH AND CASH EQUIVALENTS	現金及現等價物之匯兌差額	(49)	(391)
CASH AND CASH EQUIVALENTS AT END OF YEAR, REPRESENTED BY BANK BALANCES AND CASH	年終之現金及現等價物， 即為銀行結餘及現金	2,087	2,123

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law (Revised) of the Cayman Islands on 3 July 2002. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group is principally engaged in trading business, investment holding and properties investment via its subsidiary companies in the People's Republic of China (the "PRC") (the Company and its subsidiaries are thereafter referred as the "Group"). Details of its subsidiaries are set out in Note 21 to these consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2019, Able Victory Enterprises Limited, a company incorporated in the British Virgin Islands ("BVI"), is the immediate and ultimate holding company of the Company, and Mr. Li Sen ("Mr. Li"), an Executive Director and the Chairman of the Board, is the ultimate controlling party of the Company.

These consolidated financial statements are presented in Hong Kong dollars (HK\$), which is the Company's functional and the Group's presentation currency.

1. 一般資料

本公司根據開曼群島公司法(經修訂)於二零零二年七月三日在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。其主要營業地點之地址為香港灣仔告士打道39號夏慤大廈16樓1603-5室。本公司之股份在香港聯合交易所有限公司(「聯交所」)主板上市。

本集團主要透過其於中華人民共和國(「中國」)附屬公司(本公司及其附屬公司此後統稱為「本集團」)。從事貿易業務、投資控股及物業投資。其附屬公司之詳情載於此等綜合財務報表附註21。

本公司董事意見認為，於二零一九年十二月三十一日，董事會視於英屬處女群島(「英屬處女群島」)註冊成立之公司Able Victory Enterprises Limited為本公司之直接及最終控股公司，李森先生(「李先生」)(執行董事兼董事會主席)為本公司之最終控股方。

此等綜合財務報表乃以本公司之功能及本集團之呈列貨幣港元(港元)呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. GOING CONCERN BASIS

The Group incurred a loss attributable to owners of the Company of approximately HK\$25,086,000 for the year ended 31 December 2019. In addition, as at 31 December 2019, the Group's bank balance and cash of approximately HK\$2,087,000 is insufficient to cover the current liabilities of approximately HK\$272,344,000. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder, at a level sufficient to finance the working capital requirements of the Group. The controlling shareholder has agreed to provide adequate funds for the Group to meet its liabilities as they fall due. The directors of the Company are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 January 2019. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years except as stated below.

2. 持續經營基準

本公司擁有人應佔截至二零一九年十二月三十一日止年度虧損約25,086,000港元。此外，本集團於二零一九年十二月三十一日之銀行結餘及現金約2,087,000港元不足涵蓋流動負債約272,344,000港元。該等情況顯示可能對本集團持續經營能力產生重大疑慮。因此，本集團可能無法於正常業務過程中變現其資產並履行其責任。

該等綜合財務報表乃根據持續經營基準編製，其有效性取決於控股股東提供的財務支持足以撥付本集團營運資金所需的資金。控股股東已同意向本集團提供足夠資金以履行其到期的財務責任。本公司董事因此認為根據持續經營基準編製綜合財務報表屬合適做法。倘本集團不能持續經營，將需對綜合財務報表作出調整以調整本集團之資產價值至其可收回款額，以就任何可能產生的進一步負債作出撥備及重新分類非流動資產及負債分別為流動資產及負債。

3. 採納新增及經修訂香港財務報告準則

於本年度，本集團已採納與本身業務有關及由二零一九年一月一日起會計年度生效的所有香港會計師公會（「香港會計師公會」）頒佈的新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則、香港會計準則及詮釋。除下文所述者外，採納該等新訂及經修訂香港財務報告準則不會對本年度及過往年度本集團之會計政策、本集團綜合財務報表之呈列及所呈報之金額造成重大變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 16 Leases ("HKFRS 16")

On adoption of HKFRS 16, the Group recognised right-of-use assets and lease liabilities in relation to leases which had previously been classified as 'operating leases' under HKAS 17 "Leases."

At 1 January 2019:

Increase in right-of-use assets
Increase in lease liabilities

The incremental borrowing rate applied to the lease liabilities on 1 January 2019 is 7.3%.

The reconciliation of operating lease commitment to lease liabilities as at 1 January 2019 is set out below:

Operating lease commitment at 31 December 2018

Less:
Discounting

Lease liabilities as at 1 January 2019

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

3. 採納新增及經修訂香港財務報告準則 (續)

香港財務報告準則第16號「租賃」 (「香港財務報告準則第16號」)

於採納香港財務報告準則第16號時，本集團已就先前根據香港會計準則第17號「租賃」分類為「經營租賃」之租賃確認使用權資產及租賃負債。

1 January
2019
二零一九年
一月一日
HK\$'000
千港元

於二零一九年一月一日：

使用權資產增加 5,325
租賃負債增加 (5,325)

於二零一九年一月一日適用於租賃負債之遞增借貸利率為7.3%。

經營租賃承擔與於二零一九年一月一日之租賃負債之對賬載列如下：

1 January
2019
二零一九年
一月一日
HK\$'000
千港元

於二零一八年十二月三十一日之
經營租賃承擔

減：
折讓 (373)

於二零一九年一月一日之租賃負債 5,325

本集團尚未應用已頒布但尚未生效的新訂及經修訂香港財務報告準則。本集團已開始評估該等新訂及經修訂香港財務報告準則之影響，惟尚無法載述該等新訂及經修訂香港財務報告準則是否會對其營業績及財務狀況造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by investment properties, which are carried at their fair values.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

4. 重大會計政策

此等綜合財務報表乃按照香港會計師公會所頒布之香港財務報告準則、香港普遍採納之會計原則及香港聯合交易所有限公司證券上市規則及香港公司條例的適用披露規定而編製。

此等綜合財務報表乃根據歷史成本慣例編製，並就按公允價值列賬之投資物業作出修訂。

編製符合香港綜合財務報告準則的財務報表需要使用若干重大假設及估算。在應用會計政策時，董事亦需要作出判斷。涉及重大判斷及假設及估算對此等綜合財務報表屬重大之範圍於綜合財務報表附註5中披露。

於編製此等綜合財務報表時應用之重大會計政策載列如下。

綜合

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司指本集團擁有控制權的實體。倘本集團就參與實體所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報，則本集團對該實體有控制權。當本集團擁有現有權利使其現時能控制有關活動（即對實體回報有重大影響的活動）時，本集團對該實體擁有權力。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士所持有的潛在投票權，以釐定是否擁有控制權。潛在投票權僅於有關持有人擁有實質能力行使該權利時，方會予以考慮。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

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

4. 重大會計政策 (續)

綜合 (續)

附屬公司自控制權轉移至本集團之日起開始綜合入賬。彼等自喪失控制權之日起終止綜合入賬。

出售一間附屬公司而導致失去控制權的盈虧乃指(i)出售代價公允價值連同於該附屬公司保留的任何投資的公允價值與(ii)本公司分佔該附屬公司資產淨值連同與該附屬公司有關的任何餘下商譽以及任何相關累計外幣匯兌儲備兩者間的差額。

集團內公司間的交易、結餘及未變現溢利已予對銷。除非有證據顯示交易所轉讓的資產出現減值，未變現虧損亦會對銷。附屬公司的會計政策已作出必要變動，以確保與本集團所採納的政策保持一致。

非控股權益指附屬公司中並非由本公司直接或間接應佔的權益。非控股權益在綜合財務狀況表及綜合權益變動表的權益中列示。於綜合損益及其他全面收益表內，非控股權益呈列為在本公司非控股股東與擁有人之間的年度損益及全面收益總額分配。

即使會導致非控制權益出現虧絀，損益及其他全面收益各個組成部分歸屬於本公司擁有人及非控股股東。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

4. 重大會計政策 (續)

綜合 (續)

對於附屬公司擁有權之變動，若無導致本公司失去其控制權，則列作權益交易入賬（即與擁有人以其股東身份進行之交易）。控股及非控股權益之賬面值會作出調整，以反映彼等於附屬公司之相關權益變動。對非控股權益作出調整之金額與已付或已收代價之公允價值兩者間之任何差額會直接於權益確認，並歸屬予本公司股東。

業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。收購成本按所給予資產、所發行股本工具及所產生負債於收購日期之公允價值以及任何或然代價計量。收購相關成本於有關成本產生及接受服務之期間確認為開支。於收購時附屬公司之可識別資產及負債，均按其於收購日期之公平值計量。

收購成本超出本公司應佔附屬公司可識別資產及負債公允價值淨額之差額，入賬列作商譽。本公司應佔可識別資產及負債之公允價值淨額超出收購成本之差額，乃於綜合損益內確認為本公司應佔議價收購收益。

對於分段進行之業務合併，先前已持有之附屬公司之股權乃按其於收購日期之公允價值重新計量，而由此產生之損益於綜合損益表內確認。公允價值會加入至收購成本以計算商譽。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination and goodwill (Continued)

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investments at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

4. 重大會計政策 (續)

業務合併及商譽 (續)

倘先前已持有之附屬公司之股權之價值變動已於其他全面收益內確認(例如透過其他全面收益按公允價值列賬之股本投資)，則於其他全面收益確認之金額乃按在先前已持有之股權被出售的情況下所須之相同基準確認。

商譽於每年進行減值測試或倘出現可能減值之事宜或情況出現變動，則會作更頻密測試。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計算方法與其他資產所用者相同(誠如下文會計政策所述)。商譽之減值虧損於綜合溢利或虧損內確認且不會於其後撥回。就減值測試而言，商譽會被分配至受惠於收購之協同效益之現金產生單位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars. The functional currency of the Group's principal operating entities is Renminbi. The directors consider that choosing Hong Kong dollars as the presentation currency best suits the needs of the shareholders and investors.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

4. 重大會計政策 (續)

外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所載項目乃按實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列。本集團主要經營實體之功能貨幣為人民幣。董事認為選擇港元作呈列貨幣最能切合股東及投資者的需要。

(ii) 各實體財務報表的交易及結餘

外幣交易於初步確認時按交易日期的現行匯率換算為功能貨幣。以外幣為單位的貨幣資產及負債按於各報告期末的匯率換算。此換算政策產生的盈虧於損益內確認。

以外幣按公允價值計量的非貨幣項目採用釐定公允價值當日的匯率換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

(ii) Transactions and balances in each entity's financial statements (Continued)

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group's entities that have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

4. 重大會計政策 (續)

外幣換算 (續)

(ii) 各實體財務報表的交易及結餘 (續)

當非貨幣項目的盈虧於其他全面收益內確認時，該盈虧的任何匯兌部分則於其他全面收益內確認。當非貨幣項目的盈虧於損益內確認時，該盈虧的任何匯兌部分於損益內確認。

(iii) 綜合賬目的換算

本集團旗下所有功能貨幣有別於本集團呈列貨幣的實體，其業績及財務狀況按以下方式換算為本集團的呈列貨幣：

- 各財務狀況表呈列之資產及負債乃按財務狀況表日期之收市匯率換算；
- 收支乃按平均匯率換算（除非該平均匯率並非有關交易日期現行匯率累計影響之合理概約值，在該情況下，收支按有關交易當日之匯率換算）；及
- 所有因此而產生的匯兌差額均於匯兌儲備中確認。

於綜合賬目時，因換算於海外實體投資淨額及借貸而產生的匯兌差額均於外幣換算儲備中確認。當出售海外業務時，有關匯兌差額於綜合損益內確認為出售時產生的部分盈虧。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

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

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

Leasehold improvements	3 year or over the lease term, whichever is shorter
Computer equipment and software	2-3 years
Office equipment	5 years

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

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 重大會計政策 (續)

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。

物業、廠房及設備項目之成本包括其購買價及任何使資產達至營運狀況及地點作擬定用途之直接應佔成本。

其後成本僅於與該項目有關之未來經濟利益可能流入本集團，而該項目之成本能可靠計量時，方列入資產之賬面值或確認為獨立資產（如適用）。所有其他維修及維護於產生期間之損益確認。

折舊以直線法計量，以於彼等之估計可使用年期將資產之成本分配至其剩餘價值：

租賃裝修	3或租約年期 (以較短者為準)
電腦設備及軟件	2至3年
辦公室設備	5年

剩餘價值、可使用年期及折舊方法於各報告期末檢討及作出調整（如適用）。

出售物業、廠房及設備所產生的收益或虧損為相關資產的銷售所得款項淨額與賬面值之間的差額，並於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss.

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rate is as follows:

Office premises	33%
-----------------	-----

4. 重大會計政策 (續)

投資物業

投資物業為持作賺取租金及／或資本增值的土地及／或樓宇。投資物業初步按成本（包括物業應佔的所有直接成本）計量。

於初步確認後，投資物業根據外部獨立估值師的估值按公允價值列值。投資物業公允價值變動所產生之損益，乃於所產生期間之損益內確認。

出售投資物業的損益為物業的銷售所得款項淨額與賬面值之間的差額，並於損益中確認。

租賃

本集團作為承租人

租賃於租賃資產可供本集團使用時確認為使用權資產及相應租賃負債。使用權資產乃按成本減累計折舊及減值虧損列賬。使用權資產乃按資產使用年期與租賃期二者中較短者以直線法按撇銷其成本的折舊率折舊。主要年折舊率如下：

辦公室物業	33%
-------	-----

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as lessee (Continued)

Operating leases (Continued)

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US\$5,000.

The Group as lessor

Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

4. 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

經營租賃 (續)

使用權資產乃按成本(包括初步計量租賃負債金額、預付租賃款項、初步直接成本及恢復成本)計量。租賃負債包括使用租賃內所述利率(倘有關利率可予確定,否則以本集團的遞增貸款利率)折現租賃付款的現值淨額。各租賃付款於負債與融資成本之間分配。融資成本於租期內在損益內扣除,以使租賃負債餘額的利率固定。

與短期租賃相關的付款及低價值資產租賃於租期內以直線法在損益內確認為開支。短期租賃乃為初步租期為十二個月或以下的租賃。低價值資產為價值低於5,000美元的資產。

本集團作為出租人

經營租賃

資產擁有權的所有風險及回報實質上並無轉移至承租人的租賃作為經營租賃入賬。來自經營租賃的租金收入於相關租賃年期內以直線法確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Club membership

Club membership with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the club membership has suffered an impairment loss.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

4. 重大會計政策 (續)

會所會籍

擁有無限使用期的會所會籍以成本扣減任何減值虧損列賬。本集團會每年或於有跡象顯示會所會籍蒙受減值虧損時進行審閱。

確認及終止確認金融工具

金融資產及金融負債於本集團成為有關工具合約條文之訂約方時在綜合財務狀況表確認。

金融資產於以下情況終止確認：自資產收取現金流的合約權利屆滿時；本集團轉讓資產擁有權的絕大部分風險及回報；或本集團既無轉移亦無保留資產擁有權的絕大部分風險及回報，但並無保留資產之控制權時。於終止確認金融資產時，資產賬面值與已收代價總和之間的差額乃於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition and derecognition of financial instruments (Continued)

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified as financial assets at amortised cost.

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

4. 重大會計政策 (續)

確認及終止確認金融工具 (續)

金融負債於有關合約訂明的責任獲解除、註銷或屆滿時終止確認。已終止確認的金融負債的賬面值與已付代價之間的差額於損益確認。

金融資產

倘根據合約買賣金融資產，而合約條款規定須於有關市場所規定期限內交付資產，則該項資產按交易日基準確認入賬及終止確認，且初步按公允價值加直接交易成本確認，惟透過損益按公允價值列賬的投資則除外。收購透過損益按公允價值列賬的投資直接應佔的交易成本即時於損益確認。

本集團的金融資產分為按攤銷成本列賬之金融資產：

- 該項資產乃於一項目標為持有資產以收取合約現金流的業務模式中持有；及
- 該項資產的合約條款會導致於指定日期產生純為支付本金及未償還本金利息的現金流。

有關資產其後以實際利率法按攤銷成本扣除預期信貸虧損的虧損撥備計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("lifetime expected credit losses") for trade receivables or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

4. 重大會計政策 (續)

預期信貸虧損的虧損撥備

本集團就按攤銷成本列賬的金融資產的預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，當中以各自發生違約的風險作為加權。

於各報告期末，就應收貿易賬款或信貸風險自首次確認以來已大幅上升的金融工具而言，本集團按相當於金融工具預期年內所有可能出現的違約事件所產生的預期信貸虧損（「生命週期預期信貸虧損」）的金額計算該項金融工具的虧損撥備。

倘於各報告期末，金融工具（應收貿易賬款除外）的信貸風險自首次確認以來並無大幅上升，本集團按相當於生命週期預期信貸虧損中，代表該項金融工具於報告期間後十二個月內可能出現的違約事件所產生的預期信貸虧損部份的金額，計算該項金融工具的虧損撥備。

預期信貸虧損金額或為將報告期末虧損撥備調整至所需金額而作出的撥回乃於損益中確認為減值收益或虧損。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物指銀行及手頭現金、存放於銀行及其他金融機構的活期存款，以及可隨時轉換為已知金額現金，且價值變動風險不大的短期高流動性投資。現金及現金等價物的組成部分亦包括應要求償還，並構成本集團現金管理一部分的銀行透支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

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

Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 重大會計政策 (續)

金融負債及權益工具

金融負債及權益工具乃根據所訂立合約安排的內容及香港財務報告準則項下金融負債和權益工具的定義分類。權益工具為證明於本集團資產(經扣除其所有負債後)剩餘權益的任何合約。就特定金融負債及權益工具採納的會計政策載列如下。

貸款

貸款初步按公允價值(扣除所產生的交易成本後)確認,其後以實際利率法按攤銷成本計量。

除非本集團有權無條件將債務清償日期遞延至報告期末後至少12個月,否則貸款將被分類為流動負債。

應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步按公允價值列賬,其後以實際利率法按攤銷成本計量,惟貼現影響並不重大者除外,在該情況下,則按成本列賬。

權益工具

本公司所發行的權益工具按已收所得款項扣除直接發行成本入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; 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.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

4. 重大會計政策 (續)

客戶合約收入

收入按客戶合約所訂明的代價計量，當中會參考常見的業務慣例，且並不包括代表第三方收取的金額。至於客戶付款與轉讓承諾產品或服務期間相距超過一年的合約，有關代價會就重大融資部份的影響作出調整。

本集團會於透過向客戶轉讓產品或服務的控制權而完成一項履約責任時確認收入。視乎合約條款及適用於合約的法例，履約責任可於一段時間或特定時間點履行。在以下情況下，履約責任乃於一段間履行：

- 客戶同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於該項資產創建或增強時所控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

倘履約責任乃於一段時間履行，則收入乃參考履約責任的完成進度確認。否則，收入於客戶獲得產品或服務控制權時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other revenue

Interest income is recognised using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the at the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged in profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

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

4. 重大會計政策 (續)

其他收入

利息收入按實際利率法確認。

租金收入於租期內按直線法確認。

僱員福利

(i) 僱員休假權利

僱員享有之年假及長期服務假期於僱員獲得有關假期時確認。本公司已為僱員在計至報告期結日止所提供之服務而產生之年假及長期服務假之估計負債作出撥備。

僱員之病假及分娩假期權利於休假時方予確認。

(ii) 退休金責任

本集團向為全體僱員提供的定額供款退休計劃作出供款。本集團及僱員向計劃作出的供款按僱員基本薪金之指定百分比計算。於損益內扣除的退休福利計劃成本指本集團應付基金的供款。

(iii) 終止僱用福利

終止僱用福利於本集團再不能取消提供該等福利時及本集團確認重組成本當日及參與支付終止僱用福利時(以較早者為準)確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

4. 重大會計政策 (續)

以股份為基礎之付款

本集團向若干董事及僱員發行以權益結算並以股份為基礎的付款。以權益結算並以股份為基礎的付款按股本工具於授出日期的公允價值(不計非市場基礎歸屬條件的影響)計量。以權益結算並以股份為基礎的付款於授出日期釐定的公允價值就歸屬期按直線法支銷，並基於本集團對股份最終歸屬的估計及對非市場基礎歸屬條件的影響作出調整。

貸款成本

收購、建造或生產合資格資產(即需要經過相當長時間才能達到預定用途或銷售狀態之資產)直接應佔之貸款成本，會撥充該等資產成本之一部份，直至該等資產大致可作預定用途或銷售為止。就特定貸款而言，在其用於合資格資產前作臨時投資所賺取之投資收入，乃從合資格資本化之貸款成本中扣除。

在貸入有關資金乃整體上用於取得一項合資格資產的情況下，合資格撥充資本的貸款成本金額乃就資產開支應用特定的資本化比率釐定。資本化比率為適用於本集團於該期間內尚未償還貸款(特別就獲取合資格資產而借入之貸款除外)之加權平均借貸成本。

所有其他貸款成本於其產生期間在損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and its 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.

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.

4. 重大會計政策 (續)

稅項

所得稅指即期稅項及遞延稅項之總和。

即期應付稅項根據年度應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因其不包括其他年度應課稅或可扣稅收支項目，並進一步剔除從不課稅或從不可扣稅之項目。本集團之即期稅項責任使用於各報告期末已頒行或實際上已頒行的稅率計算。

遞延稅項乃就財務報表內資產及負債之賬面值與計算應課稅溢利所採用相應稅基之臨時差額予以確認。遞延稅項負債一般按所有應課稅暫時性差異確認，遞延稅項資產則於很可能有可用作對銷可扣減暫時性差異、未動用稅項虧損或未動用稅項抵免的應課稅溢利時方予以確認。如暫時性差異由商譽或首次確認於一項不影響應課稅溢利或會計溢利之交易中之其他資產及負債（業務合併除外）所產生，有關資產及負債不予確認。

遞延稅項負債就於附屬公司及聯營公司及合營公司的投資所產生的應課稅臨時差異予以確認，除非本集團可控制臨時差異的回撥，且臨時差異不大可能在可見將來回撥。

本集團會於各報告期末審閱遞延稅項資產之賬面值，並會扣減至不再可能有足夠應課稅溢利可供收回全部或部份有關資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities 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.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties are measured based on the expected manner as to how the properties will be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 重大會計政策 (續)

稅項 (續)

遞延稅項乃根據於各報告期末已頒行或實際上已頒行之稅率，按清還負債或變現資產之期間預期適用之稅率計量。遞延稅項乃於損益內確認，但倘其與於其他全面收益或直接於權益確認之項目有關則除外，於該情況下，遞延稅項亦會於其他全面收益或直接於權益中確認。

所計算之遞延稅項資產及負債反映本集團預期於報告期末收回或結清資產及負債賬面值之方法所帶來的稅務後果。

就計算使用公允價值模型計算的投資物業的遞延稅項而言，有關物業的賬面值乃假定會透過出售收回，有關假定被推翻除外。倘投資物業可予折舊，且為於本集團一項業務目標為透過隨時間（而非出售）消耗投資物業內含的絕大部份經濟利益的業務模式持有，則有關假定會被推翻。倘假定被推翻，有關投資物業的遞延稅項乃根據收回物業的預期方式計量。

倘有可依法強制執行權利將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產及負債與同一稅務機關所徵收的所得稅有關，而本集團有意按淨額基準結清其即期稅項資產及負債時，遞延所得稅資產與負債互相抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

A related party is a person or entity that is related to the Group.

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

4. 重大會計政策 (續)

有關連人士

有關連人士為與本集團有關連的人士或實體。

- (a) 倘一名人士符合以下條件，該名人士或其近親即為與本集團有關連：
 - (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的主要管理人員。
- (b) 倘一間實體符合以下任何條件，其即為與本集團有關連（報告實體）：
 - (i) 該實體與本公司為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互有關連）。
 - (ii) 其中一間實體為另一間實體的聯營公司或合營公司（或其中一間實體為另一間實體所屬集團成員公司的聯營公司或合營公司）。
 - (iii) 兩間實體均為同一第三方的合營公司。
 - (iv) 其中一間實體為一名第三方的合營公司，而另一間實體為該第三方的聯營公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (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. If the Group is itself such a plan, the sponsoring employers are also 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 Company or to a parent of the Company.

4. 重大會計政策 (續)

有關連人士 (續)

(b) (續)

- (v) 該實體乃為本集團或與本集團有關連的實體的僱員福利而設的退休福利計劃。倘本集團本身為該計劃，提供資助的僱主亦為與本集團有關連。
- (vi) 該實體為受(a)項所識別人士控制或共同控制。
- (vii) (a)(i)段所識別對實體有重大影響力或為該實體(或該實體母公司)主要管理人員之人士。
- (viii) 向本公司或本公司母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets other than receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal 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.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4. 重大會計政策 (續)

資產減值

於各報告期末，本集團會審閱其有形資產及無形資產（應收款項除外）之賬面值，以評估該等資產是否有蒙受減值虧損之跡象。若出現任何有關跡象，將會估計資產之可收回金額，以釐定任何減值虧損之程度。如未能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

可收回金額為公允價值減出售成本及使用價值（以較高者為準）。於評估使用價值時，估計未來現金流使用反映當前市場對金錢時間價值之評估及資產特定風險之稅前貼現率貼現至其現值。

倘本集團估計某項資產或現金產生單位的可收回金額將低於其賬面值，則該項資產或現金產生單位的賬面值會下調至其可收回金額。減值虧損即時於損益中確認，惟按重估金額計算的相關資產除外，於該情況下，減值虧損作為重估值減少處理。

倘減值虧損其後撥回，資產或現金產生單位之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不會超過於過往年度並後就資產（或現金產生單位）確認減值虧損而原應釐定之賬面值（經扣除攤銷或減值）為限。減值虧損撥回即時於損益中確認，惟按重估金額計算的相關資產除外，於該情況下，減值虧損撥回作為重估值增加處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present 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 expenditures 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 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 is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

4. 重大會計政策(續)

撥備及或然負債

倘本集團因過往事件而須於現時承擔法定或推定責任，且履行該等責任可能導致經濟利益流出，而所涉及的金額能可靠估計時，則會就時間或數額未明的負債確認撥備。倘金錢的時間價值重大，則撥備會以預計履行責任的開支的現值呈列。

倘不大可能需要經濟利益流出，或無法對有關數額作出可靠估計，則有關責任會披露為或然負債，惟經濟利益流出的可能性極低則除外。須視乎某件或多件未來事件是否發生或不發生方能確定存在與否的可能責任，亦會披露為或然負債，惟經濟利益流出的可能性極低則除外。

報告期後事項

提供有關本集團於報告期末的狀況或顯示持續經營假設不適用的其他資料的報告期後事項均為調整事項，並於財務報表內反映。並不屬調整事項的報告期後事項如屬重大，則於財務報表附註中披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

(a) *Going concern basis*

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder at a level sufficient to finance the working capital requirements of the Group. Details are explained in note 2.

(b) *Deferred tax for investment properties*

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the directors have rebutted the presumption that investment properties measured using the fair value model are recovered through sale.

5. 關鍵判斷及主要估計

應用會計政策時作出的重大判斷

於應用會計政策時，董事曾作出以下對財務報表內所確認金額有最重大影響的判斷。

(a) *持續經營基準*

該等綜合財務報表乃根據持續經營基準編製，其有效性取決於控股股東提供的財務支持足以撥付本集團營運資金所需的資金。詳情已於附註2闡述。

(b) *投資物業的遞延稅項*

就計算使用公允價值模型計算的投資物業的遞延稅項而言，董事已審視本集團之投資物業組合，得出結論本集團之投資物業於一項目標為透過隨時間（而非出售）消耗投資物業內含的絕大部份經濟利益的業務模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事已推翻有關使用公允價值模型計算的投資物業透過出售收回的假定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

(b) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade, loans, and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

5. 關鍵判斷及主要估計(續)

估計不確定性的主要來源

以下為於報告期末有關未來之主要假設及估計不確定性的其他主要來源，有關假設及不確定因素有極大風險導致資產及負債賬面值於下一個財政年度內出現重大調整。

(a) 投資物業的公允價值

本集團委任獨立專業估值師評估投資物業的公允價值。於釐定公允價值時，估值師運用涉及若干估計的估值方法。董事已作出判斷並信納有關估值方法可能映當前的市況。

(b) 呆壞賬減值虧損

本集團根據對應收貿易賬款、貸款及其他應收款項可收回性所作出的評估作出呆壞賬減值虧損，有關評估包括各債務人現時的信用度及過往收款經驗。減值於發生事件或情況有變顯示結餘可能無法收回時便會產生。識別呆壞賬需要作出判斷及估計。倘實際結果與原先估計有所不同，有關差額將對估計出現變動年度的應收貿易賬款及其他應收款項賬面值及呆壞賬開支造成影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(c) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

5. 關鍵判斷及主要估計(續)

估計不確定性的主要來源(續)

(c) 所得稅

本集團須繳納若干司法權區的所得稅。於釐定所得稅撥備時，須作出重大估計。於日常業務過程中存在多項最終稅項的釐定具有不確定性的交易及計算。倘該等事宜的最終稅項結果與初步入賬的金額不同，有關差額將影響作出釐定期間的所得稅及遞延稅項撥備。

6. 財務風險管理

本集團的業務活動令其面對多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃集中於金融市場的不確定性，並尋求將對本集團財務表現的潛在不利影響降至最低。

(a) 外幣風險

由於大部份業務交易、資產及負債主要以本集團之功能貨幣計值，本集團承受之外幣風險極微。本集團現時並無有關外幣交易、資產及負債的外幣對沖政策。本集團將密切監察外幣風險，並將於有需要時考慮對沖重大外幣風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The carrying amount of the cash and bank balances, investment at fair value through profit or loss, trade, loans and other receivables included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history. The credit risk on bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

As at 31 December 2019, in respect of trade receivables, the Group is exposed to concentration of credit risk to the extent that HK\$7,755,000 (2018: HK\$7,923,000) of trade receivables is attributable by a customer. In order to minimise the credit risk, the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- internal credit rating;
- external credit rating (if available);

6. 財務風險管理 (續)

(b) 信貸風險

財務狀況表內所示現金及銀行結餘、透過損益按公允價值列賬之投資、應收貿易賬款、貸款及其他應收款項的賬面值，為本集團就其金融資產所面臨的最高信貸風險。

本集團的既定政策為確保向具備合適信貸歷史的客戶進行銷售。銀行及現金結餘的信貸風險有限，原因是交易對手乃獲國際信貸評級機關給予高信貸評級之銀行。

於二零一九年十二月三十一日，就應收貿易賬款而言，本集團面臨集中之信貸風險為來自一名客戶的7,755,000港元(二零一八年：7,923,000港元)應收貿易賬款。為將信貸風險減至最低，本集團已委派一組人員，專責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。此外，本集團亦檢討各筆債項於各報告期末的可收回金額，以確保已就不能收回金額提撥充足減值虧損。

於各報告期內，本集團透過比較金融資產於報告日期的違約風險與首次確認日期的違約風險，持續評估金融資產的信貸風險是否已大幅增加。其會考慮可得的合理並有證據支持的前瞻性資料，尤其為使用以下資料：

- 內部信貸評級；
- 外部信貸評級(如有)；

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

6. 財務風險管理 (續)

(b) 信貸風險 (續)

- 業務、財務或經濟狀況出現或預期會出現重大不利變動，預期會令借款人履行其責任的能力大幅改變；
- 借款人的營運業績出現或預期會出現重大變動；
- 同一借款人的其他金融工具的信貸風險大幅上升；
- 抵押品價值或擔保或信貸增級的質素出現重大變動；及
- 借款人的預期表現及行為出現重大變動，包括借款人的付款狀況變動。

倘債務人的合約付款逾期超過30日，信貸風險會被假定為已大幅上升。當對手方未能於合約付款到期後60日內作出付款，即屬金融資產違約。

金融資產於合理預期無法收回(例如債務人無法與本集團達成還款計劃)時撇銷。本集團通常會於債務人的合約付款逾期超過360日後將有關貸款或應收款項分類為撇銷。倘貸款或應收款項經已撇銷，則本集團(在實際可行及符合經濟效益的情況下)會繼續採取強制執行行動嘗試收回到期應收款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The Group uses two categories for non-trade loan and other receivables which reflect their credit risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category 類別	Definition 定義	Loss provision 虧損撥備
Performing 履約	Low risk of default and strong capacity to pay 違約風險低及付款能力強	12 month expected losses 12個月預期虧損
Non-performing 不良	Significant increase in credit risk 信貸風險大幅上升	Lifetime expected losses 生命週期預期虧損

6. 財務風險管理 (續)

(b) 信貸風險 (續)

本集團將非交易貸款及其他應收款項分為兩類，有關分類反映彼等的信貸風險，以及為各類別釐定虧損撥備的方法。於計算預期信貸虧損率時，本集團會考慮各類別的歷史虧損率，並會就前瞻性數據作出調整。

		Consideration receivable from disposal of assets classified as held for sale 出售分類為 持作出售資產 應收代價 HK\$'000 千港元	Consideration receivable from disposal of assets classified as held for sale 出售分類為 持作出售資產 應收代價 HK\$'000 千港元	Interest receivable 應收利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日	84,691	47,322	23,603	155,616
Provision for loss allowance	虧損撥備	(650)	(762)	(1,135)	(2,547)
Net carrying amounts	賬面淨值	84,041	46,560	22,468	153,069
At 31 December 2018	於二零一八年 十二月三十一日	87,329	49,034	9,762	146,125
Provision for loss allowance	虧損撥備	(809)	(690)	(1,206)	(2,705)
Net carrying amounts	賬面淨值	86,520	48,344	8,556	143,420

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

All of these loans are considered to have low risk and under the 'Performing' category because they have a low risk of default and have strong ability to meet their obligations.

6. 財務風險管理 (續)

(b) 信貸風險 (續)

所有該等貸款被視為擁有低風險，由於其違約風險低及有強大能力應付彼等的責任，故獲分類至「履約」類別。

		Consideration receivable from disposal of investment properties 出售投資物業應收代價 HK\$'000 千港元	Consideration receivable from disposal of assets classified as held for sale 出售分類為持作出售資產應收代價 HK\$'000 千港元	Interest receivable 應收利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Expected credit loss rate 2019	預期信貸虧損率 二零一九年	1%	1%	12%	
2018	二零一八年	1%	1%	12%	
Loss allowance at 1 January 2018	二零一八年 一月一日的 虧損撥備	-	-	-	-
Increase in provision during year ended 31 December 2018	於截至二零一八年 十二月三十一日止 年度撥備增加	809	690	1,206	2,705
Loss allowance at 31 December 2018	於二零一八年 十二月三十一日 的虧損撥備	809	690	1,206	2,705
Increase in provision during year ended 31 December 2018	於截至二零一八年 十二月三十一日止 年度撥備增加	(159)	72	(71)	(158)
Loss allowance at 31 December 2019	於二零一九年 十二月三十一日 的虧損撥備	650	762	1,135	2,547

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

6. 財務風險管理 (續)

(c) 流動資金風險

本集團的政策為定期監控當前及預期流動資金需要，以確保其維持足夠現金儲備應付其短期及長期的流動資金需要。

本集團金融負債的到期日分析如下：

		Less than 1 year 一年以下 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日		
Trade and other payables	應付貿易賬款及 其他應付款項	68,922	68,922
Bank borrowings and interest payable	銀行貸款及 應付利息	197,189	197,189
Lease liabilities	租賃負債	3,427	3,427
Shareholders' loan	股東貸款	10,652	10,652
Loan from a related company	來自關連公司之貸款	5,411	5,411
At 31 December 2018	於二零一八年 十二月三十一日		
Trade and other payables	應付貿易賬款及 其他應付款項	39,694	39,694
Bank borrowings and interest payable	銀行貸款及 應付利息	201,523	201,523
Shareholder's loan	股東貸款	4,200	4,200

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances due to the fluctuation of the prevailing market interest rate. The directors consider the Group's exposure of the bank balances to cash flow interest rate risk is not significant as the interest rate fluctuation on bank balances is minimal. The Group currently does not have any interest rate hedging policy in relation to interest rate risks. The directors monitor the Group's exposure on an ongoing basis and will consider hedging interest rate risk should the need arise.

As the Group has no significant interest-bearing assets and liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates.

(e) Categories of financial instruments

Financial assets	金融資產
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本列賬的金融資產 (包括現金及現金等價物)
Financial liabilities	金融負債
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 財務風險管理 (續)

(d) 利率風險

由於現行市場利率波動，本集團面對與浮息銀行結餘有關的現金流量利率風險。董事認為，由於銀行結餘之利率波動極微，因此本集團之銀行結餘所承擔之現金流量利率風險並不重大。本集團目前並無就利率風險制定任何利率對沖政策。董事會持續監控本集團之風險，在有需要時將會考慮對沖利率風險。

本集團並無重大計息資產及負債，而本集團的經營現金流量大致上獨立於市場利率變動。

(e) 金融工具分類

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets		
Financial assets at amortised cost (including cash and cash equivalents)	341,363	335,938
Financial liabilities		
Financial liabilities at amortised cost	268,468	228,319

(f) 公允價值

綜合財務狀況表內所反映的本集團金融資產及金融負債賬面值與其各自的公允價值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

7. 公允價值計量

公允價值為在市場參與者於計量日期進行之有序交易中就出售資產所收取或就轉讓負債所支付之價格。下文披露按公允價值層級計算的公允價值，其按估值技術中用以計量公允價值的輸入數據分為三個層級：

第一級輸入：本集團於計量日期可取得的相同資產或負債於活躍市場中的報價（未經調整）。

第二級輸入：第一級包括的報價以外，資產或負債可直接或間接觀察得出的輸入數據。

第三級輸入：資產或負債的不可觀察輸入數據。

本集團的政策為於發生導致轉撥的事件或情況變動當日確認三個層級間轉入及轉出

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. FAIR VALUE MEASUREMENTS (Continued)

7. 公允價值計量 (續)

(a) Disclosures of level in fair value hierarchy at 31 December:

(a) 於十二月三十一日之公允價值層級披露：

Description	概述	Fair value measurements using: 使用以下層級計量的公允價值：			Total 總計
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Recurring fair value measurements:	經常性公允價值計量：				
Investment properties Commercial – PRC	投資物業 商用－中國	–	171,946	–	171,946
Total recurring fair value measurements	經常性公允價值計量 總計	–	171,946	–	171,946

Description	概述	Fair value measurements using: 使用以下層級計量的公允價值：			Total 總計
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Recurring fair value measurements:	經常性公允價值計量：				
Investment properties Commercial – PRC	投資物業 商用－中國	–	177,936	–	177,936
Total recurring fair value measurements	非經常性公允價值計量 總計	–	177,936	–	177,936

(b) Reconciliation of assets measured at fair value based on level 3

(b) 根據第三級按公允價值計量的資產的對賬

		2018 二零一八年 Total 總計 HK\$'000 千港元
Investment properties	投資物業	
At 1 January 2018	於二零一八年一月一日	168,780
Disposal through a subsidiary	透過附屬公司出售	(29,580)
Transfers to Level 2	轉至第二級	(139,200)
At 31 December 2018	於二零一八年十二月三十一日	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. FAIR VALUE MEASUREMENTS (Continued)

(b) Reconciliation of assets measured at fair value based on level 3 (Continued)

During the year the year ended 31 December 2018, investment properties amounting to RMB116,000,000 (equivalent to HK\$139,200,000) were transferred from measurement based on level 3 to level 2 as a result of change of valuation method.

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements

The Board is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes. The following table give information about how the fair value of the Group's investment properties carried at fair value are determined.

Level 2 fair value measurements

第二級公允價值計量

Description 概述	Valuation technique 估值技術	Inputs 輸入數據	Fair value 公允價值 2019 二零一九年 HK\$'000 千港元
Investment properties – PRC 投資物業 – 中國	Market comparable approach 市場比較法	Price per square metre 每平方米價格	171,946
Description 概述	Valuation technique 估值技術	Inputs 輸入數據	Fair value 公允價值 2018 二零一八年 HK\$'000 千港元
Investment properties – PRC 投資物業 – 中國	Market comparable approach 市場比較法	Price per square metre 每平方米價格	177,936

7. 公允價值計量 (續)

(b) 根據第三級按公允價值計量的資產的對賬 (續)

截至二零一八年十二月三十一日止年度，投資物業款額人民幣116,000,000元（相當於139,200,000港元）因估值方法變動而由根據第三級計量轉撥至根據第二級計量。

(c) 本集團所使用估值程序及公允價值計量所使用的估值技術及輸入數據的披露

董事會負責財務報告所要求的資產及負債公允價值計量。下表提供有關釐定本集團按公允價值列賬之投資物業計算公允價值之方法。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION

In a manner consistent with the way in which information is reported internally to the chief executive officer (the “CEO”), the Group has presented the following reportable segments:

- (i) Properties investment
- (ii) Investment holding
- (iii) Trading business

For the purposes of assessing segment performance and allocating resources between segments, the CEO monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

- (a) Segment assets include all tangible and intangible assets and current assets with the exception of right-of-use assets, rental deposits, intangible assets and other unallocated head office corporate assets.
- (b) Segment liabilities include all liabilities with the exception of lease liabilities, shareholders’ loan, loan from a related company, asset retirement obligation and other unallocated head office corporate liabilities.
- (c) Segment results are allocated to reportable segments with reference to sales generated and expenses incurred by those segments, together with other gains, net, fair value change of investment properties, and administrative and operating expenses.

The amounts provided to the CEO with respect to the information mentioned above are measured in a manner consistent with that of the consolidated financial statements.

8. 分部資料

與內部呈報資料予行政總裁(「行政總裁」)之方式一致，本集團呈列以下可呈報分部：

- (i) 物業投資
- (ii) 投資控股
- (iii) 貿易業務

為評估分部之表現及各分部間之資源分配，行政總裁按以下基準監察各可呈報分部之業績、資產及負債：

- (a) 分部資產包括所有有形及無形資產以及流動資產，但不包括使用權資產、租金按金、無形資產及其他未分配總辦事處企業資產。
- (b) 分部負債包括所有負債，但不包括租賃負債、股東貸款、來自關連公司之貸款、資產退廢債務及其他未分配總辦事處企業負債。
- (c) 分部業績參考該等分部所產生之銷售及開支，連同其他淨收益、投資物業公允價值變動、及行政及經營開支而分配至可呈報分部。

向行政總裁所提供有關上述資料的金額乃以與綜合財務報表所載者一致的方式計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue, results, certain assets, liabilities and capital expenditures for the Group's reportable segments is as follows:

8. 分部資料(續)

本集團可呈報分部之本集團收入、業績、若干資產、負債及資本開支之分析如下：

		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the year ended 31 December 2019	截至二零一九年 十二月三十一日止年度				
Segment revenue	分部收入	301	-	56,582	56,883
Gross profit	毛利	301	-	196	497
Other gains, net	其他淨收益	6	-	-	6
Fair value change on investment properties	投資物業公允價值變動	(2,270)	-	-	(2,270)
Administrative and operating expenses	行政及經營開支	(1,252)	-	(1,239)	(2,491)
Segment results	分部業績	(3,215)	-	(1,043)	(4,258)
Unallocated:	未分配：				
Other gains, net and interest income	其他淨收益及利息收入				15,799
Administrative and operating expenses	行政及經營開支				(19,069)
Operating loss	經營虧損				(7,528)
Finance costs	融資成本				(17,558)
Loss before tax	除稅前虧損				(25,086)
Income tax expense	所得稅開支				-
Loss for the year	年度虧損				(25,086)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日				
Segment assets	分部資產	309,319	3	307,830	617,152
Unallocated assets	未分配資產				194,015
Total assets	資產總額				811,167
Segment liabilities	分部負債	(215,940)	(4,610)	(5,586)	(226,136)
Unallocated liabilities	未分配負債				(46,758)
Total liabilities	負債總額				(272,894)
For the year ended 31 December 2019	截至二零一九年 十二月三十一日止年度				
Capital expenditures	資本開支	-	19	-	19

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the year ended 31 December 2018	截至二零一八年 十二月三十一日止年度				
Revenue from external customers	來自外部客戶之收入	4,270	–	881,601	885,871
Gross profit	毛利	4,270	–	4,890	9,160
Other gains, net	其他淨收益	11,688	–	(2,654)	9,034
Gain on disposal of subsidiaries	出售附屬公司之收益	9,203	–	–	9,203
Fair value change on investment properties	投資物業公允價值變動	(5,369)	–	–	(5,369)
Administrative and operating expenses	行政及經營開支	(2,570)	–	(11,973)	(14,543)
Segment results	分部業績	17,222	–	(9,737)	7,485
Unallocated:	未分配：				
Other gains, net and interest income	其他淨收益及利息收入				22,150
Administrative and operating expenses	行政及經營開支				(20,668)
Operating profit	經營溢利				8,967
Finance costs	融資成本				(21,408)
Loss before tax	除稅前虧損				(12,441)
Income tax expense	所得稅開支				(2,090)
Loss for the year	年度虧損				(14,531)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日				
Segment assets	分部資產	319,287	85	314,683	634,055
Unallocated assets	未分配資產				179,845
Total assets	資產總額				813,900
Segment liabilities	分部負債	(202,122)	(4,610)	(4,770)	(211,502)
Unallocated liabilities	未分配負債				(26,607)
Total liabilities	負債總額				(238,109)
For the year ended 31 December 2018	截至二零一八年 十二月三十一日止年度				
Capital expenditures	資本開支	-	105	-	105

The Group's non-current assets other than loan receivable as at 31 December 2019 and 2018 are further analysed by geographical location as follows:

本集團於二零一九年及二零一八年十二月三十一日之非流動資產(除應收貸款外)按地理位置之進一步分析如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	5,167	2,901
The PRC	中國	171,966	177,952
		177,133	180,853

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. SEGMENT INFORMATION (Continued)

Revenue individually generated from the following customers contributed more than 10% of the total revenue of the Group:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶A	–	261,485
Customer B	客戶B	–	145,646
Customer C	客戶C	–	135,263
Customer D	客戶D	–	102,541
Customer E	客戶E	–	101,741
Customer F	客戶F	16,603	–
Customer G	客戶G	14,001	–
Customer H	客戶H	12,098	–
Customer I	客戶I	9,919	–

All revenue from external customers were derived in the PRC.

8. 分部資料(續)

從以下個別客戶錄得的收入佔本集團總收入10%以上：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	–	261,485
Customer B	–	145,646
Customer C	–	135,263
Customer D	–	102,541
Customer E	–	101,741
Customer F	16,603	–
Customer G	14,001	–
Customer H	12,098	–
Customer I	9,919	–

所有來自外部客戶之收入均來自中國。

9. REVENUE

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade of materials	材料貿易	56,582	881,601
Revenue from contracts with customers	客戶合約收入	56,582	881,601
Rental income	租金收入	301	4,270
Total revenue	總收入	56,883	885,871

All revenue from contract with customers are derived in the PRC and recognised at a point time.

9. 收入

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade of materials	56,582	881,601
Revenue from contracts with customers	56,582	881,601
Rental income	301	4,270
Total revenue	56,883	885,871

所有來自合約客戶之收入均來自中國，並在某一時間點確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. OTHER GAINS, NET

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gain on disposal of subsidiaries	出售附屬公司之收益	-	9,203
Gain on disposal of assets held for sale	出售持作銷售資產之收益	-	7,137
Gain on disposal of investment properties	出售投資物業之收益	-	2,129
Expected credit loss	預期信貸虧損	-	(2,768)
Others, net	其他，淨額	69	2,560
		69	18,261

10. 其他淨收益

11. INTEREST INCOME

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank interest income	銀行利息收入	1	89
Interest income from entrusted loan	來自委託貸款之利息收入	-	282
Interest income from loan receivables	來自應收貸款之利息收入	15,735	21,755
		15,736	22,126

11. 利息收入

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. FINANCE COSTS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	289	–
Interest on loan from a related company	來自關連公司貸款之利息	171	–
Interest on bank borrowings wholly repayable within one year	須於一年內全數償還之銀行貸款的利息	17,098	21,408
		17,558	21,408

12. 融資成本

13. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of inventories sold	售出存貨成本	56,386	876,711
Depreciation of property, plant and equipment	物業、廠房及設備折舊	118	118
Depreciation of right-of-use assets	使用權資產折舊	2,778	–
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	1,050	1,050
– Non-audit services	– 非核數服務	50	–
Short-term lease payments	短期租賃款項	255	3,636
Staff costs, including directors' emoluments	僱員開支(包括董事酬金)		
– Salaries, allowances and other benefits	– 薪金、津貼及其他福利	9,171	6,276
– Retirement benefit scheme contributions	– 退休福利計劃供款	224	151
– Social insurance	– 社會保險	129	132
Exchange loss, net	匯兌虧損淨額	8	39

13. 除稅前虧損

本集團之除稅前虧損已扣除下列各項：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. INCOME TAX EXPENSES

Enterprise Income Tax, provision for the year 企業所得稅，年內撥備

No Hong Kong Profits Tax has been provided as the Group did not have any assessable profits in Hong Kong for the year ended 31 December 2019 (2018: nil).

Enterprise Income Tax has been provided at a rate of 25% for subsidiaries in the PRC on its assessable profits during the year ended 31 December 2018. No provision for Enterprise Income Tax has been made for the year ended 31 December 2019 as the Group did not have any assessable profits in the PRC.

The tax on the Group's loss before tax differs from the theoretical amount that would arise using domestic income tax rate applicable to losses/profits of the consolidated entities as follows:

	除稅前虧損
Loss before tax	除稅前虧損
Tax calculated at the domestic income tax rate in the respective countries	按各國國內所得稅稅率計算之稅項
Tax effect of:	以下項目之稅務影響：
– income not subject to tax and expenses not deductible	– 毋須課稅收入及不可扣稅開支
– tax losses not recognised	– 未確認稅項虧損
Income tax expense	所得稅開支

14. 所得稅開支

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
–	2,090

由於本集團截至二零一九年十二月三十一日止年度並無於香港產生應課稅溢利，故並無就香港利得稅作出撥備（二零一八年：無）。

截至二零一八年十二月三十一日止年度，中國附屬公司之企業所得稅乃就其應課稅溢利按稅率25%計提撥備。截至二零一九年十二月三十一日止年度，由於本集團於中國並無產生任何應課稅溢利，故並無就企業所得稅計提撥備。

本集團除稅前虧損之稅項，有別於根據合併實體適用的國內所得稅稅率計算所得的虧損／溢利的理論金額，列載如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(25,086)	(12,441)
(6,272)	(3,110)
4,902	2,420
1,370	2,780
–	2,090

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. INCOME TAX EXPENSES (Continued)

The Group has unrecognised deferred tax assets from estimated tax losses of approximately HK\$43,247,000 (2018: HK\$41,877,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time. As at 31 December 2019, the unrecognised deferred tax assets from estimated tax losses arising from the subsidiaries in the PRC are approximately HK\$29,424,000 (2018: HK\$28,054,000), which would expire in five years from the respective year of loss. Also the unrecognised deferred tax assets from estimated tax losses relating to subsidiaries in Hong Kong are approximately HK\$13,823,000 (2018: HK\$13,823,000) that have no expiry date.

15. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2019 (2018: nil).

14. 所得稅開支(續)

本集團就估計稅項虧損有未確認遞延稅項資產約43,247,000港元(二零一八年: 41,877,000港元), 可用以抵銷產生虧損公司的日後應課稅溢利。由於虧損源自己有一段時間錄得虧損的附屬公司, 故並無就該等虧損確認遞延稅項資產。於二零一九年十二月三十一日, 就中國附屬公司產生之估計稅項虧損之未確認遞延稅項資產約為29,424,000港元(二零一八年: 28,054,000港元), 將於相關虧損年度起計五年後屆滿。就有關香港附屬公司之估計稅項虧損之未確認遞延稅項資產約為13,823,000港元(二零一八年: 13,823,000港元), 並無屆滿日期。

15. 股息

並無就截至二零一九年十二月三十一日止年度派付或擬派任何股息(二零一八年: 無)。

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

16. LOSS PER SHARE

- (a) Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2019 and 2018.

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss attributable to owners of the Company for the purpose of calculating basic loss per share	就計算每股基本虧損之 本公司擁有人應佔虧損	(25,086)	(14,531)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	就計算每股基本虧損之 普通股加權平均數	452,392	452,392 (Restated) (經重列)

Comparative figure of number of shares for the purpose of loss per share was adjusted on the assumption that the Share Consolidation (as defined in Note 26) had been effective in the prior year.

- (b) The Group had outstanding share options as at 31 December 2019 and 2018. The share options did not have a dilutive effect on loss per share for the years ended 31 December 2019 and 2018.

16. 每股虧損

- (a) 每股基本虧損乃按截至二零一九年及二零一八年十二月三十一日止年度之本公司擁有人應佔虧損除以已發行普通股加權平均數計算。

本公司擁有人應佔每股基本虧損乃按以下數據計算：

就每股虧損而言，股份數目的比較數字已基於股份合併（定義見附註26）於上一年度生效的假設進行調整。

- (b) 本集團於二零一九年及二零一八年十二月三十一日有尚未行使購股權。該等購股權對截至二零一九年及二零一八年十二月三十一日止年度之每股虧損並無攤薄影響。

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

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Computer equipment and software 電腦設備及 軟件 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST:	成本：				
At 1 January 2018	於二零一八年一月一日	495	84	239	818
Addition	添置	-	-	105	105
Exchange difference	匯兌差額	-	(1)	-	(1)
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	495	83	344	922
Addition	添置	-	-	19	19
Exchange difference	匯兌差額	-	-	(1)	(1)
At 31 December 2019	於二零一九年 十二月三十一日	495	83	362	940
ACCUMULATED DEPRECIATION AND IMPAIRMENT:	累計折舊及減值：				
At 1 January 2018	於二零一八年 一月一日	-	42	12	54
Charge for the year	年度折舊	-	25	93	118
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	-	67	105	172
Charge for the year	年度折舊	-	16	102	118
At 31 December 2019	於二零一九年 十二月三十一日	-	83	207	290
NET CARRYING AMOUNTS:	賬面淨值：				
At 31 December 2019	於二零一九年 十二月三十一日	495	-	155	650
At 31 December 2018	於二零一八年 十二月三十一日	495	16	239	750

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

18. LEASES AND RIGHT-OF-USE ASSETS

Disclosures of lease-related items:

18. 租賃及使用權資產

租賃相關項目披露：

		2019 二零一九年 HK\$'000 千港元
At 31 December:	於十二月三十一日：	
Right-of-use assets	使用權資產	
– Office premises	– 辦公室物業	2,547
Lease commitments of short-term leases	短期租賃之租賃承擔	196
The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:	本集團租賃負債根據未貼現現金流之到期日分析如下：	
– Less than 1 year	– 一年內	3,427
Year ended 31 December:	截至十二月三十一日止年度：	
Depreciation charge of right-of-use assets	使用權資產之折舊開支	
– Office premises	– 辦公室物業	2,778
Interest on lease liabilities	租賃負債之利息	289
Expenses related to short-term leases	短期租賃相關開支	255
Total cash outflow for leases	租賃之現金流出總額	2,329

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

19. LOAN RECEIVABLE

On 29 December 2017, Qianhai Guoxing Finance Lease (Shenzhen) Company Limited (literal translation of the Chinese name) (“Qianhai Guoxing”), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with a third party (“Vendor”), pursuant to which Qianhai Guoxing has agreed to acquire certain commercial properties from the Vendor for a consideration of RMB150,000,000 (equivalent to approximately HK\$180,000,000) and Qianhai Guoxing paid the full consideration to the Vendor on the same date. Pursuant to the terms and conditions of the sale and purchase agreement, the Vendor is required to complete all the procedures necessary to transfer the title of these properties to Qianhai Guoxing on or before 30 December 2018. On 1 August 2018, a supplementary agreement was signed in which both parties agreed to postpone the transfer the title of these properties on or before 27 December 2020.

On 29 December 2017, Qianhai Guoxing entered into another agreement with the Vendor, pursuant to which Qianhai Guoxing has agreed to lease the abovementioned properties back to the Vendor for a period of 3 years starting from 29 December 2017. Upon the commencement of the lease, the Vendor paid RMB3,000,000 (equivalent to approximately HK\$3,600,000) to Qianhai Guoxing as a form of non-refundable pre-lease interest. Lease payments, calculated as interest charged at a fixed rate of 9% per annum against a principal of RMB150,000,000 (equivalent to approximately HK\$180,000,000), are repayable quarterly. At the end of the lease period, upon full settlement of all outstanding principal and interest from the Vendor to Qianhai Guoxing, the Vendor can repurchase the subject properties from Qianhai Guoxing for RMB1 (equivalent to HK\$1).

Considering the economics of the above transaction and the nature and value of the repurchase option, it is almost certain that the repurchase option will be exercised. Therefore, sale and lease back accounting does not apply to the above arrangement, resulting in the principal of RMB150,000,000 and RMB150,000,000 (equivalent to approximately HK\$167,154,000 and HK\$170,764,000) as at 31 December 2019 and 2018 respectively being accounted for as a loan receivable with the properties acting as a security against this receivable.

19. 應收貸款

於二零一七年十二月二十九日，本公司之間接全資附屬公司前海國興融資租賃（深圳）有限公司（「前海國興」）與第三方（「賣方」）訂立買賣協議，據此，前海國興已同意向賣方購買若干商用物業，代價為人民幣150,000,000元（相當於約180,000,000港元），前海國興已於同日向賣方支付全數代價。根據買賣協議之條款及條件，賣方須於二零一八年十二月三十日或之前完成轉讓該等物業之所有權予前海國興之所有必要手續。於二零一八年八月一日，雙方簽訂補充協議同意延後轉讓該等物業之所有權至二零二零年十二月二十七日或之前。

於二零一七年十二月二十九日，前海國興與賣方訂立另一份協議，據此，前海國興已同意回租上述物業予賣方，自二零一七年十二月二十九日起為期三年。於出租開始後，賣方已向前海國興支付人民幣3,000,000元（相當於約3,600,000港元）作為不可退還預租利息。租賃付款將以利息形式收取，並以本金額人民幣150,000,000元（相當於約180,000,000港元）按固定年利率9%計算，須按季度償還。於租賃期末，待賣方向前海國興悉數結償所有未償還本金及利息後，賣方可以人民幣1元（相當於1港元）自前海國興購回目標物業。

考慮到上述交易之經濟效益、購回選擇權之性質及價值，基本可確定購回選擇權將獲行使。因此，售後租回會計處理不適用於上述安排，致使分別於二零一九年及二零一八年十二月三十一日將本金額人民幣150,000,000元及人民幣150,000,000元（相當於約167,154,000港元及170,764,000港元）入賬列為應收貸款，而該等物業則作為此應收款項之擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INVESTMENT PROPERTIES

20. 投資物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At fair value	按公允價值		
At 1 January	於一月一日	177,936	383,173
Disposal	出售	–	(84,391)
Disposal through disposal of subsidiaries (Note 31)	透過出售附屬公司出售 (附註31)	–	(96,481)
Exchange differences	匯兌差額	(3,720)	(18,996)
Change in fair value	公允價值變動	(2,270)	(5,369)
At 31 December	於十二月三十一日	171,946	177,936

Note

(a) Amounts recognised in profit or loss for investment properties

Rental income of approximately HK\$301,000 (2018: approximately HK\$4,270,000) and no direct expenses were recognised in profit or loss (2018: Nil) for investment properties during the year ended 31 December 2019.

(b) Non-current assets pledged as security

As at 31 December 2019, the investment properties of approximately HK\$171,946,000 (2018: approximately HK\$177,936,000) were pledged for bank borrowings (Note 25).

Investment property was valued at 31 December 2019 and 2018 by an independent qualified valuer, RHL Appraisal Limited.

Management reviews the valuation performed by the independent valuer for financial reporting purposes. The review includes verification of all major inputs to the valuation, assessing property valuation movements and discussions with the independent valuer. Management considers that the current use of the investment property equates the best use.

For the fair value measurement of investment property please refer to note 7.

附註

(a) 就投資物業於損益確認之金額

截至二零一九年十二月三十一日止年度，就投資物業於損益確認租金收入約301,000港元（二零一八年：約4,270,000港元）及並無確認直接開支。

(b) 非流動資產已抵押作擔保

於二零一九年十二月三十一日，投資物業約171,946,000港元（二零一八年：約177,936,000港元）已抵押以獲取銀行貸款（附註25）。

投資物業於二零一九年及二零一八年十二月三十一日由獨立合資格估值師永利行評估顧問有限公司進行估值。

管理層審閱獨立估值師進行的估值作財務申報用途。有關審閱包括核實估值的所有主要輸入數據、評估物業估值變動及與獨立估值師進行討論。管理層認為投資物業的現有用途為最佳用途。

有關投資物業的公允價值計量，請參閱附註7。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. INVESTMENT PROPERTIES (Continued)

Note: (Continued)

(c) Minimum lease receipts

All investment properties located in Yingkou City, Liaoning province, the PRC, are leased to tenants under long-term operating leases ranging from 1 to 10 years.

At 31 December 2019, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

Not later than one year	一年內
Later than one year but not later than five years	一年後但五年內
Later than five years	五年後

20. 投資物業(續)

附註：(續)

(c) 應收最低租金

位於中國遼寧省營口市的所有投資物業乃根據長期經營租賃出租予租戶，租賃期介乎一至十年。

於二零一九年十二月三十一日，本集團於不可撤銷經營租賃下收取的未來最低租賃款項總額載列如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
404	387
677	657
75	388
1,156	1,432

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

21. SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31 December 2019 are as follows:

Name 名稱	Place of incorporation 註冊成立所在地	Particulars of paid up share capital 繳足股本資料	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Rich Concept Technology Limited	BVI 英屬處女群島	US\$10,000 10,000美元	100	-	Investment holding in Hong Kong 於香港投資控股
Qianhai Shitong Supply Chain (Shenzhen) Company Limited* ("Qianhai Sitong") 前海世通供應鏈(深圳)有限公司*(「前海世通」)	PRC 中國	HK\$200,000,000 (Not yet paid up) 200,000,000港元 (尚未繳足)	-	100	Trading of building materials in the PRC 於中國買賣建築材料商品
Qianhai Guoxing* 前海國興*	PRC 中國	USD15,000,000 15,000,000美元	-	100	Finance leasing in the PRC 於中國融資租賃
Enviro Energy Management Services Limited 環能管理服務有限公司	Hong Kong 香港	HK\$1 1港元	100	-	Investment holding in Hong Kong 於香港投資控股
Enviro Energy Minerals Limited 環能礦業有限公司	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding in Hong Kong 於香港投資控股
Huan Neng International Trading (Yingkou) Company Limited* ("HNYK") 環能國際貿易(營口)有限公司*(「環能營口」)	PRC 中國	RMB4,500,000 人民幣4,500,000元	-	100	Properties investment in the PRC 於中國進行物業投資
Liaoning Taoqibao Mall Management Co. Ltd.* ("Liaoning Taoqibao") 遼寧淘氣寶商場管理有限公司*(「遼寧淘氣寶」)	PRC 中國	RMB100,000,000 人民幣100,000,000元	-	100	Properties investment in the PRC 於中國進行物業投資
Huan Neng Industrial (Yingkou) Company Limited* ("HN Industrial") 環能實業(營口)有限公司*(「環能實業」)	PRC 中國	RMB8,000,000 (Not yet paid up) 人民幣8,000,000元 (尚未繳足)	-	100	Properties investment in the PRC 於中國進行物業投資

* These subsidiaries is a wholly-owned foreign enterprise established in the PRC.

21. 附屬公司

於二零一九年十二月三十一日，本公司持有之主要附屬公司之詳情如下：

* 該等附屬公司為於中國成立之外商獨資企業。

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

22. TRADE RECEIVABLES

Trade receivables	應收貿易賬款
Less: Provision for expected credit loss	減：預期信貸虧損撥備
Trade receivables, net	應收貿易賬款淨額

The Group's trading terms with its customers are mainly on credit for which the credit period is generally for a period of 5 to 180 days.

The ageing analysis of the trade receivables of the Group as at the end of reporting period, based on invoice date, is as follows:

61-90 days	61日至90日
91-120 days	91日至120日
121-150 days	121日至150日
151-365 days	151日至365日
>365 days	365日以上

Movement in loss allowance for trade receivables:

At 1 January	於一月一日
Increase in loss allowance for the year	年內虧損撥備之增加
Exchange differences	匯兌差額
At 31 December	於十二月三十一日

22. 應收貿易賬款

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	18,187	18,604
Less: Provision for expected credit loss	(375)	(393)
Trade receivables, net	17,812	18,211

本集團與其客戶之貿易條款主要為信貸形式，信貸期一般由5日至180日不等。

本集團於報告期末根據發票日期之應收貿易賬款之賬齡分析如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
61-90 days	4	-
91-120 days	42	1,444
121-150 days	37	-
151-365 days	227	14,199
>365 days	17,502	2,568
	17,812	18,211

應收貿易賬款之虧損撥備變動：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	393	330
Increase in loss allowance for the year	-	63
Exchange differences	(18)	-
At 31 December	375	393

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

22. TRADE RECEIVABLES (Continued)

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

22. 應收貿易賬款 (續)

本集團應用香港財務報告準則第9號項下之簡化方法就預期信貸虧損作出撥備，對所有應收貿易賬款採用生命週期預期虧損。為計量預期信貸虧損，應收貿易賬款已根據共同信貸風險特徵及逾期日數分類。預期信貸虧損亦包含前瞻性資料。

		31-60 days past due 逾期 31至60日 HK\$'000 千港元	61-90 days past due 逾期 61至90日 HK\$'000 千港元	91-120 days past due 逾期 91至120日 HK\$'000 千港元	121-365 days past due 逾期 121至365日 HK\$'000 千港元	over 365 days past due 逾期 超過365日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於二零一九年十二月三十一日						
Weighted average expected loss rate	加權平均預期信貸虧損率	0%	0%	0%	0%	2%	
Receivable amount	應收款額	4	42	37	227	17,877	18,187
Loss allowance	虧損撥備	-	-	-	-	(375)	(375)
At 31 December 2018	於二零一八年十二月三十一日						
Weighted average expected loss rate	加權平均預期信貸虧損率	0%	0%	0%	0%	13%	
Receivable amount	應收款額	-	1,444	-	14,199	2,961	18,604
Loss allowance	虧損撥備	-	-	-	-	(393)	(393)

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

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23. 按金、預付款項及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deposits	按金	31	33
Prepayments for purchase of:	購買下列之預付款項：		
– trading materials (note)	– 材料貿易(附註)	292,491	293,824
– others	– 其他	1,390	4,672
Interest receivable	應收利息	23,603	9,762
Less: loss allowance of interest receivable	減：應收利息虧損撥備	(1,135)	(1,206)
Consideration receivable from disposal of assets classified as held for sale	出售分類為持作出售資產應收代價	47,322	49,034
Less: loss allowance of consideration receivable from disposal of assets classified as held for sale	減：出售分類為持作出售資產應收代價虧損撥備	(762)	(690)
Consideration receivable from disposal of investment properties	出售投資物業應收代價	84,691	87,329
Less: loss allowance of consideration receivable from disposal of investment properties	減：出售投資物業應收代價虧損撥備	(650)	(809)
		446,981	441,949

note:

Amounts were deposited to certain trading suppliers with which the Group had trading transactions. These suppliers require the Group to make prepayments in view of bulky purchase and short lead time in delivery and no credit period would be granted.

附註：

有關款項已存入與本集團有貿易交易的若干貿易供應商。鑑於大額採購及交貨時間短，該等供應商要求本集團作出預付且不會授予信貸期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

24. TRADE AND OTHER PAYABLES

Trade payables (note)	應付貿易賬款(附註)
Other payables	其他應付款項
Receipt in advance from a customer	自客戶收取之墊款
Accrued liabilities	應計負債

note:

The amounts are repayable according to normal credit terms of 30 to 60 days.

The ageing analysis of the trade payables as at the end of reporting period, based on invoice date, is as follows:

Within 30 days	30日內
91-120 days	91日至120日
121-365 days	121日至365日
>365 days	365日以上

24. 應付貿易賬款及其他應付款項

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
3,454	3,648
49,978	29,723
429	4,610
15,490	6,323
69,351	44,304

附註：

有關款項根據一般信貸期30日至60日償還。

於報告期末，根據發票日期之應付貿易賬款之賬齡分析如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
-	119
-	79
-	3,450
3,454	-
3,454	3,648

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

25. BANK BORROWINGS

As at 31 December 2019, the analysis of the carrying amount of bank borrowings is as follows:

Current	流動
Bank borrowings – secured	銀行貸款－有抵押

The bank borrowing are dominated in RMB and are secured by the Group's investment properties, which have a carrying amount of approximately HK\$171,946,000 (2018: approximately HK\$177,936,000) as at 31 December 2019.

As at 31 December 2019, these bank borrowings carried a fixed rate ranging from 9% to 9.5% (2018: 7.1% to 7.5%) per annum. The exposure of these bank borrowings to interest rate changes and the contractual repricing dates at 31 December 2019 are one year (2018: one year).

25. 銀行貸款

於二零一九年十二月三十一日，銀行貸款之賬面值分析如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
180,526	184,425

有關銀行貸款以人民幣計值並由本集團之投資物業作擔保，該等物業於二零一九年十二月三十一日之賬面值為約171,946,000港元（二零一八年：約177,936,000港元）。

於二零一九年十二月三十一日，該等銀行貸款按固定年利率介乎9%至9.5%（二零一八年：7.1%至7.5%）計息。該等銀行貸款於二零一九年十二月三十一日就利率變動及合約重新定價日期所承擔的風險為一年（二零一八年：一年）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

26. SHARE CAPITAL

26. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of par value of HK\$0.0025 each, at 1 January 2018, 31 December 2018 and 1 January 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日，每股面值0.0025港元之普通股份	20,000,000	50,000
Share consolidation (note)	股份合併(附註)	(19,000,000)	-
At 31 December 2019, ordinary shares of par value of HK\$0.05 each	於二零一九年十二月三十一日，每股面值0.05港元之普通股份	1,000,000	50,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of par value of HK\$0.0025 each, at 1 January 2018, 31 December 2018 and 1 January 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日，每股面值0.0025港元之普通股份	9,047,844	22,620
Share consolidation (note)	股份合併(附註)	(8,595,452)	-
Ordinary shares of par value of HK\$0.05 each, at 31 December 2019	於二零一九年十二月三十一日，每股面值0.05港元之普通股份	452,392	22,620

note:

Pursuant to the poll results of an annual general meeting dated 28 June 2019, the Company's Share Consolidation (as defined below) has been approved by the shareholders of the Company. Every twenty issued and unissued ordinary shares of par value of HK\$0.0025 each (the "Old Shares") in the share capital of the Company are consolidated into one share of par value of HK\$0.05 each (the "Share Consolidation") which effected on 2 July 2019. Prior to the Share Consolidation, the authorised share capital of the Company was HK\$50,000,000 divided into 20,000,000,000 Old Shares, of which 9,047,844,000 Old Shares were in issue and were fully paid or credited as fully paid. Following the implementation of the Share Consolidation, the Company's authorised share capital becomes HK\$50,000,000 divided into 1,000,000,000 shares of par value of HK\$0.05 each, and its issued share capital becomes HK\$22,620,000 divided into 452,392,000 shares of par value of HK\$0.05 each.

附註：

根據日期為二零一九年六月二十八日之股東週年大會投票結果，本公司之股份合併(定義見下文)已獲本公司股東批准。本公司股本中每二十股每股面值0.0025港元之已發行及未發行普通股份(「舊股份」)合併為一股每股面值0.05港元之股份(「股份合併」)於二零一九年七月二日生效。於股份合併前，本公司之法定股本為50,000,000港元，分為20,000,000,000股舊股股份，其中9,047,844,000股為已發行及繳足或入賬列作繳足之舊股股份。進行股份合併後，本公司之法定股本變為50,000,000港元(分為1,000,000,000股每股面值0.05港元之股份)，其已發行股本則變為22,620,000港元(分為452,392,000股每股面值0.05港元之股份)。

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

27. CASH FLOW INFORMATION – FINANCING ACTIVITIES

This section sets out the movement of liabilities from financing activities for the years ended 31 December 2019 and 2018.

27. 現金流量資料－融資活動

本節載列截至二零一九年及二零一八年十二月三十一日止年度來自融資活動負債之變動。

		Liabilities from financing activities 來自融資活動之負債					
		Shareholders' loan	Loan from a related company	Lease liabilities	Interest payable	Bank borrowings	Total
		股東貸款	來自關連 公司之貸款	租賃負債	應付利息	銀行貸款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2018	於二零一八年一月一日	2,000	62,331	-	-	429,600	493,931
Cash inflows	現金流入	2,200	-	-	-	-	2,200
Cash outflows	現金流出	-	(62,331)	-	(21,408)	(185,977)	(269,716)
Non-cash movements	非現金變動						
- disposal of a subsidiary (Note 31)	- 出售附屬公司(附註31)	-	-	-	-	(59,198)	(59,198)
- interest charged	- 利息費用	-	-	-	21,408	-	21,408
As 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	4,200	-	-	-	184,425	188,625
Cash inflows	現金流入	6,452	5,000	-	-	180,526	191,978
Cash outflows	現金流出	-	(88)	(2,329)	(17,098)	(184,425)	(203,940)
Non-cash movements	非現金變動						
- impact of adaption of HKFRS 16	- 採納香港財務報告準則 第16號之影響	-	-	5,325	-	-	5,325
- interest charged	- 利息費用	-	171	289	17,098	-	17,558
As at 31 December 2019	於二零一九年十二月三十一日	10,652	5,083	3,285	-	180,526	199,546

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES

- (a) On 25 January 2003 and 12 May 2011, share option schemes (the "Share Option Scheme") were approved and adopted pursuant to resolutions of the Company. The purpose of the Share Option Schemes, was to enable the Group to recognise the contribution of the participants to the Group and to motivate the participants to continue working for the benefit of the Group by offering the participants an opportunity to have personal interest in the share capital of the Company. The Board may, at its discretion, grant share options to any employees, consultants and advisers of the Company or its subsidiaries, including executive, non-executive and independent non-executive directors, to subscribe for shares of the Company. The Share Option Schemes, remain in force for a period of ten years with effect from 25 January 2003 and 12 May 2011, respectively.

The maximum number of shares in respect of which share options may be granted under the Share Option Schemes, and any other share option scheme of the Company may not exceed 10% of the issued share capital of the Company, or may not exceed a maximum of 30% should the shareholders of the Company renew the 10% limit, from time to time which have been duly allotted and issued.

The exercise price for shares under the Share Option Schemes, may be determined by the Board at its absolute discretion but in any event will be at least 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 grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option; and (iii) the nominal value of the shares on the date of grant of the option.

28. 購股權計劃

- (a) 本公司於二零零三年一月二十五日及二零一一年五月十二日根據本公司決議案批准並採納購股權計劃（「購股權計劃」）。購股權計劃的目的是透過給予參與者於本公司股本擁有個人權益的機會，使本集團能肯定參與者對本集團所作出的貢獻，並鼓勵參與者繼續為本集團的利益效力。董事會可酌情決定授出購股權予本公司或其附屬公司任何僱員、顧問及諮詢顧問，包括執行、非執行及獨立非執行董事，以認購本公司股份。購股權計劃分別自二零零三年一月二十五日及二零一一年五月十二日起十年內有效。

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權涉及之股份數目最多不得超過本公司不時正式配發及發行的已發行股本的10%，或倘本公司股東更新10%的限制，則最多不可超過30%。

購股權計劃項下股份行使價可由董事會全權酌情決定，但於任何情況下最少須為以下的最高者：(i)授出日期（必須為營業日）聯交所每日報表所載的股份收市價；(ii)緊接授出有關購股權日期前五個營業日聯交所每日報表所載的平均股份收市價；及(iii)授出購股權日期的股份面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES (Continued)

(a) (Continued)

Any share options granted to a substantial shareholder of the Company or an independent non-executive director or any of their respective associates, representing in aggregate over 0.1% of the shares of the Company in issue on the date of such grant and an aggregate value, based on the closing price of the shares of the Company at the date of grant in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in advance in a general meeting. In addition, any share options granted to any one person in excess of 1% of the shares of the Company in issue at any time, in any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The share options granted may be exercised at any time or times during a period to be determined and notified by the Board which period of time shall commence after the date of grant of the share options and expire on such date as determined by the Board in any event no later than 10 years from the date of the grant of such share options. A nominal consideration of HK\$1 is payable on acceptance of the grant of a share option under the Share Option Schemes.

28. 購股權計劃(續)

(a) (續)

於任何十二個月期間，任何授予本公司主要股東或獨立非執行董事或任何彼等各自之聯繫人士的購股權，倘於有關授出日期合計超過本公司已發行股份0.1%及按於授出日期本公司股份收市價計算總值超過5,000,000港元，均必須事先於股東大會徵求股東批准。此外，於任何十二個月期間授予任何人士超過本公司任何時間已發行股份1%的任何購股權，均必須事先於股東大會徵求股東批准。

已授出的購股權可於董事會決定及通知的期間內隨時行使，該期間於授出購股權日期後開始，並於董事會決定的日期屆滿，惟在任何情況下不得遲於授出有關購股權當日起計十年。根據購股權計劃，接納授出的購股權須支付1港元作為象徵式代價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES (Continued)

- (b) Movements in the number of share options outstanding and their weighted average exercise prices for the years ended 31 December 2019 and 2018 are as follows:

		Weighted average exercise price (per share) 加權平均行使價 (每股) HK\$ 港元	Outstanding options 尚未行使 購股權
As at 1 January 2018	於二零一八年一月一日	0.37	263,989,867
Lapsed	已失效	0.34	(10,641,892)
As at 31 December 2018	於二零一八年十二月三十一日	0.37	253,347,975
Lapsed	已失效	0.51	(28,378,379)
As at 1 July 2019 (before share consolidation)	於二零一九年七月一日 (股份合併前)	0.36	224,969,596
Adjustment arising from the Share Consolidation (note iv)	股份合併之調整 (附註iv)		(213,721,116)
As at 2 July 2019 (after share consolidation)	於二零一九年七月二日 (股份合併後)	7.20	11,248,480
Lapsed	已失效	10.60	(24,831)
As at 31 December 2019	於二零一九年十二月三十一日	7.12	11,223,649

28. 購股權計劃(續)

- (b) 於截至二零一九年及二零一八年十二月三十一日止年度，尚未行使購股權數目及其加權平均行使價之變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES (Continued)

(b) (Continued)

Share options outstanding as at 31 December 2019 and 2018 have the following expiry dates and exercise prices:

Expiry dates	屆滿日期	Adjusted Exercise price (per share)	Outstanding options as at 1 January 2019	Adjustment from Share Consolidation	Lapsed during the year	Outstanding options as at 31 December 2019
			於二零一九年一月一日尚未行使之購股權	(note iv) 股份合併之調整 (附註iv)	年內已失效	於二零一九年十二月三十一日尚未行使之購股權
		HK\$	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港元	千港元	千港元	千港元	千港元
15 June 2019 (note i)	二零一九年六月十五日 (附註i)		28,378,379	-	(28,378,379)	-
6 October 2019 (note i)	二零一九年十月六日 (附註i)		496,622	(471,791)	(24,831)	-
4 February 2020 (note i)	二零二零年二月四日 (附註i)	7.24	71,300,676	(67,735,642)	-	3,565,034
8 July 2020 (note ii)	二零二零年七月八日 (附註ii)	7.89	87,760,135	(83,372,128)	-	4,388,007
22 June 2021 (note iii)	二零二一年六月二十二日 (附註iii)	6.13	64,347,974	(61,130,575)	-	3,217,399
30 December 2022 (note iii)	二零二二年十二月三十日 (附註iii)	2.29	1,064,189	(1,010,980)	-	53,209
			253,347,975	(213,721,116)	(28,403,210)	11,223,649

Expiry dates	屆滿日期	Adjusted Exercise price (per share)	Outstanding options as at 1 January 2018	Adjustment from Share Consolidation	Lapsed during the year	Outstanding options as at 31 December 2018
			於二零一八年一月一日尚未行使之購股權	(note iv) 股份合併之調整 (附註iv)	年內已失效	於二零一八年十二月三十一日尚未行使之購股權
		HK\$	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港元	千港元	千港元	千港元	千港元
15 June 2019 (note i)	二零一九年六月十五日 (附註i)	0.51	28,378,379	-	-	28,378,379
6 October 2019 (note i)	二零一九年十月六日 (附註i)	0.53	496,622	-	-	496,622
4 February 2020 (note i)	二零二零年二月四日 (附註i)	0.36	74,138,514	-	(2,837,838)	71,300,676
8 July 2020 (note ii)	二零二零年七月八日 (附註ii)	0.39	90,597,973	-	(2,837,838)	87,760,135
22 June 2021 (note iii)	二零二一年六月二十二日 (附註iii)	0.31	69,314,190	-	(4,966,216)	64,347,974
30 December 2022 (note iii)	二零二二年十二月三十日 (附註iii)	0.11	1,064,189	-	-	1,064,189
			263,989,867	-	(10,641,892)	253,347,975

28. 購股權計劃 (續)

(b) (續)

於二零一九年及二零一八年十二月三十一日尚未行使購股權之屆滿日及行使價如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES (Continued)

(b) (Continued)

Notes:

- i. Regarding the share options granted on 15 June 2009, 6 October 2009 and 4 February 2010, 50% of which shall be exercised in a period commencing two years from the date of grant and expiring on the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing three years from the date of grant and expiring on the tenth anniversary from the date of grant.
- ii. Regarding the share options granted on 9 July 2010, 50% of which shall be exercised in a period commencing two years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing three years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant.
- iii. Regarding the share options granted on 23 June 2011 and 31 December 2012, 50% of which shall be exercised in a period commencing one year from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing two years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant.

28. 購股權計劃(續)

(b) (續)

附註：

- i. 就於二零零九年六月十五日、二零零九年十月六日及二零一零年二月四日授出之購股權而言，其中50%將於授出日期起計兩年後可予行使，並於授出日期起計第十週年屆滿。剩餘50%購股權將於授出日期起計三年後可予行使，並於授出日期起計第十週年屆滿。
- ii. 就於二零一零年七月九日授出之購股權而言，其中50%將於授出日期起計兩年後可予行使，並於授出日期起計第十週年前一日屆滿。剩餘50%購股權將於授出日期起計三年後可予行使，並於授出日期起計第十週年前一日屆滿。
- iii. 就於二零一一年六月二十三日及二零一二年十二月三十一日授出之購股權而言，其中50%將於授出日期起計一年後可予行使，並於授出日期起計第十週年前一日屆滿。剩餘50%購股權將於授出日期起計兩年後可予行使，並於授出日期起計第十週年前一日屆滿。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHARE OPTION SCHEMES (Continued)

(b) (Continued)

notes: (Continued)

- iv. Pursuant to the poll results of an annual general meeting dated 28 June 2019, the Company's Share Consolidation has been approved by the shareholders of the Company. Every twenty issued and unissued ordinary shares of par value of HK\$0.0025 each in the share capital of the Company are consolidated into one share of par value of HK\$0.05 each which effect on 2 July 2019. Prior to the implementation of the Share Consolidation, the Company had the outstanding share options subscribe for an aggregate of 224,969,596 Old Shares at an weighted average exercise price of HK\$0.36 per Old Share (the "Share Options") under the Share Option Schemes. Following the implementation of the Share Consolidation, the weighted average exercise price of the outstanding share options was adjusted from HK\$0.36 per Old Share to HK\$7.20 per share of par value of HK\$0.05 each and the total number of outstanding share options was adjusted from 224,472,974 to 11,248,480.

During the years ended 31 December 2019 and 2018, there was no share-based payment expense in relation to share options granted to employees and non-employees of the Group.

The fair value of the services received by the Group is measured by the reference to the fair value of the share options granted as consideration because the fair value of the services cannot be measured reliably.

The outstanding share options as at 31 December 2019 had a weighted average remaining contractual life of 0.67 years (2018: 1.54 years).

At 31 December 2019, the Company had 11,223,649 (after taking into the impact on the Adjustment arising from the Share Consolidation) (2018: 253,347,975) share options outstanding under the Share Option Schemes, which represented approximately 2.5% (2018: 2.9%) of the Company's shares in issue at that date. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

28. 購股權計劃(續)

(b) (續)

附註：(續)

- iv. 根據日期為二零一九年六月二十八日之股東週年大會投票結果，本公司之股份合併已獲本公司股東批准。本公司股本中每二十股每股面值0.0025港元之已發行及未發行普通股份合併為一股每股面值0.05港元之股份於二零一九年七月二日生效。於進行股份合併前，根據購股權計劃，本公司尚未行使購股權（「購股權」）可按加權平均行使價每股舊股股份0.36港元認購合共224,969,596股舊股股份。於股份合併後，尚未行使購股權之加權平均行使價已由每股舊股股份0.36港元調整至每股面值0.05港元之股份7.20港元，而尚未行使購股權之總數已由224,472,974份調整至11,248,480份。

於截至二零一九年及二零一八年十二月三十一日止年度，概無與授予本集團僱員及非僱員之購股權有關之股份付款開支。

由於服務之公允價值無法可靠地計量，故本集團獲提供之服務之公允價值乃參考作為代價授出之購股權之公允價值計量。

於二零一九年十二月三十一日尚未行使之購股權之加權平均餘下合約年期為0.67年（二零一八年：1.54年）。

於二零一九年十二月三十一日，經計及股份合併調整之影響，本公司根據購股權計劃有11,223,649份（二零一八年：253,347,975份）購股權尚未行使，相當於本公司於該日之已發行股份約2.5%（二零一八年：2.9%）。購股權並無賦予持有人獲取股息或於股東大會投票之權利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

29. EMPLOYEE BENEFIT EXPENSE

(a) Employee retirement benefit

The Group enrolled all Hong Kong employees in the Mandatory Provident Fund ("MPF") Scheme. The assets of the MPF Scheme are held separately from those of the Group under the control of trustees. The retirement benefit cost for the MPF Scheme charged to the consolidated statement of profit or loss represents contributions paid to the fund by the Group at rates specified in the rules of the MPF Scheme.

The total cost charged to consolidated statement of profit or loss of approximately HK\$224,000 (2018: HK\$151,000) represents contributions paid to these schemes by the Group during the year ended 31 December 2019.

The Group contributed to certain retirement benefit schemes based on the wages for the year of those employees in the PRC. The total cost charged to consolidated statement of profit or loss of approximately HK\$129,000 (2018: HK\$132,000) represented the social insurance expenses paid in the PRC by the Group during the year ended 31 December 2019.

29. 僱員福利開支

(a) 僱員退休福利

本集團安排所有香港僱員參與強制性公積金(「強積金」)計劃。強積金計劃之資產與本集團受託人所控制之資產分開持有。於綜合損益表內扣除之強積金計劃退休福利成本指本集團按強積金計劃規則指定之比率已向基金支付之供款。

於綜合損益表扣除之總成本約224,000港元(二零一八年: 151,000港元), 即本集團於截至二零一九年十二月三十一日止年度已向該等計劃支付之供款。

本集團根據中國僱員的年薪就若干退休福利計劃供款。綜合損益表扣除的成本總額約129,000港元(二零一八年: 132,000港元)指本集團於截至二零一九年十二月三十一日止年度於中國已付之社會保險開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

29. EMPLOYEE BENEFIT EXPENSE (Continued)

(b) Five highest paid individuals

During the year ended 31 December 2019, two (2018: two) of the five individuals with the highest emoluments in the Group were directors of the Company, whose emolument are disclosed in Note 37.

Details of the emoluments of the three individual for the year ended 31 December 2019 are as follow:

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

29. 僱員福利開支(續)

(b) 五位最高薪酬人士

於截至二零一九年十二月三十一日止年度，本集團最高薪酬的五名人士中，兩名(二零一八年：兩名)人士為本公司董事，其酬金已於附註37披露。

截至二零一九年十二月三十一日止年度，其中三名人士的酬金詳情如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowance and other benefits	2,286	1,532
Retirement benefit scheme contributions	54	32
	2,340	1,564

The emoluments were within the following bands:

Nil to HK\$1,000,000	零至1,000,000港元
----------------------	---------------

酬金介乎以下組別：

	2019 二零一九年 Number of employees 僱員人數	2018 二零一八年 Number of employees 僱員人數
Nil to HK\$1,000,000	3	3

30. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2019 and 2018.

30. 有關連人士交易

除綜合財務報表其他地方所披露者外，於截至二零一九年及二零一八年十二月三十一日止年度，本集團訂立了以下重大有關連人士交易。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

30. RELATED PARTY TRANSACTIONS

(Continued)

(a) Key management personnel compensation

Key management includes executive directors, the CEO, financial controllers and company secretary of the Company. The compensation paid or payable to key management for employee services is shown below:

Salaries, allowances and other benefits	薪金、津貼及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

(b) Shareholders' loan

On 5 October 2017, the Company entered in to a shareholder loan agreement with Mr. Li Sen with a facility amount of HK\$100,000,000 (the "Agreement"). The loan was interest-free, unsecured and repayable at the end of eighteenth month from the date of drawdown. On 1 April 2019, the Agreement was renewed with the same term set out in the Agreement except that the loan is repayable on or before 30 September 2020. The Company draw an accumulated loan amount of HK\$9,652,000 (2018: HK\$4,200,000) as at 31 December 2019. The loan was denominated in HK\$ and approximated to its fair value.

Other than the above, the other shareholders' loan are unsecured, interest-free and repayable on demand.

30. 有關連人士交易 (續)

(a) 主要管理人員補償

主要管理人員包括本公司執行董事、行政總裁、財務總監及公司秘書。就僱員服務已付或應付主要管理人員之補償如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
4,666	2,968
90	65
4,756	3,033

(b) 股東貸款

於二零一七年十月五日，本公司與李森先生訂立股東貸款協議（「協議」），融資額為100,000,000港元。該貸款為免息、無抵押及須於提取日期起計十八個月結束之日償還。於二零一九年四月一日，該協議已按其同等的條款（除了該貸款需在二零二零年九月三十日或之前償還外）續簽。本公司於二零一九年十二月三十一日提取累計貸款金額9,652,000港元（二零一八年：4,200,000港元）。該貸款乃按港元計值，其賬面值與公允價值相若。

除了以上所述，其他股東貸款為無抵押、免息及應要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

30. RELATED PARTY TRANSACTIONS

(Continued)

(c) Loan from a related company

On 28 August 2019, the Company entered into a loan facilities agreement with a related company with a facility amount of HK\$10,000,000. The Company had drawn an accumulated loan amount of approximately HK\$5,083,000 (2018: nil) as at 31 December 2019. The loan was interest bearing at the rate of 10% per annum, repayable at the end of twelve months from the date of loan facilities agreement, secured by deposit (1) not less than HK\$44,000,000 cash; or (2) 110,374,271 shares of par value of HK\$0.05 of the Company registered in the name of Able Victory Enterprises Limited (a substantial shareholder of the Company wholly owned by Mr. Li Sen) or any securities with market value not less than HK\$44,000,000 as collateral and personal guarantee by Mr. Li Sen.

(d) In addition to those disclosed elsewhere in the consolidated financial statements, related party transaction, which was carried out in the normal course of the Group's business, was as follows:

30. 有關連人士交易 (續)

(c) 來自關連公司之貸款

於二零一九年八月二十八日，本公司與一家關連公司訂立貸款融資協議，融資金額為10,000,000港元。於二零一九年十二月三十一日，本公司已提取累計貸款額約5,083,000港元（二零一八年：無）。該貸款按年利率10%計息，須於貸款融資協議日期起計十二個月結束時償還，以(1)不少於44,000,000港元現金；或(2) Able Victory Enterprises Limited（本公司主要股東，由李森先生全資擁有）之名義登記之110,374,271股每股面值0.05港元之本公司股份或市值不少於44,000,000港元之任何證券之抵押及李森先生之個人擔保作擔保。

(d) 除綜合財務報表另有披露者外，於本集團日常業務中進行之有關連人士交易如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Sales of goods to Shenzhen Ginza Grand Mercure Hotel Company Limited (literal translated of the Chinese name), a related company which was controlled by Mr. Li Sen	920	27
Interest paid to Wonderland International Finance Limited (Mr. Jiang Senlin is a common director)	171	-

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

31. DISPOSAL OF SUBSIDIARIES

- (a) In August 2018, the Group entered into the first equity transfer agreement, pursuant to which the Group agreed to transfer 50% equity interest in Yingkou Hailanggu Travel Co., Limited (literal translation of the Chinese name of 營口海浪谷旅遊有限公司, "Hailanggu") to an independent third party at a consideration of RMB1 (equivalent to approximately HK\$1). On the same date, the Group entered into the second equity transfer agreement, pursuant to which the Group agreed to transfer the remaining 50% equity interest in Hailanggu to another independent third party at a consideration of RMB1 (equivalent to approximately HK\$1).

The net liabilities at the date of disposals were as follows:

		HK\$'000 千港元
Investment property	投資物業	68,419
Cash and cash equivalents	現金及現金等價物	3
Accrual and other payables	應計費用及其他應付款項	(17,275)
Bank borrowing	銀行貸款	(59,198)
		<hr/>
Net liabilities disposed of	已出售負債淨額	(8,051)
Less: Translation reserve released upon disposal	減：於出售時撥出之換算儲備	(1,309)
		<hr/>
Gain on disposal of a subsidiary	出售一間附屬公司之收益	(9,360)
		<hr/>
Net proceeds received from disposal of a subsidiary	自出售一間附屬公司收取之所得款項淨額	-
		<hr/>
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	-
		<hr/>
Net cash outflow from disposal	來自出售事項之淨現金流出	
Cash consideration received	所收取現金代價	-
Cash and cash equivalents disposed of	所出售現金及現金等價物	(3)
		<hr/>
		(3)

31. 出售附屬公司

- (a) 於二零一八年八月，本集團訂立第一份股權轉讓協議，據此，本集團同意轉讓營口海浪谷旅遊有限公司（「海浪谷」）之50%股權予一名獨立第三方，代價為人民幣1元（相當於約1港元）。於同日，本集團訂立第二份股權轉讓協議，據此，本集團同意轉讓海浪谷之餘下50%股權予另一名獨立第三方，代價為人民幣1元（相當於約1港元）。

於出售日期之負債淨額如下：

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

31. DISPOSAL OF SUBSIDIARIES (Continued)

- (b) In May 2018, the Group entered into a sale and purchase agreement with an independent third party, pursuant to which the Group agreed to transfer 100% equity interest in Yingkou Haida Property Service Company Limited (literal translation of the Chinese name of 營口海達物業服務有限公司 “Haida”) at a consideration of RMB24,000,000 (equivalent to approximately HK\$27,352,000).

The net assets at the date of disposal were as follows:

31. 出售附屬公司(續)

- (b) 於二零一八年五月，本集團與一名獨立第三方訂立買賣協議，據此本集團同意轉讓營口海達物業服務有限公司(「海達」)之100%股權，代價為人民幣24,000,000元(相當於約27,352,000港元)。

於出售日期之資產淨額如下：

		HK\$'000 千港元
Investment property	投資物業	28,062
Cash and cash equivalents	現金及現金等價物	28
Other receivables	其他應收款項	8,353
Accruals and other payables	應計費用及其他應付款項	(7,122)
Net assets disposed of	所出售資產淨額	29,321
Less: Translation reserve released upon disposal	減：於出售時撥出之換算儲備	(1,812)
Consideration	代價	(27,352)
Loss on disposal of a subsidiary	出售一家附屬公司之虧損	157
Net proceeds received from disposal of a subsidiary	自出售附屬公司收取之所得款項淨額	27,352
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	27,352
Net cash inflow from disposal	來自出售事項之淨現金流出	
Cash consideration received	所收取現金代價	27,352
Cash and cash equivalents disposed of	所出售現金及現金等價物	(28)
		27,324

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

32. OPERATING LEASE COMMITMENTS

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
After one year but within five years	一年後但五年內

As at 31 December 2019, operating lease payments represent rentals payable by the Group for certain of its office properties for lease terms ranging from one year (2018: one to two years).

33. CAPITAL COMMITMENTS

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

34. CONTINGENT LIABILITIES

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

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

After the coronavirus outbreak in early 2020, a series of precautionary and control measures have been and continued to be implemented across the globe. The Group is paying close attention to the development of, and the disruption to business and economic activities caused by, the coronavirus outbreak and evaluate its impact on the financial position, cash flows and operating results of the Group. Given the dynamic nature of the coronavirus outbreak, it is not practicable to provide a reasonable estimate of its impact on the Group's financial position, cash flows and operating results at the date on which these consolidated financial statements are authorised for issue.

32. 經營租賃承擔

於報告期末，本集團就根據不可撤銷經營租賃日後最低租金款項之承擔須於以下日期支付：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
196	3,036
-	2,662
196	5,698

於二零一九年十二月三十一日，經營租賃款項指本集團就其若干辦公室物業應付之租金，租賃期介乎一年（二零一八年：一至兩年）。

33. 資本承擔

於二零一九年十二月三十一日，本集團並無任何重大資本承擔（二零一八年：無）。

34. 或然負債

於二零一九年十二月三十一日，本集團並無任何重大或然負債（二零一八年：無）。

35. 報告期後重大事項

於二零二零年初爆發新冠肺炎疫情後，全球各國經已及將繼續推出一系列防控措施。本集團正密切關注新冠肺炎疫情的進展以及疫情所造成的商業及經濟活動受阻情況，並評估其對本集團財務狀況、現金流量及經營業績的影響。鑒於新冠肺炎疫情仍變化不定，於該等綜合財務報表獲授權刊發日期並不能切實合理地估計其對本集團之財務狀況、現金流量及經營業績的影響。

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

36. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

36. 本公司財務狀況表及儲備變動

(a) Statement of financial position of the Company as at 31 December 2019

(a) 本公司於二零一九年十二月三十一日之財務狀況表

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
ASSETS	資產		
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司之投資	-	-
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	421,056	437,064
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款項	320	932
Bank balances and cash	銀行結餘及現金	62	305
		421,438	438,301
Total assets	資產總額	421,438	438,301
EQUITY	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔 資本及儲備		
Share capital	股本	22,620	22,620
Other reserves	其他儲備	364,778	372,831
Total equity	權益總額	387,398	395,451
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables	其他應付款項	6,729	4,467
Shareholders' loan	股東貸款	10,652	4,200
Loan from a related company	來自關連公司之貸款	5,083	-
Amounts due to subsidiaries	應付附屬公司款項	11,576	34,183
Total liabilities	負債總額	34,040	42,850
Total equity and liabilities	權益及負債總額	421,438	438,301

The statement of financial position has been approved by the Board of Directors on 31 March 2020 and is signed on its behalf by:

財務狀況表經董事會於二零二零年三月三十一日批准及由下列董事代表董事會簽署：

Li Sen
李森
Director
董事

Jiang Senlin
姜森林
Director
董事

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

36. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

36. 本公司財務狀況表及儲備變動 (續)

(b) Reserve movement of the Company

(b) 本公司儲備變動

		Share premium	Capital reserve	Share options reserve	Other reserve	Accumulated losses	Total
		股份溢價	資本儲備	購股權儲備	其他儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2018	於二零一八年一月一日	1,092,712	871	68,487	391,515	(1,171,507)	382,078
Comprehensive loss	全面虧損						
Loss for the year	年度虧損	-	-	-	-	(9,247)	(9,247)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易						
Lapse of options (Note 28(b))	購股權失效(附註28(b))	-	-	(2,499)	-	2,499	-
As at 31 December 2018	於二零一八年十二月三十一日	1,092,712	871	65,988	391,515	(1,178,255)	372,831
Comprehensive loss	全面虧損						
Loss for the year	年度虧損	-	-	-	-	(8,053)	(8,053)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易						
Lapse of options (Note 28(b))	購股權失效(附註28(b))	-	-	(10,404)	-	10,404	-
As at 31 December 2019	於二零一九年十二月三十一日	1,092,712	871	55,584	391,515	(1,175,904)	364,778

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

37. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

For the year ended 31 December 2019:

37. 董事福利及權益

(a) 董事之酬金

各董事之薪酬載列如下：

截至二零一九年十二月三十一日止年度：

		Emoluments paid to or receivable by the person in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 一名人士就擔任董事(無論為本公司或其附屬公司業務之董事)之服務已獲支付或應收之酬金				
Director's fee	Salaries, allowance and other benefits	Employer's contribution to pension scheme	Share-based payments	Discretionary bonus	Total	
董事袍金 HK\$'000 千港元	薪金、津貼及其他福利 HK\$'000 千港元	僱主供款 退休金計劃 HK\$'000 千港元	以股份 支付款項 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	總計 HK\$'000 千港元	
Executive Directors	執行董事					
Mr. Li Sen	李森先生	-	1,170	18	-	1,188
Mr. Wei Junqing (Resigned on 28 June 2019)	魏俊青先生 (於二零一九年 六月二十八日辭任)	-	368	11	-	379
Mr. Zhou Xuesheng (Resigned on 28 June 2019)	周學生先生 (於二零一九年 六月二十八日辭任)	-	356	11	-	367
Mr. Jiang Senlin (Appointed on 28 June 2019)	姜森林先生 (於二零一九年 六月二十八日獲委任)	-	366	8	-	374
Mr. Zhong Jinhua (Appointed on 28 June 2019)	鍾勁華先生 (於二零一九年 六月二十八日獲委任)	-	366	8	-	374
Independent Non-executive Directors	獨立非執行董事					
Mr. Wen Guanwei (Resigned on 28 June 2019)	文光偉先生 (於二零一九年 六月二十八日辭任)	134	-	-	-	134
Dr. Hou chaohui (Resigned on 28 June 2019)	侯超惠博士 (於二零一九年 六月二十八日辭任)	134	-	-	-	134
Mr. Jiang Maolin (Resigned on 28 June 2019)	姜茂林先生 (於二零一九年 六月二十八日辭任)	134	-	-	-	134
Mr. Lui Yan (Appointed on 28 June 2019)	劉岩女士 (於二零一九年 六月二十八日獲委任)	92	-	-	-	92
Mr. Li Jinyuan (Appointed on 28 June 2019)	李錦元先生 (於二零一九年 六月二十八日獲委任)	91	-	-	-	91
Mr. Du Hongwei (Appointed on 28 June 2019 and resigned on 22 October 2019)	杜宏偉先生 (於二零一九年 六月二十八日獲委任 並於二零一九年 十月二十二日辭任)	56	-	-	-	56
Mr. Zhong Jian (Appointed on 22 October 2019)	鍾劍先生 (於二零一九年 十月二十二日獲委任)	34	-	-	-	34
Total	總計	675	2,626	56	-	3,357

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

37. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

For the year ended 31 December 2018:

		Salaries, allowance and other benefits	Employer's contribution to pension scheme	Share-based payments	Discretionary bonus	Total
		薪金、津貼及 其他福利	退休金計劃 僱主供款	以股份 支付款項	酌情花紅	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事					
Mr. Li Sen	李森先生	-	621	11	-	632
Mr. Wei Junqing	魏俊青先生	-	416	10	-	426
Mr. Zhou Xuesheng	周學生先生	-	292	7	-	299
Mr. Zhang Yuanqing (Resigned on 23 January 2018)	張元清先生 (於二零一八年 一月二十三日辭任)	-	74	2	-	76
Independent Non-executive Directors	獨立非執行董事					
Mr. Wen Guanwei	文光偉先生	190	-	-	-	190
Mr. Chiang Bun (Resigned on 30 August 2018)	蔣斌先生(於二零一八年 八月三十日辭任)	100	-	-	-	100
Ms. Leung Pik Har, Christine (Resigned on 23 January 2018)	梁碧霞女士(於二零一八年 一月二十三日辭任)	9	-	-	-	9
Dr. Hou chaohui (Appointed on 30 August 2018)	侯超惠博士 (於二零一八年八月三十日 獲委任)	91	-	-	-	91
Mr. Jiang Maolin (Appointed on 25 October 2018)	姜茂林先生 (於二零一八年十月二十五日 獲委任)	50	-	-	-	50
Dr. Chiao Li (Appointed on 25 January 2018 and resigned on 25 October 2018)	喬立博士 (於二零一八年一月二十五日 獲委任並於二零一八年十月 二十五日辭任)	131	-	-	-	131
Total	總計	571	1,403	30	-	2,004

37. 董事福利及權益 (續)

(a) 董事之酬金 (續)

截至二零一八年十二月三十一日止年
度：

Emoluments paid to or receivable by the person in respect of a person's services
as a director, whether of the Company or its subsidiary undertaking
一名人士就擔任董事(無論為本公司或其附屬公司業務之董事)之服務已獲支付或應收之酬金

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

37. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(b) Directors' retirement benefits

There were no retirement benefits paid to directors during the year ended 31 December 2019 (2018: nil) by a defined benefit pension plan operated by the Group in respect of the services as a director of the Company and its subsidiaries.

(c) Directors' termination benefits

During the year ended 31 December 2019, there was no board resolution to early terminate of the directors' appointment in office (2018: nil).

(d) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available of directors' services during the year ended 31 December 2019 (2018: nil).

37. 董事福利及權益 (續)

(b) 董事退休福利

截至二零一九年十二月三十一日止年度，概無透過本集團營運之界定退休金計劃就本公司及其附屬公司董事之服務向其支付退休福利(二零一八年：無)。

(c) 董事終止福利

截至二零一九年十二月三十一日止年度，概無提前終止董事職務之董事會決議案(二零一八年：無)。

(d) 就獲提供董事服務而給予第三方之代價

截至二零一九年十二月三十一日止年度，概無就獲提供董事服務而給予第三方之代價(二零一八年：無)。

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

37. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2019, there was no arrangement in relation to loans, quasi-loans and other dealings in favour of the directors of the Company, the controlled bodies corporate by and the connected entities with such director (2018: nil)

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 30, no significant transactions, arrangements and contracts in relation to Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2019 (2018: nil).

37. 董事福利及權益 (續)

(e) 有關以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至二零一九年十二月三十一日止年度，概無有利於本公司董事、該董事之受控制法團及關連實體之貸款、準貸款及其他交易相關之安排（二零一八年：無）。

(f) 董事於交易、安排或合約之重大權益

除附註30披露者外，本公司概無就本集團業務訂立使本公司董事直接或間接擁有重大權益且於截至二零一九年十二月三十一日止年度結束時或年度內任何時間持續有效之重要交易、安排及合約（二零一八年：無）。

Five-Year Financial Summary 五年財務概要

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	資產總額	811,167	813,900	1,185,302	641,151	536,901
Total liabilities	負債總額	272,894	238,109	582,064	209,798	110,730
Capital and reserves attributable to owners of the Company	本公司擁有人應佔資本及儲備	538,273	575,791	603,238	434,142	377,452
Results	業績					
Revenue	收益	56,883	885,871	59,228	184,595	13,171
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(25,086)	(14,531)	(93,900)	(34,849)	(44,720)

