帝國集團 環球控股有限公司
IMPERIUM GROUP GLOBAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
(Stock code 股份代號: 0776)

年報
2019
ANNUAL REPORT

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FINANCIAL SUMMARY
財務摘要

		2015 二零一五年 HK$ 港元	2016 二零一六年 HK$ 港元	2017 二零一七年 HK$ 港元	2018 二零一八年 HK$ 港元	**2019 二零一九年 HK$ 港元**
Results	**業績**					
Revenue	收益	166,290,966	163,495,555	219,516,957	252,363,498	**233,566,651**
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(10,377,250)	(16,602,345)	(9,112,762)	(34,901,161)	**(77,936,393)**
Assets and Liabilities	**資產及負債**					
Total assets	總資產	223,279,672	202,723,149	232,752,673	246,504,667	**225,659,982**
Total liabilities	總負債	71,672,060	70,034,112	106,240,910	154,188,456	**209,307,135**
Equity attributable to owners of the Company	本公司擁有人應佔權益	151,607,612	132,689,037	126,511,763	91,054,088	**18,590,811**
Loss per share	**每股虧損**					
Basic	基本	(0.04)	(0.06)	(0.03)	(0.12)	**(0.27)**
Diluted	攤薄	(0.04)	(0.06)	(0.03)	(0.12)	**(0.27)**

BOARD OF DIRECTORS

Executive Directors

Mr. Cheng Ting Kong *(Chairman)*
Ms. Yeung So Mui
Mr. Luk Wai Keung
Mr. Leung Kwok Yin

Independent Non-Executive Directors

Mr. Fung Tze Wa
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

AUDIT COMMITTEE

Mr. Fung Tze Wa *(Chairman)*
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

REMUNERATION COMMITTEE

Mr. Ting Wong Kacee *(Chairman)*
Mr. Fung Tze Wa
Mr. Tse Ting Kwan

NOMINATION COMMITTEE

Mr. Tse Ting Kwan *(Chairman)*
Mr. Fung Tze Wa
Mr. Ting Wong Kacee

COMPANY SECRETARY

Mr. Ip Ka Ki

AUDITOR

RSM Hong Kong
29th Floor
Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

董事會

執行董事

鄭丁港先生*(主席)*
楊素梅女士
陸偉強先生
梁國賢先生

獨立非執行董事

馮子華先生
丁煌先生
謝庭均先生

審核委員會

馮子華先生*(主席)*
丁煌先生
謝庭均先生

薪酬委員會

丁煌先生*(主席)*
馮子華先生
謝庭均先生

提名委員會

謝庭均先生*(主席)*
馮子華先生
丁煌先生

公司秘書

葉家麒先生

核數師

羅申美會計師事務所
香港
銅鑼灣
恩平道28號
利園二期
29字樓

CORPORATE INFORMATION
公司資料

REGISTERED OFFICE

Cricket Square, Hutchins Drive
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Grand Cayman KY1-1111
Cayman Islands

註冊辦事處

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P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 02, 26/F., One Harbour Square, No. 181 Hoi Bun Road,
Kwun Tong, Kowloon, Hong Kong

香港總辦事處及主要營業地點

香港九龍觀塘
海濱道181號One Harbour Square 26樓02室

PRINCIPAL BANKERS

In Hong Kong:

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank
Bank of Communications

In the PRC:

Bank of China
Bank of Hangzhou Co., Limited

主要往來銀行

在香港：

香港上海滙豐銀行有限公司
星展銀行
交通銀行

在中國：

中國銀行
杭州銀行股份有限公司

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

開曼群島主要股份過戶登記處

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

STOCK CODE

0776

股份代號

0776

INVESTOR RELATIONS

For other information relating to the Company,
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website: www.776.hk
e-mail: ir@776.hk

投資者關係

有關本公司的其他資料，
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網址：www.776.hk
電子郵箱：ir@776.hk

TO OUR SHAREHOLDERS

On behalf of the Board ("Board") of Directors ("Directors") of Imperium Group Global Holdings Limited (the "Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") and its audited financial results for the financial year ended 31 December 2019.

Amidst generally negative global economic environment coupled with the intense trade dispute with the US, the economy of the People's Republic of China ("PRC") experienced both growth and recovery in 2019. The PRC's gross domestic product annual growth rate was 6.3%, lower than the 6.6% recorded in 2018 and its overall manufacturing business improved due to a decrease in export sales. Group turnover decreased by approximately HK$18,797,000 to approximately HK$233,567,000. In 2019, the Group's loss attributable to shareholders was approximately HK$77,936,000 representing an increase of approximately HK$43,035,000 compared to that in 2018. The increase in the Group's loss was mainly attributable to the challenging environment faced by the Group's household products business and our continuous investment in the online game business.

致股東

本人謹代表帝國集團環球控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止財政年度的年度報告及經審核財務業績。

二零一九年年內，縱使全球經濟狀況整體欠佳及中美貿易糾紛如火如荼，中華人民共和國(「中國」)經濟仍有所增長及復甦。中國的國內生產總值年增長率為6.3%，較二零一八年的6.6%為低，而其整體製造業務受出口銷售額減少帶動而有所改善。本集團的營業額減少約18,797,000港元至約233,567,000港元。於二零一九年，本集團的股東應佔虧損約為77,936,000港元，較二零一八年增加約43,035,000港元。本集團的虧損增加主要由於本集團之家居產品業務面臨經營環境困難及我們對線上遊戲業務之持續投資所致。

CHAIRMAN'S STATEMENT
主席報告

Due to the COVID-19 epidemic, there is expected to be a significant adverse impact on the PRC economy and the outlook for 2020 become even more uncertain. The manufacturing sector, in particular for traditional products such as household products would likely to be seriously affected due to the disruptions to the production process and decrease in demand for such products. This has also lead to further delay in the launch of several game titles in the online games business sector. However, the change in consumer lifestyle would provide growth opportunities for technology sector including the online games segment. To better position of the game business, we are broadening our product range to console games and exploring possible expansion of the lucrative PRC market.

新冠病毒疫情預計會對中國經濟造成重大不利影響，二零二零年的前景將更加不明朗。製造業(特別是家居產品等傳統產品的製造業)可能會因生產流程中斷及對此類產品的需求減少而受到嚴重影響。此亦導致線上遊戲業務分部進一步推遲發佈多款遊戲。然而，消費者生活方式的改變將為科技領域(包括線上遊戲分部)提供增長機會。為更佳定位遊戲業務，我們正在將產品範圍擴寬至主機遊戲及探索擴大利潤豐厚的中國市場的可能性。

To maximize returns to the shareholders, we would focus on cost saving measures and adopt more flexible structure to meet the challenges in a rapidly changing economic environment. We will evaluate the business operations and financial position of the Group from time to time and also consider whether any restructuring and/or integration of the existing businesses of the Group will be appropriate in order to enhance long-term growth potential of the Company.

為使股東獲得最大回報，我們將專注於節省成本的措施，並採用更加靈活的架構來應對來自瞬息萬變經濟環境的挑戰。我們將不時評估本集團的業務營運及財務狀況，並考慮是否合適對本集團現有業務進行任何重組及／或整合以增強本公司的長期增長潛力。

APPRECIATION

On behalf of the Board, I would like to express our sincere appreciation to all our investors, customers, partners and shareholders for their ongoing support. I would also like to thank my colleagues for their invaluable contributions throughout the year.

致謝

本人謹代表董事會衷心感謝所有投資者、客戶、合作夥伴及股東一如既往的支持，以及各同仁於過去一年對本集團作出的寶貴貢獻。

Cheng Ting Kong
Chairman

Hong Kong, 20 March 2020

主席
鄭丁港

香港，二零二零年三月二十日

BUSINESS REVIEW

The business environment in 2019 was over shadowed by the trade dispute between PRC and the U.S.. Amid the challenging business environment, sales of the household products business declined by approximately 23.5% as compared with last year. This is offset by the increase in revenue from the online games business. Accordingly, the total revenue of the Group decreased marginally by approximately 7.4% during the reporting period as compared with last year. This indicated that the Group's business plan to diversify into the online games segment is gaining momentum.

However, the performance of the online games business was below expectation as it recorded a segment loss of approximately HK$71,434,000 during the reporting period, which was mainly attributable to the delay in the launch of several game titles. Nevertheless, our effort in developing this business segment had enabled the Group to establish a platform for long term substantive growth of the Group.

業務回顧

二零一九年的營商環境受到中美貿易糾紛的負面影響。面對充滿挑戰性的營商環境，家居產品業務的銷售較去年下跌約23.5%，惟被線上遊戲業務的收益增長抵銷。因此，本集團的總收益於報告期內較去年略微減少約7.4%，顯示本集團進入線上遊戲分部的業務計劃正蓄勢待發。

然而，線上遊戲業務的表現遜於預期，該業務於報告期內錄得分部虧損約71,434,000港元，乃主要由於推遲發佈多款遊戲所致。但我們努力發展該業務分部，讓本集團能夠建立起一個使本集團長期可持續增長的平台。

Household products business

The revenue from household products business for the year ended 31 December 2019 was approximately HK$182,810,000 (2018: HK$238,848,000), representing a decrease of 23.5% as compared with last year. Apart from the reduction in revenue of approximately 19.9% as measured in RMB, the decrease in revenue as measured in HK$ was attributed to the strong RMB in the first half of 2019. Moreover, the portion of sales from new products during the reporting period was approximately 7.9% as compared to approximately 32.7% and 39.5% in 2017 and 2018 respectively.

While the reduction in revenue had a negative impact on the gross margin, the decrease in the portion of sales from new products had a more significant impact as these products usually carry a higher margin. Further, the Group benefited from certain tax savings due to the implementation of tax reform in the PRC in 2019, and the gross profit margin of household products business maintained to approximately 8.4% (2018: 8.4%). The segment loss for the reporting period was approximately HK$1,460,000 (2018: approximately HK$947,000).

家居產品業務

截至二零一九年十二月三十一日止年度，來自家居產品業務的收益約為182,810,000港元(二零一八年：238,848,000港元)，較去年減少23.5%。除按人民幣計量的收益減少約19.9%外，按港元計量的收益減少則歸因於二零一九年上半年人民幣堅挺。此外，於報告期內的新產品銷售部分約為7.9%，而二零一七年及二零一八年分別為32.7%及39.5%。

儘管收益減少對毛利率造成了負面的影響，但新產品銷售部分減少產生了更大的影響，因為該等產品的毛利通常較高。另外，本集團因中國二零一九年實施稅務改革而從若干節稅中獲益，家居產品業務的毛利率維持約8.4%(二零一八年：8.4%)。報告期內的分部虧損約為1,460,000港元(二零一八年：約947,000港元)。

The significant reduction in the portion of sales for new products may also indicate a deterioration in our relationship with the major customer. Given the likely continuous slow down in export from China and the possible diversification of the supply chain of the customer towards other countries, it is critical for us to maintain and restore our relationship with the major customer. In addition, the Group will continue to diversify its customer base for the household products business.

新產品之銷售額明顯下降，可能亦顯示我們與主要客戶的關係正在變差。鑒於中國出口可能持續放緩以及客戶的供應鏈可能向其他國家分散，對於我們而言，保持及恢復與主要客戶的關係至關重要。此外，本集團將繼續擴大家居產品業務的客戶群。

Online games business

The revenue from online games business for the year ended 31 December 2019 was approximately HK$44,029,000 (2018: HK$5,081,000) representing an increase of approximately 766.5% as compared with last year. The segment loss for the reporting period was approximately HK$71,434,000 (2018: approximately HK$27,906,000). Since December 2018, the Group has launched four online games' titles with mixed results. Furthermore, three other titles originally scheduled for release in the market in the fourth quarter of 2019 were delayed.

線上遊戲業務

截至二零一九年十二月三十一日止年度，來自線上遊戲業務的收益約為44,029,000港元(二零一八年：5,081,000港元)，較去年增加約766.5%。報告期內的分部虧損約為71,434,000港元(二零一八年：約27,906,000港元)。自二零一八年十二月以來，本集團推出四款線上遊戲，成績好壞參半。另外，原定於二零一九年第四季度推出市場的其他三款遊戲被推遲。

Such extended delay in the launch of new game titles had significantly affected the profitability of the business as the Group had mobilized sizeable operation teams to prepare for the launch of such game titles. The Group will strive to broaden the source of supply of game titles and to develop a more flexible operation structure in the future.

本集團已動員龐大的營運團隊為推出該等遊戲作準備，故延遲推出新遊戲嚴重影響了業務的盈利能力。本集團未來將努力拓展遊戲的供應來源，並發展更靈活的營運架構。

According to the Global Games Market Reports published by Newzoo, the console games segment is also a significant component of the games market. Hence, the Group plans to extend its offerings to this segment. In December 2019, the Group entered into a licensing agreement for distribution of PC game titled ("W-War") in Southeast Asia and Taiwan. Following the expansion into the PC game business, the Group has changed the name of the business segment from mobile game business to online games business.

根據Newzoo發佈的《全球遊戲市場報告》，主機遊戲分部亦是遊戲市場的重要組成部分。因此，本集團計劃將其產品供應擴展至該分部。於二零一九年十二月，本集團訂立授權協議，在東南亞及台灣分銷名為「W-戰役」的電腦遊戲。拓展至電腦遊戲業務後，本集團已將業務分部的名稱由「手機遊戲業務」改為「線上遊戲業務」。

Moreover, the Group is exploring the feasibilities of expansion into the lucrative online games segment in PRC. This will enable the business to develop from a broader customer base and enjoy better economy of scale for its operation. The Group is confident in developing the business into a prominent regional game distributor.

此外，本集團正在探索向厚利的中國線上遊戲分部擴充的可行性。此舉將使業務發展擁有更廣泛的客戶群，並享有更好的經營規模經濟。本集團有信心將業務發展為知名的區域遊戲分銷商。

Money lending business

The Group's money lending business continued to provide stable income through its existing customer base. The Group's revenue from the money lending business during the reporting period was approximately HK$5,264,000 (2018: HK$7,105,000) while the segment loss was approximately HK$4,088,000 (segment profit in 2018: approximately HK$2,393,000), mainly due to impairment loss on loan receivables and interest receivables for approximately HK$6,976,000 (2018: HK$1,538,000).

放債業務

本集團的放債業務繼續透過現有客戶群帶來穩定的收入。本集團於報告期間來自放債業務的收益約為5,264,000港元(二零一八年:7,105,000港元),而分部虧損約為4,088,000港元(二零一八年:分部溢利約2,393,000港元),主要由於應收貸款及應收利息減值虧損約為6,976,000港元(二零一八年:1,538,000港元)。

Property investment business

The Group's revenue from the property investment business during the reporting period was approximately HK$1,463,000 (2018: approximately HK$1,329,000). The segment profit was approximately HK$1,822,000 (2018: approximately HK$3,521,000), mainly due to fair value gain on investment property which is non-cash in nature.

The Group has disposed an investment property in Hong Kong during the year ended 31 December 2019 and incurred a gain on disposal of approximately HK$514,000.

物業投資業務

於報告期間,本集團來自物業投資業務的收益約為1,463,000港元(二零一八年:約1,329,000港元)。分部溢利約為1,822,000港元(二零一八年:約3,521,000港元),主要由於投資物業公允值收益(非現金性質)所致。

本集團於截至二零一九年十二月三十一日止年度在香港出售一項投資物業,並產生約514,000港元的出售收益。

RESULTS OF OPERATIONS

For the fiscal year ended 31 December 2019, the Group reported a revenue of approximately HK$233,567,000 (2018: approximately HK$252,363,000), representing a decrease of 7.4% from that of the fiscal year of 2018. The decrease in revenue is mainly due to decrease of revenue from household products business in the PRC which offset the increase arising from online game business.

Gross profit margin decreased from 11.0% in 2018 to 9.1% in 2019 due to low profit margin for online game business during the year ended 31 December 2019.

Other income increased from approximately HK$1,783,000 in 2018 to approximately HK$5,889,000 in 2019, mainly due to increase in exchange gain, fair value gain on investment properties and performance bonus.

Distribution costs increased from approximately HK$7,601,000 in 2018 to approximately HK$26,543,000 in 2019 due to increase in marketing expenses and preparation cost for new online games.

Administrative expenses increased from approximately HK$52,057,000 in 2018 to approximately HK$55,962,000 in 2019, mainly due to increase in staff costs and equity settled share-based transactions.

Other operating expenses increased from approximately HK$4,830,000 in 2018 to approximately HK$13,428,000 in 2019, mainly due to impairment loss on game software and goodwill.

Finance costs increased from approximately HK$2,792,000 in 2018 to approximately HK$3,616,000 in 2019, attributable to the increase in bank and other borrowings during the year ended 31 December 2019.

Income tax expense increased from approximately HK$1,967,000 in 2018 to approximately HK$3,262,000 in 2019, mainly due to withholding tax for distribution of profits from a PRC subsidiary during the year ended 31 December 2019.

經營業績

截至二零一九年十二月三十一日止財政年度，本集團錄得收益約233,567,000港元(二零一八年：約252,363,000港元)，較二零一八年財政年度減少7.4%。收益減少主要由於來自中國家居產品業務的收益減少與線上遊戲業務的收益增加抵銷所致。

毛利率由二零一八年的11.0%減少至二零一九年的9.1%，乃由於截至二零一九年十二月三十一日止年度線上遊戲業務毛利率低所致。

其他收入由二零一八年約1,783,000港元增加至二零一九年約5,889,000港元，主要由於匯兑收益、投資物業公允值收益及績效花紅增加。

分銷成本由二零一八年約7,601,000港元上升至二零一九年約26,543,000港元，乃由於新線上遊戲的市場推廣費用及籌備成本增加所致。

行政開支由二零一八年約52,057,000港元上升至二零一九年約55,962,000港元，主要由於員工成本及股權結算以股份支付之交易增加所致。

其他經營開支由二零一八年約4,830,000港元上升至二零一九年約13,428,000港元，主要由於遊戲軟件及商譽減值虧損所致。

融資成本由二零一八年約2,792,000港元上升至二零一九年約3,616,000港元，乃由於截至二零一九年十二月三十一日止年度銀行及其他借貸增加所致。

所得稅開支由二零一八年約1,967,000港元增加至二零一九年約3,262,000港元，主要由於截至二零一九年十二月三十一日止年度獲中國附屬公司分派溢利的預扣稅所致。

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 31 December 2019, the Group had cash and bank balances of approximately HK$56,962,000 (2018: approximately HK$47,338,000) and net current assets of approximately HK$30,092,000 (2018: approximately HK$7,695,000), the increase in net current assets is mainly due to increase in cash and bank balances and decrease in due to related companies and other payables and accruals.

The Group had bank borrowings of approximately HK$41,416,000 as at 31 December 2019 (2018: approximately HK$44,952,000). All bank borrowings were repayable within one year. The Group's bank borrowings carried interests at fixed rate.

The Group had loan from related parties of approximately HK$93,328,000 as at 31 December 2019 (2018: approximately HK$30,000,000). The loan from related parties carried interest at fixed rate and repayable within three years.

As at 31 December 2019, the Group had current liabilities of approximately HK$108,657,000 (2018: approximately HK$148,296,000). The decrease in current liabilities was mainly due to the decrease in trade payables, other payables and accruals and current tax liabilities.

BANK BORROWINGS

As at 31 December 2019, bank borrowings of approximately HK$41,416,000 (2018: HK$44,952,000) were secured by corporate guarantee given by a related company.

GEARING RATIO

The Group's gearing ratio, which was derived from the total bank borrowings and loan from related companies to total assets, increased from 30.4% in 2018 to 59.7% in 2019, as a result of the increase in long-term loan from related parties.

COMMITMENTS

As at 31 December 2019, the Group's capital commitments amounted to approximately HK$11,393,000 (2018: Nil), attributable to acquisition of licensing right and other video material of online game.

流動資金、財務資源及融資

於二零一九年十二月三十一日，本集團擁有現金及銀行結餘約56,962,000港元(二零一八年：約47,338,000港元)及淨流動資產約30,092,000港元(二零一八年：約7,695,000港元)，淨流動資產增加乃主要由於現金及銀行結餘增加以及應付關聯公司款項及其他應付款項及應計項目減少所致。

本集團於二零一九年十二月三十一日擁有銀行借貸約41,416,000港元(二零一八年：約44,952,000港元)。所有銀行借貸均須於一年內償還。本集團的銀行借貸乃按固定利率計息。

本集團於二零一九年十二月三十一日有來自關聯方之貸款約93,328,000港元(二零一八年：約30,000,000港元)。該來自關聯方之貸款按固定利率計息及須於三年內償還。

於二零一九年十二月三十一日，本集團擁有流動負債約108,657,000港元(二零一八年：約148,296,000港元)。流動負債減少主要由於應付貿易賬款、其他應付款項及應計項目及即期稅項負債減少所致。

銀行借貸

於二零一九年十二月三十一日，約41,416,000港元(二零一八年：44,952,000港元)的銀行借貸由一間關聯公司提供的公司擔保作抵押。

資產負債比率

本集團的資產負債比率(按銀行借貸及來自關聯公司之貸款總額與總資產的比例計算得出)由二零一八年的30.4%增加至二零一九年的59.7%，乃由於來自關聯公司之長期貸款增加所致。

承擔

於二零一九年十二月三十一日，本集團的資本承擔約為11,393,000港元(二零一八年：無)，乃來自線上遊戲許可權及其他視頻素材。

CONTINGENT LIABILITIES

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

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)。

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGES

All transactions of the Group are denominated in RMB, HKD, and USD, MYR, SGD and THB. The Group is exposed to foreign exchange risk with respect to the fluctuation of RMB which may affect the Group's performance and assets. The Group has not entered into any derivative contract to hedged against the risk.

匯率波動風險及有關對沖

本集團的所有交易均以人民幣、港元、美元、令吉、新加坡元及泰銖列值。本集團就人民幣波動承受外匯風險，可能影響本集團的表現及資產。本集團並無訂立任何衍生工具合約以對沖該風險。

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2019, the Group employed approximately 558 staffs. The Group's remuneration to employees, including Directors' emoluments, decreased by approximately HK$2,686,000 to approximately HK$66,751,000 for the fiscal year of 2019.

The Group reviews employee remuneration annually and rewards its employees with reference to the length of services and performance. The Group also has the liberty to grant share options and bonuses to employees of the Group at the discretion of the Directors based on the financial performance of the Group.

僱員及薪酬政策

於二零一九年十二月三十一日，本集團僱用約558名員工。本集團於二零一九年財政年度的僱員薪酬(包括董事酬金)減少約2,686,000港元至約66,751,000港元。

本集團經參考僱員的服務年期及表現每年檢討僱員薪酬及獎勵僱員。本集團亦可基於本集團的財務表現由董事酌情決定向本集團僱員授出購股權及花紅。

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

財務政策及資本結構

本集團在財務及融資政策方面取態審慎，並專注於風險管理及與本集團相關業務有直接關係的交易。

FUTURE PROSPECTS

To maximize returns to the shareholders, we would focus on cost saving measures and adopt more flexible structure to meeting the challenges in a rapidly changing economic environment. We will evaluate the business operations and financial position of the Group from time to time and also consider whether any restructuring and/or integration of the existing businesses of the Group will be appropriate in order to enhance long-term growth potential of the Company. To better position of the game business, we are broadening our product range to console games and exploring possible expansion to the lubricant PRC market.

未來前景

為使股東獲得最大回報，我們將專注於節省成本的措施，並採用更加靈活的架構來應對來自瞬息萬變經濟環境的挑戰。我們將不時評估本集團的業務營運及財務狀況，並考慮是否合適對本集團現有業務進行任何重組及／或整合以增強本公司的長期增長潛力。為增進在遊戲業務的地位，我們將產品範疇擴大至主機遊戲，並尋求在龐大中國市場作出可能的擴充。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理人員之詳細履歷

EXECUTIVE DIRECTORS

Mr. Cheng Ting Kong, aged 45, who has been appointed as an executive Director and the chairman of the board of directors on 21 September 2012 and 5 October 2012 respectively. Mr. Cheng is the chairman of the board of directors and executive director of Sun International Group Limited (stock code: 8029) ("Sun International"), a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") from 5 July 2013. Mr. Cheng's wife, Ms. Yeung So Mui is an executive Director of the Company.

Ms. Yeung So Mui, aged 44, who has been appointed as an executive Director and vice chairlady of the board of directors on 1 September 2016. Ms. Yeung is the founder and a director of Sparkle Life Charity Fund Limited. Ms. Yeung was appointed as a director of Yan Oi Tong Limited on 1 April 2013. Ms. Yeung is experienced in corporate management. Ms. Yeung was an executive director of Suncity Group Holdings Limited (Stock Code: 1383), a company listed on the Main Board of the Stock Exchange from 5 October 2010 to 20 July 2017.

Mr. Luk Wai Keung, aged 55, obtained a Master Degree in Business Administration from the Australian Graduate School of Management of the University of New South Wales and a Bachelor of Science in Engineering from the University of Hong Kong. He has been a member of the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and a Chartered Financial Analyst at the Association for Investment Management and Research. Mr. Luk has over 18 years of experience in the accounting and finance area. He worked for an international accounting firm and held senior positions in a number of listed companies in Hong Kong. Immediately before joining the Company, Mr. Luk served Fu Shou Yuan International Group Limited (Stock Code: 1448), a company listed on the Main Board of the Stock Exchange from November 2013 to April 2015 as its chief financial officer. He was the chief financial officer of Larry Jewelry International Company Limited (Stock Code: 8351), a company listed on the Growth Enterprise Market of the Stock Exchange from July 2011 to October 2013. Mr. Luk was being an executive director of Sun International from 2 December 2015 to July 2016 and he is an independent non-executive Director of Suchuang Gas Corporation Limited (Stock Code: 1430), a company listed on the Main Board of the Stock Exchange.

Mr. Leung Kwok Yin, aged 67, is one of the co-founders of the Group. Mr. Leung is responsible for product development, materials sourcing and marketing of the Group. Mr. Leung graduated from the Hong Kong Polytechnic University in 1975 with a technician diploma in electrical engineering.

執行董事

鄭丁港先生，45歲，分別於二零一二年九月二十一日及二零一二年十月五日獲委任為執行董事及董事會主席。鄭先生由二零一三年七月五日起為太陽國際集團有限公司(股份代號：8029)(「太陽國際」，一間於香港聯合交易所有限公司(「聯交所」)創業板上市的公司)之董事會主席及執行董事，鄭先生的妻子楊素梅女士為本公司執行董事。

楊素梅女士，44歲，於二零一六年九月一日獲委任為執行董事及董事會副主席。楊女士為點點亮慈善基金有限公司的創辦人及董事。楊女士於二零一三年四月一日獲委任為仁愛堂有限公司董事。楊女士於企業管理方面擁有豐富經驗。楊女士於二零一零年十月五日至二零一七年七月二十日出任太陽城集團控股有限公司(股份代號：1383)執行董事，該公司於聯交所主板上市。

陸偉強先生，55歲，取得新南威爾士大學澳大利亞管理研究所之工商管理碩士學位及香港大學工程學理學士學位。彼一直為香港會計師公會(「香港會計師公會」)會員及美國投資管理研究協會的特許財務分析師。陸先生於會計及金融方面擁有逾18年經驗。彼曾任職國際會計師行，並出任香港多間上市公司的高級職位。緊接加入本公司前，陸先生於二零一三年十一月至二零一五年四月出任福壽園國際集團有限公司(股份代號：1448)之財務總監，該公司於聯交所主板上市。彼於二零一一年七月至二零一三年十月出任俊文寶石國際有限公司(股份代號：8351)之財務總監，該公司於聯交所創業板上市。陸先生於二零一五年十二月二日至二零一六年七月出任太陽國際之執行董事，彼現為蘇創燃氣股份有限公司(股份代號：1430)之獨立非執行董事，該公司於聯交所主板上市。

梁國賢先生，67歲，本集團聯合創辦人之一。梁先生負責本集團產品開發、物料採購及市場推廣。梁先生於一九七五年於香港理工大學畢業，取得電機工程技術文憑。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fung Tze Wa, aged 63. He is a certified public accountant and a director of an accounting firm in Hong Kong. Mr. Fung has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the HKICPA, the Chartered Association of Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. He has also been appointed as the independent non- executive director of Citychamp Watch & Jewellery Group Limited, a company incorporated in the Cayman Island with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0256), since April 2004 and from September 2004 to September 2015, he was an independent non-executive director of Jiwa Bio-Pharm Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2327). From April 2004 to February 2012, he was an independent non-executive director of New Capital International Investment Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1062). Since January 2017, he was an independent non- executive director of Freeman Fintech Corporation Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 279). Since May 2018, he was an independent non-executive director of Shen Yuan Holdings Limited, a company incorporated in the Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 851).

Mr. Ting Wong Kacee, aged 44. He holds a Master of Laws and Postgraduate Certificate in Laws from City University of Hong Kong. He is currently a member of The Hong Kong Bar Association.

Mr. Tse Ting Kwan, aged 44. He holds a Bachelor's Degree in Business Administration. He is currently a fellow member of the Association of Chartered Certified Accountants and an associate member of the HKICPA. Mr. Tse has over 10 years of experience in auditing, finance and accounting. He is currently the financial controller of Chinese People Holdings Company Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0681). Since September 2015, he was an independent non-executive director of Thelloy Development Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1546).

獨立非執行董事

馮子華先生，63歲。彼為執業會計師及香港一間會計師事務所之董事。馮先生於香港審計、稅務及公司秘書實務方面擁有多年經驗。彼於二零零零年獲香港理工大學頒授專業會計學碩士學位。彼為香港會計師公會、特許公認會計師公會、香港稅務學會及香港華人會計師公會會員。彼亦自二零零四年四月起獲委任為冠城鐘錶珠寶控股有限公司(該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：0256))之獨立非執行董事，及彼自二零零四年九月至二零一五年九月獲委任為積華生物醫藥控股有限公司(該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：2327))之獨立非執行董事。自二零零四年四月起至二零一二年二月，彼擔任新資本國際投資有限公司(該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：1062))之獨立非執行董事。自二零一七年一月起，彼擔任民眾金融科技控股有限公司(該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：279))之獨立非執行董事。自二零一八年五月起，彼擔任盛源控股有限公司(該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：851))之獨立非執行董事。

丁煌先生，44歲。彼持有香港城市大學法學碩士和法學專業證書。目前，彼為香港大律師公會的成員。

謝庭均先生，44歲。彼持有工商管理學士學位。彼現為特許公認會計師公會之資深會員及香港會計師公會之會員。謝先生於審計、財務及會計方面擁有逾10年經驗。彼現為中民控股有限公司(該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：0681))之財務總監。自二零一五年九月起，彼為德萊建業集團有限公司(該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：1546))之獨立非執行董事。

SENIOR MANAGEMENT

Choe Yang Yeat, aged 44, is the co-founder, executive director, and chief executive officer of the Cubinet Interactive Holdings Sdn. Bhd, a wholly-owned subsidiary of the Company since 2006. Under his leadership, he has successfully expanded the online entertainment business to five countries in Southeast Asia with an impressive eight million registered member database. He is directly responsible for the corporate strategy planning and business development expansion. He graduated with Bachelor of Commerce from Curtin University of Technology, Western Australia.

During his 13 years of experience in the online entertainment business, he has won numerous awards as the lending game publisher in the Southeast Asia region and built an expansive business relationships network with leading companies in the online entertainment industry in East Asia, he managed to secure world class products in Southeast Asia region. With his strategies in penetrating Southeast Asia markets, Cubinet Interactive Holdings Sdn. Bhd. has established wide coverage of payment channels in almost every city with experienced internal content localisation, marketing and operation teams in different countries and serving millions of users with different languages in five countries in Southeast Asia.

He also currently serves on the board of Trisilco IT Sdn Bhd, a leading software vendor providing innovative software solutions for the banking and financial industry.

Lim Hock Yew, aged 46, is the co-founder, executive director, and chief technology officer of the Cubinet Interactive Holdings Sdn. Bhd, a wholly-owned subsidiary of the Company since 2006. He is responsible for the IT strategy and directing the growth of development of online platform (www.cubizone.com) to five countries in Southeast Asia. Under his leadership, the IT implementation services extended from games portals and servers hosting through IDC (Internet Data Centre) and cloud to payment gateway integration as well as customer acquisition and analytics.

He graduated from Coventry University, the United Kingdom with Bachelor of Science (Honours) major in Computer Science. He also holds Postgraduate Diploma in Information Technology in Business from the University of Lincolnshire and Humberside, the United Kingdom.

高級管理人員

Choe Yang Yeat，44歲，自二零零六年起為Cubinet Interactive Holdings Sdn. Bhd.(本公司的全資附屬公司)之聯合創始人、執行董事及首席執行官。在其帶領下，彼成功將網上娛樂業務擴展至東南亞地區的五個國家，並擁有驚人的八百萬註冊會員數。彼直接負責公司戰略規劃及業務發展擴張。彼畢業於西澳洲科廷科技大學獲商業學士學位。

Choe先生在網絡娛樂業務方面擁有13年的經驗，曾作為借貸遊戲發行商在東南亞地區獲得多個獎項，並與東亞在線娛樂行業的領先公司建立了廣泛的業務關係網絡，彼致力於在東南亞地區獲得世界級產品。憑藉其打入東南亞市場的策略，Cubinet Interactive Holdings Sdn. Bhd.幾乎在每個城市都通過經驗豐富的內部內容本地化建立了廣泛的支付渠道、在不同國家建立了營銷及運營團隊並在東南亞的五個國家用不同語言為數百萬用戶提供服務。

彼目前亦擔任Trisilco IT Sdn Bhd(一間為銀行業及金融業提供創新軟件解決方案的領先軟件供應商)之董事會成員。

Lim Hock Yew，46歲，自二零零六年起為Cubinet Interactive Holdings Sdn. Bhd.(本公司的全資附屬公司)之聯合創辦人、執行董事及首席技術官。彼負責信息技術戰略，並指導在線平台(www.cubizone.com)發展至東南亞五個國家之增長。在其領導下，信息技術實施服務從通過IDC(互聯網數據中心)及雲託管的遊戲門戶和服務器擴展至支付網關集成以及客戶獲取和分析。

彼畢業於英國考文垂大學，獲計算機科學專業理學學士(榮譽)學位。彼亦擁有英國林肯郡與亨伯賽德郡大学的商業信息技術碩士文憑。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理人員之詳細履歷

Li Hang Sze, aged 41, was appointed as chief operating officer of Seven Senses Game Company Limited, a wholly-owned subsidiary of the Company. He has over 20 years' experience in game industry. He previously worked in various game companies including Gameone Group Limited, Funtwon Hong Kong Limited and Gamania Digital Entertainment (H.K.) Co., Ltd.. Afterward, he joined a telecom company in Hong Kong, namely PCCW and was in charge of the game department. He has experiences in management, business development, operation and marketing, etc., with business network in the PRC, Japan, Korea, Taiwan and Southeast Asia. He previously used two months to set up operation and localisation team in Taiwan, and the team released two games in Chinese version, both were developed by Japanese developers which then had great success. He also helped to set up game operation teams in Indonesia and released a mobile app platform with over 10 thousand applications. He was also the co-producer with Shanghai Juduo (上海句多網絡科技有限公司) for their strategic football mobile game "Realtime Eleven". He worked with business partners, including Microsoft, Baidu, Beijing Kunlun Tech Co., Ltd., International Games System Co., Ltd. (IGS) and Chinese Gamer International Corporation, etc. He also launched various MMORPG, casino, music, soccer and puzzle games. One of the games, "Championship Football Manger" was ranked top 10 in both App Store for iOS and Google Play Store.

李恒思，41歲，獲委任為本公司全資附屬公司七元素遊戲有限公司的營運總監，彼於過去二十年一直活躍於遊戲行業。李先生曾於Gameone Group Limited、Funtwon Hong Kong Limited及Gamania Digital Entertainment (H.K.) Co., Ltd.等遊戲公司任職。其後，彼於香港最大電訊公司PCCW負責遊戲部門工作。其專業知識涵蓋管理、商務、研發、營運及推廣等等，足跡及人脈遍及中、日、韓、台及東南亞各國。彼曾僅用兩個月的時間於台灣建立營運及本地化團隊，並成功推出兩款由日本製作團隊開發的手遊產品中文版，東南亞方面也曾在印尼組建營運團隊及推出移動應用平台，平台上擁有多達過萬款應用。遊戲研發方面亦曾以聯合製作人身份於國內參與上海句多網絡科技有限公司開發的《實戰11人》足球經營手遊項目。彼曾合作的遊戲夥伴包括歐美的Microsoft、中國的百度、昆侖、台灣的IGS、中華網龍等等。李先生曾處理過的線上產品類別包括MMORPG、棋牌、音樂、足球、Puzzle等等。其中《冠軍球會》曾在香港蘋果App Store及谷歌電子商店達到前十名。

Chen Hung Wen, aged 48, was appointed as deputy general manager of Seven Senses Game Company Limited, a wholly-owned subsidiary of the Company since August 2017. He has over 20 years experience in game operation, marketing, media, content channels, etc. Joined Soft-world in 2004, and in charge of RO, World of Warcraft online game marketing. James and his team worked closely with the developer in localizing the game to fit market needs, and it was a huge success. They have built "World of Warcraft" official website, and published "World of Warcraft" newsletter online, used online media to create massive exposure. Made full use of online ads, forum discussions, create online hit topics, manage game guilds and community, making "World of Warcraft" a constantly discussed topic online and soon became the biggest MMORPG game in the market. In 2006, James was promoted to team leader of World of Warcraft operation team, he was in charge of operation, community promotion and esport marketing, etc. He was then given the great challenge to grow the user base of the game, therefore he made many changes in operating the game and manage to break the highest online record in his first year as team leader. In November 2008, the team brought in the 3.0 version of the game, and they broke the top user online record again. In 2014, James leads the team to handle NBA 2K online game operation, which allowed him to work with various big names in the global game industry. He is in charge of Taiwan operation team.

陳鴻文，48歲，自二零一七年八月起獲委任為本公司全資附屬公司七元素遊戲有限公司的副經理，他曾有20年以上遊戲營運／行銷／媒體／內容頻道／相關經驗，於二零零四年加入智冠科技後，初期負責RO仙境傳説、魔獸世界等大型端遊行銷。陳鴻文及其團隊完美結合原廠規範在地經驗，規劃建立線上遊戲「魔獸世界」官方網站，同時發行「魔獸世界」遊戲電子報，改變集團過往行銷策略，大量運用網路行銷，善用網路廣告策略、討論版話題操作、網路議題塑造、經營遊戲公會社群，讓「魔獸世界」話題在網路延燒，推出後即成為市場上最大的MMORPG遊戲。於二零零六年，陳鴻文轉任魔獸世界營運主管，負責魔獸世界營運／社群推廣／電競推廣等事項，被賦予突破成長瓶頸的大挑戰，因此大幅修改過往運營模式，於經手營運第一年即打破前年最高上線人數紀錄，二零零八年十一月引進美方3.0改版，再創歷年最高上線人數紀錄。陳鴻文於二零一四年帶領團隊接手NBA 2K端遊營運等相關工作，擁有與多間國際知名遊戲廠商合作經驗，他負責台灣遊戲營運團隊。

Ip Ka Ki, aged 40, was appointed as the company secretary with effect from 31 March 2017. He obtained a Bachelor's Degree in Business Administration (Honours) in Accountancy from the Lingnan University in 2003. He is a member of The Association of Chartered Certified Accountants and a member of The Hong Kong Institute of Chartered Secretaries. He has over 15 years of experience in accounting, auditing and finance. Since December 2017, he was an independent non-executive director of Vicon Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3878).

葉家麒，40歲，自二零一七年三月三十一日起獲委任為公司秘書，他於二零零三年自嶺南大學取得會計學(榮譽)工商管理學士學位。他為特許公認會計師公會資深會員及香港特許秘書公會會員。他擁有逾15年會計、審計及財務經驗。自二零一七年十二月起，彼為Vicon Holdings Limited(該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：3878))之獨立非執行董事。

REPORT OF THE DIRECTORS
董事會報告

The Board are pleased to present their report together with the audited financial statements of the Group for the year ended 31 December 2019.

董事會欣然提呈董事會報告及截至二零一九年十二月三十一日止年度本集團的經審核財務報表。

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 19 January 2005 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

本公司於二零零五年一月十九日根據開曼群島法例第22章公司法(一九六一年第3號法律，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。

PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company acts as an investment holding company. The activities of its principal subsidiaries as at 31 December 2019 are set out in note 44 to the financial statements.

主要業務及附屬公司

本公司為投資控股公司。其於二零一九年十二月三十一日的主要附屬公司的業務載於財務報表附註44。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 and the state of affairs of the Group at that date are set out in the consolidated statement of profit or loss and consolidated statement of financial position of this annual report respectively.

業績及撥付

截至二零一九年十二月三十一日止年度本集團業績及於該日期的本集團事務狀況分別載於本年報的綜合損益表及綜合財務狀況表。

The Board do not recommend payment of any final dividend for the year ended 31 December 2019 (2018: Nil).

董事會並不建議派付截至二零一九年十二月三十一日止年度任何末期股息(二零一八年：無)。

RESERVES

Details of the movement in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 42(b) to the financial statements respectively.

儲備

本集團及本公司年內儲備變動的詳情分別載於綜合權益變動表及財務報表附註42(b)。

DISTRIBUTABLE RESERVES

At 31 December 2019, the Company's reserves available for cash distribution amounted to approximately HK$42,967,000. Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

可供分派儲備

於二零一九年十二月三十一日，本公司可供現金分派之儲備約為42,967,000港元。根據開曼群島公司法(經修訂)，本公司之股份溢價可分派予本公司股東，惟本公司須於緊隨建議派發股息日之後仍有能力償還在日常業務過程中到期之債務。股份溢價亦可以繳足紅利股份的形式分派。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 18 to the financial statements.

物業、廠房及設備

本集團年內物業、廠房及設備的變動詳情載於財務報表附註18。

INVESTMENT PROPERTIES

Details of movements in investment properties of the Group during the year are set out in note 19 to the financial statements.

投資物業

本集團年內投資物業的變動詳情載於財務報表附註19。

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 39 to the financial statements.

股本

本公司年內股本的變動詳情載於財務報表附註39。

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

主要客戶及供應商

於本財政年度內，主要客戶及供應商分別佔本集團銷售及採購額的資料如下：

		Percentage of the Group's total Sales/Purchases 佔本集團銷售／採購總額百分比
The largest customer	最大客戶	76.46%
Five largest customers in aggregate	五大客戶合計	78.24%
The largest supplier	最大供應商	18.61%
Five largest suppliers in aggregate	五大供應商合計	45.95%

None of the Directors or any of their associates or any shareholders of the Company (who or which to the knowledge of the Directors own more than 5.0% of the share capital of the Company) has any beneficial interest in any of the Group's five largest customers and five largest suppliers.

概無董事、彼等的聯繫人或本公司的任何股東(就董事所知擁有超過5.0%本公司股本者)擁有本集團任何五大客戶及五大供應商的實益權益。

DIRECTORS

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

董事

於本財政年度及直至本報告刊發日期止的董事如下：

Executive Directors

Mr. Cheng Ting Kong *(Chairman)*
Ms. Yeung So Mui
Mr. Luk Wai Keung
Mr. Leung Kwok Yin

執行董事

鄭丁港先生*(主席)*
楊素梅女士
陸偉強先生
梁國賢先生

Independent Non-Executive Directors

Mr. Fung Tze Wa
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

獨立非執行董事

馮子華先生
丁煌先生
謝庭均先生

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the Directors are set out on page 13 to page 14 of this annual report.

董事之詳細履歷

董事之詳細履歷載於本年報第13頁至第14頁。

DIRECTORS' SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offers themselves for re-election in accordance with the Company's articles of association. All of the independent non-executive Directors has entered a service contract with the Company for a term of 3 years and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the Corporate Government Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

董事之服務合約及輪席

各獲委任的董事須根據本公司的組織章程細則輪席告退，並符合資格膺選連任。所有獨立非執行董事均已與本公司訂立為期3年的服務合約，並須根據本公司的組織章程細則及聯交所證券上市規則(「上市規則」)附錄十四所載的企業管治守則輪席告退及連任。

In accordance with the provisions of the Company's articles of association, Mr. Fung Tze Wa, Mr. Ting Wong Kacee, and Mr. Tse Ting Kwan will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting ("AGM").

根據本公司組織章程細則的規定，馮子華先生、丁煌先生及謝庭均先生將於即將舉行的股東週年大會(「股東週年大會」)上輪席告退，但符合資格膺選連任。

Mr. Luk Wai Keung has entered a service contract with the Company, save as disclosed above, none of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

陸偉強先生已與本公司訂立服務合約，除上文所披露者外，概無董事已與本公司或其任何附屬公司訂立或擬訂立不可於一年內無須支付賠償(法定賠償除外)則期滿或終止的任何服務合約。

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments on a named basis are set out in note 12 to financial statements.

董事酬金

以記名方式的董事酬金詳情載於財務報表附註12。

ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company had received written confirmation from each of the independent non-executive Directors of their independence pursuant to rule 3.13 of the Listing Rules and both the Board and the Nomination Committee considered that all independent non-executive Directors are independent.

獨立非執行董事之年度確認

本公司已根據上市規則第3.13條收到各獨立非執行董事的書面獨立性確認書。董事會及提名委員會均認為所有獨立非執行董事均為獨立人士。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

董事於本公司及其相聯法團的股份、相關股份及債券中的權益及淡倉

As at 31 December 2019, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO or 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") were as follows:

於二零一九年十二月三十一日，董事於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)(「相聯法團」)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部而須知會本公司及聯交所的權益及淡倉(包括彼等根據證券及期貨條例的有關條文被當作或被視為擁有的權益及淡倉)，或根據證券及期貨條例第352條本公司須予存置的登記冊所記錄，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

Name of Director 董事姓名	Number of shares 股份數目 Personal interests 個人權益	Family interests 家族權益	Corporate Interests 公司權益	Total 總數	Percentage of aggregate interests to total number of shares in issue[3] 權益總額佔已發行股份總數之百分比[3]
Mr. Cheng Ting Kong 鄭丁港先生	—	—	179,407,488[2] (L)	179,407,488 (L)[1]	62.46%
Ms. Yeung So Mui 楊素梅女士	—	—	179,407,488[3] (L)	179,407,488 (L)	62.46%
Mr. Luk Wai Keung 陸偉強先生	1,000,000 (Note 4) (附註4)	—	—	1,000,000 (Note 4) (附註4)	0.35%

Notes:

1. The letter "L" represents the Director's interests in the Shares and underlying Shares or, as the case may be, the equity interest of the Company or its associated corporations.

2. This represents interests held by Mr. Cheng Ting Kong through Power Ocean Holdings Limited ("Power Ocean"), which holds 179,407,488 shares of the Company. Mr. Cheng Ting Kong has 50% interest in Power Ocean, he is therefore deemed to be interested in 179,407,488 shares of the Company.

3. Ms. Yeung So Mui is the spouse of Mr. Cheng. Ms. Yeung So Mui is deemed to be interested in all the shares held by Power Ocean Under Part XV of the SFO.

4. The 1,000,000 share options of the Company were granted to Mr. Luk Wai Keung on 23 May 2018, which represent the outstanding options granted to, and get to be exercised by Mr. Luk Wai Keung under the Company's share option scheme approved and adopted by the shareholders on 26 November 2008.

附註：

1. 字母「L」代表董事於本公司或其相聯法團的股份及相關股份或(按情況而定)股權的權益。

2. 此代表鄭丁港先生透過力海控股有限公司(「力海」，其持有本公司179,407,488股股份)持有的權益。鄭丁港先生擁有力海50%權益，因此，彼被視為於本公司179,407,488股股份中擁有權益。

3. 楊素梅女士為鄭先生的配偶。根據證券及期貨條例第XV部，楊素梅女士被視為於力海持有的所有股份中擁有權益。

4. 本公司於二零一八年五月二十三日授予陸偉強先生1,000,000份購股權，其指根據本公司於二零零八年十一月二十六日批准及採納之購股權計劃將未行使之購股權授予陸偉強先生並將由陸偉強先生行使。

5. The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2019 (i.e. 287,206,000 shares).

5. 百分比已根據於二零一九年十二月三十一日本公司已發行股份總數(即287,206,000股股份)而調整。

Save as disclosed above, as at 31 December 2019, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除以上披露者外，於二零一九年十二月三十一日，概無董事於本公司或其任何相關法團之股份、相關股份或債券中擁有根據證券及期貨條例第352條本公司須予存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所的任何其他權益或淡倉。

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

董事於重大合約之權益

No contract of significant to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year under review or any time during the year under review save and except for the transactions disclosed as connected and/or related party transactions in accordance with the requirements of the Listing Rules and accounting principles generally accepted in Hong Kong.

除根據上市規則及香港公認會計原則之要求披露為關連及／或關聯方交易之交易外，董事概無於本公司或其任何附屬公司所訂立之於回顧年度結束或回顧年度內任何時間存續之重大合約中直接或間接擁有重大權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

董事於競爭業務之權益

Mr. Cheng Ting Kong, the Chairman of the Board and an executive Director, (i) is a director and a beneficial owner of Sun Finance Company Limited ("SFCL"), a company incorporated in Hong Kong and a licensed money lender engaged in money lending business under the MLO; and (ii) is a director and a substantial shareholder (as defined under the Listing Rules) of Sun International which engages in money lending business through its subsidiary, Sun International Credit Limited ("SICL"), a company incorporated in Hong Kong and a licensed money lender under MLO.

董事會主席兼執行董事鄭丁港先生，(i)為太陽國際財務有限公司(「太陽國際財務」)的董事及實益擁有人，太陽國際財務為於香港註冊成立的公司及根據放債人條例從事放債業務的持牌放債人；及(ii)為太陽國際的董事及主要股東(定義見上市規則)，通過其附屬公司太陽國際信貸有限公司(「太陽國際信貸」)從事放債業務，太陽國際信貸為於香港註冊成立的公司及放債人條例項下持牌放債人。

SFCL and SICL competes or may compete, either directly or indirectly, with the business of the Group.

太陽國際財務及太陽國際信貸與本集團之業務直接或間接出現競爭或可能出現競爭。

The Board considers that, having considered the facts that:

董事會認為，經考慮以下情況：

(i) Mr. Cheng is fully aware of his fiduciary duty to the Group and he will abstain from voting on any matter when there is or may be a conflict of interest;

(i) 鄭先生完全知悉彼對本集團的受信責任，及彼會就有或可能有利益衝突的任何事宜放棄投票；

(ii) The Group is a capable of, and does carry on its business independently of, and on an arm's length basis with the competing business of SFCL and SIRL;

(ii) 本集團的業務能夠並事實上獨立於太陽國際財務及太陽國際資源的競爭業務以及按公平基準進行；

(iii) An executive committee will be informed to ensure business opportunities and the performance of Best Gold Corporation Limited, a wholly-owned subsidiary of the Company will be independently assessed and reviewed from time to time;

(iii) 執行委員會將予成立，以確保能夠不時獨立評估和檢討商機和本公司全資附屬公司金瑞興業有限公司的表現；

(iv) Mr. Cheng will abstain from voting on any matter where there is or may be a conflict of interest in accordance with the requirements of the articles of association of the Company; and

(iv) 鄭先生根據本公司組織章程細則的規定將就有或可能有利益衝突的任何事宜放棄投票；及

(v) Mr. Cheng will allow Best Gold Corporation Limited to remain as an independent operating entity with its own management team and distribution network and will not involve in its daily management.

(v) 鄭先生將允許金瑞興業有限公司以其自身管理團隊及分銷網絡保留作為獨立營運實體，且將不會涉及其日常管理。

Since (i) all the major and important corporate actions of the Company are and will be fully deliberated and determined by the Board; and (ii) any director(s) who is/are or deemed to be interested in any proposed transaction(s) will have his/their interest fully disclosed and will abstain from voting at the relevant resolution(s) in accordance with the applicable requirements of the articles of association of the Company, the Board is of the view that each of the Relevant Directors does not, by himself or in an individual capacity, competes with the Company and/or the business of the Group. The Group's interest is adequately safeguarded.

由於(i)本公司現時及未來之所有主要及重要企業活動均由董事會全面考慮及決定；及(ii)於任何建議交易中擁有或被視為擁有權益之任何董事將全面披露其權益，並將根據本公司組織章程細則之適用規定放棄就相關決議案投票，故董事會認為各相關董事並未以其自身或個人身份與本公司及／或本集團之業務競爭。本集團之利益得到充分保障。

COMPETITION AND CONFLICT OF INTERESTS

Except of the above, as at 31 December 2019, none of the directors, the management shareholders (as defined in the Listing Rules) or the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the businesses of the Group or has any other conflict of interests with the Group.

競爭及利益衝突

除上述情況外，於二零一九年十二月三十一日，本公司董事、管理層股東(定義見上市規則)或主要股東、或任何彼等各自之聯繫人士概無從事任何與本集團業務構成或可能構成競爭或與本集團有任何其他利益衝突之業務。

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there was sufficiency of public float of the Company's securities as required under the Listing Rules up to the date of this report.

公眾持股量

截至本報告日期，根據本公司公開獲得之資料及據董事所知，本公司已按上市規則之規定維持足夠公眾持股量。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws in the Cayman Islands.

優先購買權

本公司的組織章程細則或開曼群島法例並無有關優先購買權的規定。

SHARE OPTION

On 26 November 2008, the Company adopted the existing share option scheme (the "Existing Option Scheme"), which was valid and effective for a period of ten years from its date of adoption. The Existing Share Option Scheme was expired on 25 November 2018.

As at 31 December 2019, there are 6,980,000 share options were granted under the Existing Option Scheme which remain outstanding. Such outstanding options will confirm to be valid and exercisable upon the termination of the Existing Share Option Scheme.

On 29 June 2018, a resolution was passed in the 2018 annual general meeting of the Company to adopt a new share option scheme (the "New Share Option Scheme").

The Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which was granted and/or may be granted under the New Share Option Scheme subsequently.

The following is a summary of the principal terms of the New Share Option Scheme.

購股權

於二零零八年十一月二十六日，本公司採納現有購股權計劃(「現有購股權計劃」)，該計劃將自採納日期起計十年期間內有效及生效，而現有購股權計劃已於二零一八年十一月二十五日屆滿。

於二零一九年十二月三十一日，本集團根據現有購股權計劃授予之6,980,000股購股權尚未行使。該等未獲行使之購股權將在現有購股權計劃終止後確認為有效及可行使。

於二零一八年六月二十九日，一項決議案已於本公司二零一八年股東週年大會上通過，以採納新購股權計劃(「新購股權計劃」)。

聯交所上市委員會已批准本公司其後根據新購股權計劃授出及／或可能授出之購股權獲行使後而須予發行之股份上市及買賣。

以下為新購股權計劃之主要條款概要。

New Share Option Scheme

Purpose

To provide an incentive or a reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.

Participants

Eligible participants include:

Any directors or employees, consultants and/or advisers, the eligible participants also include any business or joint venture partners, contractors, agents or representatives, suppliers, producers or licensors, licensees (including sub-licensee) or distributors, of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group.

新購股權計劃

目的

鼓勵或獎賞合資格人士對本集團所作出的貢獻及／或使本集團能夠聘請及挽留優秀僱員及吸引對本集團具價值的人力資源。

參與者

合資格參與者包括：

任何董事或僱員、顧問及／或諮詢人士，合資格參與者亦包括本集團任何業務或合營公司夥伴、承包商、代理或代表、供應商、生產商或發牌人、持牌人(包括子持牌人)或分銷商，或董事會全權酌情認為對本集團已作出或可能作出貢獻的任何人士。

Exercise price

Determined by the Board and shall not be less than the higher of:

(a) the closing price of (1) one share as stated in the Stock Exchange's daily quotation sheets at the offer date, which must be a business day;

(b) the average closing price of (1) one share as stated in the Stock Exchange's daily quotation sheets for the (5) five business days immediately preceding the offer date; and

(c) the nominal value of the share on the offer date, provided that in case of fractional prices, the exercise price per share shall be rounded upwards to the nearest whole cents.

行使價

由董事會釐定，且不得低於以下之較高者：

(a) 於授出日期(須為營業日)(1)一股股份在聯交所每日報價單所列之收市價；

(b) 緊接授出日期前(5)五個營業日(1)一股股份在聯交所每日報價單所列之平均收市價；及

(c) 股份於授出日期之面值，惟就碎股股價而言，每股行使價應湊整至最接近完整仙位。

Total number of shares available for issue and the percentage of the issued share capital that it represents as at the date of this interim report

28,720,600 shares, being approximately 10% of the issued shares of the Company.

可發行股份總數及於本中期報告日期佔已發行股本之百分比

28,720,600股股份，佔本公司已發行股份約10%。

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

每名參與者之最高配額

不超過於任何12個月期間已發行股份之1%。

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

根據購股權認購證券之期限

由董事會酌情釐定，如並無釐定，由接納日期起至有關購股權失效之日及由授出日期起計滿10年(以較早發生者為準)。

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

購股權行使前必須持有之最短期限

由董事會酌情釐定。

Amount payable on acceptance

HK$1.00 payable upon acceptance of the offer.

接納時應付金額

於接納時應付1.00港元。

Remaining life of the scheme

The scheme will be valid and effective until 28 June 2028, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 28 June 2028 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

計劃之餘下年期

計劃將於直至二零二八年六月二十八日有效及生效，此後將不會授出任何購股權，但計劃之條文於所有其他方面將維持十足效力及有效。於計劃期內授出且於緊接二零二八年六月二十八日前仍未獲行使但符合上市規則條文之購股權，將可繼續根據彼等之授出條款予以行使，儘管計劃之期限已屆滿。

Employees and other eligible participants

The following table discloses movements of the Company's share options during the periods ended 31 December 2019:

僱員及其他合資格參與人士

於截至二零一九年十二月三十一日止期間內，本公司購股權變動呈列如下：

				Number of share options 購股權數目				
Name 姓名	Date of grant 授出日期	Exercise price 行使價 *HK$ 港元*	Exercisable period 行使期	Outstanding at 1.1.2019 於二零一九年一月一日尚未行使	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed/ cancelled during the period 期內到期／取消	Outstanding at 31.12.2019 於二零一九年十二月三十一日尚未行使
Executive director 執行董事								
Luk Wai Keung 陸偉強	23.5.2018 二零一八年五月二十三日	5.14	23.5.2018-22.5.2022 二零一八年五月二十三日至二零二二年五月二十二日	1,000,000	–	–	–	1,000,000
Consultants 顧問								
(in aggregate) (總計)	23.5.2018 二零一八年五月二十三日	5.14	23.5.2018-22.5.2022 二零一八年五月二十三日至二零二二年五月二十二日	2,000,000	–	–	–	2,000,000
(in aggregate) (總計)	23.5.2018 二零一八年五月二十三日	5.14	23.11.2018-22.5.2022 二零一八年十一月二十三日至二零二二年五月二十二日	2,000,000	–	–	–	2,000,000
(in aggregate) (總計)	23.5.2018 二零一八年五月二十三日	5.14	23.5.2019-22.5.2022 二零一九年五月二十三日至二零二二年五月二十二日	1,980,000	–	–	–	1,980,000
				6,980,000	–	–	–	6,980,000

The estimated fair value of the share options granted under the Scheme on 26 November 2008 was approximately HK$14,939,000, calculated using the Binomial Model (the "Model"). The inputs into the Model were as follows:

於二零零八年十一月二十六日根據計劃所授出購股權之估算公允值約為14,939,000港元，乃採用二項式模型(「模型」)計算。模型的參數如下：

		Share options with an exercisable period from 23.5.2018 to 22.5.2022 購股權之行使期由二零一八年五月二十三日至二零二二年五月二十二日
Share price at date of grant	於授出日期股價	HK$4.91港元
Exercise price	行使價	HK$5.14港元
Expected volatility (per annum)	預期波幅(每年)	65.50%
Expected life of share options	購股權預期年期	4 years年
Expected dividend yield	預期股息率	0%
Risk-free rate	無風險利率	2.14%
Fair value of share option	購股權之公允值	HK$2.14港元

Fair values of the share options were with reference to the valuation carried out by an independent firm of professional valuers.

購股權之公允值乃參考由專業獨立估值師之評估。

Expected volatility was determined by using the historical volatility of the Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

預期波幅按過去公司股價之歷史波幅釐定。模式所採用預期年期已就不可轉讓、行使限制及行為考慮之影響按管理層最佳估計調整。

The risk free interest rate was estimated based on the yield of 5-year exchange fund note issued by the Hong Kong Monetary Authority as of the grant date.

無風險利率按香港金融管理局之五年期外匯基金債券率於授出日期估計。

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

變數及假設用作計算購股權之公允值乃按董事最佳估計。購股權價值由若干主觀假設之不同變數而變更。

The Group recognises the total expense of approximately HK$3,167,000 for the period ended 31 December 2019 (2018: HK$4,206,000) in relation to share options granted by the Company.

就本公司授出之購股權，截至二零一九年十二月三十一日止期間本集團已確認約3,167,000港元之費用(二零一八年：4,206,000港元)。

RETIREMENT SCHEMES

The Group maintains a mandatory provident fund ("MPF Scheme") for all qualifying employees in Hong Kong. The Group's and employee's contributions to the MPF Scheme are based on 5% of the relevant income of the relevant employee (up to a cap of monthly relevant income of HK$30,000) and in accordance with the requirements of the Mandatory Provident Fund Schemes Ordinance and related regulations.

Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes ("Schemes") organised by the relevant local government authorities in Yuyao, the PRC whereby the Group is required to make contributions to the Schemes at the rate of 26% of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to retired employees.

The Group has defined benefit obligations arising from one of its subsidiaries, Cubinet (Thailand) Co., Ltd. Details of which are set out in note 35 to the consolidated financial statement.

退休計劃

本集團為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團及僱員對強積金計劃之供款乃按照強制性公積金計劃條例及相關規例的要求，根據相關僱員之相關收入(每月相關收入上限為30,000港元)的5%計算。

根據中國有關勞工條例及規定，本集團參與了由中國余姚當地政府機構管理的定額供款退休福利計劃(「計劃」)，據此，本集團須按合資格僱員薪金的26%向該計劃供款。地方政府負責向退休僱員全數發放退休金。

本集團已界定其中一間附屬公司Cubinet (Thailand) Co. Ltd之福利責任。有關詳情載於綜合財務報表附註35。

CONNECTED TRANSACTIONS

During the year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which exempted from the requirements of the Listing Rule are also disclosed in note 48 to the financial statements as related party transactions.

關連交易

年內，本公司並無訂立任何須遵守上市規則的關連交易。獲上市規則豁免的其他交易亦於財務報表附註48披露作關聯人士交易。

MANAGEMENT CONTRACTS

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

管理合約

年內概無訂立或存在任何關於本公司業務全部或任何重要部分之管理及行政合約。

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the Year.

購買、銷售或贖回本公司已上市證券

年內，本公司或其任何附屬公司概無購買、銷售或贖回本公司的任何股份。

AUDITOR

As the Company's last AGM, RSM Hong Kong was reappointed as auditor of the Company. A resolution to re-appoint the retiring auditors, RSM Hong Kong, will be proposed at the forthcoming AGM. There has been no change of the Company's auditors since its incorporation.

核數師

於本公司之上次股東週年大會上，羅申美會計師事務所已續聘為本公司之核數師。重新委任退任核數師羅申美會計師事務所之決議案將於來屆股東週年大會上提呈。自本公司註冊成立以來，本公司之核數師並無變動。

On behalf of the Board

代表董事會

Cheng Ting Kong
Chairman

主席
鄭丁港

20 March 2020

二零二零年三月二十日

CODE OF BEST PRACTICE

The Group is committed to ensuring high standards of corporate governance and business practices. The Company's corporate governance practices are based on the principles and the code provisions (the "Code Provisions") as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code"), amended from time to time, contained in Appendix 14 of the Listing Rules. As far as the CG Code is concerned, during the year and up to the date of this announcement, the Company complies with all aspect of the Code Provisions except disclosed below:

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The role of chief executive officer was shared among the members of the Board during the reporting period. There is no time schedule to change this structure, as the Directors consider that this structure provides the Group with consistent leadership in the Company's decision making process and operational efficiency. The Board shall review this arrangement from time to time to ensure appropriate and timely action is taken to meet changing circumstances.

最佳常規守則

本集團致力維持良好的企業管治及業務常規標準。本公司的企業管治常規依據企業管治守則及企業管治報告(「企業管治守則」，經不時修訂，載於上市規則附錄十四)所載的原則及守則條文(「守則條文」)而作出。就企業管治守則而言，於年內及直至本公佈日期，本公司已全面遵守守則條文，惟下文所披露者除外：

根據企業管治守則之守則條文第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。行政總裁的角色於報告期內由董事會成員分擔。由於董事認為此架構在本公司決策過程及營運效率方面為本集團提供一致領導，故並無制定改變此架構的時間表。董事會須不時檢討此安排，確保配合情況的轉變及時採取適當的行動。

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding directors' securities transactions as set out in Appendix 10 of the Listing Rules. Having made specific enquiry, all Directors have fully complied with the required standard set out in Appendix 10 of the Listing Rules for the year ended 31 December 2019.

董事進行證券交易

本集團已採納載於上市規則附錄十有關董事進行證券交易的操守守則。經作出具體查詢後，全體董事於截至二零一九年十二月三十一日止年度一直全面遵守上市規則附錄十所載的規定準則。

THE BOARD

The Board has a balance of skill and experience and a balanced composition of executive and non-executive Directors and is responsible for oversight of the management of the Company's business and affairs. The Board has delegated the day-to-day responsibility to the executive Directors and senior management of the Company.

董事會

董事會擁有均衡技能及經驗，執行及非執行董事的組成亦屬平衡，並負責監管本公司業務及事務的管理。董事會已授權本公司執行董事及高級管理層履行日常責任。

As at 31 December 2019, the Board comprised of seven members, namely the Chairman and three other executive Directors and three independent non-executive Directors (the biographies of the Directors are set out on page 13 to page 14).

於二零一九年十二月三十一日，董事會由七名成員組成，包括主席、三名其他執行董事及三名獨立非執行董事(董事之履歷載於第13頁至第14頁)。

The Board considers that its diversity, including gender diversity, is a vital asset to the business. The Board adopted a Board diversity policy for better transparency and governance. Board appointments are based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

董事會認為，其多元化(包括性別多元化)對業務而言屬重要資產。為增加透明度及加強管治，董事會已採納董事會多元化政策。在充分考慮董事會多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及工作年限)的好處後，將根據個人才能委任董事會成員，而候選人將對照客觀標準進行考量。

The Board oversees the Group's strategic development and the overall management of the Group. The Board also monitors the financial performance and internal controls of the Group. The Board members have a broad access to business documents and information about the Group. Three Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee have been established to oversee particular aspects of the Group's affairs. The Board meets regularly to review the financial and operating performance of the Group and to approve future plans and development.

董事會監管本集團的策略發展及整體管理。董事會亦監管本集團的財務表現及內部控制。董事會成員已廣泛查閱本集團的業務文件及資料。三個董事委員會(即審核委員會、薪酬委員會及提名委員會)乃為了監察本集團在有關方面的事務而成立。董事會定期召開會議，審核本集團的財務及營運表現，以及通過日後的發展策略。

All the Directors have actively participated in the review and monitoring of the Company's business. The Board meets regularly and at least 4 times a year. Between scheduled meetings, the senior management of the Group provides information to the Directors on a regular basis regarding the activities and development in the businesses of the Group. The Directors have full access to information on the Group and independent professional advice in appropriate circumstances, at the Company's expense. With respect to regular meetings of the Board, the Directors will be given written notice of the meeting at least 14 days in advance and an agenda with supporting Board papers no less than 3 days prior to the meeting. For other meetings, the Directors are given as much notice as is reasonable and practicable in the circumstances. If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting. All minutes of Board and Board committee meetings are kept by the company secretary to record in sufficient details the matters considered and decisions reached by the Board or Board committee, including any concerns raised or dissenting views expressed by any Director. These minutes are available for inspection at any reasonable time on reasonable notice by any Director.

各董事均積極參與檢討及監察本公司業務。董事會定期召開會議，且每年召開至少4次。於定期會議之間，本集團的高級管理層會就本集團業務的活動及發展定期向董事提供資料。董事可隨時獲取本集團的資料及可在適當的情況下尋求獨立專業意見，費用由本公司支付。就召開定期董事會會議而言，董事將至少提前14天獲得書面會議通知及在會議前不少於3天獲得董事會議程及所需文件。就其他會議而言，在合理及切實的情況下，董事會盡量獲予最早的通知。若董事在董事會上所考慮的事項中存有董事會認為重大的利益衝突，有關事項應以舉行董事會會議(而非書面決議)方式處理。公司秘書應備存董事會及董事委員會的會議紀錄，該等會議紀錄應對董事會或董事委員會所考慮事項及達致的決定作足夠詳細的記錄，其中應該包括董事提出的任何疑慮或表達的反對意見。若有任何董事發出合理通知，應提供有關會議紀錄供其在任何合理的時段查閱。

During the year ended 31 December 2019, a total number of seven (7) Board meetings, three (3) Audit Committee meetings, one (1) Remuneration Committee meeting and one (1) Nomination Committee meeting were held. Minutes of these meetings are kept by the company secretary of the Company and are open for inspection by the Directors.

於截至二零一九年十二月三十一日止年度已舉行七(7)次董事會會議、三(3)次審核委員會會議、一(1)次薪酬委員會會議及一(1)次提名委員會會議。該等會議的會議紀錄由本公司的公司秘書保存，並可公開供董事查閱。

The Directors are able, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Board shall resolve to provide separate appropriate independent professional advice to the Directors to assist the relevant Directors to discharge their duties.

董事可於合理要求時在合適情況下尋求獨立專業意見，費用由本公司承擔。董事會須決議分別向董事提供合適的獨立專業意見，以協助有關董事履行其職責。

The Company has received annual confirmations of independence from all existing independent non-executive Directors and considers them independent.

本公司已接獲各現有獨立非執行董事就其獨立性作出的年度確認，並認為彼等均為獨立人士。

The Directors except for the independent non-executive Directors, have no fixed terms of appointment but are subject to re- election at the AGM of the Company in accordance with the Company's article of association.

董事(獨立非執行董事除外)並無固定委任年期，惟須按本公司之組織章程細則於本公司股東週年大會膺選連任。

DIRECTORS' TRAINING

Pursuant to Code Provision A.6.5, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Up to the date of this report, all Directors have participated in appropriate continuous professional development activities by attending training course or reading materials on the topics related to corporate governance and regulations or the Company's business or their duties and responsibilities.

董事培訓

根據守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。直至本報告日期止，所有董事均透過出席有關主題為企業管治及相關規例的培訓課程或閱讀本公司業務或彼等職能及職責相關資料的方式而參與合適的持續專業發展活動。

The individual training record of each Director received for the year ended 31 December 2019 is summarised below:

於截至二零一九年十二月三十一日止年度內各董事所接受培訓之個別記錄概述如下：

Name of Directors 董事姓名		Attending seminar(s)/ programme(s)/reading relevant materials in relation to the business or directors' duties 出席與業務或董事職責相關之講座／課程／閱讀相關資料
Mr. Cheng Ting Kong	鄭丁港先生	Yes 是
Ms. Yeung So Mui	楊素梅女士	Yes 是
Mr. Luk Wai Keung	陸偉強先生	Yes 是
Mr. Leung Kwok Yin	梁國賢先生	Yes 是
Mr. Fung Tze Wa	馮子華先生	Yes 是
Mr. Ting Wong Kacee	丁煌先生	Yes 是
Mr. Tse Ting Kwan	謝庭均先生	Yes 是

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements of the Group for the relevant accounting periods under applicable statutory and regulatory requirements which give a true and fair view of the state of affairs, the results of operations and cash flows of the Group. In preparing the financial statements for the year ended 31 December 2019, suitable accounting policies have been adopted and applied consistently. The financial statements for the reporting year have been prepared on a going concern basis.

董事對財務報表的責任

董事負責根據適用的法定及監管要求編製本集團於有關會計期間的財務報表，真實公平地呈報本集團的事務狀況、營運業績及現金流量。於編製截至二零一九年十二月三十一日止年度的財務報表時，已一致地採納及應用合適的會計政策。報告年度的財務報表乃按持續經營基準編製。

The individual attendance records of each Director, on a named basis, at the meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee during the year ended 31 December 2019 are set out below:

於截至二零一九年十二月三十一日止年度，各董事個別出席董事會、審核委員會、薪酬委員會及提名委員會的會議紀錄具名載列如下：

Name of Director 董事姓名		Attendance/Number of meetings entitled to attend 出席率／有權出席會議的次數				
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting[1] 股東週年大會[1]
Number of Meetings	**會議次數**	7	3	1	1	1
Executive Directors	*執行董事*					
Mr. Cheng Ting Kong	鄭丁港先生	7/7	–	–	–	1/1
Ms. Yeung So Mui	楊素梅女士	7/7	–	–	–	0/1
Mr. Luk Wai Keung	陸偉強先生	7/7	–	–	–	1/1
Mr. Leung Kwok Yin	梁國賢先生	0/7	–	–	–	0/1
Independent Non-executive Directors	*獨立非執行董事*					
Mr. Fung Tze Wa	馮子華先生	7/7	3/3	1/1	1/1	1/1
Mr. Ting Wong Kacee	丁煌先生	7/7	3/3	1/1	1/1	1/1
Mr. Tse Ting Kwan	謝庭均先生	7/7	3/3	1/1	1/1	1/1

Notes:

1. 2019 Annual General Meeting held on 24 May 2019.

附註：

1. 二零一九年股東週年大會於二零一九年五月二十四日舉行。

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for ensuring that the Company has formal and transparent procedures for developing and overseeing its policies on the remuneration of the Directors and senior management. The committee's authorities and duties are set out in written terms of reference. The Remuneration Committee comprises the following three members, all independent non-executive Directors:

(i) Mr. Ting Wong Kacee, Chairman of Remuneration Committee

(ii) Mr. Fung Tze Wa

(iii) Mr. Tse Ting Kwan

薪酬委員會

薪酬委員會負責確保本公司有正式及透明的程序發展及監察其董事及高級管理層的薪酬政策。委員會的權力及職責有書面訂明。薪酬委員會由以下三名成員(全體獨立非執行董事)組成：

(i) 丁煌先生，薪酬委員會主席

(ii) 馮子華先生

(iii) 謝庭均先生

The terms of reference of the Remuneration Committee are in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. Given below are main duties of the Remuneration Committee:

(i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;

(ii) to propose the specific remuneration packages of the executive Directors, and to make recommendations on the remuneration of the non-executive Directors for the Board's approval;

(iii) to review and propose performance-based remuneration for executive Directors by reference to corporate goals and objectives resolved by the Board from time to time; and

(iv) to administer and make determinations with regard to the Company's share option scheme.

薪酬委員會的職權範圍乃遵照上市規則附錄十四所載企業管治常規守則。以下為薪酬委員會的主要職責：

(i) 就本公司所有董事薪酬的政策及架構提出建議；

(ii) 就執行董事的特定薪酬待遇提出建議，及就非執行董事的薪酬提出建議，以供董事會批准；

(iii) 根據董事會不時決定的企業方針及目標就執行董事的按表現釐定薪酬作出檢討及建議；及

(iv) 執行及釐定本公司的購股權計劃。

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The Audit Committee comprises the following three members, all independent non-executive Directors:

(i) Mr. Fung Tze Wa, Chairman of Audit Committee

(ii) Mr. Ting Wong Kacee

(iii) Mr. Tse Ting Kwan

Given below are the main duties of the Audit Committee:

(i) to make recommendations with respect to the appointment, re-appointment and removal of the Company's external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process;

(ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein;

審核委員會

本公司已成立審核委員會並遵照上市規則附錄十四所載企業管治常規守則訂明書面職權範圍。審核委員會由以下三名成員(全體獨立非執行董事)組成：

(i) 馮子華先生，審核委員會主席

(ii) 丁煌先生

(iii) 謝庭均先生

以下為審核委員會的主要職責：

(i) 就本公司外聘核數師的委任、重聘及免職提出建議，以及評核其獨立性、客觀性及審核程序的有效性；

(ii) 審閱及監察本公司中期及年度財務報表、報告及賬目，以及審閱當中的重大及決定性財務報告事宜；

(iii) to review the Company's financial controls, internal controls and risk management systems; and

(iv) to discuss with the management the system of internal controls, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system.

(iii) 檢討本公司的財務監控、內部監控及風險管理系統；及

(iv) 與管理層就內部監控系統進行討論，並確保管理層於執行有效的內部監控系統時其職責及責任已獲履行。

AUDITOR'S REMUNERATION

During the year ended 31 December 2019, the fees paid/payable to auditor of the Company, RSM Hong Kong, for the provision of audit services and non-audit services as follows:

核數師酬金

於截至二零一九年十二月三十一日止年度，就提供審計服務及非審計服務已付／應付本公司核數師羅申美會計師事務所之費用如下：

Nature of services **服務性質**		**2019** **二零一九年** **HK$** **港元**	2018 二零一八年 HK$ 港元
Audit	審計	**1,020,000**	810,000
Others	其他	**—**	265,000
		1,020,000	1,075,000

NOMINATION COMMITTEE

The Company has established a Nomination Committee with written terms of reference in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The Nomination Committee comprises the following three members, all independent non-executive Directors:

(i) Mr. Tse Ting Kwan, Chairman of Nomination Committee

(ii) Mr. Fung Tze Wa

(iii) Mr. Ting Wong Kacee

Given below are main duties of the Nomination Committee:

(i) to review the structure, size and composition (by taking into account the criteria as set out in the Board diversity policy adopted by the Company from time to time) of the Board at least annually and make recommendations any proposed changes to the Board to complement the Company's corporate strategy;

提名委員會

本公司已成立提名委員會並遵照上市規則附錄十四所載企業管治常規守則訂明書面職權範圍。提名委員會由以下三名成員(全體獨立非執行董事)組成：

(i) 謝庭均先生，提名委員會主席

(ii) 馮子華先生

(iii) 丁煌先生

以下為提名委員會的主要職責：

(i) 每年至少檢討一次董事會的架構、人數及組成(經計及本公司不時採納的董事會多元化政策所載的標準)，並就任何建議變動向董事會提出意見以配合本公司的企業策略；

(ii) to review the Board diversity policy regularly (including any measurable objectives that the Board has set for implementing the Board diversity policy and the progress on achieving those objectives); and make disclosure of its review results in the corporate governance report of the Company annually;

(ii) 定期檢討董事會多元化政策(包括董事會就實施董事會多元化政策而制定的任何可量化的目標以及該等目標的實現情況)；以及每年在本公司企業管治報告中披露其檢討結果；

(iii) 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;

(iii) 識別有資格成為董事會成員的人士，並於挑選獲提名出任董事的人士時進行挑選及向董事會提出意見；

(iv) to assess the independence of independent non-executive Directors; and

(iv) 評核獨立非執行董事的獨立性；及

(v) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the president (chief executive officer).

(v) 就有關董事的委任或重新委任以及董事，尤其是主席及總裁(行政總裁)的繼任計劃的相關事宜向董事會提出意見。

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

The Board has the responsibility to maintain an effective risk management and internal control system in order to protect the Group's assets and shareholder's interests. The risk management and internal control systems of the Group are implemented to minimize risks to which the Group is exposed. The systems can only provide reasonable but not absolute assurance against misstatements or losses.

董事會有責任維持有效的風險管理及內部監控系統，以保障本集團的資產及股東的利益。實施本集團之風險管理及內部監控系統旨在將本集團面臨的風險減至最低。該系統僅可提供合理之保證，而非絕對保證不會出現錯誤陳述或損失。

The internal control system includes a well established corporate structure and organisation with clearly defined lines of responsibility and authority. Each department is responsible for its daily operations, and is also required to implement and monitor the strategies and polices adopted by the Board and effective employment of the resources of the Company, in order to avoid misappropriation of resources and damages made to the Company's assets, and prevent against errors and fraud.

內部監控系統包括有清晰責任及權力的良好企業架構及組織。各部門負責其日常營運，並須執行及監察董事會採納的策略及政策以及有效運用本公司資源，以避免造成資源錯配及損害本公司資產，以及避免錯誤及欺詐。

The risk management framework includes identify significant risk in the Group's operation environment and evaluate the impact of those risks on the Group's business, develop necessary measure to manage those risks and monitor and review the effectiveness of such measures.

風險管理框架包括識別本集團營運環境中的重大風險以及評估該等風險對本集團業務的影響，制訂必要措施以管理該等風險及監控以及檢討該等措施的有效性。

Process used to identify, evaluate and manage significant risks

The Board and management, with the assistance of the external consultants, are responsible for designing, implementing and monitoring of the risk management and internal control systems.

The processes used to identify, evaluate and manage significant risks by the Group are summarized as follows:

Risk identification

- Identifies the risk through discussion with the management and directors of subsidiaries of the Company. Risk identification and management questionnaire are used to document the risks identified by the management and directors of subsidiaries of the Company.

Risk Response

- Categories the risks into low risk, medium and high risk;
- Determines the strategy to handle the risk; and
- Develops the risk register and internal control audit plan and determines the frequency of review and control testing on key controls.

Risk Monitoring and Reporting

- On-going communication of monitoring results to the Board which enables it to assess control the Group and the effectiveness of risk management during the Year;
- risk questionnaires completed by the management, risk register and internal control audit plan; and
- fact finding report with recommendations on the review and testing of internal control on certain operating cycles and areas.

用以識別、評估及管理重大風險的程序

在外部顧問的協助下，董事會及管理層負責設計、執行及監管風險管理及內部監控系統。

本集團用以識別、評估及管理重大風險的程序概述如下：

風險識別

- 透過與本公司附屬公司的管理層及董事進行討論以識別風險。我們利用風險識別及管理問卷記錄本公司附屬公司的管理層及董事所識別的風險。

風險應對措施

- 將風險分類為低風險、中等及高風險；
- 釐定處理風險的策略；及
- 設立風險登記冊及內部監控審核計劃，並釐定主要監控的審閱及監控測試的頻率。

風險監管及報告

- 與董事會就監管結果進行持續溝通，使其得以評估本集團於本年度的監控及風險管理的有效性；
- 管理層所完成的風險問卷、風險登記冊及內部監控審核計劃；及
- 實況調查報告，並隨附就若干營運週期及範圍的審閱及內部監控測試提出的建議。

Internal Audit Function

The Group's internal audit function is performed by the management of the Company, including analyzing and appraising the adequacy and effectiveness of the Group's risk management and internal control systems. For the enhancement of the quality of the internal audit, the Company has engaged an external consultant to execute a certain scope of internal audit function to:

- facilitate the management's process to perform the risk assessment and evaluation; and
- conduct various agreed upon reviews on certain selected operating cycles and areas in accordance with the Company's internal control audit plan.

During the year, the Board conducted an annual review on the effectiveness of the Company's risk management and internal control systems. The Board concluded that the risk management and internal control systems of the Company were adequate and effective during the year.

內部審核職能

本集團的內部審核職能由本公司的管理層負責履行，當中包括分析及評核本集團的風險管理及內部監控系統的充足性及有效性。為提高內部審核的質素，本公司已委聘外部顧問執行內部審核職能的若干範圍以：

- 促進管理層進行風險評估及評核的流程；及
- 根據本公司的內部監控審核計劃對若干選定的營運週期及範圍進行各項議定審閱。

年內，董事會對本公司的風險管理及內部監控系統的有效性進行年度審閱。董事會認為，本公司於年內的風險管理及內部監控系統屬充足且有效。

INSIDER INFORMATION

With respect to procedures and internal controls for handling and dissemination of inside information, the Company is fully aware of its obligations under the new Part XIVA of the Securities and Futures Ordinance, Chapter 571 and the Listing Rules. The Board has adopted a policy which contains the guideline to the Directors and officers of the Company to ensure that the inside information of the Company is to be disseminated to public in an equal and timely manner in accordance with the applicable laws and regulations.

內幕消息

於處理及發佈內幕消息的程序及內部監控方面，本公司完全知悉其於證券及期貨條例(第571章)新第XIVA部以及上市規則項下的責任。董事會已採納載有董事及本公司高級職員指引的政策，以確保本公司的內幕消息根據適用法例及法規公平及適時地向公眾發佈。

COMPANY SECRETARY'S TRAINING

During the year ended 31 December 2019, Mr. Ip has received no less than 15 hours of relevant professional training to refresh his skills and knowledge.

公司秘書培訓

截至二零一九年十二月三十一日止年度，葉先生已接受不少於15小時相關專業培訓以更新其技能及知識。

SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

股東權利以及與股東溝通及投資者關係

Details of the Last General Meetings

最近召開之股東大會詳情

The Company's AGM is a valuable forum for the Board to communicate directly with the Shareholders. Under Revised Code Provision A.6.7, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders.

本公司股東週年大會乃董事會直接與股東聯繫之寶貴機會。根據經修訂守則條文第A.6.7條，獨立非執行董事應出席股東大會及均衡了解股東意見。

Convening a Special General Meeting by Shareholders

由股東召開股東特別大會

Pursuant to the Article 58 of the Articles of Association of the Company, a special general meeting may be convened by the Board upon requisition by any shareholder holding not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company. The shareholder shall make a written requisition to the Board or the Company Secretary of the Company, specifying the transaction of any business in such requisition.

根據本公司的組織章程細則第58條，董事會可於持有賦有於本公司股東大會上投票權之本公司繳足股本不少於十分之一的股東要求時召開股東特別大會。有關股東須向本公司董事會或公司秘書發出書面要求，以處理有關要求中指明的任何事項。

The Board shall arrange to hold such general meeting within two (2) months after the receipt of such written requisition. Pursuant to the Article 59 of the Articles of Association of the Company, the Company shall serve requisite notice of the general meeting, including the time, place of meeting and particulars of resolutions to be considered at the meeting and the general nature of the business.

董事會須安排於該書面要求後兩(2)個月內舉行該大會。根據本公司的組織章程細則第59條，本公司應發出股東大會通知，當中包括大會的時間、地點及擬考慮的決議案的詳情以及該事項的一般性質。

If within twenty one (21) days of the receipt of such written requisition, the Board fails to proceed to convene such special general meeting, the requisitionist(s) may do so in the same manner, and; all the reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

倘於收到該書面要求二十一(21)日內董事會未有召開該股東特別大會，該申請人可自行召開大會，本公司應向有關申請人償付因董事會未有召開大會而需支付之一切合理費用。

Putting Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the Company Secretary of the Company at the head office address of the Company, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

於股東大會提呈動議

股東須向本公司董事會或公司秘書發出書面要求，該要求可寄發至本公司之總辦事處，指明股東的股權資料、其聯絡詳情及擬於股東大會提呈之動議與任何特定交易／事宜有關以及其證明文件。

Putting Forward Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing to the Company's head office in Hong Kong at Room 02, 26/F., One Harbour Square, No. 181 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

向董事會提出詢問

股東可於任何時間將向董事會提出的書面詢問及關注寄發至本公司的香港總辦事處香港九龍觀塘海濱道181號One Harbour Square 26樓02室。

The Company ensures that fair and transparent disclosure is made for its business and financial performance through a variety of formal communication channels. Information regarding the Company will be published in its website: www.776.hk. Interim and annual reports, circulars and notices of the Group will be despatched to Shareholders in due course. The website of the Company provides information such as e-mail address, correspondence address, telephone numbers etc. for inquiries, and provides information on business activities of the Company.

本公司確保其業務及財務表現透過不同的正式溝通途徑公平及透明地披露。有關本公司的資料將於其網站www.776.hk公佈。本集團的中期及年度報告、通函及通告將適時向股東寄發。本公司網站提供如電郵地址、通信地址及電話號碼等資料以供查詢，並提供本公司的業務資訊。

The Company's AGM of Shareholders is a good opportunity for communication between the Board and the Shareholders. Notice of AGM and related documents will be sent to Shareholders pursuant to the requirements of the Listing Rules, and will be published on the website of the Stock Exchange.

本公司股東週年大會乃董事會及股東交流的良機。股東週年大會通告及相關文件將根據上市規則的要求向股東發送，並將於聯交所網站公佈。

The Company will also meet with the investment community and respond to their inquiries about the status of the Company from time to time, so as to strengthen the contacts and communication between the Company and its investors.

本公司亦與投資界會面，並不時回應其對本公司狀況的查詢，以加強本公司與其投資者之間的聯繫及溝通。

1. Our Report

1.1. Overview

This Environmental, Social and Governance Report is the third report published consecutively by Imperium Group Global Holdings Limited (the "Company", together with its subsidiaries, the "Group"). It systematically reviews the Group's issues and inadequacies in fulfilling its social responsibilities and formulating a sustainable development strategy. We strongly believe that summarizing and disclosing to the stakeholders the Group's performance can improve our transparency and further enhance the sustainable development performance.

This report provides information on the corporate social responsibility performance of the Group in terms of environment, society and governance during the year from 1 January 2019 to 31 December 2019. This report is in compliance with the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide and contains all disclosures as recommended in the Guide.

1.2. Scope of Reporting

The scope of this Report includes all areas of the Group's business over which the Group has financial significance and operational influence, as well as those of ESG significance to the Group and its stakeholders. Therefore, this environmental, social and governance report mainly covers our core business, i.e. our subsidiary JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd. ("JF Ningbo") which located in Ningbo, Zhejiang Province, and the Seven Senses Game Company Limited ("Seven Senses"), mobile game business in Hong Kong. Unless otherwise indicated, all key performance indicators herein only cover the data of our household furnishings business and online game business.

1.3. Feedback Mechanism

This report is prepared mainly in accordance with the Group's internal statistics, various archive documents and estimations. Should you have any feedback on this report, please send an email to ir@776.hk so that we can further improve our policies in relation to sustainable development.

1. 我們的報告

1.1. 概覽

本環境、社會及管治報告為帝國集團環球控股有限公司(下稱「公司」，及其附屬公司(統稱「集團」或「我們」))連續發佈的第三份報告，系統地檢討本集團在履行社會責任及制定可持續發展戰略方面的問題及不足。我們堅信，向持份者概述及披露本集團的表現可提高我們的透明度及進一步提升可持續發展表現。

本報告提供有關集團2019年1月1日至2019年12月31日年內在環境、社會及管治的企業社會責任表現的情況。本報告已遵守《環境、社會及管治報告指引》載列的所有「不遵守就解釋」條文，並根據指引中的所有建議披露作匯報。

1.2. 報告範圍

報告範圍包括集團擁有財務重要性及營運影響力，以及對集團及持份者具環境、社會及管治範疇重要性的業務。固此，本環境、社會及管治報主要涵蓋我們的核心業務，即位於浙江省寧波市的附屬公司寧波捷豐家居用品有限公司(「寧波捷豐」)的家居用品業務的營運，以及位於香港的遊戲業務的七元素遊戲有限公司(「七元素」)。除非有另外標示，本報告所有的關鍵績效指標則只包括家居用品業務及線上遊戲業務的數據。

1.3. 意見反饋機制

此報告主要根據本集團之內部數據統計、各類存檔文件及估算而編製。如 閣下對本報告有任何反饋，歡迎發送電郵至ir@776.hk，令我們的可持續發展政策得以完善。

2. Our Business

Imperium Group Global Holdings Limited has been engaged in manufacturing and selling household furnishings using stainless steel as the main raw material since 1999. We are committed to becoming one of the largest household furnishings manufacturers in China. In order to diversify risks, the Group has also invested in loan business, property investment and online game business to generate long-term recurrent returns for the Group.

At present, the Group's core business is the household furnishings business. Our main production factory, located in Ningbo, Zhejiang, China, produces over 100 types of household furnishings, which can be divided into five main categories, including rubbish bins, cabinet handles, kitchen products and bathroom products. The Group has strong and well-established capabilities in the production, design and development of stainless steel household furnishings, and hopes to become an internationally leading player in product design, quality management and effective cost control.

In terms of loan business, we provide diversified financial products including personal loans, housing mortgages, stock mortgages, stock-pledged loans and corporate financing to meet the financial needs of different customers. Our professional team has rich industry experience and can fully understand the needs of customers and provide customers with tailor-made loan programs.

In terms of property investment business, the Company has rental properties in both Hong Kong and the PRC, and has renovated the properties in the PRC into a hotel in hope of generating greater operating income for the Company.

In terms of online game business, the Company strives to expand the business as mobile game market is a fast-growing market in recent years. Our recently established subsidiary for the development of online game business has started operations in Hong Kong and Taiwan.

2. 我們的業務

帝國集團環球控股有限公司自1999年開始已從事製造和銷售使用不銹鋼為主要原料的家居用品；並致力成為中國最大的家居用品生產商之一。另外，為分散風險，集團亦有投資於借貸、物業投資及線上遊戲等領域，為集團提供長遠的經常性收益。

目前集團的核心業務為家居產品業務，我們的主要生產廠房位於中國浙江省寧波市，生產超過100款家居用品。家居用品可分為五大類，包括垃圾桶、櫃把手、廚房用品和浴室用品等本集團已經建立強大完善的不銹鋼家居生產能力和產品設計及開發能力，並希望在產品設計、質量管理及有效成本控制方面達至國際領先的水平。

借貸業務方面，我們提供多元化財務產品包括：私人貸款、樓宇按揭、股票按揭、股權抵押及企業融資等，以切合不同顧客之財務需求。我們的專業團隊擁有豐富經驗，能夠充分瞭解客戶需要，全方位為客戶提供度身訂做的貸款計劃。

物業投資業務方面，本公司於本港及國內均有物業出租，國內物業重新裝修為酒店，希望為本公司帶來更大營業收入。

遊戲業務方面，本公司致力擴闊業務，線上遊戲為近年快速增長的市場，為發展線上遊戲業務而在最近成立的附屬公司已在香港及台灣開始營運。

3. Message from the Chairman

In an increasingly interconnected world, businesses and societies can no longer act within a bubble of self-interest, separate from each other and the environment around us. One group's actions will undoubtedly have influences over the others. As a responsible corporate citizen, we are committed to building and growing our Group in a sustainable manner, so as to positively impact our surrounding communities and the environment.

Our business units have various sustainable development principles integrated within their policies and operational procedures. We endeavour to foster a sense of environmental stewardship within the Group and strive to improve our sustainability performance and resource efficiency. The year was also marked by the launch of several emission reduction projects such as installing integrated cover at the welding post to prevent direct emission of exhaust gas.

We continue to cultivate our talented employees by implementing training programmes to provide them with applicable skills and knowledge to succeed. Meanwhile, the Group takes great care to meet the needs of our staff, including their well-being through workplace benefits and oversight of occupational health and safety.

In line with our vision of social responsibility, we look to support the communities where we operate by organising volunteer events and activities. This year, our wonderful Hong Kong colleagues participated in a coastal clean-up event to help keep these areas clean for everyone to enjoy.

Although there are still unstable factors in the future of the business environment, we strongly believe that as long as we adhere to the business objective of "Integrity and Diligence" and the principles of environmental protection, social investment and corporate governance, the Group can still develop steadily.

3. 主席的話

當今世界聯繫日益緊密，企業與社會不可能再彼此隔離、脱離我們的周圍環境在自身利益的幻影內活動。一家集團的行為毫無疑問必將會對其他企業產生影響。作為負責任的企業公民，我們矢志以可持續發展的方式推動本集團業務增長，以便積極影響周邊社區及環境。

我們的各業務單位於其政策及營運過程中融入多項可持續發展原則。我們致力於在本集團內部培養環境管理意識，努力提高我們的可持續發展表現及資源效率。年內，我們亦推出若干減排項目，如在焊接崗位安裝集成罩，以防止廢氣直接排放。

我們通過開展培訓項目不斷培養優秀員工，為彼等提供通往成功的適用技能及知識。與此同時，本集團倍加用心滿足員工的需求，包括工作場所的福利以及對職業健康及安全的監督，確保彼等的福祉。

鑒於我們的社會責任願景，我們希望透過組織義工項目及活動支援我們經營業務所在社區。年內，我們熱心的香港同事參加了海岸清潔活動，幫助保持該等區域的潔淨，讓人人共享美好環境。

儘管未來的營商環境仍有諸多不穩定因素，但我們堅信只要我們秉承「誠信勤奮」的經營宗旨以及環保、社會投入及公司治理的原則，本集團仍可穩步發展。

4. Reporting Principles

We have taken the following reporting principles into account in development of this Report:

- Materiality: We regularly engage our stakeholders to better understand their concerns relating to sustainability issues that affect them. We also make regular reference to our peers and both local and regional sustainability criteria when we review our sustainability context, materiality and disclosures in order to keep our sustainability priorities and strategy relevant. Risk factors relating to material sustainability issues are integrated into the Group's risk management framework. The Board and the Management Board regularly review the sustainability issues that are most significant to our business and operations, and consider the issues discussed in this Report to be material to the Group.

- Quantitative: Our data collection and analysis for the Report were based on relevant guidelines and standards, such as ISO 14064 for our greenhouse gas emissions and the guidelines issued by the Government of HKSAR for energy and carbon audits for our buildings. Furthermore, figures may not add up to the total due to rounding.

- Balance: We aim to keep our report balanced and make fair disclosures on critical aspects of our performance, both in terms of progress made and continuing challenges that we are dealing with.

- Consistency: Since 2017, we have reported in accordance with the HKEX ESG Reporting Guide, which allows for year-to-year comparison with our previous performance.

4. 匯報原則

我們在制定本報告時考慮了以下的報告原則：

- 重要性：我們定期與持份者溝通，以便更好地瞭解其關注影響他們的可持續發展議題。當我們審視可持續發展的情況、重要性及披露時，我們會定期參考同行及本地和地區的可持續發展標準，確保我們在可持續發展的重點和策略上與之相應。與重大的可持續發展議題相關的風險因素已納入集團的風險管理框架。董事局及管理層定期審視對我們業務和營運有重大影響的可持續性議題，並認為在此報告內的議題對本集團有重要影響。

- 量化：報告內的數據是按照有關指引及標準收集和分析所得，例如參照國際標準ISO 14064匯報我們的溫室氣體排放，以及依循香港特區政府發出的有關指引為我們的辦公大樓進行能源及碳審計。另外，由於各數字以四捨五入計算，相加結果未必與總計數字相符。

- 平衡性：我們的目標是維持報告的平衡，並就集團表現最關鍵方面的進度及持續挑戰作出公平披露，以提高透明度。

- 一致性：自二零一七年起，我們乃遵循香港聯交所「環境、社會及管治報告指引」進行匯報，讓集團可就過去的表現按年比較。

5. Engagement of Stakeholders

The Group strives to accommodate views and interests of stakeholders (including Shareholders, customers, employees, suppliers, regulatory authorities and the public) through constructive communications with them to determine the direction of the Company's long-term development and maintain close relationships with stakeholders. We have arranged for management and staff members from every department of the Company to review our operating conditions at their functional level and identify relevant ESG matters as well as to assess the importance and relevance of such matters to our business.

Through the communication with stakeholders, we have identified the following issues which are important to the sustainable development of the Group. Those issues are classified as the sustainable development focuses of the Group.

5. 持份者參與

本集團努力通過建設性的溝通方式採納持份者(包括股東、客戶、員工、供應商、監管機構和社會公眾)的意見及保障彼等權益，以確定本公司的長期發展方向及與其保持密切的關係。我們已安排本公司各個部門的管理層及員工在其職能上檢討本公司的運作情況、鑒別相關環境、社會及管治事宜，並評估相關事宜對我們的業務的重要性及相關性。

本公司經過與持份者的溝通後，我們識別出以下的項目為對本集團可持續發展有重大影響的方面。這些方面已被列為本集團可持續發展的重點關注領域。

Environmental Aspect 環境方面	Social Aspect 社會方面
• Pollution Control • 污染控制	• Equal Employment • 平等僱傭
• Making Good Use of Resources • 善用資源	• Occupational Health and Safety • 職業健康與安全
• Promoting Green Operations • 推動綠色營運	• Training and Development • 培訓發展
	• Protection of Rights and Interests • 權益保障
	• Supply Chain Management • 供應鏈管理
	• High Quality Products • 優質產品
	• Corporate Governance • 企業治理
	• Giving Back to Society • 回饋社區

Based on such results, the Company will continuously improve our ESG performance to meet the expectation of stakeholders. In the future, the Group will continue and expand stakeholder engagement to enhance the materiality analysis, and will collect a diverse range of stakeholders' views through various activities.

基於此等結果，本公司會不斷改善我們的ESG的表現，以切合持份者的期望。而未來為改進重要性分析，本集團將會繼續並擴大權益相關者參與，亦會透過各種活動收集不同權益相關者的意見。

6. Environmental, Social and Governance Performance

6. 環境、社會及管治表現

6.1. Environmental Prosperity

6.1. 環境共榮

Management guidelines and policies

管理方針及政策

As global environmental problems are getting more and more severe, coping with the global environmental changes requires the cooperation of all countries and enterprises in the world. As a responsible enterprise, we are committed to practicing environmental protection and promoting sustainable development. As such, we have formulated a series of management policies and measures and set up a task force to reduce direct emissions, effectively utilise resources and enhance our ability to cope with climate change. By doing so, we aim to avoid and minimise the risks and impacts of the Company's operations and projects on the environment, in an effort to create a sustainable future for our next generation.

全球環境問題日益嚴峻，應對全球環境變遷有賴世界各國及企對業通力合作。而作為負責任的企業，我們承諾實踐環保和推動可持續發展。有鑑於此，我們制訂了多項的管理政策及措施並成立專責小組，以減少直接排放、有效利用資源及加強應對氣候變化的能力；以最大程度地避免、減少公司運營及項目對環境造成的風險和影響，致力為我們的下一代創造一個可持續發展的未來。

The Group strictly complies with all applicable environmental laws and regulations. During the reporting period, there was no case of prosecution against the Group for violation of environmental laws.

集團嚴格遵守所有適用的環保法例和法規，報告期內未有因為違反與環保相關法例而被檢控的個案。

6.1.1. Pollution Control

6.1.1. 污染控制

Countermeasures to climate change

應對氣候變化

The Group understands that monitoring the consumption of resources is very important for formulating effective management measures and enhancing our overall environmental performance. Every year, we identify carbon emission sources, calculate and access carbon emissions, and review the assessment results and set carbon reduction targets for the coming year. On this basis, we develop relevant resource management targets. In addition, the Group actively follows the requirements of the HKEx for disclosure of greenhouse gas emissions to calculate the total amount of greenhouse gas emissions as comprehensively as possible.

集團明白監察資源消耗的情況，對制訂有效的管理措施及提升我們的整體環境表現非常重要。故此，我們每年均會識別碳排放源、進行碳排放的計算及評估，並按照評估結果進行檢討及訂下未來一年的減碳目標；從而制定相關的資源管理目標。同時，集團積極響應聯交所披露溫室氣體排放的要求，盡可能全面統計溫室氣體的產生總額。

The Group is keenly aware that long-distance transportation during business trips will increase energy consumption and carbon emissions. As such, the Group reduces business trips or avoids meetings requiring long-distance travel as practical as possible to reduce carbon emissions from long-distance travel. In addition, we give preference to the products and services of local suppliers in order to reduce the greenhouse gas emissions during transportation of goods.

集團瞭解商業差旅當中的長途運輸會增加能源消耗，以至碳排放的上升，對此集團盡量減少出差或避免需要經過長途旅行的會議，以降低長途旅程而導致的碳排放。另外，我們亦會優先考慮本地供應商的產品及服務，以減少貨品在運輸過程中的溫室氣體排放。

Case sharing — JF Ningbo

In order to reduce the impact of exhaust emissions on the surrounding environment while ensuring the normal operation of production, we have established the Measures for the Management of Exhaust Emissions to reduce the pollution of the surrounding environment caused by exhaust emissions during production. We arrange for the person in charge of safety management to supervise the exhaust gas treatment within the factory area and have the production department take responsibility for the control exhaust gas generation in each post as well as the inspection, maintenance and management of exhaust gas emission and absorption facilities. In addition, we carry out relevant exhaust gas tests on a regular basis to ensure that our exhaust emissions do not exceed the limits as stipulated under relevant laws and regulations, such as the Integrated Emission Standards for Air Pollutants (GB 16297–1996).

個案分享 — 寧波捷豐

為確保生產正常運行情況下，降低廢氣排放對周圍環境的影響，我們設有《廢氣排放管理制度》，以減少生產運行中廢氣排放造成周邊環境的污染。我們會安排安全管理負責人負責對廠區範圍內廢氣治理監督及生產廠部負責各崗位廢氣產生的控制，和廢氣排放及吸收設施的檢查、維護、管理。此外，我們亦定期進行相關的廢氣檢測，以確保廢氣排放量不超出相關的法律法規規定，如《大氣污染物綜合排放標準》(GB 16297–1996)。

During the reporting period, the Group's total greenhouse gas emissions were tonnes of carbon dioxide equivalent.

在報告期內集團的溫室氣體總排放量為公噸二氧化碳當量。

JF Ningbo

Greenhouse gas emissions:	1,079.42 tCO_2e
Direct emission (Scope 1):	70.96 tCO_2e
Energy indirect emission (Scope 2):	1079.42 tCO_2e
Greenhouse gas emission intensity:	2.65 tCO_2e per employee

寧波捷豐

溫室氣體排放量：	1079.42 公噸二氧化碳當量
直接排放(範圍一)：	70.96 公噸二氧化碳當量
能源間接排放(範圍二)：	1008.46 公噸二氧化碳當量
溫室氣體排放密度：	2.65公噸二氧化碳當量／每名員工

Seven Senses

Greenhouse gas emissions:	12.58 tCO_2e
Direct emission (Scope 1):	0.00 tCO_2e
Energy indirect emission (Scope 2):	12.58 tCO_2e
Greenhouse gas emission intensity:	0.57 tCO_2e per employee

七元素

溫室氣體排放量：	12.58 公噸二氧化碳當量
直接排放(範圍一)：	0.00 公噸二氧化碳當量
能源間接排放(範圍二)：	12.58 公噸二氧化碳當量
溫室氣體排放密度：	0.57公噸二氧化碳當量／每名員工

Waste management

In order to reduce the load on the landfill area and the waste disposal there, the Group attaches great importance to waste management. In order to comply with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Pollution Control Standard for Hazardous Waste Storage and relevant laws and regulations, the Group has formulated the Waste Control and Management Procedures to clearly set out the types and disposal methods of waste. In order to enhance employees' awareness of waste disposal, the Group also provides training on waste identification, management and classification. We will follow the management strategy of waste recycling, reduction and harmlessness to minimise environmental pollution in order to fulfil our commitment to waste management.

廢棄物管理

為減少堆田區及其相關的廢棄物處置的負荷，集團對廢棄物管理極為重視。為了符合《中華人民共和國固體廢物污染環境防治法》、《危險廢物儲存污染控制標準》及相關法律法規，本集團制定了「廢棄物控制管理程序」，清晰列明廢棄物的種類和處理方法。而為加強員工對處理廢棄物之認識，集團亦制定了廢棄物識別、管理與分類培訓。我們會依循廢棄物再資源化、減量化、無害化的管理策略，盡可能減少對環境的污染，以履行我們對廢棄物管理的承諾。

Case sharing — JF Ningbo

For the management of non-hazardous waste, the Company classifies waste in the principle of turning waste into treasure and reusing it. For some wastes such as discarded secondary raw materials and parts, where applicable, we will arrange maintenance, reuse and recycling to reduce waste, and the non-recyclables will be regularly handed over to the sanitation bureau for disposal.

We takes the great importance to generation of hazardous waste and regularly evaluates the production process to identify the sources of hazardous waste generation and formulate action plans to reduce hazardous waste. For hazardous waste that needs to be disposed of, we will engage qualified agencies to transport and dispose of the hazardous waste in accordance with relevant national laws and regulations.

個案分享 — 寧波捷豐

對於無害廢棄物的管理，公司秉著變廢為寶，二次利用的原則，對垃圾進行分類，部分廢棄物，如：廢棄的次原料和零件；若情況許可，我們會安排維修重用及回收，以減少浪費，而不能回收的交由環衛單位定期外運處理。

我們亦非常重視有害廢棄物的產生並定期評估生產流程，找出有害廢棄物產生的源頭，制定減少有害廢棄物的行動計劃。而需棄置的有害廢棄物，我們會根據國家相關法律法規要求，危險廢棄物的運輸及處置的單位必須具備相應資質。

Case sharing — Seven Senses

Seven Senses does not generate much waste paper and household garbage during its operation, all of them will be collected and disposed by cleaning personnel and afterwards, will be processed by the Local Sanitation Bureau. Such arrangement will not cause material impact on the environment. At the same time, we will provide recycling bins in office to collect waste and develop a good waste classification habit. We will also send the used toner cartridges to our printer supplier Xerox for recycling.

個案分享 — 七元素

七元素於其營運中並無產生太多廢紙及家居垃圾，其中全部由清潔人員收集及棄置，然後由地方衛生局處理，此安排對環境並無造成重大影響。而我們同時亦會在辦公室提供廢棄物分類回收桶收集廢棄物，以培養員工進行廢棄物分類習慣。我們亦恒常將己用完的墨粉盒發送給我們的打印機供應商Xerox進行回收。

Wastewater management

In order to comply with the Law of the People's Republic of China on Water Pollution Prevention and Control and to meet the sewage discharge standards, the Group's factory in Ningbo strictly implements rainwater and sewage diversion and has started such diversion in underground water pipes since 2013. In order to ensure up-to-standard water quality on a continuous basis after the diversion, the Company has formulated the "Cleaning Procedures" and requires the cleaning records to be kept properly. According to the environmental assessment report and the requirements of the sewage discharge company, sewage must be treated in sewage treatment facilities before being discharged to ensure that the discharged sewage meets the statutory standards. The grease traps of the staff canteen have obtained environmental certification and are cleaned regularly according to the Cleaning Procedures. Employees who need to approach and treat sewage are required to receive relevant training at least once a year.

廢水管理

為了貫徹遵守《中華人民共和國水污染防治法》和達到污水排放標準，集團於寧波市的廠房嚴格執行雨水和污水分流，並於二零一三年開始將地下水管改道。為確保水質於改道後持續達標，本公司已制定「清洗操作程序」，並須妥善保存清洗紀錄；而污水則會根據環境評估報告及污水排放公司的要求，須經過污水處理設施後方可排放，以確保所排放的污水合符法定標準。食堂的隔油池已領取環保合格證並定期按照清理操作程序清洗。對需要接觸和處理污水的員工，每年均須接受最少一次培訓相關知識。

6.1.2. Making Good Use of Resources

The Company is well aware of the value of resources. In order to use all resources including energy, water and other natural resources more effectively and prudently, we have formulated the Energy Conservation Action Plan, the Management Procedures of Energy Conservation Projects, the Energy Conservation Management Procedures and the Water Management Measures.

6.1.2. 善用資源

公司深知資源的寶貴，為更有效及審慎地使用所有資源，包括能源、水及其他天然資源，我們訂立了《公司節能方針行動計劃》、《節能管理項目管理程序》、《節能管理程序》和《用水管理制度》等。

Energy saving

The Group always strives to introduce new technologies and equipment which can not only improve production efficiency but also promote environmental performance and reduce energy consumption. We also regularly inspect the conditions of equipment and perform repair and maintenance to reduce energy waste caused by mechanical aging. When we need to add new machinery or replace old machines with new ones, we will give preference to energy saving and emission reduction products under the same specifications and standards. In the year, we have adopted the following initiatives to improve the energy efficiency of our operations:

節能降耗

集團一直致力吸納新技術及設備，除可提高生產效率外，同時亦可促進環保表現，減少耗能。我們亦不定期檢查各項設備的狀況，做好維修保養，減少由於機械老化而導致的能源浪費。若需添置或更換新機械時，在同一的規格及標準下，我們優先考慮節能減排的產品。年內，我們採取了以下措施以提高我們營運的能效：

The household furnishings factory in Ningbo upgraded the air compressor. The old ordinary screw compressors in the plant had been replaced with compressors which is using permanent magnet variable frequency screws to reduce energy consumption. The above measure were estimated to save 40% of electricity. After the actual statistics, the energy saving is 27%. In addition, each workshop has its own energy saving targets, including reducing the consumption of raw materials, electricity, water and fuel. Our energy leading group is responsible for measuring and recording the energy consumption to monitor and ensure the effectiveness of the energy conservation measures.

寧波的傢俱用品廠房對空氣壓縮機進行了改善工程，廠房舊有的普通螺桿壓縮機將全部更換為利用永磁變頻螺桿的壓縮機，以進一步降低能源消耗量，以上項目估計可節省40%的電力，而經過實際統計後，節能率為27%。另外，各車間均訂大有各自的能源目標，包括減少使用原材料、電、水和燃油，我們的能源領導小組會負責量度和記錄的能源消耗量，以確保及監察措施的成效。

The game business office in Hong Kong have implemented a number of targeted energy-saving measures to further reduce energy consumption, including:

- AC temperature set-point should not be below 25.5˚ C in Summer months
- Turning off all electronic devices before leaving work to reduce unnecessary power consumption
- Promoting the importance of energy, water and resources savings among our employees and customers
- Installing energy-efficient office equipment or prioritizing to purchase products with energy efficiency labels

香港遊戲業務辦事處已採取多項有針對性的節能措施，以進一步降低能耗，其中包括：

- 在夏季時，把空調系統的設定溫度不應該低於25.5℃
- 下班前關掉所有電子設備，減少不必要的電力消耗
- 向僱員及客戶宣傳節約能源、水及資源的重要性
- 安裝節能辦公設備或優先選購獲得能源效益標籤的產品

The total power consumption of the Group in the past year was approximately:

集團過去一年的總耗電量約為：

JF Ningbo

Total power consumption:	1,253,370.00 kWh
Total power consumption density:	3,079.5 kWh per employee

寧波捷豐

總耗電量：	1,253,370.00 千瓦時
總耗電量密度：	3,079.5千瓦時／每名員工

Seven Senses

Total power consumption:	15,724.00 kWh
Total power consumption density:	714.73 kWh per employee

七元素

總耗電量：	15,724.00 千瓦時
總耗電量密度：	714.73千瓦時／每名員工

Water efficiency

To protect the precious water resources, we actively promote the idea of water conservation among employees and strengthen the maintenance, inspection and management of water-consuming equipment to achieve the purpose of water conservation. According to the Water Management Measures developed by the household furnishings factory in Ningbo, we reuse the cooling water from the pipe-making workshop, and about 50% of the wastewater is recycled to wheel vibration polishing devices through pumps. We also carry out inspections of underground fire water to eliminate leakage of water pipes and reduce waste of water. We conduct regular statistics and analysis of water consumption in workshops, and those workshops using a relatively large amount of water are required to receive assessment and be equipped with independent electricity meters to measure their water consumption more accurately.

節水增效

為保護珍貴的水資源，我們積極向員工推行節約用水的概念和加強對用水設備的維護檢查管理，以達至節約用水的目的。寧波的傢俱用品廠房制定了「用水管理制度」，我們會重覆使用制管車間的冷卻水，而大約有百分之五十的廢水則通過抽水泵於波輪震動拋光裝置循環使用；進行地下消防供水檢查活動，全面杜絕水管滴漏的情況，以減少浪費用水；車間的用水量會有定期統計及分析，而用水較多的車間須接受考核並加設獨立電錶，以便更準確量度其用水量。

Fresh water for Seven Senses was provided by the property management company, so there is no record of water consumption. The Group's total water consumption in the past year is approximately:

七元素的食水是由物業管理公司提供，故此並沒有用水量的記錄。集團過去一年的食水總耗量約為：

JF Ningbo

Total water consumption:	20,918.00 m^3
Total water consumption density:	12.23 m^3 per employee

寧波捷豐

總耗水量：	20,918.00立方米
總耗水量密度：	12.23立方米／每名員工

Using environmentally-friendly materials

The household furnishings business has obtained FSC certification which proves that the wooden furnishings produced by the Company, including cupboards and kitchen cabinets, are made of FSC certified wood and meet the relevant requirements of FSC certification. We also require our suppliers to have the FSC certification for certain materials such as particle boards and bamboo boards. FSC hopes humans and forests to reach a balance among the environment, society and economy, and wishes that businesses will not cause excessive damage to the forest ecosystem and the species diversity of trees during timber harvesting. It also emphasises the sustainable development of forests so that local residents can live on forests for a long time. FSC has made tremendous contributions to environmental protection.

採用環保物料

家居用品業務於生產過程中還獲取了FSC認證，以證明本公司出品的木製傢俱包括櫥櫃和廚房櫃面均取材自FSC認可的木林，及符合FSC認證的相關要求。我們會要求供應商就某些材料如刨花板和竹台板提供相關FSC認證證明。FSC希望人與木林之間在環境、社會和經濟這三方面中取得平衡，希望商家能在取用木材時不會過於破壞森林的生態和樹木的多樣性。此外，FSC亦注重森林的持續發展，讓當地居民能長期賴以維生。FSC於環境保護方面著實貢獻良多。

6.1.3. Promoting Green Operations

The Group integrates environmental responsibility into its daily business operations. To this end, the Group promotes green operations and a green procurement policy to reduce its environmental impact and consumption of natural resources. We have obtained ISO 14001 environmental management system certification, and the Group regularly conducts internal and external assessments on the effectiveness of the system to ensure that the system keeps up with the times.

Raising environmental awareness

As to energy conservation publicity and related training, we have formulated the Measures for Energy Saving Publicity and Training, and have the Human Resources Department and the Technical Support Department jointly organise training on environmental projection for employees in hope of enhancing their awareness of energy conservation.

In addition, in order to make all employees regard energy conservation as their duty, we encourage employees to actively participate in the design of various energy-saving and consumption-reducing schemes, and will commend and reward employees who have made special contributions to energy conservation. In the event of a serious waste of resources, we will consider imposing punishment as a warning to others.

Promoting green procurement

When looking for high-quality products and services, other than the reasonability of prices, we also have to consider human health and environmental factors to minimise the impact on the environment. The packaging materials and chemicals we choose to use must meet the national standards; our suppliers are required to go through Environmental Impact Assessment Registration or make environmental impact reports; we conduct internal environmental assessments and regularly review and adjust existing environmental measures ensure their feasibility; we also have technical specifications for all packaging materials which require paper packaging materials to come from sustainable sources and do not allow the use of new 100% virgin plastics.

6.1.3. 推動綠色營運

集團積極將環境責任融入到企業日常經營行為中，對此集團提倡綠色營運及綠色採購政策，以減低對環境及自然資源的消耗。我們亦已獲得ISO 14001環境管理體系認證，而為確保可與時並進，集團會定期就系統的有效性進行內部及外部評估。

提高環保意識

關於節能宣傳和相關培訓方面，我們已制定「能源宣傳與培訓制度」，由人力資源部及技術保障部共同主辦，為員工提供環境保護的培訓，希望能加強員工對節能的意識。

另外，為使各員工視節能工作為已任，我們鼓勵員工積極參與各類節能降耗方案設計，並會對在節能方面有特別貢獻的員工加以表揚和獎勵，以示嘉許。如遇上較嚴重的浪費資源情況，亦會考慮予以處分，以作警惕。

推動綠色採購

我們在尋找高品質產品及服務時，除了考慮合理價錢外，亦須加入對人類健康及環境因素的考慮，以盡量減少對環境的影響。我們選用的包裝物及化學品均需符合國家的標準；要求供應供應商做環評登記備案、或做環境影響報告表；進行內部的環境保護評估，定期檢視並調整現有的措施，確保該措施的可行性；我們亦設有技術文規範所有用作包裝材料，紙質包裝材料均須來自於可持續性來源及不允許使用全新的100%原生塑料等。

Advocating green office

We advocate paperless office and promote electronic communication via the Internet, email, internal workflow system, etc. We also encourage customers to choose electronic bills and place electronic orders. The online collaborative office management platform and the related mobile app introduced by the Group cover the day-to-day office management and operations and approval processes and greatly promote paperless office. The Group also encourages employees to reduce the use of paper by reminding them to consider whether relevant documents need to be printed before printing, to use double-sided printing as much as possible, and to reuse all single-sided printed paper.

倡導綠色辦公

我們鼓勵無紙化辦公，促使以互聯網、電郵、內部工作流程系統等電子方式作溝通。我們亦鼓勵客戶選擇電子結單及以電子方式下單。集團推出的網上協同辦公管理平台及手機程式，涵蓋了各項行政管理的日常辦公及審批流程，大大促進了無紙化辦公。本集團亦鼓勵員工減少用紙，提醒他們列印前考慮文件是否需要列印，及盡可能使用雙面列印，以及循環再用所有單面已列印的紙張。

"Vegetarian Carbon Reduction" is an environmentally-friendly behavior advocated by all countries and all environmental organisations around the world. As such, we add vegetarian elements to the free launches for our employees to help them understand that "low carbon diets" is an important part of environment-friendly life and is greatly beneficial to reducing global carbon dioxide emissions and protect the ecological environment.

「素食減碳」已是世界各國以及所有環保組織都大力提倡的環保行為，故我們在員工提供免費午膳中加入素食的元素，讓員工明白「低碳飲食」，是環保生活的重要部分，對減少全球二氧化碳排放量，保護生態環境大有幫助。

6.2. Putting People First

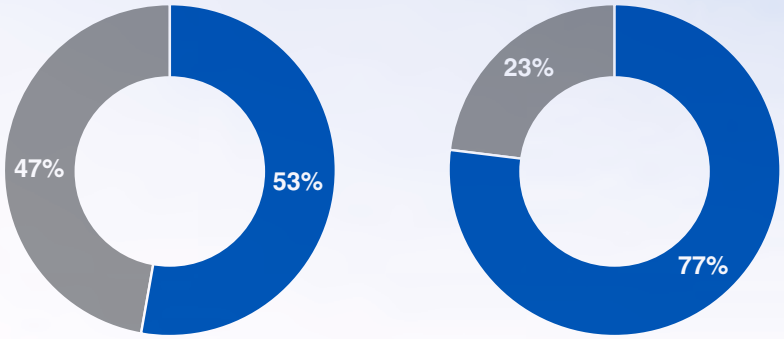
The Group believes that employees are an indispensable part of the sustainable development of an enterprise. We are committed to make unremitting efforts to attract and retain outstanding talents and build a strong and solid human capital. The Group strictly abides by the *Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China* and the Employment Ordinance of Hong Kong. During the reporting period, the Group did not have any cases of violation of relevant employment laws and regulations, nor did it receive any complaints related to recruitment.

6.2. 以人為本

集團認為僱員是企業可持續發展不可或缺的要素，如何吸收和挽留優秀人才，建立強大、穩固的人力資本是公司不懈努力的方向。集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》及香港《僱傭條例》，報告期間並無違反相關的僱傭法例及法規的個案，亦無與招聘相關的投訴個案。

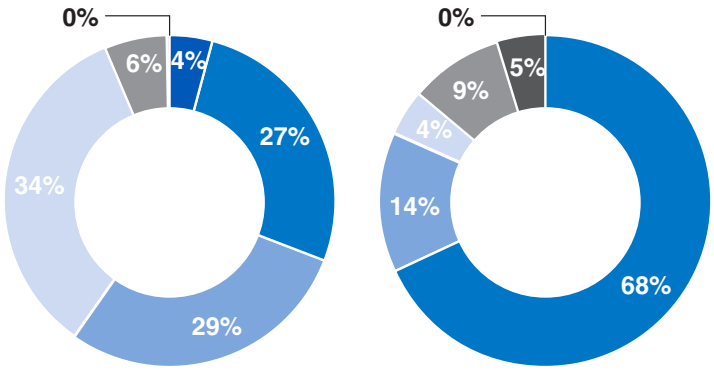
Overview of the Group's employees over the past year:

集團過去一年的僱員概況：



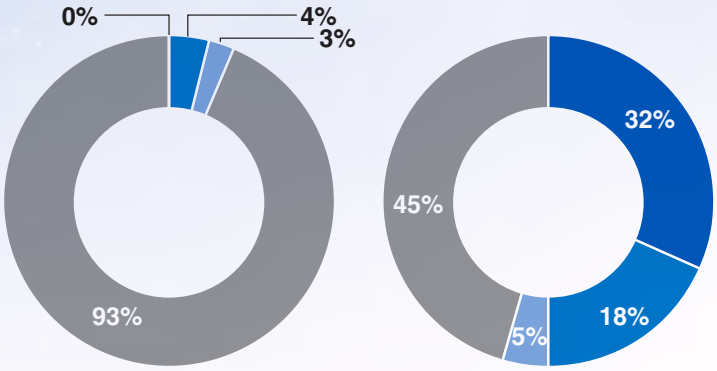
Employee Gender Profile
員工性別分佈

	JF Ningbo 寧波捷豐	Seven Senses 七元素
Male男	217	17
Female女	190	5



Employee Aged Profile
員工年齡分佈

Aged 年齡	JF Ningbo 寧波捷豐	Seven Senses 七元素
18-24歲	18	0
25-34歲	108	15
35-44歲	118	3
45-54歲	138	1
55-64歲	24	2
65 or above 65歲或以上	1	1



Employee Professional Profile
員工職能分佈

	JF Ningbo 寧波捷豐	Seven Senses 七元素
Senior management 高級管理層	1	7
Middle management 中級管理層	15	4
Executives 主管	11	1
General staff 一般員工	380	10

6.2.1. Equal Employment

Management guidelines and policies

Much of the Group's success is attributable to its highly qualified and dedicated team. Our businesses have been working actively to create a working environment that features mutual respect and harmonious coexistence of employees and prioritizes safety, attracts the best people and motivate them with a rewarding career, and equipping them with the necessary skills and knowledge. We have a dedicated human resources committee to regularly review and improve the relevant policies, so to ensure that they are in compliance with local laws and industry guidelines.

6.2.1. 平等僱傭

管理方針及政策

集團的成功，有賴一群專心致志、訓練有素的員工。集團旗下公司透過提供互相尊重、和諧共融以及安全為重的工作環境；富有滿足感的工作，吸引和激勵員工；以及協助他們掌握工作所需的技能及知知，我們透過專責的人力資源委員會定期檢討和改善有關政策，確保它們符合本地法律的要求和行業準則。

Equal opportunity and diversity

To maintain a rational personnel structure, we have established qualifications and job requirements specific to different posts as criteria for recruitment. In addition, we have standard recruitment management procedures stating that job applicants will not be discriminated against due to their nationality, place of origin, gender, language and religious beliefs. The promotion of an employee is dependent upon his/her job performance, experience, and personal capabilities which are assessed based on the monthly KPI appraisal of executives and management personnel.

As a responsible employer, the Group will handle retirement formalities for employees who have reached the statutory retirement age in accordance with the relevant regulations, and go through any dismissal procedures according to the Labour Law. In the event of a work-related accident, the Group will make reasonable compensation and handle it properly in accordance with relevant laws.

平等機會及多元化共融

為維持合理的人員構成，我們為不同崗位設立了任職資格及標準，作為招聘員工之準則。此外，我們設有標準的招聘管理程序，程序中説明不會因其民族、籍貫、性別、語言及宗教信仰的不同而受歧視。在考慮晉升員工時，會參照每月會對行政人員及管理幹部進行工作中關鍵指標項考核，來評定其工作表現、經驗及個人能力作為員工晉升的條件。

作為負責任的僱主，集團會按照相關法例要求在達到法定退休年齡為員工辦理退休手續。以及根據相關勞動法辦理任何解僱手續。而當發生工傷意外事故，集團會根據相關法例作出合理賠償和妥善的處理。

Employee compensation

Our Businesses recognize employee's contributions fairly and objectively by implementing equitable remuneration polices. To incentives staff, our remuneration mechanisms are reviewed and re-adjusted regularly to remain completive.

In accordance with the Labour Law of the People's Republic of China and the Labour Contract Law of the People's Republic of China, we determine employee benefits, rest time and holiday arrangements, such as making contributions to the "five major social insurance programs and housing provident fund" for employees and participating in the "Well-being Mutual Aid Fund Scheme" for the benefit of female employees.

員工待遇

集團旗下公司亦透過公平的薪酬政策，以公正、客觀的態度去表揚員工對集團的貢獻。為獎勵員工，我們定期檢討並調整薪酬機制、使薪酬保持市揚競爭力。

《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及香港《僱傭條例》的規定，制定員工福利、休息時間及假期安排，如為員工購買「五險一金」及參與保障女員工「安康互助保障金」等。

6.2.2. Occupational Health and Safety

Management guidelines and policies

Employees are our most valuable resources. We endeavour to create the safest and most agreeable working environment and achieve the goal of zero work accident. To this end, we take various measures to prevent the occurrence of occupational diseases and industrial casualties among our staff. We have developed a series of comprehensive policies to manage occupational health and safety issues, including the Occupational Health and Safety Policy, the Indoor Air Quality Policy and the Fire Fighting Policy, in order to comply with relevant regulatory requirements and meet the development needs of the Group. We strictly abide by the provisions in the Compilation of Laws and Regulations on Occupational Safety and Health Supervision issued by the Ningbo Municipal Administration of Work Safety. During the reporting period, there was no case of prosecution against the Group for violation of occupational safety-related laws.

6.2.2. 職業健康與安全

管理方針及政策

員工是我們最寶貴的資源，我們竭力營造最安全合適的工作環境，致力達致零工作意外的目標，以不同方面的措施防範引致員工職業病與工業傷亡的發生。我們制定了一系列完善的職業健康及安全政策管理相關的事宜，包括《職業健康安全政策》、《空內空氣質量政策》及《消防政策》等，以符合相關監管規定，亦切合集團業務的發展需要。我們謹守寧波市安全生產監督管理局發出的《職業安全健康監管法例法規文件匯編》所載內容進行，期內未有因為違反與職業安全相關法例而被檢控的個案。

Occupational Health and Safety 健康與安全		JF Ningbo 寧波捷豐		Seven Senses 七元素	
		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	**2019 二零一九年 HK$ 港元**	2018 二零一八年 HK$ 港元
Work-related deaths (pax)	因工死亡(人數)	**0**	0	**0**	0
Number of work days lost due to work-related injuries (days)	因工傷損失日數(天)	**305**	177	**0**	0

Occupational health and safety policy

We arrange dedicated personnel to take charge of the Company's occupational health and safety affairs and regularly review the occupational health and safety performance. As a responsible employer, we also provide employees with adequate training on occupational health and safety and appropriate protective equipment, with a view to enabling them to identify high-risk links in the workplace, work out solutions to lower work-related risks, prevent accidents in the course of work and reduce occupational hazards. Each year, the Group provides physical examinations for employees to prevent occupational diseases and give them appropriate health guidance.

職業健康及安全政策

我們安排專責員工負責公司的職業健康及安全事務，以定期檢視內部的職業健康安全事務方面的表現，同時作為負責任的僱主，我們為員工提供足夠的職業健康及安全培訓及適當個人防護裝備，使他們能識別工作處所中的高危點及其應對方案，以減低工作上的風險，防止勞動過程中的事故及減少職業危害。而每年，集團亦會為員工提供預防職業病身體檢查及提供適當健康指導。

Workplace safety management

We carry out assessment of workplace hazards and detection of occupational hazards on a regular basis, and engage third-party agencies to review our occupational health and safety performance. Through such assessment and review, we aim to ensure the effective implementation of all occupational safety and health measures. In addition, we adopt the 5S methodology which requires employees to "Sort", "Set In order", "Shine", "Standardise" and "Sustain" in order to create a clean and tidy workplace and avoid work-related injuries caused by chaotic work environment. We also conduct monthly compliance inspections to ensure effective implementation of these measures.

工作場所之安全管理方案

我們亦會定期進行工作場所危險源評估及進行職業病危害檢測，並聘請第三方機構審核職業健康及安全表現，透過評估及檢定，以提升及確保所有的職安健措施得以有效實施。另外，我們採納五常法，要求員工常整理、常整頓、常清掃、常清潔及培養素養，以打造清潔整齊的工作間，避免因工作環境混亂而發生工傷，並會每月進行合規性檢查，以確保措施有效實施。

Employee communication

The Group welcomes and values the opinions of employees who can express their opinions through different channels, such as: the general manager mailbox and the trade union. We also encourage employees to provide constructive suggestions on the management measures and methods of the Company. The Company will grant certain rewards as appropriate to the personnel whose suggestions are adopted.

員工溝通

集團十分歡迎及重視員工的意見，員工可循不同的途徑發表意見，例如：總經理信箱或工會等。我們亦鼓勵員工對公司的各種管理制度、管理方法提出有益的建議，一經採納，公司會視情況給與一定的獎勵。

6.2.3. Training and Development

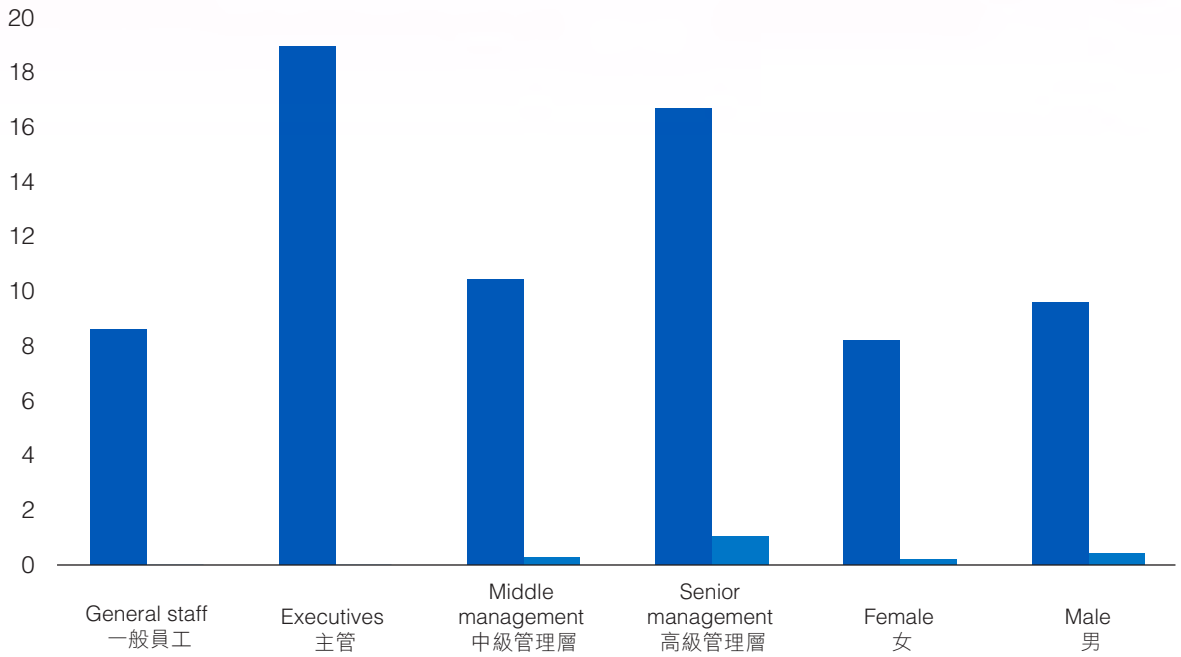
Management guidelines and policies

We firmly believe that continued training and development for employees will enhance the value of the team and professional quality of the employees themselves, thus bringing higher production efficiency for the Group. The sustainable development of employees has many benefits. The Group has a talent training philosophy to develop talents. The Company has formulated the New Employee Training Policy, the Employee Guidance Policy and the Vocational Skills Training Policy to continuously improving the ability and quality of our workforce..

6.2.3. 培訓發展

管理方針及政策

我們堅信員工持續不斷地進修和發展，有助提升團隊的價值及員工個人的職業素養，亦能為集團帶來更高的生產效率。員工的持續發展具有許多益處，集團擁有一套人才培養理念致力發展人才。公司制定了《新員工培訓政策》、《員工指導政策》及《職業技能培訓政策》等，以不斷提升員工隊伍的能力和素質。



Average tranining hours of employees
人員平均培訓時數

	JF Ningbo 寧波捷豐	Seven Senses 七元素
General staff 一般員工	8.25	0.00
Executives 主管	18.18	0.00
Middle management 中級管理層	10.00	0.25
Senior management 高級管理層	16.00	1.00
Female 女	7.89	0.20
Male 男	9.22	0.41

Induction training

For newly hired employees, the Group adopts a training strategy of "having old employees guide new ones" in hope of passing on the experience and technical know-how of old employees to new ones. We also arrange experienced staff to provide orientation and induction training for junior staff, covering the Group's background, profile, facilities, employee handbook and corporate social responsibility, so that new staff can quickly know about the Group's situation and have a stronger sense of belonging to the Group.

入職培訓

對於新入職的員工，集團採用「以老帶新」的培訓策略，期望將經驗及技術承傳。我們亦會安排具經驗的員工為初級員工進行指導及工提供入職培訓，包括集團背景、簡介、設施、員工手冊簡介及企業社會責任等，使新員工能迅速掌握集團狀況及加強對集團的歸屬感。

Vocational skills training

Each year, the Group provides relevant professional training for different posts and develops internal training programs based on the development needs of various departments to provide all employees with convenient, continuous and efficient training and development courses. We also sponsor employees to take accredited external training courses in an effort to encourage employees to continuously improve their skills and capabilities for the purpose of providing quality products and services to customers.

職業技能培訓

集團每年會針對不同崗位進行相關的專業培訓，並根據各部門的發展需求設定內部培計劃，為所有員工供各類方便、持續及高效的培訓及發展課程。我們還資助員工修讀認可的外部培訓課程，以鼓勵員工不斷提升技能和能力，實現為客戶提供優質產品及服務的目標。

6.2.4. Protection of Rights and Interests

Management guidelines and policies

The Company conducts staff recruitment and management in strict accordance with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and the Regulations on the Prohibition of Child Labour and Employee Ordinance of Hong Kong. It is absolutely forbidden to employ any child labour and any form of forced labor

The Company considers child labour and forced labour intolerable and it shall be eliminated. The Company has set up strict recruitment processes to conduct intensive examination of identity documents, such as ID card, and sign labour contract and create personal file in a fair and voluntary manner in accordance with legal requirements.

6.2.4. 權益保障

管理方針及政策

本公司嚴格按照《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《禁止使用童工規定》及香港《僱傭條例》進行員工招聘和管理，絕對禁止任何僱用童工的行為及任何形式的強迫勞動。

本公司認為童工及強制勞動是不能容忍的，必須杜絕。本公司已設定嚴格的招聘程序，在招工時必須對身份證等證件嚴格查驗，並按公正、自願原則和法規要求簽署勞務合同，建立人事檔案。

In accordance with the standard working hours stipulated by the national laws where our business operation is conducted, the Company makes reasonable arrangement of working hours for our employees. Leaves and benefits, such as paid leave and sick leave, are provided in accordance with the Labour Law. Subject to production requirements, our production bases arrange overtime work on a voluntary basis and it requires negotiation with employee representatives and employees and approval from local labour department and shall not exceed the statutory working hours. Production bases and sales division of the Company in the PRC and overseas prohibit and disapprove any forced labour or contractual servitude, corporal punishment, confinement, violent threat, and forbid employees from receiving any forms of illegal payment, withholding identity document and battering employees.

本公司對員工的工作時間按照業務運營地所在國家法定的標準工作時間範圍內做了合理安排，並根據勞動法給予帶薪假期以及病假等休假福利。本公司生產基地遵循加班自願的原則，若因生產需要而需加班加點的，須與員工代表和員工協商並經當地勞動部門批准，且不得超過法定時間。本公司在中國及海外所有的生產基地及銷售中心均禁止使用及不支持任何勞役或契約式勞工、體罰、監禁、暴力威脅，並禁止向員工收取任何非法形式的押金，扣押身份證件及體罰員工。

During the Reporting Period, the Company did not have any material non-compliance incident relating to the labour standards under relevant laws and regulations.

本公司於報告期間並無發生有關法律法規所規定勞工準則的重大不循規事宜。

6.3. Operational Commitment

6.3. 營運承擔

In the process of business development, the Group always keeps in mind that we have to manage our relationships with our suppliers and customers in a responsible and sustainable manner. We are dedicated to providing our customers with the highest quality products and services, and working with suppliers to create win-win results. To this end, we implement different plans and measures and provide safe and reliable products to achieve the vision of creating a better society.

集團在發展業務的同時亦時刻緊記，要以負責任及可持續的態度管理我們與供應商和客戶的關係，我們致力為客戶提供最優質的產品和服務，並與供應商攜手締造變贏的局面。為此積極推行不同計劃及措施，並提供安全可靠的產品，以達致創建更美好社會的願景。

6.3.1. Supply Chain Management

6.3.1. 供應鏈管理

Management guidelines and policies

管理方針及政策

The Group is well aware that good supply chain operations have a positive impact on the environment and society. Accordingly, we work closely with suppliers to minimise relevant risks and jointly create a better and greener future. The Group adopts a comprehensive supply chain management mechanism, including a code of conduct and a supplier assessment system, to monitor and access the quality of suppliers' products and services and their performance in business ethics. The Group is also committed to complying with all laws and regulations related to its business operations, and did not violate relevant laws and regulations during the reporting period.

集團深明良好的供應鏈運作對環境與社會有正面的影響，因此我們與供應商緊密協作，盡力減低有關風險，共同創建一個更美好、更環保的未來。集團採用一套全面的供應鏈管理機制，包括行為守則和供應商評估系統，以監察及評估供應商的產品和服務質素以至商業操守等範疇的表現。集團亦致力遵從所有與營運有關的法律和法規，於報告期內未有違返相關的法律法規。

Monitoring and inspection

We monitor the quality of our suppliers on a monthly basis to ensure that the products and services provided by them meet the relevant contractual requirements, so as to safeguard the quality of the products provided by the Group. We also organise standard training for suppliers on a regular basis to provide suppliers with the opportunity to exchange ideas and keep abreast of the latest industry developments for the expansion and sharing of business opportunities.

監察和檢視

我們會每月均會對於供應商的質量進行監控，確保他們所提供的產品及服務均合符合約要求，以保障集團所提供的產品質素。亦會定期對供應商進行標準培訓，為供應商提供交流的機會，以掌握最新的行業資訊拓展商脈、共創商機。

Sustainable supply chain

As IKEA is one of the major clients of our household furnishings segment, the Company strictly complies with the IKEA's IWAY Standard. The IWAY Standard specifies IKEA's minimum requirements for suppliers and their own suppliers on environmental and social performance and working conditions when purchasing products, materials and services. The Standard also covers compliance with local laws and regulations, confidentiality and anti-corruption.

In order to ensure that suppliers effectively honour their corporate social responsibility at the community and environmental levels, we appoint a third party to conduct SSI system audits on suppliers each year.

可持續發展供應鏈

由於家居用品業務的最大客戶之一為宜家家居(IKEA)，因此，本公司會嚴格遵守「宜家家居的IWAY執行標準」。IWAY執行標準說明宜家家居對供應商及其下的供應商在採購產品、材料和服務過程中就環境、社會與工作條件方面的最低要求，亦涵蓋遵守當地法例和法規、資料保密及反貪污方面的守則。

而為確保供應商切實報行在社區及環境層面上體現企業社會責任，我們會每年委任第三方機構對供應商進行SSI系統審核。

6.3.2. High Quality Products

Management guidelines and policies

Providing quality products to our customers is our ultimate goal. The Group commits itself to establishing, maintaining and improving the ISO9001 quality system, in a mission to provide quality products and services to meet customer needs. In the course of operations, the Group strictly abides by national laws and regulations and industry quality standards and constantly improves quality management to safeguard the basic rights and interests of customers.

In terms of household furnishings business, we strive to provide high-quality products. Each product will be tested for quality and safety before being packaged as a finished product. We have a quality control department to be responsible for testing products, formulating testing management procedures, and conducting final testing according to such procedures. During the reporting period, the Company did not violate any laws and regulations related to product responsibility, nor did it receive any customer complaints. The percentage of products recalled for health or safety reasons was 0%.

6.3.2. 優質產品

管理方針及政策

為客戶提供優質的產品為我們的最終目標。集團致力於建立和維持ISO9001品質體系，並持續改進，以提供優質的產品及服務，從而滿足顧客的要求；並在經營過程中，嚴格遵守國家法律法規和行業的質量標準，提高質量管理水準，保障客戶基本權益。

於家居用品業務方面，我們竭力提供高質素產品；每件產品於包裝為成品前均經品質及安全性檢測，我們設有質控部專門負責檢測產品，並制定檢驗管理辦法程序文件，按程序作最終檢驗。於報告期間，本公司並無違反與產品責任相關的法例和法規及顧客投訴的個案，而因安全或健康理由而回收的商品百份比為0%。

In terms of privacy and intellectual property rights, according to IWAY Standard, all information reports, discussions, and written messages between the Company and IKEA shall be kept confidential. In addition, the Company will never purchase pirated products or use photos or designs without third party authorisation.

在私穩及知識產權方面，根據IWAY執行標準，本公司與宜家家居的任何資料報告、研討內容及書面信息均須保密。公司亦紀絕不會購買盜版產品、不會採用未經第三方授權的相片、不會採用未經第三方授權的設計。

6.3.3. Corporate Governance

Management guidelines and policies

The Company strictly abides by the Criminal Law of the People's Republic of China and, according to its own characteristics and circumstances, follows IKEA's IWAY Standard which has anti-corruption requirements to strengthen corporate governance and internal control, standardise business practices, safeguard the legitimate rights and interests of shareholders, and promote the healthy and stable development of the Company.

We require all employees to comply professionally with the Group's policies on conflicts of interest, intellectual property rights, privacy, confidentiality of information, prevention of bribery and corruption, and equal opportunities. The Group requires employees to abide by the code of business ethics and to refrain from corruption and bribery during the term of their employment contract.

The Group also provides whistle-blowing channels for stakeholders to report suspicious activities by email, telephone or fax. The reported cases will be independently investigated and properly followed up.

During the reporting period, the Company found no cases of violation of laws and regulations related to corruption.

6.3.3. 企業治理

管理方針及政策

公司嚴格遵守《中華人民共和國刑法》，並根據自身的特點和情況，「宜家家居的IWAY執行標準」亦規範了反貪污方面的制度，以加強公司治理和內部控制，規範經營行為，維護股東合法權益，促進公司健康、穩定發展。

我們訂明所有員工必須專業地遵守集團於利益衝突、知識產權、私隱、資料保密、防止賄賂與貪污及平等機會範疇所制訂之政策。集團在僱用合約內，要求員工遵守商業道德準則，不可有任何貪污及賄賂行為。

集團亦提供了舉報渠道，持份者可通過電郵、電話及傳真等方式舉報任何可疑的活動。舉報個案會被獨立調查及妥善跟進。

於報告期間，本公司並無發現違反與貪污相關的法例和法規的個案。

6.4. Giving Back to Society

The Group is well aware that our responsibility is not only to contribute directly to the economy, but also to generate positive impact on the society as a whole through our business operations and public welfare programs. Our household furnishings factory in Ningbo is committed to reducing the potential environmental impact of production on surrounding communities. During the reporting period, we not only made charity donations, but also encouraged employees to take an active part in community activities such as acting as volunteers.

6.4. 回饋社區

集團深明我們的責任不僅在於對社會經濟作出直接貢獻，更包含了我們的業務營運和公益項目，對整體社會帶來的影響和效應。我們於寧波市的家居用品廠房致力減低因生產而可能帶給所在社區的環境影響。在報告期內我們不但進行了捐款，亦鼓勵員工積極參與社區團體活動如義工等。

Summary of Performance Data (Household Furnishings Business)

數據表現摘要(家居用品業務)

	Polluting emissions 污染排放物	Unit 單位	JF Ningbo 寧波捷豐	Seven Senses 七元素
	Greenhouse gas emissions and density **溫室氣體排放量及密度**			
	Total greenhouse gas emissions 溫室氣體排放總量	tonnes of carbon dioxide equivalent 公噸二氧化碳當量	1,079.42	12.58
	Direct emissions 直接排放	tonnes of carbon dioxide equivalent 公噸二氧化碳當量	70.96	0.0
	Energy-related indirect emissions 能源間接排放	tonnes of carbon dioxide equivalent 公噸二氧化碳當量	1,008.46	12.58
	Emission density 排放密度	tonnes of carbon dioxide equivalent per employee 公噸二氧化碳當量／每名員工	2.65	0.57
	Energy use **能源使用**			
	Power purchased 購買的電力	kWh 千瓦時	1,253,370.00	15,724.00
	Power density 用電密度	kWh per employee 千瓦時／每名員工	3,079.53	714.73
Environmental **環境**	Total consumption of gasoline (moving source) 汽油(流動源)總耗量	litre 公升	19,926.49	N/A 不適用
	Gasoline (moving source) use density 汽油(流動源)使用密度	litre per employee 公升／每名員工	48.96	N/A 不適用
	Total consumption of diesel (fixed source) 柴油(固定源)總耗量	litre 公升	9,730.82	N/A 不適用
	Diesel (flowing source) use density 柴油(固定源)使用密度	litre per employee 公升／每名員工	23.91	N/A 不適用
	Water consumption 用水量	m^3 立方米	20,918.00	*Provided by property management *由物業管理公司提供
	Water use density 用水密度	m^3 per employee 立方米／每名員工	12.23	N/A 不適用
	Amount of packaging materials used **包裝材料使用量**			
	Plastic 塑料	tonnes 公噸	184.18	N/A 不適用
	Paper 紙張	tonnes 公噸	490.96	N/A 不適用
	Metal 金屬	tonnes 公噸	4,338.80	N/A 不適用
	Lumber 木材	tonnes 公噸	745.44	N/A 不適用

	Employees 僱員	Unit 單位	JF Ningbo 寧波捷豐	Seven Senses 七元素
	Total number of employees 員工總人數	persons 人數	407	22
	By age **年齡分佈**			
	Aged 18–24 18–24歲	persons 人數	18	0
	Aged 25–34 25–34歲	persons 人數	108	15
	Aged 35–44 35–44歲	persons 人數	118	3
	Aged 45–54 45–54歲	persons 人數	138	1
	Aged 55–64 55–64歲	persons 人數	24	2
	Aged 65 or above 65歲或以上	persons 人數	1	1
	By gender **性別分佈**			
Social **社會**	Male 男	persons 人數	217	17
	Female 女	persons 人數	190	5
	By employment type **僱傭類型**			
	Full time 全職	persons 人數	407	22
	Part time 兼職	persons 人數	0	0
	By rank **職能分佈**			
	Senior management 高級管理層	persons 人數	1	7
	Middle management 中級管理層	persons 人數	15	4
	Executives 主管	persons 人數	11	1
	General staff 一般員工	persons 人數	380	10
	Employee turnover **人員流失**			
	Turnover rate 流失比率	percentage (%) 百分比	3.32%	0.76%

	Employees 僱員	Unit 單位	JF Ningbo 寧波捷豐	Seven Senses 七元素
	By age **年齡分佈**			
	Aged 18–24 18–24歲	percentage (%) 百分比	18.98%	0.00%
	Aged 25–34 25–34歲	percentage (%) 百分比	4.40%	1.11%
	Aged 35–44 35–44歲	percentage (%) 百分比	2.90%	0.00%
	Aged 45–54 45–54歲	percentage (%) 百分比	1.39%	0.00%
	Aged 55–64 55–64歲	percentage (%) 百分比	0.00%	0.00%
	Aged 65 or above 65歲或以上	percentage (%) 百分比	0.00%	0.00%
	By gender **性別分佈**			
	Male 男	percentage (%) 百分比	3.46%	0.49%
	Female 女	percentage (%) 百分比	3.38%	1.67%
Social **社會**	**Health and Safety** **健康與安全**			
	Work-related deaths 因工作關係死亡人數	persons 人數	0	0
	Number of work days lost due to work-related injuries 因工傷損失工作天數	days 日	305	0
	Training and development **培訓與發展**			
	Total training hours 總培訓時數	hours 小時	3,500	8
	Average training hours **平均受訓時數**			
	Male 男	hours 小時	9.22	0.41
	Female 女	hours 小時	7.89	0.20
	Senior management 高級管理層	hours 小時	16.00	1.00
	Middle management 中級管理層	hours 小時	10.00	0.25
	Executives 主管	hours 小時	18.18	0.00
	General staff 一般員工	hours 小時	8.25	0.00

	Employees 僱員	Unit 單位	JF Ningbo 寧波捷豐	Seven Senses 七元素
	Percentage of trained employees by category **按不同類別劃分的受訓僱員比率**			
	Male 男	percentage (%) 百分比	100%	41%
	Female 女	percentage (%) 百分比	100%	20%
	Senior management 高級管理層	percentage (%) 百分比	100%	100%
	Middle management 中級管理層	percentage (%) 百分比	100%	25%
	Executives 主管	percentage (%) 百分比	100%	0%
	General staff 一般員工	percentage (%) 百分比	100%	0%
	Number of suppliers **供應商數量**			
Social **社會**	Mainland China 中國內地	suppliers 間	249	N/A 不適用
	Hong Kong 香港	suppliers 間	0	N/A 不適用
	Other 其他地區	suppliers 間	0	N/A 不適用
	Product Responsibility **產品責任**			
	Percentage of products subject to recalls for safety reasons 產品回收比率(因安全理由)	percentage (%) 百分比	0%	0%
	Number of complaints 投訴數目	cases 個案	0	0
	Anti-corruption **反腐敗**			
	Number of concluded corruption cases brought against the issuer or its employees during the reporting period 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目	cases 次數	0	0
	Product Responsibility **產品責任**			
	Volunteer service hours 義工服務時數	hours 小時	0	0
	Total amount spent in the focus area 在專注範疇所動用的總金額	RMB 人民幣	0	0

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TO THE SHAREHOLDERS OF
IMPERIUM GROUP GLOBAL HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

致帝國集團環球控股有限公司
全體股東
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Imperium Group Global Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 77 to 228, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and 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, 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.

意見

吾等已審核第77至228頁所載帝國集團環球控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，包括於二零一九年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表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」)足以真實兼公平地顯示　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之綜合財務表現及綜合現金流量，並遵照香港公司條例之披露規定妥為編製。

BASIS FOR OPINION

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

意見基準

吾等根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。吾等在該等準則下所承擔的責任已在本報告「核數師就審核綜合財務報表須承擔之責任」一節中進一步描述。吾等根據香港會計師公會專業會計師道德守則(「守則」)獨立於 貴集團，且吾等根據守則已達成其他道德責任。吾等相信，吾等所取得之審核憑證就為意見提供基礎而言屬充分恰當。

KEY AUDIT MATTERS

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

1. Valuation of investment properties
2. Impairment assessment of goodwill and other intangible assets

關鍵審核事項

關鍵審核事項為吾等的專業判斷中，審核本期綜合財務報表中最重要的事項。吾等於審核整體綜合財務報表處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。我們識別的關鍵審核事項為：

1. 投資物業估值
2. 商譽及其他無形資產減值評估

Key Audit Matter	How our audit addressed the Key Audit Matter
關鍵審核事項	**吾等在審核中處理關鍵審核事項的方法**
Valuation of investment properties 投資物業估值 Refer to note 5(ii)(e) and 19 to the consolidated financial statements 參閱綜合財務報表附註5(ii)(e)及19 Management has estimated the fair value of the Group's investment properties to be HK$24,540,315 as at 31 December 2019 with a net revaluation gain for the year ended 31 December 2019 recorded in the consolidated statement of profit or loss of HK$1,081,328. Independent external valuations were obtained in order to support management's estimates. The valuations are dependent on certain key assumptions that require significant management judgments including the adjustment factors used on comparable properties. These adjustment factors were either based on public published data or substantially unchanged since prior year. 管理層曾估計於二零一九年十二月三十一日　貴集團投資物業之公允值將為24,540,315港元，及截至二零一九年十二月三十一日止年度於綜合損益表錄得重估收益淨額1,081,328港元。已取得獨立外部估值以支持管理層的估計。估值乃獨立於須重要管理層判斷的若干關鍵假設，包括可資比較物業所採用調整因素。該等調整因素基於公開刊發數據或自上個年度起的基本不變者。	Our procedures in relation to management's valuation of investment properties included: 吾等有關管理層評估投資物業的程序包括： — Evaluation of the independent external valuers' competence, capabilities and objectivity; — 評估獨立外部估值師的勝任能力、專業能力及客觀性； — Assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the property industry; and — 基於吾等對物業行業的知識，評估所採用技術及關鍵假設的適當性；及 — Checking, on a sample basis, the accuracy and relevance of the input data used. — 按抽樣基準檢查所採用輸入數據的準確性及相關性。

Key Audit Matter	How our audit addressed the Key Audit Matter
關鍵審核事項	**吾等在審核中處理關鍵審核事項的方法**
Impairment assessment of goodwill and other intangible assets 商譽及其他無形資產減值評估 Refer to note 5(ii)(b) and 21 to the consolidated financial statements 參閱綜合財務報表附註5(ii)(b)及21 Goodwill and other intangible assets arose during the current year from the acquisition of certain subsidiaries, the principal activities of which are the operations of online games. 本年度商譽及其他無形資產來源於收購若干附屬公司(其主要業務為營運線上遊戲)。 The other intangible assets represent game intellectual properties and licenses and game software. Management performs impairment testing of goodwill annually. For other intangible assets, impairment testing is performed when indicators of potential impairment are identified. In performing impairment testing of goodwill and other intangible assets, management considered that the entire operations of the online games operated by these subsidiaries represented one separately identifiable cash generating unit ("CGU"). 其他無形資產指遊戲知識產權及版權以及遊戲軟件。管理層每年對商譽進行減值測試。就其他無形資產而言， 貴集團在發現潛在減值跡象時進行減值測試。在對商譽和其他無形資產進行減值測試時，管理層考慮該等附屬公司營運的線上遊戲之整體經營業務(即一個可單獨識別的現金產生單位(「現金產生單位」))。 Management assessed potential impairment by using the value in use method and engaged a firm of qualified external valuers to assist in preparing the value in use calculations. The value in use calculations required the exercise of significant management judgement and estimates. 管理層以使用價值法評估潛在減值，並聘請合資格的外部估值公司協助計算使用價值。計算使用價值需要行使重大管理層判斷及估量。	Our procedures in relation to management's impairment assessment included: 吾等有關管理層評估減值的程序包括： — Assessing the external valuer's qualifications, experience and expertise and considering their objectivity and independence; — 評估外部估價公司在估值資產方面的資歷、經驗和專業知識，並考慮其客觀性和獨立性； — working with our in house valuation specialists to review the integrity of the value in use model and the appropriateness of the discount rate adopted by management; — 與內部估值專家合作審閱使用價值模式之完整性及管理層採用之貼現率的適當性； — checking input data to supporting evidence including approved budgets; — 將輸入數據與有關憑證(包括獲批准預算)作比對； — challenging the reasonableness of management's key assumptions underlying the cash flow forecasts in view of the historical performance of the CGU and our understanding of the business; and — 根據現金產生單位的過往表現以及我們對業務的瞭解，質疑管理層的主要假設、相關現金流預測之合理性；及 — considering the adequacy of the impairment testing disclosures in the consolidated financial statements. — 考慮綜合財務報表內減值測試披露是否充分。

OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

其他資料

董事負責其他資料。其他資料包括年報包括的所有資料，除綜合財務報表及吾等就此的核數師報告外。

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

審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。於此方面，吾等沒有任何報告。

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.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

董事就綜合財務報表之責任

董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，負責編製及真實兼公平地呈列綜合財務報表及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

審核委員會協助董事履行監督　貴集團財務報告過程的責任。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表須承擔之責任

吾等的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有吾等意見的核數師報告。吾等僅向閣下(作為整體)報告吾等的意見，除此之外本報告別無其他目的。吾等概不就本報告之內容向任何其他人士負責或承擔責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，吾等運用專業判斷，於整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。

- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對 貴集團內部控制的有效程度發表意見。

- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

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

吾等與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷溝通。

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

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)與負責管治的人員溝通。

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

吾等從與審核委員會溝通的事項中，決定哪些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審計事項。除非法例或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

The engagement partner on the audit resulting in this independent auditor's report is Wong Tak Man, Stephen.

出具本獨立核數師報告的審計項目合夥人是王德文。

RSM Hong Kong
Certified Public Accountants
Hong Kong
20 March 2020

羅申美會計師事務所
執業會計師
香港
二零二零年三月二十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
綜合損益表

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

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
REVENUE	**收益**	8	**233,566,651**	252,363,498
Cost of sales	銷售成本		**(212,419,102)**	(224,610,225)
Gross profit	**毛利**		**21,147,549**	27,753,273
Other income	其他收入	9	**5,888,835**	1,782,987
Impairment of receivables	應收款項減值		**(5,717,467)**	(4,496,080)
Distribution costs	分銷成本		**(26,542,898)**	(7,600,920)
Administrative expenses	行政開支		**(55,961,544)**	(52,056,849)
Other operating expenses	其他經營開支		**(13,427,536)**	(4,829,901)
LOSS FROM OPERATIONS	**經營虧損**		**(74,613,061)**	(39,447,490)
Gain on disposal of subsidiaries	出售附屬公司之收益	41(b)	**55,052**	9,036,315
Finance costs	融資成本	13	**(3,616,209)**	(2,791,998)
LOSS BEFORE TAX	**除稅前虧損**		**(78,174,218)**	(33,203,173)
Income tax expense	所得稅開支	14	**(3,262,262)**	(1,966,502)
LOSS FOR THE YEAR	**年內虧損**	15	**(81,436,480)**	(35,169,675)
Attributable to:	**以下人士應佔：**			
Owners of the Company	本公司擁有人		**(77,936,393)**	(34,901,161)
Non-controlling interests	非控股權益		**(3,500,087)**	(268,514)
			(81,436,480)	(35,169,675)
LOSS PER SHARE	**每股虧損**	17		
Basic	基本		**(0.27)**	(0.12)
Diluted	攤薄		**(0.27)**	(0.12)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
綜合損益及其他全面收益表

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

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Loss for the year	**年內虧損**	**(81,436,480)**	(35,169,675)
Other comprehensive loss:	**其他全面虧損：**		
Item that will not be reclassified to profit or loss:	*不會重新分類至損益的項目：*		
Fair value changes of equity instruments at fair value through other comprehensive income (FVTOCI)	按公允值計入其他全面收益之權益工具之公允值變動	**(1,810,996)**	(2,399,604)
Items that may be reclassified to profit or loss:	*可能重新分類至損益的項目：*		
Exchange differences on translating foreign operations	換算海外業務而產生之匯兑差額	**(2,554,896)**	(1,960,853)
Exchange differences reclassified to profit or loss on disposal of foreign operations	出售海外業務時重新分類至損益之匯兑差額	**50**	(401,964)
		(2,554,846)	(2,362,817)
Other comprehensive loss for the year, net of tax	**年內其他全面虧損(除稅後)**	**(4,365,842)**	(4,762,421)
Total comprehensive loss for the year	**年內全面虧損總額**	**(85,802,322)**	(39,932,096)
Attributable to:	**以下人士應佔：**		
Owners of the Company	本公司擁有人	**(82,302,235)**	(39,663,582)
Non-controlling interests	非控股權益	**(3,500,087)**	(268,514)
		(85,802,322)	(39,932,096)

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

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Non-current assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	18	**11,515,065**	17,073,939
Investment properties	投資物業	19	**24,540,315**	31,155,580
Right-of-use assets	使用權資產	20	**12,529,460**	—
Goodwill	商譽	21	**10,982,214**	16,482,214
Financial assets at FVTOCI	按公允值計入其他全面收益之金融資產	22	**2,059,000**	3,869,996
Deposits paid for acquisition of long-term assets	收購長期資產的已付按金	23	**18,426,799**	1,175,100
Intangible assets	無形資產	24	**6,858,032**	20,756,557
			86,910,885	90,513,386
Current assets	**流動資產**			
Inventories	存貨	25	**26,399,199**	27,473,657
Contract costs	合約成本		**620,194**	—
Loan receivables	應收貸款	26	**13,643,349**	23,462,019
Trade receivables	應收貿易賬款	27	**25,874,427**	26,535,164
Due from related companies	應收關聯公司款項		**4,737,355**	5,190,525
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項	28	**10,512,609**	16,882,840
Financial assets at fair value through profit or loss (FVTPL)	按公允值計入損益之金融資產	29	**—**	9,108,800
Cash and bank balances	現金及銀行結餘	30	**56,961,964**	47,338,276
			138,749,097	155,991,281
Current liabilities	**流動負債**			
Trade payables	應付貿易賬款	31	**10,334,445**	17,315,023
Lease liabilities	租賃負債	32	**5,026,973**	—
Due to related companies	應付關聯公司款項	33	**7,650,046**	34,372,717
Other payables and accruals	其他應付款項及應計項目	34	**40,424,354**	46,721,393
Retirement benefit obligations	退休福利責任	35	**65,074**	48,092
Contract liabilities	合約負債	36	**3,531,412**	3,130,089
Current tax liabilities	即期稅項負債		**208,255**	1,757,212
Bank borrowings	銀行借貸	37	**41,416,419**	44,951,928
			108,656,978	148,296,454
NET CURRENT ASSETS	**淨流動資產**		**30,092,119**	7,694,827
TOTAL ASSETS LESS CURRENT LIABILITIES	**總資產減流動負債**		**117,003,004**	98,208,213

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

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Non-current liabilities	**非流動負債**			
Lease liabilities	租賃負債	32	**4,149,368**	—
Long-term loan from related parties	來自關聯方之長期貸款	33	**93,328,042**	—
Other payable	其他應付款項	34	**—**	2,956,862
Retirement benefit obligations	退休福利責任	35	**540,986**	303,379
Deferred tax liabilities	遞延稅項負債	38	**2,631,761**	2,631,761
			100,650,157	5,892,002
NET ASSETS	**淨資產**		**16,352,847**	92,316,211
CAPITAL AND RESERVES	**資本及儲備**			
Equity attributable to owners of the Company	本公司擁有人應佔股權			
Share capital	股本	39	**2,872,060**	2,872,060
Reserves	儲備		**15,718,751**	88,182,028
			18,590,811	91,054,088
Non-controlling interests	**非控股權益**		**(2,237,964)**	1,262,123
TOTAL EQUITY	**總權益**		**16,352,847**	92,316,211

Approved by the Board of Directors on 20 March 2020 and are signed on its behalf by:

董事會已於二零二零年三月二十日批准，並由以下董事代表簽署：

Cheng Ting Kong
鄭丁港
Director
董事

Yeung So Mui
楊素梅
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$ 港元	Share premium (note 43(b)(i)) 股份溢價（附註43(b)(i)） HK$ 港元	Merger reserve (note 43(b)(iii)) 合併儲備（附註43(b)(iii)） HK$ 港元	Foreign currency translation reserve (note 43(b)(iv)) 外幣匯兑儲備（附註43(b)(iv)） HK$ 港元	Share-based payments reserve 以股份為基礎付款儲備 HK$ 港元	Financial assets at FVTOCI Reserve (note 43(b)(vii)) 按公允值計入其他全面收益之金融資產（附註43(b)(vii)） HK$ 港元	Capital reserve (note 43(b)(v)) 資本儲備（附註43(b)(v)） HK$ 港元	General reserve (note 43(b)(vi)) 一般儲備（附註43(b)(vi)） HK$ 港元	Other reserves (note 43(b)(viii)) 其他儲備（附註43(b)(viii)） HK$ 港元	Accumulated losses 累計虧損 HK$ 港元	Total 總計 HK$ 港元	Non-controlling interests 非控股權益 HK$ 港元	Total equity 權益總計 HK$ 港元
At 1 January 2018	於二零一八年一月一日	2,872,060	178,951,014	7,358,082	13,384,539	–	–	946,832	23,646,762	–	(100,647,526)	126,511,763	–	126,511,763
Total comprehensive loss for the year	年內全面虧損總額	–	–	–	(2,362,817)	–	(2,399,604)	–	–	–	(34,901,161)	(39,663,582)	(268,514)	(39,932,096)
Capital injection by non-controlling interests	非控股權益注資	–	–	–	–	–	–	–	–	–	–	–	50	50
Acquisition of subsidiaries (note 41(a))	收購附屬公司（附註41(a)）	–	–	–	–	–	–	–	–	–	–	–	1,530,587	1,530,587
Share-based payments	以股份為基礎的付款	–	–	–	–	4,205,907	–	–	–	–	–	4,205,907	–	4,205,907
Changes in equity for the year	年內權益變動	–	–	–	(2,362,817)	4,205,907	(2,399,604)	–	–	–	(34,901,161)	(35,457,675)	1,262,123	(34,195,552)
At 31 December 2018	於二零一八年十二月三十一日	2,872,060	178,951,014	7,358,082	11,021,722	4,205,907	(2,399,604)	946,832	23,646,762	–	(135,548,687)	91,054,088	1,262,123	92,316,211
At 1 January 2019	於二零一九年一月一日	**2,872,060**	**178,951,014**	**7,358,082**	**11,021,722**	**4,205,907**	**(2,399,604)**	**946,832**	**23,646,762**	**–**	**(135,548,687)**	**91,054,088**	**1,262,123**	**92,316,211**
Total comprehensive loss for the year	年內全面虧損總額	**–**	**–**	**–**	**(2,554,846)**	**–**	**(1,810,996)**	**–**	**–**	**–**	**(77,936,393)**	**(82,302,235)**	**(3,500,087)**	**(85,802,322)**
Transfer	調撥	**–**	**–**	**–**	**–**	**–**	**–**	**521,654**	**–**	**–**	**(521,654)**	**–**	**–**	**–**
Capital contribution	注資	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6,671,958**	**–**	**6,671,958**	**–**	**6,671,958**
Share-based payments	以股份為基礎的付款	**–**	**–**	**–**	**–**	**3,167,000**	**–**	**–**	**–**	**–**	**–**	**3,167,000**	**–**	**3,167,000**
Changes in equity for the year	年內權益變動	**–**	**–**	**–**	**(2,554,846)**	**3,167,000**	**(1,810,996)**	**521,654**	**–**	**6,671,958**	**(78,458,047)**	**(72,463,277)**	**(3,500,087)**	**(75,963,364)**
At 31 December 2019	於二零一九年十二月三十一日	**2,872,060**	**178,951,014**	**7,358,082**	**8,466,876**	**7,372,907**	**(4,210,600)**	**1,468,486**	**23,646,762**	**6,671,958**	**(214,006,734)**	**18,590,811**	**(2,237,964)**	**16,352,847**

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

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動的現金流量**			
Loss before tax	除稅前虧損		**(78,174,218)**	(33,203,173)
Adjustments for:	經調整：			
Net fair value gains on investment properties	投資物業公允值收益淨額		**(1,081,328)**	(439,875)
Investment income	投資收入		**(301,559)**	(409,363)
Depreciation and amortisation	折舊及攤銷		**18,470,816**	7,152,904
Finance costs	融資成本		**3,616,209**	2,791,998
Interest income	利息收入		**(163,027)**	(311,321)
Gain on disposal of subsidiaries	出售附屬公司之收益		**(55,052)**	(9,036,315)
Defined employee benefit	界定僱員福利		**254,589**	20,296
Equity-settled share-based payments	以股權結算並以股份為基礎的付款		**3,167,000**	4,205,907
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益		**(5,716)**	—
Impairment of receivables	應收款項減值		**5,717,467**	4,496,080
Impairment of goodwill	商譽減值		**5,500,000**	—
Impairment of intangible assets	無形資產減值		**6,583,048**	—
Written off of deposits paid for acquisition of long term assets	撇銷就收購長期資產所支付的按金		**1,174,403**	4,830,038
Operating loss before working capital changes	營運資金變動前之經營虧損		**(35,297,368)**	(19,902,824)
Decrease in inventories	存貨減少		**1,074,458**	4,078,718
Increase in contract costs	合約成本增加		**(620,194)**	—
Decrease in trade receivables	應收貿易賬款減少		**1,919,679**	2,241,966
Decrease in loan receivables	應收貸款減少		**3,547,904**	25,000,000
Decrease/(increase) in deposits, other receivables and prepayments	按金、其他應收款項及預付款項減少／(增加)		**5,971,575**	(7,916,908)
Decrease in financial assets at FVTPL	按公允值計入損益之金融資產減少		**9,393,843**	7,076,350
(Decrease)/increase in trade payables	應付貿易賬款(減少)／增加		**(5,816,162)**	1,128,058
(Decrease)/increase in other payables and accruals	其他應付款項及應計項目(減少)／增加		**(11,250,739)**	3,924,882
Increase in contract liabilities	合約負債增加		**401,323**	884
Increase/(decrease) in due to related companies	應收關聯公司款項增加／(減少)		**3,277,329**	(3,415,785)
Decrease/(increase) in due from related companies	應付一間關聯公司款項減少／(增加)		**453,170**	(453,171)
Cash (used in)/generated from operations	經營(所用)／產生的現金		**(26,945,182)**	11,762,170
Income tax refunded	退回所得稅		**—**	526,498
Income taxes paid	已付所得稅		**(4,811,219)**	(2,732,056)
Interest on lease liabilities	租賃負債利息		**(388,575)**	—
Net cash (used in)/generated from operating activities	經營活動(所用)／產生的現金淨額		**(32,144,976)**	9,556,612

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

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動的現金流量**			
Purchase of property, plant and equipment	購買物業、廠房及設備		**(2,577,159)**	(3,311,206)
Deposits paid for acquisition of long-term assets	就收購長期資產所支付的按金		**(19,543,106)**	(1,861,674)
Acquisition of intangible assets	收購無形資產		**(1,237,651)**	(2,863,584)
Acquisition of financial asset at FVTOCI	收購按公允值計入其他全面收益之金融資產		**—**	(6,269,600)
Acquisition of subsidiaries	收購附屬公司	41(a)	**—**	(37,817,812)
Disposal of subsidiaries	出售附屬公司	41(b)	**(456,657)**	19,994,035
Payments for right-of-use assets	就使用權資產付款		**(65,950)**	—
Payments for rental deposits	就租賃按金付款		**(660,222)**	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		**114,233**	69,025
Proceed from disposal of investment properties	出售投資物業之所得款項		**7,813,900**	—
Investment income received	已收投資收入		**301,408**	409,363
Interest received	已收利息		**163,027**	55,236
Net cash used in investing activities	投資活動所用的現金淨額		**(16,148,177)**	(31,596,217)
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動的現金流量**			
Bank and other borrowings raised	新借銀行及其他借貸		**68,560,958**	71,467,887
Repayment of bank and other borrowings	償還銀行及其他借貸		**(70,375,452)**	(76,473,796)
Net advance from related companies	來自關聯公司的墊款淨額		**70,000,000**	22,880,331
Principal elements of lease payments	租賃付款之本金部分		**(4,424,921)**	—
Capital injection by non-controlling interests	非控股權益注資		**—**	50
Interest paid	已付利息		**(2,188,498)**	(2,137,643)
Net cash generated from financing activities	融資活動產生的現金淨額		**61,572,087**	15,736,829
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**現金及現金等值物的淨額增加／(減少)**		**13,278,934**	(6,302,776)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**匯率變動之影響**		**(3,655,246)**	(2,585,537)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**於一月一日之現金及現金等值物**		**47,338,276**	56,226,589
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**於十二月三十一日之現金及現金等值物**		**56,961,964**	47,338,276
ANALYSIS OF CASH AND CASH EQUIVALENTS	**現金及現金等值物分析**			
Cash and bank balances	現金及銀行結餘		**56,961,964**	47,338,276

1. GENERAL INFORMATION

Imperium Group Global Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. 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 2408, 24/F, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Sheung Wan, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 44 to the consolidated financial statements.

In the opinion of the directors of the Company, during the year ended 31 December 2019, Power Ocean Holdings Limited ("Power Ocean"), a company incorporated in the British Virgin Islands, was the immediate parent and Mr. Chau Cheok Wa and Mr. Cheng Ting Kong were the ultimate controlling parties of the Company. On 18 January 2020, Diamond State Holdings Limited ("Diamond State"), a company incorporated in the British Virgin Islands, has purchased all the shares of the Company held by Power Ocean. Diamond State became the immediate parent and Mr. Cheng Ting Kong became the ultimate controlling party of the Company since then.

1. 一般資料

帝國集團環球控股有限公司(「本公司」)根據開曼群島公司法於開曼群島註冊成立為一間獲豁免有限公司，其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O.Box 2681, Grand Cayman, KY1-1111, Cayman Islands，而其主要營業地點位於香港上環干諾道中168–200號信德中心招商局大廈24樓2408室。本公司的股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一間投資控股公司。其附屬公司的主要業務載於綜合財務報表附註44。

本公司董事認為，截至二零一九年十二月三十一日止年度，力海控股有限公司(「力海」，一間於英屬維爾京群島註冊成立的公司)為本公司的直接母公司，以及周焯華先生及鄭丁港先生為本公司的最終控股方。於二零二零年一月十八日，Diamond State Holdings Limited(「Diamond State」)，一間於英屬維爾京群島註冊成立的公司，購買力海持有的本公司全部股份。Diamond State其後成為本公司的直接母公司，而鄭丁港先生為本公司的最終控股方。

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange ("the Listing Rules") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

2. 編製基準

該等綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)編製。香港財務報告準則包括香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋。該等綜合財務報表亦遵從聯交所證券上市規則(「上市規則」)的適用披露條文及香港公司條例(第622章)的披露規定。本集團所採納的主要會計政策披露如下。

2. BASIS OF PREPARATION (Continued)

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

2. 編製基準(續)

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，於本集團本會計期間首次生效或可供提前採納。本集團因初次應用該等與本集團當前及過往會計期間有關的新訂及經修訂準則而導致會計政策的任何變動已於該等綜合財務報表內反映，而有關資料載於附註3。

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

(a) Application of new and revised HKFRSs

The HKICPA has issued a new HKFRS, HKFRS 16 Leases, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 16 Leases

HKFRS 16 supersedes HKAS 17 Leases, and the related interpretations, HK(IFRIC) 4 Determining whether an Arrangement contains a Lease, HK(SIC) 15 Operating Leases – Incentives and HK(SIC) 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. HKFRS 16 introduced a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less and leases of low-value assets.

3. 採納新訂及經修訂香港財務報告準則

(a) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈一項新訂香港財務報告準則(香港財務報告準則第16號租賃)及若干香港財務報告準則之修訂，於本集團本會計期間首次生效。

除香港財務報告準則第16號外，該等發展對本財務報告當前或過往期間本集團已編製或呈列之業績及財務狀況並無重大影響。本集團於本會計期間並無應用任何尚未生效的新訂準則或詮釋。

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號釐定安排是否包含租賃、香港(準則詮釋委員會)詮釋第15號經營租賃 — 優惠及香港(準則詮釋委員會)詮釋第27號評估涉及租賃法律形式交易之內容。香港財務報告準則第16號就承租人引入單一會計處理模式，並規定承租人就所有租賃確認使用權資產及租賃負債，惟租期為12個月或以下的租賃及低價值資產的租賃除外。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact on leases where the Group is the lessor. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

香港財務報告準則第16號大致沿用香港會計準則第17號項下出租人之會計處理。出租人將繼續採用與香港會計準則第17號類似之原則將租賃分類為經營租賃或融資租賃。因此，香港財務報告準則第16號對本集團作為出租人的租賃並無影響。出租人的會計要求沿用香港會計準則第17號並大致維持不變。

香港財務報告準則第16號亦引入額外的定性及定量披露要求，旨在讓財務報表使用者評估租賃對實體財務狀況、財務表現及現金流量的影響。

本集團自二零一九年一月一日起首次應用香港財務報告準則第16號租賃。本集團已選用經修訂追溯法，並因而確認首次應用之累計效應作為對於二零一九年一月一日權益期初餘額的調整。比較資料未被重列且繼續按香港會計準則第17號呈報。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

(a) New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

有關過往會計政策變動的性質和影響及所採用的過渡性選擇的進一步詳情載列如下：

(a) 租賃之新定義

租賃定義的變動主要涉及控制的概念。香港財務報告準則第16號根據客戶是否於一段期間內控制已識別資產的使用而定義租賃，其可藉界定的使用量釐定。倘客戶既有權指示已識別資產的使用，亦有權自該使用中獲得絕大部分經濟利益，則控制權已轉移。

本集團僅對於二零一九年一月一日或之後訂立或變更的合約應用香港財務報告準則第16號中的租賃新定義。對於二零一九年一月一日前訂立的合約，本集團已採用過渡性實際權宜方法，以令對現有安排為租賃或包含租賃的過往評估不受新規定限制。因此，先前根據香港會計準則第17號評估為租賃的合約繼續按香港財務報告準則第16號入賬列為租賃，而先前評估為非租賃服務安排的合約繼續入賬列為待履行合約。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(b) Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied the incremental borrowing rates of the relevant group entities at the date of initial application. The average incremental borrowing rates applied by the relevant group entities range from 0.9% to 10.5%.

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

(i) elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

(b) 承租人會計處理及過渡影響

香港財務報告準則第16號取消承租人將租賃分類為經營租賃或融資租賃的規定(如香港會計準則第17號先前所規定)。相反，本集團作為承租人時，須資本化所有租賃(包括先前根據香港會計準則第17號分類為經營租賃的租賃)，惟短期租賃及低價值資產租賃則獲豁免。

於確認先前分類為經營租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。相關集團實體所應用的平均增量借款利率介乎0.9% 至10.5%。

為方便過渡至香港財務報告準則第16號，本集團於首次應用香港財務報告準則第16號當日應用下列確認豁免及實際權宜方法：

(i) 對於剩餘租期於首次應用香港財務報告準則第16號當日起計12個月內屆滿(即租期於二零一九年十二月三十一日或之前屆滿)的租賃，選擇不就確認租賃負債及使用權資產應用香港財務報告準則第16號的規定；

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(b) Lessee accounting and transitional impact (Continued)

(ii) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in a similar economic environment. Specifically, discount rate for certain leases of leasehold lands and properties was determined on a portfolio basis;

(iii) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension options;

(iv) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and

(v) relied on the assessment of whether leases are onerous by applying HKAS 37 as an alternative to an impairment review.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

(b) 承租人會計處理及過渡影響(續)

(ii) 對於相若經濟環境中相若類別相關資產的相若剩餘條款的租賃組合應用單一貼現率。尤其是若干租賃土地和物業的租賃貼現率乃以組合基準釐定；

(iii) 根據於首次應用日期的事實及情況使用事後分析，為本集團具有延期選擇權的租賃釐定租期；

(iv) 於首次應用日期計量使用權資產時撇除初始直接成本；及

(v) 透過應用香港會計準則第37號作為減值檢討的替代方法，評估租賃是否屬有償。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(b) Lessee accounting and transitional impact (Continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

The following table reconciles the operating lease commitments as disclosed note 47 as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

(b) 承租人會計處理及過渡影響(續)

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將香港會計準則第12號所得稅規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債之暫時差額並未於初步確認時於租期內確認。

下表為附註47所披露於二零一八年十二月三十一日之經營租賃承擔與於二零一九年一月一日確認之租賃負債的期初結餘對賬：

		HK$ 港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日所披露之經營租賃承擔	13,801,304
Less: total future interest expenses	減：日後利息開支總額	(1,789,500)
Lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認之租賃負債	12,011,804
Of which are:	其中：	
Current lease liabilities	流動租賃負債	3,492,099
Non-current lease liabilities	非流動租賃負債	8,519,705
		12,011,804

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(b) Lessee accounting and transitional impact (Continued)

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of consolidated financial position at 31 December 2018.

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

(b) 承租人會計處理及過渡影響(續)

先前分類為經營租賃之租賃相關使用權資產已按相等於餘下租賃負債的已確認金額之金額確認，並按與於二零一八年十二月三十一日之綜合財務狀況表確認之租賃有關之任何預付或應計租賃付款金額進行調整。

已付可退回租賃按金根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)入賬，初步按公允值計量。於初步確認時對公允值的調整被視為額外租賃付款並計入使用權資產成本。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(b) Lessee accounting and transitional impact (Continued)

The following table summarises the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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** (續)*

(b) 承租人會計處理及過渡影響(續)

下表概述採納香港財務報告準則第16號對本集團綜合財務狀況表之影響:

Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16	受採納香港財務報告準則第16號影響之綜合財務狀況表項目	Effects of adoption of HKFRS 16 採納香港財務報告準則第16號之影響			
		Carrying amount as at 31 December 2018 於二零一八年十二月三十一日之賬面值 HK$ 港元	Re-classification 重新分類 HK$ 港元	Recognition of leases 租賃確認 HK$ 港元	Carrying amount as at 1 January 2019 於二零一九年一月一日之賬面值 HK$ 港元
Assets	**資產**				
Right-of-use assets	使用權資產	–	3,898,065	12,011,804	15,909,869
Property, plant and equipment	物業、廠房及設備	3,898,065	(3,898,065)	–	–
Liabilities	**負債**				
Lease liabilities	租賃負債	–	–	12,011,804	12,011,804

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(c) Impact of the financial results and cash flows of the Group

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

In the statement of cash flows, the Group as a lessee is required to split rentals paid under capitalised leases into their principal element and interest element (note 41(c)). These elements are classified as financing cash outflows and operating cash outflows respectively. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a significant change in presentation of cash flows within the statement of cash flows (note 41(d)).

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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**(續)*

(c) 對本集團財務業績及現金流量之影響

於二零一九年一月一日初步確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債之未償還結餘累積之利息開支，以及使用權資產折舊，而非過往以直線法於租期內確認根據經營租賃產生之租賃開支之政策。與倘於年內應用香港會計準則第17號所得業績相比，此對本集團之綜合損益表中錄得之經營虧損產生負面影響。

於現金流量表中，本集團作為承租人須將根據資本化租賃所支付之租金分為本金部分及利息部分(附註41(c))。該等部分乃分別分類為融資現金流出及經營現金流出。儘管現金流量總額不受影響，但採納香港財務報告準則第16號導致現金流量表內現金流量之呈現方式發生重大變動(附註41(d))。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(c) Impact of the financial results and cash flows of the Group (Continued)

The following tables give an indication of the estimated impact of the adoption of HKFRS 16 on the Group's financial result and cash flows for the year ended 31 December 2019, by adjusting the amounts reported under HKFRS 16 in these consolidated financial statements to compute estimates of the hypothetical amounts that would have been recognised under HKAS 17 if this superseded standard had continued to apply in 2019 instead of HKFRS 16, and by comparing these hypothetical amounts for 2019 with the actual 2018 corresponding amounts which were prepared under HKAS 17.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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**(續)*

(c) 對本集團財務業績及現金流量之影響(續)

下表顯示採納香港財務報告準則第16號對本集團截至二零一九年十二月三十一日止年度之財務業績及現金流量之估計影響，方法為調整該等綜合財務報表中根據香港財務報告準則第16號所呈報之金額以計算根據香港會計準則第17號應確認之估計假設金額(倘該被取代準則而非香港財務報告準則第16號於二零一九年繼續適用)，以及將二零一九年之該等假設金額與二零一八年根據香港會計準則第17號編製之實際相應金額進行比較。

		2019 二零一九年				2018 二零一八年
		Amounts reported under HKFRS 16 根據香港財務報告準則第16號呈報之金額 HK$ 港元	Add back: HKFRS 16 depreciation and interest expense 加回：香港財務報告準則第16號下的折舊及利息開支 HK$ 港元	Deduct: Estimated amounts related to operating lease as if under HKAS 17 (note 1) 扣除：有關經營租賃之估計金額(猶如根據香港會計準則第17號)(附註1) HK$ 港元	Hypothetical amounts for 2019 as if under HKAS 17 二零一九年之假設金額(猶如根據香港會計準則第17號) HK$ 港元	Compared to amounts reported for 2018 under HKAS 17 與二零一八年呈報之金額比較(根據香港會計準則第17號) HK$ 港元
Financial result for year ended 31 December 2019 impacted by the adoption of HKFRS 16:	**受採納香港財務報告準則第16號影響之截至二零一九年十二月三十一日止之財務業績：**					
Loss from operation	**經營虧損**	**(74,613,061)**	**5,139,024**	**(4,710,225)**	**(74,184,262)**	(39,447,490)
Finance costs	融資成本	**(3,616,209)**	**388,575**	**–**	**(3,227,634)**	(2,791,998)
Loss before taxation	**除稅前虧損**	**(78,174,218)**	**5,527,599**	**(4,710,225)**	**(77,356,844)**	(33,203,173)
Loss for the year	**年內虧損**	**(81,436,480)**	**5,527,599**	**(4,710,225)**	**(80,619,106)**	(35,169,675)

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

3. 採納新訂及經修訂香港財務報告準則(續)

(a) Application of new and revised HKFRSs (Continued)

(a) 應用新訂及經修訂香港財務報告準則(續)

***HKFRS 16 Leases** (Continued)*

***香港財務報告準則第16號租賃** (續)*

(c) Impact of the financial results and cash flows of the Group (Continued)

(c) 對本集團財務業績及現金流量之影響(續)

		2019 二零一九年			2018 二零一八年
		Amounts reported under HKFRS 16 根據香港財務報告準則第16號呈報之金額 HK$ 港元	Estimated amounts related to operating leases as if under HKAS 17 (note(s) 1&2) 有關經營租賃之估計金額(猶如根據香港會計準則第17號)(附註1及2) HK$ 港元	Hypothetical amounts for 2019 as if under HKAS 17 二零一九年之假設金額(猶如根據香港會計準則第17號) HK$ 港元	Compared to amounts reported for 2018 under HKAS 17 與二零一八年呈報之金額比較(根據香港會計準則第17號) HK$ 港元
Line items in the consolidated statement of cash flows for year ended 31 December 2019 impacted by the adoption of HKFRS 16:	**受採納香港財務報告準則第16號影響之截至二零一九年十二月三十一日止年度之綜合現金流量表項目:**				
Cash (used in)/generated from operations	經營(耗用)/產生的現金	(26,945,182)	(4,048,159)	(30,993,341)	11,762,170
Interest element of lease rentals paid	已付租賃租金之利息部分	(388,575)	388,575	–	–
Net cash (used in)/generated from operating activities	**經營活動(耗用)/產生之現金淨額**	(32,144,976)	(3,629,584)	(35,774,560)	9,556,612
Principal elements of lease payments	租賃付款本金部分	(4,424,921)	4,424,921	–	–
Net cash generated from financing activities	**融資活動產生之現金淨額**	61,572,087	4,424,921	65,997,008	15,736,829

Note 1: The "estimated amounts related to operating leases" is an estimate of the amounts of the cash flows in 2019 that relate to leases which would have been classified as operating leases, if HKAS 17 had still applied in 2019. This estimate assumes that there were no difference between rentals and cash flows and that all of the new leases entered into in 2019 would have been classified as operating leases under HKAS 17, if HKAS 17 had still applied in 2019. Any potential net tax effect is ignored.

附註1: 「有關經營租賃之估計金額」指與在香港會計準則第17號於二零一九年仍然適用之情況下會分類為經營租賃之租賃有關的二零一九年現金流量之金額估計。該估計假設,在香港會計準則第17號於二零一九年仍然適用之情況下,租金與現金流量之間並無差異,以及所有於二零一九年訂立之新租賃根據香港會計準則第17號會分類為經營租賃。任何潛在淨稅項影響均忽略不計。

Note 2: In this impact table these cash outflows are reclassified from financing to operating in order to compute hypothetical amounts of net cash generated from operating activities and net cash used in financing activities as if HKAS 17 still applied.

附註2: 於此影響表格中,該等現金流出由融資重新分類至經營,以計算經營活動產生之現金淨額及融資活動耗用之現金淨額的假設金額,猶如香港會計準則第17號仍然適用。

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

(a) Application of new and revised HKFRSs (Continued)

***HKFRS 16 Leases** (Continued)*

(d) Leasehold investment property

Under HKFRS 16, the Group is required to account for all leasehold properties as investment properties when these properties are held to earn rental income and/or for capital appreciation. The adoption of HKFRS 16 does not have a significant impact on the Group's consolidated financial statements as the Group previously elected to apply HKAS 40, *Investment properties*, to account for all of its leasehold properties that were held for investment purposes as at 31 December 2018. Consequentially, these leasehold investment properties continue to be carried at fair value.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2019. These new and revised HKFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂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**(續)*

(d) 租賃投資物業

根據香港財務報告準則第16號，本集團於持有該等物業以賺取租金收入及／或資產增值時，須將所有租賃物業作為投資物業入賬。採納香港財務報告準則第16號對本集團之綜合財務報表並無重大影響，因為本集團以往已選擇應用香港會計準則第40號*投資物業*，將所有於二零一八年十二月三十一日以投資目的而持有之租賃物業入賬。因此，該等租賃投資物業繼續按公允值列賬。

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但於二零一九年一月一日開始之財政年度尚未生效之新訂及經修訂香港財務報告準則。該等新訂及經修訂香港財務報告準則包括以下可能與本集團有關的準則。

	Effective for accounting periods beginning on or after **於以下日期或之後開始之會計期間生效**
Amendments to HKFRS 3 Definition of a Business 香港財務報告準則第3號之修訂業務的定義	1 January 2020 二零二零年一月一日
Amendments to HKAS 1 and HKAS 8 Definition of Material 香港會計準則第1號及香港會計準則第8號之修訂重大性的定義	1 January 2020 二零二零年一月一日
Amendments to HKFRS 9, HKAS 39 and HKFRS 7 Interest Rate Benchmark Reform 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂利率基準改革	1 January 2020 二零二零年一月一日

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

(b) New and revised HKFRSs in issue but not yet effective (Continued)

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

本集團正評估此等修訂本及新訂準則於初步應用期間的預期影響。迄今之結論為採納該等修訂本及新訂準則不大可能對本集團之綜合財務報表構成重大影響。

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. investment properties and certain financial instruments that are measured at fair value).

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

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

(a) 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.

4. 主要會計政策

除下文會計政策(例如按公允值計量之投資物業及若干金融工具)另有所指外，該等綜合財務報表乃按歷史成本慣例編製。

編製符合香港財務報告準則之財務報表要求使用若干重大會計估計，亦要求管理層在應用本集團會計政策時作出判斷。涉及高度判斷或複雜性之範疇或對綜合財務報表產生重要作用之假設和估計的範疇於附註5披露。

編製該等綜合財務報表所採用之主要會計政策如下。

(a) 綜合賬目

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。附屬公司為本集團對其擁有控制權之實體。當本集團可以或有權力透過參與該實體而影響回報及有能力透過其權力影響實體之回報即控制該實體。當本集團現有之權力賦予其有能力指揮有關活動(即對實體回報有重大影響的活動)即本集團對該實體有權力。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

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

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 and any accumulated foreign currency translation reserve relating to that subsidiary.

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 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.

4. 主要會計政策(續)

(a) 綜合賬目(續)

當評估控制時，本集團考慮其潛在投票權，以及由其他人士持有的潛在投票權。潛在投票權只有在其持有人有行使這一權利的實際能力時才被考慮。

附屬公司在控制權轉移至本集團之日起綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

出售附屬公司而導致失去控制權之盈虧乃指(i)出售代價公允值連同於該附屬公司任何保留投資公允值與(ii)本公司應佔該附屬公司淨資產連同與該附屬公司有關之任何剩餘商譽以及任何累計外幣匯兌儲備兩者間差額。

集團內公司間交易、交易所產生的結餘及未變現溢利予以抵銷。未變現虧損亦予以抵銷，除非交易有證據顯示所轉讓資產出現減值。本公司對附屬公司之會計政策在必要情況下已予修訂，以確保與本集團所採納之政策一致。

非控股權益是指並非由本公司直接或間接擁有的附屬公司權益。非控股權益在綜合財務狀況表及綜合權益變動表的權益項目中列示。非控股權益在綜合損益及其他全面收益表呈列為本公司非控股股東及擁有人之年內損益及全面收益總額分配。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

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.

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.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any 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.

4. 主要會計政策(續)

(a) 綜合賬目(續)

溢利或虧損及其他全面收益的各項目歸屬予本公司擁有人及非控股股東，即使導致非控股權益結餘出現虧黜。

本公司於一間附屬公司之所有權權益發生變動並未導致失去控制權，則按權益交易入賬(即與擁有人以其擁有人的身份進行的交易)。控股及非控股權益之賬面值經調整以反映其於附屬公司相關權益之變動。非控股權益被調整之金額與已付或已收代價公允值之間之任何差額須直接於權益內確認並歸屬於本公司擁有人。

於本公司財務狀況表中，於附屬公司投資按成本減減值虧損列賬，除非投資分類為持作出售(或計入分類為持作出售之出售組合)。

(b) 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。於業務合併中所轉讓的代價是以所付出的資產在收購當日之公允值、所發行之股本工具及所產生之負債以及任何或然代價計量。收購相關成本於有關成本產生及獲得服務期間確認為開支。所收購之附屬公司之可識別資產及負債，均按其於收購當日之公允值計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination and goodwill (Continued)

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

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4. 主要會計政策(續)

(b) 業務合併及商譽(續)

所轉讓的代價之總和超出本集團應佔附屬公司可識別資產及負債之公允淨值之差額列作商譽。本集團應佔可識別資產及負債之公允淨值超出所轉讓的代價之總和之差額則於綜合損益內確認為本集團應佔之議價收購收益。

於附屬公司之非控制性權益初步按非控股股東應佔該附屬公司於收購當日之可識別資產及負債之公允淨值比例計算。

於初次確認後，商譽乃按成本減累計減值虧損計量。就減值測試而言，業務合併所獲得之商譽會分配至預期將受益於合併協同效應之各現金產生單位(「現金產生單位」)或現金產生單位組別。商譽所分配之各單位或單位組別為本集團內就內部管理目的而監察商譽之最低層次。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。含有商譽之現金產生單位之賬面值與其可收回金額作比較，可收回金額為使用價值與公允值減出售成本兩者之較高者。任何減值實時確認為開支，且其後不會撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) 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 ("HKD"), which is the Company's functional and presentation currency.

(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 value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

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.

4. 主要會計政策(續)

(c) 外幣兌換

(i) 功能及呈列貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元(「港元」，本公司之功能和呈列貨幣)呈列。

(ii) 各實體財務報表之交易及結餘

外幣交易於首次確認時按交易日之現行匯率兌換為功能貨幣。以外幣列值之貨幣性資產和負債均按各報告期結束時之匯率兌換。按此兌換政策產生的盈虧在損益中確認。

按公允值計量的外幣非貨幣性項目按照釐定公允值當日的匯率兌換。

倘非貨幣性項目的盈虧於其他全面收益確認，則該盈虧之匯兌部分亦會於其他全面收益中確認。倘非貨幣性項目的盈虧於損益確認，則該盈虧之匯兌部分會於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Foreign currency translation (Continued)

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company'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 for the period (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 other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 主要會計政策(續)

(c) 外幣兌換(續)

(iii) 綜合賬目的兌換

本集團所有實體如持有與本公司呈列貨幣不同之功能貨幣，其業績及財務狀況均按以下方式兌換為本公司的呈列貨幣：

- 各財務狀況表呈列之資產與負債均按該財務狀況表日期之收市匯率兌換；
- 期內收入和支出均按照平均匯率兌換(若此平均匯率未能合理反映各交易日匯率所帶來之累計影響，在此情況下，收入和支出則按照交易日之匯率兌換)；及
- 所有匯兌差額均於其他全面收益內確認，並於外幣匯兌儲備中累計。

在綜合賬目時，兌換構成海外公司投資淨額部分之貨幣性項目產生之匯兌差額於其他全面收益內確認，並於外幣匯兌儲備中累計。當出售海外業務時，此部分匯兌差額將於綜合損益中重新分類為出售盈虧之一部分。

收購海外公司所產生的商譽及公允值調整被視作該海外公司之資產及負債，並按收盤匯率予以換算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment

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

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvement	2–5 years
Plant and machinery	10 years
Furniture, fixtures and equipment	2–5 years
Motor vehicles	5 years

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

Construction in progress represents plant and equipment pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

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. 主要會計政策(續)

(d) 物業、廠房及設備

綜合財務狀況表所列，持作生產或供應貨品或服務，或作行政用途之物業、廠房及設備以成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

其後的成本計入資產賬面值內，或僅當與該項目相關之未來經濟利益很可能流入本集團且該項目成本能可靠計量時，可被確認為一項獨立資產(如適用)。其他的所有維修及保養費用均於其產生期間於損益確認。

物業、廠房及設備乃以直線法於估計可使用年期內按足以撇銷其成本減其剩餘價值之比率計算折舊。主要年率如下：

租賃裝修	2–5年
廠房及機械	10年
傢俬、裝置及設備	2–5年
車輛	5年

剩餘價值、可使用年期及折舊方法將於每個報告期結束時予以檢討及調整(如適用)。

在建工程指待安裝的廠房及設備，以成本值減減值虧損列賬。相關資產於可供使用時開始折舊。

出售物業、廠房及設備之盈虧指出售相關資產所得款項淨額與其賬面值之差額，於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An owned 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. 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. Rental income from investment properties is accounted for as described in note 4(o).

(f) Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) The Group as a lessee

Policy applicable from 1 January 2019

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

4. 主要會計政策(續)

(e) 投資物業

投資物業指為賺取租金收入及／或資本增值而持有之土地及／或樓宇。擁有之投資物業初步按其成本(包括該物業所有直接成本)計量。

於初步確認後，投資物業乃按公允值列賬。投資物業公允值變動產生之收益或虧損於產生期間在損益內確認。

出售投資物業之盈虧是指出售所得款項淨額與該物業賬面值之間的差額，於損益內確認。投資性房地產的租金收益按附註4(o)所述列賬。

(f) 租賃

訂立合約時，本集團評估合約是否為租賃或包含租賃。如果合約轉達了一段時間以控制對已識別資產的使用的權利以換取對價，則合約為租賃或包含租賃。當客戶有權主導該項已識別資產的使用，且從使用中獲取幾乎所有的經濟利益時，控制權被轉移。

(i) 本集團作為承租人

自二零一九年一月一日起適用的政策

倘合約包含租賃組成部分及非租賃組成部分，本集團已選擇不分拆非租賃組成部分，並對每個租賃組成部分和任何相關的非租賃組成部分作為一項單一的租賃進行會計處理。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) *The Group as a lessee (Continued)*

Policy applicable from 1 January 2019 (Continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策(續)

(f) 租賃(續)

(i) *本集團作為承租人(續)*

自二零一九年一月一日起適用的政策(續)

於租賃開始日，本集團確認使用權資產和租賃負債，但租賃期為12個月或以下的短期租賃和低價值資產的租賃除外。當本集團就一項低價值資產訂立租賃時，本集團決定是否以逐項租賃為基礎將租賃資本化。與未資本化的租賃相關的租賃付款在租賃期內有系統地確認為費用。

若租賃被資本化，則租賃負債以租賃期內應付租賃付款的現值進行初始確認，並使用該項租賃的內含利率折現；或如果內含利率無法輕易釐定，則使用相關的增量借款利率。初始確認後，租賃負債以攤銷成本計量，且利息費用則採用實際利率法計算。不取決於指數或利率的可變租賃付款並不包含於租賃負債的計量中，並因此於其產生的會計期間計入損益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) *The Group as a lessee (Continued)*

Policy applicable from 1 January 2019 (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

4. 主要會計政策(續)

(f) 租賃(續)

(i) *本集團作為承租人(續)*

自二零一九年一月一日起適用的政策(續)

租賃資本化時已確認的使用權資產按成本進行初始計量，其中包括租賃負債的初始金額加上任何於開始日或之前作出的租賃付款，以及產生的任何初始直接費用。在適用的情況下，使用權資產的成本亦包括將拆卸、搬移相關資產或復原相關資產或資產所在地點的費用估算折現至其現值，減去已收到的租賃優惠。使用權資產隨後按成本減去累計折舊和減值虧損列賬。

本集團已合理地確定可於租期結束時取得相關租賃資產所有權的使用權資產由開始日期起至可使用年期結束止計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期(以較短者為準)內計提折舊。

已付可退回租賃按金乃根據香港財務報告準則第9號入賬並初始按公允價值計量。於初始確認時對公允價值的調整被視為額外租賃付款並計入使用權資產成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) *The Group as a lessee (Continued)*

Policy applicable from 1 January 2019 (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

Policy prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

4. 主要會計政策(續)

(f) 租賃(續)

(i) *本集團作為承租人(續)*

自二零一九年一月一日起適用的政策(續)

當指數或利率變動引起未來租賃付款發生變動；或本集團就餘值擔保下預計應付的金額發生變化；或由於重新評估本集團是否合理地行使購買、延期或終止選擇權而產生變化時，承租人重新計量租賃負債。當租賃負債以此方式重新計量時，對使用權資產的賬面價值作出相應調整，或倘使用權資產的賬面價值減記至零，則計入損益。

本集團將不符合投資物業定義的使用權資產及租賃負債分別呈列於綜合財務狀況表。

於二零一九年一月一日前適用的政策

於比較期間，本集團作為承租人倘於租賃轉移所有權絕大部分之風險及回報至本集團之情況下，則將有關租賃分類為融資租賃。資產擁有權的所有風險及回報並無絕大部分轉讓予本集團的租賃列作經營租賃。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(i) *The Group as a lessee (Continued)*

Policy prior to 1 January 2019 (Continued)

Where the Group acquired the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets were recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, were recorded as obligations under finance leases. Depreciation was provided at rates which wrote off the cost or valuation of the assets over the term of the relevant lease or, where it was likely the Group would obtain ownership of the asset, the life of the asset. Finance charges implicit in the lease payments were charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

4. 主要會計政策(續)

(f) 租賃(續)

(i) *本集團作為承租人(續)*

於二零一九年一月一日前適用的政策(續)

倘本集團以融資租賃獲得資產的使用權，便會將相當於租賃資產公允價值或該資產的最低租賃付款現值(以較低者為準)的金額確認為物業、廠房及設備，而扣除融資費用後的相應負債則記錄為融資租賃承擔。折舊乃在相關租賃期(或倘本集團有可能取得資產的所有權，則按資產的可使用年期)內，按撇銷資產成本或估值的比率作出撥備。租賃付款內含的融資費用於租賃期內在損益扣除，使每個會計期間的融資費用佔承擔餘額的比率大致相同。

倘本集團擁有根據經營租賃持有的資產使用權，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額分期在損益中扣除，惟倘有其他基準更能清楚反映租賃資產所產生的收益模式則除外。所取得的租賃優惠在損益中確認為租賃淨付款總額的不可或缺部分。或有租金在產生的會計期間在損益中列支。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases (Continued)

(ii) The Group as a lessor

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

(g) Intangible assets

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Game intellectual properties and licences and game software acquired separately are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 2 to 3 years.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. 主要會計政策(續)

(f) 租賃(續)

(ii) 本集團作為出租人

如本集團為出租人，其在租賃開始時釐定各項租賃是融資租賃或經營租賃。將相關資產所有權附帶的絕大部分風險和回報轉移至承租人的租賃分類為融資租賃，否則分類為經營租賃。

(g) 無形資產

單獨收購且具備無限可使用年期的無形資產按成本減任何其後累計減值虧損入賬。

單獨收購的遊戲知識產權及牌照以及遊戲軟件按成本減累計攤銷及減值虧損列賬。攤銷按其2至3年的估計可使用年限以直線法計算。

(h) 存貨

存貨以成本值及可變現淨值兩者間之較低者列賬。成本乃基於加權平均數釐定。製成品及在製品成本包括原材料、直接勞工及適當比例的所有生產間接開支及分判承包費用(如適用)。可變現淨值為日常業務過程中的估計銷售價格減估計完成成本值及估計促成銷售所需的成本值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Recognition and derecognition of financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. 主要會計政策(續)

(i) 確認及解除確認金融工具

倘本集團成為工具合約條文的一方，則金融資產及金融負債於綜合財務狀況表中確認。

金融資產及金融負債初始按公允值計量。收購或發行金融資產及金融負債(按公允值計入損益的金融資產及金融負債除外)的直接相關交易成本於初始確認時計入或扣除自金融資產或金融負債的公允值(視適用情況而定)。收購按公允值計入損益的金融資產或金融負債的直接應佔交易成本於損益直接確認。

本集團僅於自資產獲得現金流之合約權利屆滿，或當其將金融資產及該資產所有權之絕大部分風險及回報轉讓至另一實體時，方會終止確認該項金融資產。倘本集團既無轉讓亦無保留已轉讓資產所有權之絕大部分風險及回報並繼續控制該資產，則本集團確認於該資產的保留權益以及就其可能須支付的金額確認相關負債。倘本集團保留所轉讓金融資產所有權之絕大部分風險及回報，則本集團繼續確認該金融資產，並就已收所得款項確認有抵押借貸。

本集團於且僅於本集團的責任獲解除、取消或屆滿時取消確認金融負債。已取消確認的金融負債賬面值與已付及應付代價(包括任何已轉讓的非現金資產或已承擔的負債)間的差額於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

— amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

— FVTOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

— FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

4. 主要會計政策(續)

(j) 金融資產

所有以正規途徑購入或銷售之金融資產乃按交易日期基準確認及取消確認。正規途徑購入或銷售乃按市場法規或慣例所確定之時間框架內交付資產之金融資產購入或銷售。所有已確認的金融資產均按攤銷成本或公允值進行後續計量，具體取決於該金融資產的分類。

債務投資

本集團持有的債務投資歸入以下其中一個計量類別：

— 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為支付本金及利息。投資所得利息收入乃使用實際利率法計算。

— 按公允值計入其他全面收益(可劃轉)，倘投資的合約現金流量僅包括本金及利息付款，且投資乃於其目的為同時收取合約現金流量及出售的業務模式中持有。公允價值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兑收益及虧損於損益確認。當投資被取消確認，於其他全面收益累計的金額從權益劃轉至損益。

— 按公允值計入損益，倘投資不符合按攤銷成本計量或按公允值計入其他全面收益(可劃轉)的標準。投資的公允值變動(包括利息)於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial assets (Continued)

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

(k) Loan receivables

Loan receivables are loans granted to customers in the ordinary course of business. If collection of loan receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Loan receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

4. 主要會計政策(續)

(j) 金融資產(續)

股本投資

於股本證券的投資分類為按公允值計入損益，除非股本投資並非持作買賣用途，且於初次確認投資時，本集團選擇指定投資為按公允值計入其他全面收益(不可劃轉)，以致公允值的後續變動於其他全面收益確認。有關選擇乃按工具個別作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公允值儲備(不可劃轉)，直至投資被出售為止。出售時，於公允值儲備(不可劃轉)累計的金額轉撥至保留盈利，而非透過損益賬劃轉。於股本證券的投資股息，無論歸類為按公允值計入損益或按公允值計入其他全面收益，均於損益中確認為其他收入。

(k) 應收貸款

應收貸款為在日常業務過程中向客戶發放的貸款。倘預期於一年或以內收回應收貸款，則分類為流動資產。倘非如此，則呈列為非流動資產。

應收貸款乃初步按公允值確認，其後採用實際利率法按攤銷成本，減去減值撥備計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Trade and other receivables

A receivable is recognised when the group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments that are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, having been within three months of maturity at acquistion. Bank overdrafts that 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 for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for expected credit losses ("ECL").

4. 主要會計政策(續)

(l) 應收貿易賬款及其他應收款項

應收款項於本集團具有無條件權利收取代價時確認。倘代價到期付款前僅需待時間推移，則收取代價之權利為無條件。倘收益於本集團具有無條件權利收取代價前已予確認，則該款項以合約資產呈列。

應收款項採用實際利息法按攤銷成本扣除信貸虧損撥備列賬。

(m) 現金及現金等值物

現金及現金等值物包括銀行存款及手頭現金、銀行及其他金融機構的活期存款以及短期高流動性投資(可隨時轉換為已知數額的現金且價值變動的風險不高)，並在購入後三個月內到期。就綜合現金流量表而言，現金及現金等值物亦包括須於要求時償還及屬於本集團現金管理組成部分的銀行透支。現金及現金等值物須評估預期信貸虧損。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) 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 reporting period.

Trade and other payables

Trade and other payables are recognised 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

An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 主要會計政策(續)

(n) 金融負債及權益工具

金融負債及權益工具按所訂立的合約安排內容及香港財務報告準則有關金融負債及權益工具的定義分類。權益工具為本集團在扣除所有負債後的資產中證明擁有剩餘權益的任何合約。就特定金融負債及權益工具所採納的會計政策載列如下：

借貸

借貸乃初步按公允值扣除所產生的交易成本確認入賬，其後以實際利率法按攤銷成本計量。

除非本集團有無條件權利延遲清償負債至報告期後至少12個月，否則借貸分類為流動負債。

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乃初步按其公允值確認，其後以實際利率法按攤銷成本計量，惟倘折現影響並不重大，則以成本值列賬。

權益工具

權益工具是證明實體資產於扣除其所有負債後之剩餘權益之任何合約。由本公司發行的權益工具按已收取所得款項扣除直接發行成本入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from the manufacturing and sales of stainless steel furnishings products

Revenue from the manufacturing and sales of stainless steel furnishings products is recognised when control of the goods has transferred, being when the goods have been shipped to the customers' specific location (delivery). Following delivery, the customers have full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from online games business

(a) Game publishing service revenue

The Group is a publisher of online games developed by third-party game developers. The Group licenses online games from game developers and earns game publishing service revenue by making a localized version of the licensed games and publishing them to the game players through distribution platforms, include online application stores (such as Google Play installed in mobile telecommunications devices), web-based and mobile game portals in certain countries and regions (collectively referred to as "Platforms"), including the Group's websites.

4. 主要會計政策(續)

(o) 收益及其他收入

收益在產品或服務控制權按本集團預期有權獲取的約定代價金額(不包括代表第三方收取的該等金額)轉讓予客戶時確認。收益不包括增值稅或其他銷售稅，並經扣減任何貿易折讓。

來自不鏽鋼傢俱產品的生產及銷售收益

當不鏽鋼傢俱產品的控制權已轉移，即產品已運送到指定地點(交付)時，確認產品的生產及銷售收益。交付後，客戶可全權決定產品的分銷方式及銷售價格，並承擔轉售商品之主要責任及商品報廢及損失之風險。本集團於貨物已交付予客戶時確認應收款項，原因是代價於到期付款前僅需待時間推移，而收取代價之權利為無條件。

來自線上遊戲業務的收益

(a) 遊戲發行服務收益

本集團為線上遊戲發行商，發行由第三方遊戲開發商開發的線上遊戲。本集團特許經營遊戲開發商的線上遊戲，並製作該等授權遊戲的本土化版本及透過分銷平台(包括網上應用程式商店(如安裝在移動電信設備中的Google Play)、若干國家及地區的網頁及移動遊戲門戶網站(統稱為「平台」，包括本集團網站))發行予遊戲玩家，由此賺取遊戲發行服務收益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Revenue from online games business (Continued)

(a) Game publishing service revenue (Continued)

The games licensed to the Group are operated under a free-to-play model whereby game players can play the games free of charge and are charged for the purchase of virtual tokens or other virtual items via payment channels, such as the various mobile carriers and third-party internet payment systems (collectively referred to as "payment channels").

(i) Principal Agent Consideration

Proceeds earned from selling virtual tokens and other virtual items are shared between the Group and game developers, with the amount paid to game developers generally calculated based on face value of virtual tokens or other virtual items determined by game developers, after deducting certain deductible fees, multiplied by a predetermined percentage for each game. The deductible fees are predetermined and negotiated game by game, including the fees paid to the payment channels and the Platforms, as well as the credit allowable for deduction for each game.

4. 主要會計政策(續)

(o) 收益及其他收入(續)

來自線上遊戲業務的收益(續)

(a) 遊戲發行服務收益(續)

本集團獲授權的遊戲乃以免費任玩模式經營，據此，遊戲玩家可以免費任玩遊戲及在購買虛擬代幣或其他虛擬物品時透過付款渠道(如各種移動營運商及第三方互聯網支付系統(統稱為「付款渠道」))支付費用。

(i) 主要代理代價

透過銷售虛擬代幣及其他虛擬物品賺取的所得款項由本集團與遊戲開發商分攤，而支付予遊戲開發商的金額一般根據遊戲開發商釐定的虛擬代幣或其他虛擬物品的面值計算，經扣除一定的可抵扣費用，再乘以為各個遊戲預先釐定的百分比。可抵扣費用為預先釐定並按遊戲逐一進行協商，包括支付予付款渠道及平台的費用以及就各個遊戲可扣除的抵免額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Revenue from online games business (Continued)

(a) Game publishing service revenue (Continued)

(i) Principal Agent Consideration (Continued)

During the year ended 31 December 2019 there were game license arrangements under which the Group takes primary responsibilities of game operation, including determining Platforms and payment channels, providing customer services, hosting game servers, if needed, and controlling game and services specifications and pricing during the license period. Under this type of game license arrangement, the Group considered itself as a principal in this arrangement. Accordingly, the Group records the online game revenue from these third-party licensed game on a gross basis. Commission fees paid to Platforms and payment channels and amortisation of license fees paid to third-party game developer are recorded as cost of revenues.

4. 主要會計政策(續)

(o) 收益及其他收入(續)

來自線上遊戲業務的收益(續)

(a) 遊戲發行服務收益(續)

(i) 主要代理代價(續)

截至二零一九年十二月三十一日止年度，曾有若干遊戲版權安排，據此本集團承擔於許可期間遊戲營運(包括釐定平台及付款渠道)、提供客戶服務、託管遊戲伺服器(如需要)，以及控制遊戲及服務規格和定價的主要責任。根據此類遊戲版權安排，本集團視本身為該安排的主事人。故此，本集團以總額基準記錄來自該等第三方版權遊戲的線上遊戲收益。向平台及付款渠道支付的佣金費用及向第三方遊戲開發商支付的版權費攤銷，則記錄為收益成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Revenue from online games business (Continued)

(a) Game publishing service revenue (Continued)

(ii) Timing of revenue recognition

For the purposes of determining when services have been provided to the respective players, the Group has distinguished between consumable virtual items and durable virtual items:

— Consumable virtual items represent items that are extinguished after consumption in the form of fixed charges levied on each round of games played. The paying players will not continue to benefit from the virtual items thereafter. Revenue is recognised when the items are consumed.

— Durable virtual items represent items that are accessible and beneficial to paying players over an extended period of time. Revenue is recognised ratably over the average life of durable virtual items for the applicable game, which the Group makes best estimates to be average playing period of paying players ("Player Relationship Period").

4. 主要會計政策(續)

(o) 收益及其他收入(續)

來自線上遊戲業務的收益(續)

(a) 遊戲發行服務收益(續)

(ii) 收益確認時間

為確定向各玩家提供服務的時間，本集團已就消耗類虛擬物品及耐用類虛擬物品進行區分：

— 消耗類虛擬物品是指按每回所玩的遊戲收取固定費用的形式於消耗後不再存在的物品。付費玩家此後將不會繼續得益於虛擬物品。收益乃於物品被耗用時確認。

— 耐用類虛擬物品是指付費玩家可長時期取用及受惠的物品。收益於適用遊戲的耐用類虛擬物品的平均可用時期(其為本集團就付費玩家玩遊戲的平均遊戲期間所作的最佳估計(「玩家關係期」))內按比例確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Revenue from online games business *(Continued)*

(a) Game publishing service revenue (Continued)

(ii) Timing of revenue recognition (Continued)

The Group estimates the Player Relationship Period on a game-by-game basis and reassesses such periods semi-annually. If there is insufficient data to determine the Player Relationship Period, such as in the case of a newly launched game, it estimates the Player Relationship Period based on other similar types of games developed by the Group or by third-party developers until the new game establishes its own patterns and history. The Group considers the games profile, target audience, and its appeal to players of different demographics groups in estimating the Player Relationship Period.

If the Group does not have the ability to differentiate revenue attributable to durable virtual items from consumable virtual items for a specific game, the Group recognises revenue from both durable and consumable virtual items for that game ratably over the Player Relationship Period.

4. 主要會計政策(續)

(o) 收益及其他收入(續)

來自線上遊戲業務的收益(續)

(a) 遊戲發行服務收益(續)

(ii) 收益確認時間(續)

本集團按個別遊戲逐一估計玩家關係期，並且每半年重估該等期限。倘並無足夠的數據來確定玩家關係期，例如新發佈的遊戲，則根據由本集團或第三方開發商開發的其他相類遊戲來估計玩家關係期，直至新遊戲建立其本身的模式和歷史。在估計玩家關係期時，本集團考慮遊戲概況、目標玩家，以及遊戲對於不同人口組別的玩家的吸引力。

倘本集團無法就特定遊戲從消耗類虛擬物品中區分耐用類虛擬物品的應佔收益，則本集團會於玩家關係期內按比例確認該遊戲來自耐用及消耗類虛擬物品的收益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Revenue from online games business *(Continued)*

(b) Royalty income

The Group receives royalty income from third-party licensee in exchange for the exclusive operation of the Group's licensed games in certain region. The royalty fee includes a monthly minimum fee and an additional fee during the contracted license period, which is determined based on an agreed percentage of sales of the licensee when it exceeds the monthly minimum fee in that month. The monthly minimum fee is recognised ratably over the contracted license period. The additional fee is recognised when the actual agreed percentage of sales of the licensee exceeds the agreed monthly minimum fee in that month.

(c) Contract liabilities and contract costs

For game publishing service revenues, contract liabilities primarily consist of the unamortised revenue from sales of virtual tokens and virtual items for web-based games and mobile games, where there is still an implied obligation to be provided by the Group and will be recognised as revenue when all of the revenue recognition criteria are met.

Contract costs are mainly related to contract acquisition costs, which primarily consist of unamortised commission costs charged by distribution platforms. The Group recognises contract costs in relation to commission charged by distribution platforms, which meet contract acquisition cost criteria as an incremental cost of acquiring a customer contract. They are capitalised as contract acquisition costs and amortised over their respective Player Relationship Periods, which is consistent with the pattern of recognition of the associated revenue.

4. 主要會計政策(續)

(o) 收益及其他收入(續)

來自線上遊戲業務的收益(續)

(b) 專利權費收入

本集團自獲授權第三方收取專利權費收入，以交換取得於若干地區獨家運營本集團的授權遊戲。專利權費包括每月最低費用及合約授權期間的額外費用，倘其於當月超過每月最低費用，則額外費用根據獲許可人之銷售額的協定百分比釐定。每月最低費用於合約授權期間按比例確認。額外專利權費則於獲許可人之銷售額的實際協定百分比於當月超過協定每月最低費用時確認。

(c) 合約負債及合約成本

就遊戲發行服務收益而言，合約負債主要包括來自銷售網頁遊戲及手機遊戲之虛擬代幣及虛擬物品之未攤銷收益，而本集團隨著時間仍有隱含責任提供該等物品，當達致所有收益確認標準時，將被確認為收益。

合約成本主要與合約收購成本有關，而後者主要包括分銷平台所收取的未攤銷佣金。本集團就分銷平台收取的佣金確認合約成本，而該等成本作為購入客戶合約的增量成本符合合約收購成本的條件。該等成本資本化成為合約收購成本並於各自的玩家關係期內攤銷，符合相關收入的確認模式。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Revenue and other income (Continued)

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

(p) 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 end of the reporting period.

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

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

4. 主要會計政策(續)

(o) 收益及其他收入(續)

利息收入於應計提時採用實際利率法確認。就按經攤銷成本計量或按公允值計入其他全面收益(可劃轉)且並無存在信貸減值的金融資產而言，按資產的賬面原值採用實際利率。就存在信貸減值的金融資產而言，資產的經攤銷成本(即賬面值總額扣除虧損撥備)採用實際利率。

經營租賃的應收租金收入在租期所涉期間，以等額分期款項於損益確認，惟倘有其他基準能更清楚地反映使用租賃資產而產生的收益模式則除外。

(p) 僱員福利

(i) 僱員可享假期

僱員可享年假及長期服務休假在僱員應該享有時確認。本集團為截至報告期結束時僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員可享病假及產假在僱員正式休假時予以確認。

本集團設有多項離職計劃，包括定額福利計劃及定額供款退休金計劃。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

(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 to profit or loss represents contributions payable by the Group to the funds.

For the defined benefit retirement plans, the liability (asset) recognised in the consolidated statement of financial position is the present value of the defined benefit obligation less the fair value of plan assets. When there is a surplus in a defined benefit plan, the net defined benefit asset is measured at the lower of the surplus in the defined benefit plan and the asset ceiling. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. If there is no deep market in such bonds, the market rates on government bonds are used.

4. 主要會計政策(續)

(p) 僱員福利(續)

(ii) 退休金責任

本集團向定額供款退休金計劃供款，所有僱員均可參與。本集團與僱員之計劃供款按僱員基本薪金之百分比計算。在損益內支銷之退休福利計劃成本指本集團應向基金支付之供款。

於綜合財務狀況表就定額福利退休金計劃確認的負債(資產)為定額福利承擔現值減計劃資產的公允值。如定額福利計劃有盈餘，則定額福利資產淨額按定額福利計劃盈餘與資產上限之間的較低者計量。定額福利承擔每年由獨立精算師採用預期單位信貸法計算。定額福利承擔的現值通過採用優質公司債券的息率貼現估計未來現金流出量釐定，該等債券乃以將予支付福利的貨幣計值，且屆滿年期與相關退休金承擔的年期相若。倘有關債券並無交投活躍的市場，則採用政府債券的市場息率。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

(ii) Pension obligations (Continued)

Remeasurements of the net defined benefit liability (asset) — which include actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)) — are recognised in other comprehensive income in the period in which they arise and will not be reclassified to profit or loss. Service costs and net interest on the net defined benefit liability (asset) are recognised immediately in profit or loss.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

(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. 主要會計政策(續)

(p) 僱員福利(續)

(ii) 退休金責任(續)

重新計量定額福利負債(資產)淨額(包括精算收益及虧損;計劃資產收益(不包括定額福利負債(資產)淨額的淨利息所包含的金額);以及資產上限影響的任何變動(不包括定額福利負債(資產)淨額的淨利息所包含的金額))於產生期間在其他全面收益確認,並將不會重新分類至損益。定額福利負債(資產)淨額的服務成本及淨利息即時於損益確認。

利息淨額按年初定額福利負債或資產淨額的貼現率計算。倘本集團於計劃修訂、縮減或結算前重新計量負債或資產淨額,本集團將於計劃修訂、縮減或結算後使用計劃及計劃資產所提供利益確認計劃修訂、縮減或結算後剩餘期間的淨利息以及重新計量該定額福利負債或資產淨額所使用的折現率,並計及期內因供款及福利付款而產生的定額福利負債或資產淨額的任何變動。

(iii) 合約終止補償

合約終止補償於以下較早者發生時確認:當本集團無法再撤回該等福利之要約時及當本集團確認重組成本並涉及支付合約終止補償時。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Share-based payments

The Group issues equity-settled share-based payments to certain 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.

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Equity-settled share-based payments to directors and employees 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.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or, if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

(r) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策(續)

(q) 以股份為基礎的付款

本集團向若干僱員發行以股權結算並以股份為基礎的付款。以股權結算並以股份為基礎的付款乃按股本工具授出日期的公允值(非市場歸屬條件的影響除外)計算。以股權結算並以股份為基礎的付款於授出日期的公允值乃於歸屬期間以直線法，根據本集團估計最終將予歸屬的股份，並就非市場歸屬條件的影響作出調整支銷。

本集團向若干董事、僱員及顧問發行以股權結算並以股份為基礎的付款。

以股權結算並以股份為基礎向董事及僱員支付的款項按授出日期股權工具的公允值(不包括非市場基礎歸屬條件的影響)計量。以股權結算並以股份為基礎的付款於授出日期釐定的公允值，乃根據本集團估計將最終歸屬的股份(就非市場歸屬條件的影響進行調整)在歸屬期內按直線法支付。

向顧問支付之以股權結算並以股份為基礎的付款按所提供服務的公允值計量，或倘所提供服務的公允值不能可靠計量，則按所授出股本工具的公允值計量。公允值於本集團獲得服務當日計量，並確認為開支。

(r) 借貸成本

借貸成本在產生期間於損益內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

(t) 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 of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences 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.

4. 主要會計政策(續)

(s) 政府津貼

政府津貼於有合理保證本集團將遵守有關附帶條件及有關津貼將可獲取時予以確認。

為補償有關成本而收取與收入相關之政府津貼，會按遞延法於有關成本記賬之期間內於損益配對確認。

(t) 稅項

所得稅指即期稅項及遞延稅項之總額。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利由於其他年度之應課稅或可扣稅之收入或開支項目，及免稅或不可扣稅之項目，故與於損益確認的溢利不同。本集團即期稅項之負債乃使用於報告期結束前已實行或實質已實行之稅率計算。

遞延稅項乃按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基間之差異確認。遞延稅項負債一般按所有應課稅暫時差額予以確認，而遞延稅項資產則於應課稅溢利有可能用作抵銷可扣稅暫時差額、未動用稅項虧損或未動用稅務抵免之情況下確認。若暫時差額乃因商譽或首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不予確認有關資產及負債。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries 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.

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.

4. 主要會計政策(續)

(t) 稅項(續)

遞延稅項負債乃按於附屬公司之投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額之回撥及暫時差額可能於可見將來無法回撥之情況除外。

遞延稅項資產之賬面值會於每個報告期結束時覆核，倘不再可能有足夠應課稅溢利可用於收回全部或部分資產，遞延稅項資產則會予以扣減。

遞延稅項按預計於負債償還或資產變現期間所採用之稅率計算，所採用之稅率為於報告期結束前已實行或實質實行之稅率。遞延稅項於損益內確認，惟遞延稅項與於其他全面收入內確認或直接計入權益的項目有關的情況下，亦會於其他全面收入或直接於權益內確認。

遞延稅項資產及負債之計量反映按本集團預期於報告期結束時收回或清償其資產及負債賬面值之方式產生之稅務後果。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Taxation (Continued)

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.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are 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. 主要會計政策(續)

(t) 稅項(續)

就計量按公允值模式計量之投資物業之遞延稅項而言，假定該等物業之賬面值可透過出售收回，除非假定被駁回則另作別論。惟若該投資物業可予折舊，而本集團之業務目標為隨時間消耗該投資物業所包含之絕大部分經濟利益(而非透過出售)之商業模式持有，此假定則被駁回。如假定被駁回，該等投資物業之遞延稅項按該等物業之預期收回方式計量。

為計量 貴集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就租賃交易中租賃負債應佔的減稅而言，本集團將香港會計準則第12號規定獨立應用於使用權資產及租賃負債。由於應用初步確認豁免，與使用權資產及租賃負債有關的暫時性差額不會於初步確認時及租期內確認。

當有可合法執行權利許可將即期稅項資產與即期稅項負債互相抵銷，及當其涉及同一稅項機關徵收之所得稅，而本集團計劃以淨額基準處理其即期稅項資產及負債時，則遞延稅項資產可與遞延稅項負債互相抵銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. 主要會計政策(續)

(u) 非金融資產之減值

無限定可使用年期或尚且無法使用的無形資產每年都要檢討減值情況，或於發生事件或情況變動顯示賬面值可能無法收回時進行檢討。

非金融資產之賬面值於各報告期檢討有否減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公允值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位的其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

4. 主要會計政策(續)

(v) 金融資產之減值

本集團就按攤銷成本計量或按公允值計入其他全面收益表之債券工具投資、應收租賃款項、應收貿易賬款及合約資產確認預期信貸虧損之虧損撥備。預期信貸虧損金額於各報告日期更新，以反映信貸風險自初始確認有關金融票據以來之變動。

本集團一向確認應收貿易賬款、合約資產及應收租賃款項於整個存續期之預期信貸虧損。該等金融資產之預期信貸虧損乃根據本集團過往之信貸虧損經驗採用撥備方陣估計，並就債務人獨有之因素、整體經濟狀況以及於報告日期對現行及預測經濟狀況發展方向之評估(包括金錢時間值(如適用))作出調整。

就所有其他金融票據，倘信貸風險自初始確認後顯著增加，則本集團確認整個存續期之預期信貸虧損。倘金融票據之信貸風險自初始確認後並無顯著增加，則本集團按相等於十二個月預期信貸虧損之金額計量該金融票據之虧損撥備。

整個存續期之預期信貸虧損指於金融票據預計存續期內所有可能違約事件導致之預期信貸虧損。相對而言，十二個月之預期信貸虧損指整個存續期預期信貸虧損中預期於報告日期後十二個月內金融票據可能發生之違約事件預期導致之部份。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

4. 主要會計政策(續)

(v) 金融資產之減值(續)

信貸風險顯著增加

評估一款金融工具的信貸風險自首次確認以來有否顯著增加時，本集團會就金融工具於報告日期發生違約的風險與金融工具於首次確認當日發生違約的風險進行比較。在進行有關評估時，本集團會考慮合理且可靠的定量和定性資料，包括過往經驗及毋須付出不必要的成本或努力即可獲得的前瞻性資料。所考慮的前瞻性資料包括獲取自經濟專家報告、金融分析師、政府機構、有關智庫及其他類似組織的本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源的考量。

具體而言，在評估信貸風險自初次確認時起是否顯著增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 特定金融工具的信貸風險的外部市場指標顯著惡化；
- 商業、金融或經濟情況出現預計會導致債務人償債能力顯著下降的現有或預期不利變化；
- 債務人經營業績實際或預期顯著惡化；

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Significant increase in credit risk *(Continued)*

- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) The financial instrument has a low risk of default,

(ii) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(iii) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

4. 主要會計政策(續)

(v) 金融資產之減值(續)

信貸風險顯著增加(續)

- 同一債務人的其他金融工具的信貸風險顯著增加；
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則金融資產的信貸風險自初次確認以來顯著增加，除非本集團有能説明信貸風險並無顯著增加的合理可靠資料，則作別論。

儘管如此，如果金融工具於報告日被認為具低信貸風險，則本集團可假設該金融工具之信貸風險自初始確認後未有顯著增加。金融工具具有較低之信貸風險，假若：

(i) 金融工具的違約風險較低；

(ii) 借款人在短期內絕對有能力履行其合約現金流量之義務，及

(iii) 經濟及商業條件長遠之不利變化，不一定會降低借款人履行合約現金流義務之能力。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 主要會計政策(續)

(v) 金融資產之減值(續)

信貸風險顯著增加(續)

倘根據全球信納之定義，金融工具內部或外部之信用評級被評為「投資級別」，或倘缺乏外部評級，而該資產獲得「優質」的內部評級，則本集團認為該資產之信貸風險較低。優質評級意味著交易對手的財務狀況穩健且並無逾期金額。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合以下任何一項條件的應收款項一般無法收回。

- 交易對手違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)。

不計上述分析，本集團認為，倘金融工具逾期超過90天，則發生違約事件，除非本集團具有説明更寬鬆的違約標準更為合適的合理可靠資料，則作別論。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

4. 主要會計政策(續)

(v) 金融資產之減值(續)

信貸減值金融資產

當發生對金融資產的估計未來現金流產生不利影響的一件或多件事件之時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- 發行人或對手方陷入嚴重財務困難；
- 違反合約，例如違約或逾期事件；
- 對手方的貸款人出於與對手方財困相關的經濟或合約原因，而向對手方授予貸款人原本不會考慮的優惠；
- 對手方可能破產或進行其他財務重組；或
- 因財務困難導致金融資產的活躍市場消失。

撇銷政策

當有資料顯示債務人陷入嚴重財困，且並無實際收回的可能之時(包括債務人已清算或進入破產程序)或金額逾期超過兩年(就應收貿易賬款而言)(以較早發生者為準)，本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Measurement and recognition of ECL

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (prior to 1 January 2019).

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

4. 主要會計政策(續)

(v) 金融資產之減值(續)

預期信貸虧損的計量及確認

預期信貸虧損的計量的依據為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率乃依據過往數據，並按上述前瞻性資料調整。而金融資產的違約風險則以資產於報告日期的賬面總值表示；就財務擔保合約而言，風險包括於報告日期提取的金額連同任何基於歷史趨勢、本集團對債務人特定未來融資需求的理解以及其他相關前瞻性資料釐定的預計將於未來違約日期前提取的額外金額。

就金融資產而言，預期信貸虧損根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量之間的差額估計，並按初始實際利率貼現。就應收租賃款項而言，釐定預期信貸虧損所使用的現金流量與根據香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於二零一九年一月一日前)計量應收租賃款項所使用的現金流量相一致。

倘本集團於上個報告期間以相等於可使用年期預期信貸虧損的金額計量一項金融工具的虧損撥備，但於本報告日期釐定該可使用年期預期信貸虧損的條件不再符合，則本集團於本報告日期按相等於12個月預期信貸虧損的金額計量虧損撥備，惟採用簡化方法的資產除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Impairment of financial assets (Continued)

Measurement and recognition of ECL *(Continued)*

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(w) 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.

4. 主要會計政策(續)

(v) 金融資產之減值(續)

預期信貸虧損的計量及確認(續)

本集團於損益確認所有金融工具的減值收益或虧損，對透過虧損撥備賬對其賬面值作出相應調整，惟按公允值計量並計入其他全面收益的債務工具投資除外，其虧損撥備於其他全面收益確認，並於投資重估儲備累計，且並無削減金融資產於財務狀況表的賬面值。

(w) 撥備及或然負債

當本集團因過去的事件負有現有的法律或推定責任，而在履行責任的過程中，很有可能須要付出經濟利益並能作出可靠的估計時，則對該等在時間或金額上未確定的負債作出撥備。當金錢時間價值影響重大時，撥備則以預計履行責任時所需支出之現值列賬。

如付出經濟利益的機會不大，或所涉及的金額未能可靠地估計時，除非付出經濟利益的可能性極微，否則該等責任會以或然負債披露。如責任的存在取決於一件或多件事件將來發生與否時，除非付出經濟利益的可能性極微，否則該等可能的責任亦會以或然負債披露。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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 are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. 主要會計政策(續)

(x) 報告期後事項

為本集團於報告期結束後之狀況提供額外資料之報告期後事項，為調整事項並反映於綜合財務報表內。不屬於調整事項之報告期後事項若屬重大則在綜合財務報表附註內作出披露。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

(i) 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 consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) Distinction between investment properties and owner-occupied properties

Some properties comprise a portion that is held to earn rentals and another portion that is held for use in the production of goods. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the production of goods. Judgement is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Group considers each property separately in making its judgement.

5. 重要判斷及主要估計

(i) 應用會計政策之重要判斷

於應用會計政策之過程中，董事已作出以下對綜合財務報表所確認數額具最重大影響之判斷(惟該等涉及估計者除外，其於下文處理)。

(a) 投資物業與業主自用物業的區別

若干物業一部分持作賺取租金，而另一部分用於生產貨物。倘該等部分可單獨出售(或根據融資租賃單獨出租)，則本集團單獨列賬該等部分。倘該等部分不能單獨出售，則僅當用於生產貨物的部分極小時，該物業方可作為投資物業列賬。在釐定輔助性服務的比例是否足夠導致某物業不合資格作為投資物業時，須運用判斷。本集團在作出判斷時對各處物業進行單獨考量。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(i) Critical judgements in applying accounting policies (Continued)

(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 not 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 adopted the presumption that investment properties measured using the fair value model are recovered through sale.

(c) Consolidation of entity with less than 50% equity interest holding

Although the Group owns less than 50% of the equity interest in Cubizone Interactive (Thailand) Co., Ltd, Cubizone Philippine Corporation and Cubinet Interactive Philippines Corporation, these entities are treated as subsidiaries because the Group is able to control the relevant activities of these entities as a result of the shareholders' agreements between the Group and other shareholders of these entities.

5. 重要判斷及主要估計(續)

(i) 應用會計政策之重要判斷(續)

(b) 投資物業之遞延稅項

就計量按公允值模式計量之投資物業之遞延稅項而言，董事已審閱本集團之投資物業組合併認為本集團之投資物業乃根據目標為隨時間而非透過出售消耗該等投資物業所包含之絕大部分經濟利益之商業模式持有。因此，在釐定本集團投資物業之遞延稅項時，董事已假定按公允值模式計量之投資物業乃透過出售而收回。

(c) 少於50%股權之實體之綜合入賬

儘管本集團於Cubizone Interactive (Thailand) Co., Ltd、Cubizone Philippine Corporation及Cubinet Interactive Philippines Corporation擁有之股權少於50%，但該等公司均被視為附屬公司，原因是本集團藉由本集團與該等公司其他股東之股東協議可控制該等公司之有關業務。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(i) Critical judgements in applying accounting policies (Continued)

(d) Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

(e) Estimates of the Player Relationship Period for online game business

As described in note 4(o), the Group recognizes revenue from durable virtual items ratably over the Player Relationship Period. The determination of Player Relationship Period in each game is based on the Group's best estimate that takes into account all known and relevant information at the time of assessment. Such estimates are subject to re-evaluation on a semi-annual basis. Any adjustments arising from changes in the Player Relationship Period as a result of new information will be accounted for prospectively as a change in accounting estimate.

5. 重要判斷及主要估計(續)

(i) 應用會計政策之重要判斷(續)

(d) 信貸風險顯著增加

預期信貸虧損就第1階段資產按等於12個月預期信貸虧損的撥備計量，就第2階段或第3階段資產按整個存續期預期信貸虧損的撥備計量。資產在其信貸風險自初步確認後顯著增加時轉入第2階段。香港財務報告準則第9號並無界定構成信貸風險顯著增加的因素。於評估資產的信貸風險是否顯著上升時，本集團會考慮合理及可靠的定量及定性前瞻性資料。

(e) 就線上遊戲業務估計玩家關係期

如附註4(o)所述，本集團於玩家關係期內按比例確認收益。各項遊戲之玩家關係期乃本集團考慮到評估當時全部已知及相干之資料後所作出之最佳估計而釐定。上述估計會每半年重新評估一次。如因有新資料導致玩家關係期有變而產生任何調整，將不予追溯地按會計估計之變動入賬。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(i) Critical judgements in applying accounting policies (Continued)

(f) Revenue recognition for online game business

Pursuant to game publishing and operation arrangements signed between the Group and the third-party game developers or Platforms, the Group's responsiblities in publishing and operating the licensed games vary for each game. The determination of whether to record these revenues using gross or net basis is based on an assessment of various factors, including but not limited to whether the Group (i) is the primary obligor to the game developers and game players in the arrangements; (ii) has latitude in establishing the selling price of virtual items; (iii) changes the products or performs part of the services; (iv) has involvement in the determination of product and service specifications; and (v) has the right to determine secondary Platforms.

5. 重要判斷及主要估計(續)

(i) 應用會計政策之重要判斷(續)

(f) 確認線上遊戲業務之收益

根據本集團與第三方遊戲開發商或平台之間所訂立之遊戲發佈及經營安排，本集團在發佈及經營授權遊戲之責任因遊戲而異。決定使用總額或淨額基準將有關收益入賬，乃以多項因素之評估為基準，包括但不限於本集團(i)在安排中是否遊戲開發商及遊戲玩家之第一責任方；(ii)是否有訂定虛擬物品售價之自由；(iii)是否更改產品或履行部份服務；(iv)是否曾參與決定產品及服務規格；及(v)是否有權釐定二線平台。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(ii) 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) Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

The carrying amount of property, plant and equipment and right-of-use assets as at 31 December 2019 were HK$11,515,065 (2018: HK$17,073,939) and HK$12,529,460 (2018: HK$Nil) respectively.

5. 重要判斷及主要估計(續)

(ii) 估計不明朗因素之主要來源

於報告期結束時對未來及其他估計不明朗因素之主要來源的主要假設，對下個財政年度內的資產及負債的賬面值造成重大調整之重大風險在下文討論。

(a) 物業、廠房及設備以及使用權資產減值

物業、廠房及設備以及使用權資產乃按成本減累計折舊及減值(如有)列賬。決定資產是否減值時，本集團曾作出判斷及估計，尤其在評估下列各項時：(1)是否發生事項或出現任何跡象影響資產價值；(2)資產賬面值是否可用以持續使用資產為基準估計之可收回金額、(如為使用價值)未來現金流量之現值所支持；及(3)估計可收回金額時應予應用之適用主要假設，包括現金流預測及適用折現率。倘不可能估計個別資產之可收回金額(包括使用權資產)，本集團估計該等資產所屬現金產生單位之可收回金額。假設及估計(包括現金流預測中之折現率及增長率)之變動可重大影響減值測試所用之淨現值。

於二零一九年十二月三十一日，物業、廠房及設備以及使用權資產之賬面值分別為11,515,065港元(二零一八年：17,073,939港元)及12,529,460港元(二零一八年：零港元)。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(b) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was HK$10,982,214 (2018: HK$16,482,214) after an impairment loss of HK$5,500,000 (2018: HK$Nil) was recognised during the year. Details of the impairment loss calculation are provided in note 21 to the consolidated financial statements.

(c) Impairment of intangible assets with indefinite useful lives

Determining whether intangible assets with indefinite useful lives are impaired requires an estimation of the value in use of the cash-generating unit to which intangible assets with indefinite useful lives has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of intangible assets with indefinite useful lives at the end of the reporting period was HK$499,999 (2018: HK$499,999). Details of the impairment loss calculation are provided in note 24 to the consolidated financial statements.

5. 重要判斷及主要估計(續)

(ii) 估計不明朗因素之主要來源(續)

(b) 商譽的減值

在決定商譽是否要減值時，需要估計商譽分攤至之現金產生單位的使用價值。使用價值的計算需要本集團估計通過現金產生單位預計所產生的未來現金流量和適當的折現率以計算現值。扣除年內已確認減值虧損5,500,000港元(二零一八年：零港元)後，於報告期末商譽之賬面值約為10,982,214港元(二零一八年：16,482,214港元)。計算減值虧損之詳情載於綜合財務報表附註21。

(c) 無限可使用年期之無形資產減值

釐定無限可使用年期之無形資產是否減值須對獲分配無限可使用年期無形資產之現金產生單位之使用價值作出估計。使用價值之計算要求本集團估計預期產生自現金產生單位之未來現金流量及合適之折現率以計算現值。於報告期末，無限可使用年期之無形資產賬面值為499,999港元(二零一八年：499,999港元)。計算減值虧損之詳情載於綜合財務報表附註24。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(d) Recoverability of game intellectual properties and licenses

The Group tests whether game intellectual properties and licenses suffered any impairment every six months and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Judgement is required to identify any impairment indicators existing for any of the Group's game intellectual properties and licenses, i.e. the remaining period of licensed games, the performance of those launched games and etc. If there is a significant adverse change in the games' performance, it may be necessary to take additional impairment charge to the profit or loss.

The carrying amount of game intellectual properties and licenses at the end of the reporting period was HK$6,358,033 (2018: HK$15,168,788).

(e) Fair value of investment properties

The Group appointed an independent professional valuer to assess the fair value of the investment properties. In determining the fair value, 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 and inputs used are reflective of the current market conditions.

The carrying amount of investment properties as at 31 December 2019 was HK$24,540,315 (2018: HK$31,155,580).

5. 重要判斷及主要估計(續)

(ii) 估計不明朗因素之主要來源(續)

(d) 遊戲知識產權及版權之可收回程度

本集團每六個月及在有事件或事態變化顯示賬面值或許不可予收回時測試遊戲知識產權及版權是否出現任何減值。識別本集團任何遊戲知識產權及版權是否有任何減值跡象(即授權遊戲之餘下期間、已推出遊戲之表現等)時須作出判斷。若遊戲業績表現出現重大不利變動，或需在損益中支銷額外減值。

遊戲知識產權及版權於報告期末之賬面值為6,358,033港元(二零一八年：15,168,788港元)。

(e) 投資物業公允值

本集團已委派一名獨立專業估值師對投資物業之公允值進行評估。於釐定公允值時，估值師採用涉及若干估計之估值方法。董事已行使其判斷，並相信該估值方法及所用輸入數據能反映當前之市況。

於二零一九年十二月三十一日，投資物業之賬面值為24,540,315港元(二零一八年：31,155,580港元)。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(f) Impairment of trade receivables

The management of the Group estimates the amount of impairment loss for ECL on trade receivables based on the credit risk of trade receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2019, the carrying amount of trade receivables is HK$25,874,427 (net of allowance for doubtful debts of HK$2,400,186) (2018: HK$26,535,164 (net of allowance for doubtful debts of HK$1,483,724).

(g) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

As at 31 December 2019, allowance for slow-moving inventories amounted to approximately HK$3,845,000 (2018: HK$3,922,000).

5. 重要判斷及主要估計(續)

(ii) 估計不明朗因素之主要來源(續)

(f) 應收貿易賬款減值

本集團管理層根據應收貿易款項的信貸風險估計應收貿易款項的預期信貸虧損的減值虧損金額。根據預期信貸虧損模型計算的減值虧損金額按根據合約應付本集團的所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始確認時釐定之有效利率貼現)計量。若未來現金流量低於預期，或因事實及情況變化而下調，則可能出現重大減值虧損。

於二零一九年十二月三十一日，應收貿易款項的賬面值為25,874,427港元(扣除呆賬撥備2,400,186港元)(二零一八年：26,535,164港元(扣除呆賬撥備1,483,724港元))。

(g) 滯銷存貨撥備

滯銷存貨撥備乃按存貨的賬齡及估計可變現淨值計提。評估撥備金額涉及判斷及估計。倘未來實際金額與最初估計存在差異，則有關差額將影響於該估計出現變動之期間的存貨之賬面值及撥備開支／撥回。

於二零一九年十二月三十一日，滯銷存貨撥備約為3,845,000港元(二零一八年：約3,922,000港元)。

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(h) Actuarial assumptions on defined benefit retirement plans

Accounting for defined benefit plans may be complex because actuarial assumptions are required to measure the obligation and the expense, with the possibility that actual results differ from the assumed results. These differences are known as actuarial gains and losses. Defined benefit obligations are measured using the Projected Unit Credit Method (PUCM), according to which the Group has to make a reliable estimate of the amount of benefits earned in return for services rendered in current and prior periods, using actuarial techniques. In addition, in cases where defined benefit plans are funded, the Group has to estimate the fair value of plan assets. As a result, the use of the PUCM involves a number of actuarial assumptions. These assumptions include demographic assumptions such as mortality, turnover and retirement age and financial assumptions such as discount rates, salary and benefit levels. Such assumptions are subject to judgements and may develop materially differently than expected and therefore may result in significant impacts on defined benefit obligations.

The carrying amount of retirement benefit obligations as at 31 December 2019 was HK$606,060 (2018: HK$351,471).

5. 重要判斷及主要估計(續)

(ii) 估計不明朗因素之主要來源(續)

(h) 界定福利退休金計劃的精算假設

界定福利計劃之入賬可能複雜，原因是需要精算假設以作負債及開支計量，實際結果與假定結果可能有差異。此等差異為精算收益與虧損。界定福利負債以預期單位信用法計量，據此，本集團必須使用精算技術對當前及過往期間提供服務所獲取的福利金額進行可靠估計。此外，在界定福利計劃獲得資金的情況下，本集團必須估計計劃資產的公允值。因此，使用預期單位信用法涉及多個精算假設。此等假設包括人口統計假設(如死亡率、轉換率及退休年齡)及財務假設(如貼現率、薪酬及福利水平)。該等假設涉及判斷，可能與預期出現重大差異，因此，可能對界定福利負債構成重大影響。

於二零一九年十二月三十一日，退休福利負債的賬面值約為606,060港元(二零一八年：351,471港元)。

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 certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in HKD, United States dollars ("USD"), Renminbi ("RMB"), Malaysia Ringgit ("MYR"), Singapore Dollar ("SGD") and Thai Baht ("THB"). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2019, if the HKD had weakened 5 per cent against RMB with all other variables held constant, consolidated loss after tax for the year would have been HK$512,000 (2018: HK$644,000) higher, arising mainly as a result of the foreign exchange loss on cash and bank balances denominated in HKD. If the HKD had strengthened 5 per cent against RMB with all other variables held constant, consolidated loss after tax for the year would have been HK$512,000 (2018: HK$644,000) lower, arising mainly as a result of the foreign exchange gain on cash and bank balances denominated in HKD.

6. 財務風險管理

本集團之經營活動令其須承受眾多不同之財務風險：外匯風險、信用風險、流動資金風險及利率風險。本集團之整體風險管理計劃主要針對金融市場之不可預測性，旨在將對本集團之財務表現之潛在不利影響減至最低。

(a) 外匯風險

由於本集團之大部分業務交易、資產及負債主要以港元、美元(「美元」)、人民幣(「人民幣」)、馬來西亞令吉(「令吉」)、新加坡元(「新加坡元」)及泰銖(「泰銖」)計值，故需承受一定的外匯風險。目前，本集團並無對外匯交易、資產及負債採取外匯對沖政策。本集團緊密監察其外匯風險，並將考慮於需要時對沖重大外匯風險。

於二零一九年十二月三十一日，倘港元兑人民幣貶值5%，而所有其他可變動因素保持不變，則本年度除税後綜合虧損將增加512,000港元(二零一八年：644,000港元)，主要由於現金及銀行結餘之外匯虧損以港元計值。倘港元兑人民幣升值5%，而所有其他可變動因素保持不變，則本年度除税後綜合虧損將減少512,000港元(二零一八年：644,000港元)，主要由於現金及銀行結餘之外匯收益以港元計值。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with acceptable credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

6. 財務風險管理(續)

(b) 信用風險

信用風險指對手方將不會履行其於金融工具或客戶合約下之義務而產生財務虧損之風險。本集團面臨之信用風險來自其經營活動(主要為應收貿易賬款)及融資活動，包括銀行及金融機構之存款、外匯交易及其他金融工具。本集團因現金及現金等值物所產生之信用風險有限，乃由於對手方為國際信用評級機構指定信用評級可予接受之銀行及金融機構，而本集團認為其信用風險較低。

應收貿易賬款

客戶信用風險由各業務部門管理，並須遵守本集團所制定與客戶信用風險管理相關之政策、程序及控制。本集團將就需要一定金額信貸之全部客戶進行獨立信用評估。該等評估專注客戶於款項到期時之過往付款記錄及現時支付能力，並計及客戶之特定資料以及客戶經營所在經濟環境之資料。應收貿易賬款自開票日期起計30至90天內到期。一般而言，本集團不會向客戶收取抵押品。

本集團按相當於使用年限內的預期信貸虧損的金額(以撥備矩陣計算)來計量應收貿易賬款虧損撥備。因本集團的過往信貸虧損經驗沒有顯示不同客戶分部有重大差異的虧損型態，故按逾期狀態計算的虧損撥備並無在本集團不同客戶群間進一步區分。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

***Trade receivables** (Continued)*

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2019:

6. 財務風險管理(續)

(b) 信用風險(續)

***應收貿易賬款**(續)*

下表載列有關本集團於二零一九年十二月三十一日之應收貿易賬款的信用風險及預期信貸虧損之資料:

		2019 二零一九年							
		Stainless steel furnishings and property investment 不銹鋼傢俱及物業投資			Online game 線上遊戲			Total 總計	
		Expected loss rate 預期虧損率 % %	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元	Expected loss rate 預期虧損率 % %	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元
0–30 days	0至30天	0%	21,639,386	–	23%	1,247,712	(291,770)	22,887,098	(291,770)
31–60 days	31至60天	0%	157,806	–	41%	1,626,487	(660,680)	1,784,293	(660,680)
61–90 days	61至90天	0%	71,525	–	77%	205	(157)	71,730	(157)
91–120 days	91至120天	0%	–	–	0%	–	–	–	–
121–150 days	121至150天	0%	–	–	0%	–	–	–	–
151–365 days	151至365天	0%	–	–	41%	2,733,924	(1,110,655)	2,733,924	(1,110,655)
Over 1 year	1年以上	0%	–	–	42%	797,568	(336,924)	797,568	(336,924)
			21,868,717	–		6,405,896	(2,400,186)	28,274,613	(2,400,186)

6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

(b) Credit risk (Continued) (b) 信用風險(續)

***Trade receivables** (Continued)* ***應收貿易賬款**(續)*

		2018 二零一八年							
		Stainless steel furnishings and property investment 不銹鋼傢俱及物業投資			Online game 線上遊戲			Total 總計	
		Expected loss rate 預期虧損率 % %	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元	Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元	Gross carrying amount 賬面總值 HK$ 港元	Loss allowance 虧損撥備 HK$ 港元
0–30 days	0至30天	0%	21,580,045	–	4%	1,517,991	(56,660)	23,098,036	(56,660)
31–60 days	31至60天	0%	981,777	–	26%	510,150	(133,222)	1,491,927	(133,222)
61–90 days	61至90天	0%	–	–	27%	376,848	(100,116)	376,848	(100,116)
91–120 days	91至120天	0%	–	–	33%	493,406	(163,093)	493,406	(163,093)
121–150 days	121至150天	0%	–	–	57%	638,752	(367,054)	638,752	(367,054)
151–365 days	151至365天	0%	–	–	35%	1,919,184	(662,844)	1,919,184	(662,844)
Over 1 year	1年以上	0%	–	–	100%	735	(735)	735	(735)
			22,561,822	–		5,457,066	(1,483,724)	28,018,888	(1,483,724)

Expected loss rates are based on actual loss experience over the past two years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

預期虧損率按過往兩年的實際虧損經驗計算。此等比率乃加以調整，以反映蒐集過往數據期間的經濟狀況、目前狀況及本集團對應收款項預期存續期的經濟狀況之意見之間的差異。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

6. 財務風險管理(續)

(b) 信用風險(續)

應收貿易賬款(續)

年內，應收貿易賬款的虧損撥備賬變動如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
At 1 January	於一月一日	**(1,483,724)**	—
Impairment losses recognised for the year	年內確認之減值虧損	**(2,181,466)**	(1,390,427)
Reversal	撥回	**1,187,869**	—
Exchange differences	匯兑差額	**77,135**	(93,297)
At 31 December	於十二月三十一日	**(2,400,186)**	(1,483,724)

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during 2019:

— origination of new trade receivables net of those settled resulted in an increase in loss allowance of HK$993,597 (2018: HK$1,390,427).

於二零一九年，應收貿易賬款的賬面總值出現下列重大變動導致虧損撥備增加：

— 新增應收貿易賬款(扣除已結算賬款)導致虧損撥備增加993,597港元(二零一八年：1,390,427港元)。

Financial assets at FVTOCI and amortised cost

All of the Group's investments at FVTOCI and amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. Instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

按公允值計入其他全面收益及攤銷成本列賬之金融資產

本集團按公允值計入其他全面收益及攤銷成本列賬之所有投資均被視為低信用風險，故此於期內確認之虧損撥備僅限於12個月預期虧損。當工具之違約風險低且發行人具備短期內履行其合約現金流量責任之強勁能力時，管理層認為工具之信用風險低。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

***Financial assets at FVTOCI and amortised cost** (Continued)*

Financial assets at amortised cost include deposits, other receivables and prepayments and loan receivables.

Movement in the loss allowance for financial assets at amortised cost during the year is as follows:

6. 財務風險管理(續)

(b) 信用風險(續)

***按公允值計入其他全面收益及攤銷成本列賬之金融資產**(續)*

按攤銷成本列賬之金融資產包括按金、其他應收款項及預付款項以及應收貸款。

年內按攤銷成本列賬之金融資產虧損撥備之變動情況如下:

		Deposits, other receivables and prepayments 按金、其他應收款項及預付款項 HK$ 港元	Loan receivables 應收貸款 HK$ 港元	Total 總計 HK$ 港元
At 1 January 2018	於二零一八年一月一日	–	–	–
Impairment losses recognised for the year	年內確認之減值虧損	(1,567,672)	(1,537,981)	(3,105,653)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	(1,567,672)	(1,537,981)	(3,105,653)
Impairment losses recognised for the year	年內確認之減值虧損	**(705,643)**	**(6,270,766)**	**(6,976,409)**
At 31 December 2019	於二零一九年十二月三十一日	**(2,273,315)**	**(7,808,747)**	**(10,082,062)**

The Group was also exposed to credit risk in relation to wealth management products that are measured at FVTPL. The maximum exposure at the end of the reporting period was the carrying amount of these investments of HK$9,108,800 in 2018.

本集團亦面臨與按公允值計入損益之財富管理產品相關之信用風險。於報告期末面臨之最大風險為該等投資於二零一八年之賬面值9,108,800港元。

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 following tables show the remaining contractual maturities at the end of the reporting period of the Group, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

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目前及預期流動資金要求，以確保其維持充足現金儲備，以滿足其短期及長期的流動資金需要。

以下附表顯示於報告期結束時本集團餘下的合約到期期間，並計及未折算現金流量(包括以合約利率或(如浮動)根據於報告期結束時的利率計算的利息支付)及本集團需要支付的最早日期。

		2019 Maturity Analysis – Undiscounted cash outflows 二零一九年 到期日分析 – 未折算現金流出					
		On demand 按要求 HK$ 港元	Within 1 year 一年以內 HK$ 港元	More than 1 year but less than 2 years 一年以上但少於兩年 HK$ 港元	More than 2 years but less than 5 years 兩年以上但少於五年 HK$ 港元	More than 5 years 五年以上 HK$ 港元	Total undiscounted cash outflows 未折算現金流出總值 HK$ 港元
Trade payables	應付貿易賬款	–	10,334,445	–	–	–	10,334,445
Lease liabilities	租賃負債	–	5,303,180	2,442,345	1,844,916	–	9,590,441
Due to related companies	應付關聯公司款項	–	9,300,046	31,650,000	71,050,000	–	112,000,046
Other payables and accruals	其他應付款項及應計項目	–	40,433,382	–	–	–	40,433,382
Bank borrowings	銀行借貸	–	42,182,623	–	–	–	42,182,623
		–	107,553,676	34,092,345	72,894,916	–	214,540,937

6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

(c) Liquidity risk (Continued) (c) 流動資金風險(續)

2018
Maturity Analysis – Undiscounted cash outflows
二零一八年
年到期日分析 – 未折算現金流出

		On demand 按要求 HK$ 港元	Within 1 year 一年以內 HK$ 港元	More than 1 year but less than 2 years 一年以上但少於兩年 HK$ 港元	More than 2 years but less than 5 years 兩年以上但少於五年 HK$ 港元	More than 5 years 五年以上 HK$ 港元	Total undiscounted cash outflows 未折算現金流出總值 HK$ 港元
Trade payables	應付貿易賬款	–	17,315,023	–	–	–	17,315,023
Due to related companies	應付關聯公司款項	–	34,824,772	–	–	–	34,824,772
Other payables and accruals	其他應付款項及應計項目	–	46,807,505	2,956,862	–	–	49,764,367
Bank borrowings	銀行借貸	–	45,499,581	–	–	–	45,499,581
		–	144,446,881	2,956,862	–	–	147,403,743

(d) Interest rate risk (d) 利率風險

The Group's exposure to interest rate risk primarily relates to its bank deposits, loan receivables, bank borrowings, loan from related companies and other payables that are interest bearing.

本集團之現金流量利率風險主要有關其銀行存款、應收貸款、銀行借貸、應收關聯公司款項及其他計息應付款項。

The Group's bank deposits bear interests at variable rates that vary with the then prevailing market condition.

本集團之銀行存款跟隨當時之市場狀況按不同利率計息。

The Group's loan receivables bear interests at fixed rates and therefore are subject to fair value interest rate risk.

本集團之應收貸款按固定利率計息，故本集團乃面臨公允值利率風險。

The Group's bank borrowings, due to related companies and other payables of approximately HK$41,416,000 (2018: HK$44,952,000), approximately HK$100,000,000 (2018: HK$30,000,000) and approximately HK$4,390,000 (2018: HK$3,500,000) respectively bear interests at fixed interest rates and therefore are subject to fair value interest rate risk.

本集團之銀行借貸、應付關聯公司款項及其他應付款項分別約為41,416,000港元(二零一八年：44,952,000港元)、約100,000,000港元(二零一八年：30,000,000港元)及約4,390,000港元(二零一八年：3,500,000港元)以固定息率計息，故本集團乃面臨公允值利率風險。

6. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk (Continued)

At 31 December 2019, if interest rates had been 100 basis points lower with all other variables held constant, consolidated loss after tax for the year would have been approximately HK$122,000 (2018: HK$150,000) higher, arising mainly as a result of lower interest income on bank deposits. If interest rates had been 100 basis points higher, with all other variables held constant, consolidated loss after tax for the year would have been approximately HK$122,000 (2018: HK$150,000) lower, arising mainly as a result of higher interest income on bank deposits.

6. 財務風險管理(續)

(d) 利率風險(續)

於二零一九年十二月三十一日，倘利率下降100個基點，其他所有變數保持不變，年內綜合除稅後虧損將增加約122,000港元(二零一八年：150,000港元)，主要由於銀行存款的利息收入減少之淨影響。倘利率上升100個基點，其他所有變數保持不變，年內綜合除稅後虧損將減少約122,000港元(二零一八年：150,000港元)，主要由於銀行存款的利息收入增加之淨影響。

(e) Categories of financial instruments at 31 December

(e) 於十二月三十一日之金融工具分類

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Financial assets:	**金融資產：**		
Financial assets at FVTPL:	按公允值計入損益之金融資產：		
— Held for trading	— 持作買賣	**—**	9,108,800
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	**108,038,785**	106,769,722
Financial assets measured at FVTOCI:	按公允值計入其他全面收益之金融資產：		
— Equity instruments	— 股權工具	**2,059,000**	3,869,996
Financial liabilities:	**金融負債：**		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	**193,153,306**	146,317,923

(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.

(f) 公允值

本集團計入綜合財務狀況表的金融資產及金融負債之賬面值與其各自的公允值相若。

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 categorises 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.

7. 公允值計量

公允值為市場參與者於計量日期進行之有序交易中出售資產所收取或轉讓負債所支付之價格。以下公允值計量披露使用的公允值層級將用於計量公允值的估值技術之參數分為三個層級：

第1層級參數： 本集團可於計量日期得出相同資產或負債之活躍市場報價(未經調整)。

第2層級參數： 第1層級所包括之報價以外之直接或間接的資產或負債可觀察參數。

第3層級參數： 資產或負債之不可觀察參數。

7. FAIR VALUE MEASUREMENTS (Continued)

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. 公允值計量(續)

本集團的政策乃於導致該轉移之事件或狀況出現變動當日確認自三個層級中的任何一個層級的轉入及轉出。

(a) Disclosures of level in fair value hierarchy at 31 December 2019:

(a) 於二零一九年十二月三十一日的公允值層級水平披露:

Description 項目		Fair value measurements using: 公允值計量採用的層級: Level 1 第1層級 HK$ 港元	Level 2 第2層級 HK$ 港元	Level 3 第3層級 HK$ 港元	Total 總計 2019 二零一九年 HK$ 港元
Recurring fair value measurements:	**經常性公允值計量:**				
Financial assets	**金融資產**				
Financial assets at FVTOCI	按公允值計入其他全面收益之金融資產				
Unlisted equity securities	非上市股本證券	–	2,059,000	–	2,059,000
Investment properties	**投資物業**				
Office units – Malaysia	辦公單位 – 馬來西亞	–	–	24,540,315	24,540,315
Total	**總計**	–	2,059,000	24,540,315	26,599,315

7. FAIR VALUE MEASUREMENTS (Continued) 7. 公允值計量(續)

(a) Disclosures of level in fair value hierarchy at 31 December 2019: (Continued) (a) 於二零一九年十二月三十一日的公允值層級水平披露:(續)

Description 項目		Fair value measurements using: 公允值計量採用的層級: Level 1 第1層級 HK$ 港元	Level 2 第2層級 HK$ 港元	Level 3 第3層級 HK$ 港元	Total 總計 2018 二零一八年 HK$ 港元
Recurring fair value measurements:	**經常性公允值計量:**				
Financial assets	**金融資產**				
Financial assets at FVTPL	按公允值計入損益之金融資產				
Wealth managements products	財富管理產品	–	9,108,800	–	9,108,800
Financial assets at FVTOCI	按公允值計入其他全面收益之金融資產				
Unlisted equity securities	非上市股本證券	–	–	3,869,996	3,869,996
Investment properties	**投資物業**				
Residential units – Hong Kong	住宅單位 – 香港	–	–	7,300,000	7,300,000
Office units – Malaysia	辦公單位 – 馬來西亞	–	–	23,855,580	23,855,580
		–	–	31,155,580	31,155,580
Total	總計	–	9,108,800	35,025,576	44,134,376

7. FAIR VALUE MEASUREMENTS (Continued) 7. 公允值計量(續)

(b) Reconciliation of assets measured at fair value based on level 3: (b) 根據第3層級按公允值計量的資產對賬:

Description 項目		Financial assets at FVTOCI-unlisted equity securities 按公允值計入其他全面收益之金融資產—非上市股本證券 HK$ 港元	Investment properties 投資物業 HK$ 港元	2019 Total 二零一九年總計 HK$ 港元
At 1 January 2019	於二零一九年一月一日	3,869,996	31,155,580	35,025,576
Total gains or losses recognised in profit or loss (#)	已確認之收益或虧損總額於損益內(#)	—	1,081,328	1,081,328
Disposal of investment properties	出售投資物業	—	(7,813,900)	(7,813,900)
Transfers out of Level 3	自第3層級轉出	(3,869,996)	—	(3,869,996)
Exchange difference	匯兑差額	—	117,307	117,307
At 31 December 2019	於二零一九年十二月三十一日	—	24,540,315	24,540,315
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期末所持有資產的收益或虧損	—	567,428	567,428

7. FAIR VALUE MEASUREMENTS (Continued) 7. 公允值計量(續)

(b) Reconciliation of assets measured at fair value based on level 3: (Continued) (b) 根據第3層級按公允值計量的資產對賬:(續)

Description 項目		Financial assets at FVTOCI- unlisted equity securities 按公允值計入其他全面收益之金融資產 – 非上市股本證券 HK$ 港元	Investment properties 投資物業 HK$ 港元	2018 Total 二零一八年總計 HK$ 港元
At 1 January 2018	於二零一八年一月一日	–	17,750,320	17,750,320
Total gains or losses recognised	已確認之收益或虧損總額			
in profit or loss (#)	於損益內(#)	–	439,875	439,875
in other comprehensive income	於其他全面收益內	(2,399,604)	–	(2,399,604)
Acquisition of subsidiaries	收購附屬公司	–	23,982,205	23,982,205
Disposal of subsidiaries	出售附屬公司	–	(10,098,000)	(10,098,000)
Purchases	採購	6,269,600	–	6,269,600
Exchange difference	匯兑差額	–	(918,820)	(918,820)
At 31 December 2018	於二零一八年十二月三十一日	3,869,996	31,155,580	35,025,576
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期末所持有資產的收益或虧損	–	439,875	439,875

7. FAIR VALUE MEASUREMENTS (Continued)

(b) Reconciliation of assets measured at fair value based on level 3: (Continued)

During the year, financial assets at FVTOCI amounting to HK$3,869,996 (2018: HK$Nil) were transferred from measurement based on Level 3 to Level 2 as a result of there was a transaction of the unlisted equity securities close to the end of the year as market comparable.

The total gains or losses recognised in other comprehensive income are presented in fair value changes of equity instrument at FVTOCI in the consolidated statement of profit or loss and other comprehensive income.

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in other income (2018: other income) in the consolidated statement of profit or loss.

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

7. 公允值計量(續)

(b) 根據第3層級按公允值計量的資產對賬:(續)

於年內,由於接近年底有一筆非上市股本證券交易可作為市場比較資料,按公允值計入其他全面收益之金融資產3,869,996港元(二零一八年:零港元)已從基於第三級的計量轉移至第二級。

於其他全面收益確認之收益或虧損總額於綜合損益及其他全面收益表之按公允值計入其他全面收益之股權工具之公允值變動內呈列。

於報告期結束時在損益中確認的收益或虧損總額(包括所持資產的收益或虧損)乃於綜合損益表內的其他收入(二零一八年:其他收入)呈列。

(c) 於二零一九年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:

本集團的財務總監負責就財務報告進行所需的資產及負債之公允值計量(包括第3層級公允值計量)。財務總監就該等公允值計量直接向董事會匯報。財務總監與董事會每年至少兩次討論估值程序及有關結果。

就第3層級公允值計量而言,本集團將通常聘請具備獲認可專業資格及最近進行估值經驗之外部估值專家。

7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019: (Continued)

Key unobservable inputs used in level 3 fair value measurements are mainly:

- Floor level difference (estimated based on actual data)
- Size difference (estimated based on actual data)
- Time difference (estimated based on valuation experts' in-house database)
- Location difference (estimated based on a valuation experts' in-house database)
- Tenure difference (estimated based on a valuation experts' in-house database)
- Adjusted forward price to sales ratio (estimated based on market comparables)
- Marketability discount (estimated based on market comparables)

7. 公允值計量(續)

(c) 於二零一九年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:(續)

第3層級公允值計量所採用的主要不可觀察參數主要為:

- 樓層差異(基於實際數據之估計)
- 面積差異(基於實際數據之估計)
- 時間差異(基於估值專家內部數據庫估計)
- 位置差異(基於估值專家內部數據庫估計)
- 租期差異(基於估值專家內部數據庫估計)
- 向前調整價格與銷售比率(基於市場可資比較資料估計)
- 市場流通量折讓(基於市場可資比較資料估計)

Level 2 fair value measurements

第2層級公允值計量

Description 項目	Valuation technique 估值技術	Inputs 參數	Fair value 公允值 2019 二零一九年 HK$ 港元	Fair value 公允值 2018 二零一八年 HK$ 港元
Financial assets at FVTOCI Unlisted equity securities 按公允值計入其他全面收益之金融資產 — 非上市股本證券	Market comparable approach 市場比較法	Market prices 市場價格	**2,059,000**	Not applicable 不適用

7. FAIR VALUE MEASUREMENTS (Continued)

7. 公允值計量(續)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019: (Continued)

(c) 於二零一九年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:(續)

Level 3 fair value measurements

第3層級公允值計量

Description 項目	Valuation technique 估值技術	Unobservable inputs 不可觀察參數	Range 範圍	Effect on fair value for increase of inputs 參數增加對公允值的影響	Fair value 公允值 2019 二零一九年 HK$ 港元	Fair value 公允值 2018 二零一八年 HK$ 港元
Investment property – Residential unit located in Hong Kong 投資物業 – 位於香港之住宅單位	Market comparable approach 市場比較法	Price index 價格指數	Not applicable (2018: -7.04% to 2.91%) 不適用(二零一八年:-7.04%至2.91%)	Increase 增加	–	7,300,000
		Floor level difference 樓層差異	Not applicable (2018: -6% to 9%) 不適用(二零一八年:-6%至9%)	Increase 增加		
		Size difference 面積差異	Not applicable (2018: 0% to 4.39%) 不適用(二零一八年:0%至4.39%)	Increase 增加		
		View difference 景觀差異	Not applicable (2018: -1% to 0%) 不適用(二零一八年:-1%至0%)	Increase 增加		
		Building age difference 樓齡差異	Not applicable (2018: 0% to 2%) 不適用(二零一八年:0%至2%)	Increase 增加		

7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019: (Continued)

Level 3 fair value measurements

7. 公允值計量(續)

(c) 於二零一九年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:(續)

第3層級公允值計量

Description 項目	Valuation technique 估值技術	Unobservable inputs 不可觀察參數	Range 範圍	Effect on fair value for increase of inputs 參數增加對公允值的影響	Fair value 公允值 2019 二零一九年 HK$ 港元	Fair value 公允值 2018 二零一八年 HK$ 港元
Investment property – Commercial building located in the Malaysia 投資物業 – 位於馬來西亞之商業大廈	Market comparable approach 市場比較法	Time difference 時間差異	0% (2018: 3%–5%) 0%(二零一八年:3%至5%)	Increase 增加	**24,540,315**	23,855,580
		Location difference 位置差異	0%–5% (2018: 3%–10%) 0%至5%(二零一八年:3%至10%)	Increase 增加		
		Floor level difference 樓層差異	-4%–3% (2018: 0%) -4%至3%(二零一八年:0%)	Increase 增加		
		Size difference 面積差異	-2% (2018: -15%–5%) -2%(二零一八年:-15%至5%)	Increase 增加		
		Tenure difference 租期差異	0% (2018: -10%) 0%(二零一八年:-10%)	Decrease 減少		
Equity investment classified as financial assets at FVTOCI 分類為按公允值計入其他全面收益之金融資產的股權投資	Market approach 市場法	Adjusted forward price to sales ratio 向前調整價格與銷售比率	Not applicable (2018: 2.54) 不適用(二零一八年:2.54)	Increase 增加	**Not applicable 不適用**	3,869,996
		Marketability discount 市場流通量折讓	Not applicable (2018: 17.31%) 不適用(二零一八年:17.31%)	Decrease 減少		

During the two years, there were no changes in the valuation techniques used for investment properties.

於兩個年度內,投資物業所採用之估值技術並無改變。

For equity investment classified as financial assets at FVTOCI, the valuation technique used was changed from market approach to market comparable approach.

對於分類為按公允值計入其他全面收益之金融資產的股權投資,所採用的估值方法由市場法改為市場比較法。

8. REVENUE

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

8. 收益

(a) 收益明細

本年度按主要產品或服務線劃分之客戶合約收益明細如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Revenue from contracts with customers within the scope of HKFRS 15	**香港財務報告準則第15號範圍內之客戶合約收益**		
Disaggregated by major products or service lines	按主要產品或服務線劃分之明細		
— Stainless steel furnishings	— 不銹鋼傢俱	**182,810,198**	238,848,093
— Online game	— 線上遊戲	**44,028,950**	5,081,291
		226,839,148	243,929,384
Revenue from other sources	**其他來源收入**		
Rental income from investment properties	投資物業之租金收入	**1,463,058**	1,329,457
Interest income from money lending business	放債業務之利息收入	**5,264,445**	7,104,657
		233,566,651	252,363,498

8. REVENUE (Continued)

(a) Disaggregation of revenue (Continued)

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

8. 收益(續)

(a) 收益明細(續)

本集團按以下主要產品線及地區隨時間及於某一時間點轉移貨品及服務產生收益:

		Stainless steel furnishings 不銹鋼傢俱		Online game 線上遊戲		Property investment 物業投資		Money lending 放債		Total 總計	
For the year ended 31 December	截至十二月三十一日止年度	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Primary geographical markets	**主要地區市場**										
– Hong Kong	– 香港	155,785,475	200,245,001	–	–	57,900	231,600	5,264,445	7,104,657	161,107,820	207,581,258
– PRC except Hong Kong	– 中國(不包括香港)	27,024,723	38,603,092	–	–	–	464,726	–	–	27,024,723	39,067,818
– East and South East Asia	– 東亞及東南亞	–	–	44,028,950	5,081,291	1,405,158	633,131	–	–	45,434,108	5,714,422
Segment revenue	分部收益	182,810,198	238,848,093	44,028,950	5,081,291	1,463,058	1,329,457	5,264,445	7,104,657	233,566,651	252,363,498
Intersegment revenue	分部間收益	–	–	–	–	–	–	–	–	–	–
Revenue from external customers	來自外部客戶之收益	182,810,198	238,848,093	44,028,950	5,081,291	1,463,058	1,329,457	5,264,445	7,104,657	233,566,651	252,363,498
Timing of revenue recognition	**收益確認時間**										
Products transferred at a point in time	產品於某一時間點轉移	182,810,198	238,848,093	–	–	–	–	–	–	182,810,198	238,848,093
Products and services transferred over time	產品及服務隨時間轉移	–	–	44,028,950	5,081,291	1,463,058	1,329,457	5,264,445	7,104,657	50,756,453	13,515,405
Total	總計	182,810,198	238,848,093	44,028,950	5,081,291	1,463,058	1,329,457	5,264,445	7,104,657	233,566,651	252,363,498

9. OTHER INCOME

9. 其他收入

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Bank interest income	銀行利息收入	**163,027**	311,321
Government grants (note)	政府津貼(附註)	**36,386**	34,083
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	**5,716**	—
Exchange gain	匯兑收益	**2,435,532**	—
Fair value gain on investment properties	投資物業公允值收益	**1,081,328**	439,875
Investment income	投資收入	**301,559**	409,363
Gain on disposal of investment	出售投資之收益	**—**	9,157
Marketing income	市場推廣收入	**—**	105,560
Performance bonus	積效花紅	**1,800,000**	—
Others	其他	**65,287**	473,628
		5,888,835	1,782,987

Note: Government grants mainly related to the subsidy received from the local government authority for the achievements of the Group.

附註： 政府津貼主要與就本集團之成就自地方政府機構收取之津貼有關。

10. SEGMENT INFORMATION

The Group has four major operating segments as follows:

Stainless steel furnishings	—	manufacture and sale of stainless steel furnishings and home products
Property investment	—	rental income from investment properties
Money lending	—	interest income from money lending business
Online game (formerly known as mobile game)	—	design, development and operation of mobile games and computer games

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

10. 分部資料

本集團之四個主要經營分部如下：

不銹鋼傢俱	—	製造及銷售不銹鋼傢俱及家居用品
物業投資	—	投資物業之租金收入
放債	—	放債業務之利息收入
線上遊戲（前稱手機遊戲）	—	設計、開發及營運手機遊戲及電腦遊戲

本集團之可申報分部為供應不同產品及服務之策略性業務單位。由於各分部需要不同技術及市場推廣策略，故各可申報分部均被獨立管理。

10. SEGMENT INFORMATION (Continued)

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include unallocated finance costs and unallocated corporate income and expenses. Segment assets do not include unallocated deposits, other receivables and prepayments, unallocated cash and bank balances and unallocated other corporate assets.

10. 分部資料(續)

經營分部之會計政策與綜合財務報表附註4所述者相同。分部損益並不包括未分配融資成本以及未分配企業收入及開支。分部資產並不包括未分配按金、其他應收款項及預付款項、未分配現金及銀行結餘以及未分配其他企業資產。

Information about operating segment profit or loss and assets:

有關經營分部損益及資產之資料:

		Stainless steel furnishings 不銹鋼傢俱 HK$ 港元	Property investment 物業投資 HK$ 港元	Money lending 放債 HK$ 港元	Online game 線上遊戲 HK$ 港元	Total 總計 HK$ 港元
Year ended 31 December 2019	**截至二零一九年十二月三十一日止年度**					
Revenue from external customers	來自外部客戶之收益	182,810,198	1,463,058	5,264,445	44,028,950	233,566,651
Intersegment revenue	分部間收益	–	–	–	–	–
Segment profit/(loss)	分部溢利/(虧損)	(1,460,212)	1,822,468	(4,088,283)	(71,433,720)	(75,159,747)
Interest revenue	利息收益	159,240	–	–	3,572	162,812
Interest expense	利息開支	(2,505,370)	–	(37,909)	(78,156)	(2,621,435)
Depreciation	折舊	(2,353,002)	–	(58,831)	(1,333,696)	(3,745,529)
Income tax expense	所得稅開支	(3,100,100)	(44,589)	–	(117,573)	(3,262,262)
Additions to segment non-current assets	添置分部非流動資產	723,379	–	–	1,843,300	2,566,679
Other material non-cash item:	其他重大非現金項目:					
– Impairment of goodwill	– 商譽減值	–	–	–	(5,500,000)	(5,500,000)
– Impairment of assets	– 資產減值	–	–	(6,976,409)	(5,324,106)	(12,300,515)
– Net fair value gains on investment properties	– 投資物業公允值淨收益	–	1,081,328	–	–	1,081,328
As at 31 December 2019	**於二零一九年十二月三十一日**					
Segment assets	分部資產	79,883,917	24,540,315	20,321,697	59,094,824	183,840,753

10. SEGMENT INFORMATION (Continued)

10. 分部資料(續)

Information about operating segment profit or loss and assets: (Continued)

有關經營分部損益及資產之資料:(續)

		Stainless steel furnishings 不銹鋼傢俱 HK$ 港元	Property investment 物業投資 HK$ 港元	Money lending 放債 HK$ 港元	Online game 線上遊戲 HK$ 港元	Total 總計 HK$ 港元
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	來自外部客戶之收益	238,848,093	1,329,457	7,104,657	5,081,291	252,363,498
Intersegment revenue	分部間收益	–	–	–	–	–
Segment profit/(loss)	分部溢利/(虧損)	(947,161)	3,521,016	2,392,867	(27,905,941)	(22,939,219)
Interest revenue	利息收益	39,833	577	–	270,486	310,896
Interest expense	利息開支	(2,630,565)	–	–	(13,488)	(2,644,053)
Depreciation	折舊	(3,463,262)	(199,510)	(132,529)	(693,994)	(4,489,295)
Income tax expense	所得稅開支	(1,955,869)	(1,549)	–	(9,084)	(1,966,502)
Additions to segment non-current assets	添置分部非流動資產	1,090,794	23,855,580	4,800	28,251,095	53,202,269
Other material non-cash item:	其他重大非現金項目:					
– Impairment of assets	– 資產減值	–	–	(1,537,981)	(2,958,099)	(4,496,080)
– Net fair value gains on investment properties	– 投資物業公允值淨收益	–	439,875	–	–	439,875
As at 31 December 2018	於二零一八年十二月三十一日					
Segment assets	分部資產	95,738,612	30,477,170	28,905,609	83,130,341	238,251,732

Reconciliations of segment revenue and profit or loss:

分部收益及損益之對賬:

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Revenue	**收益**		
Total revenue of reportable segments	可申報分部之總收益	**233,566,651**	252,363,498
Elimination of intersegment revenue	抵銷分部間收益	**–**	–
Consolidated revenue	綜合收益	**233,566,651**	252,363,498

10. SEGMENT INFORMATION (Continued) 10. 分部資料(續)

Reconciliations of segment revenue and profit or loss: (Continued) 分部收益及損益之對賬:(續)

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Profit or loss	**損益**		
Total loss of reportable segments	可申報分部之總虧損	**(75,159,747)**	(22,939,219)
Unallocated finance costs	未分配融資成本	**(994,774)**	(147,945)
Unallocated corporate income	未分配企業收入	**545,849**	9,578
Unallocated corporate expenses	未分配企業開支	**(5,827,808)**	(12,092,089)
Consolidated loss for the year	年內綜合虧損	**(81,436,480)**	(35,169,675)
Reconciliations of segment assets:	**分部資產對賬:**		
Assets	**資產**		
Total assets of reportable segments	可申報分部之總資產	**183,840,753**	238,251,732
Unallocated deposits, other receivables and prepayments	未分配按金、其他應收款項及預付款項	**1,015,662**	158,287
Unallocated cash and bank balances	未分配現金及銀行結餘	**34,334,318**	7,641,478
Unallocated other corporate assets	未分配其他企業資產	**6,469,249**	453,170
Consolidated total assets	綜合總資產	**225,659,982**	246,504,667

Geographical information: 地區資料:

The Group's revenue from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

本集團按客戶地點劃分來自外部客戶之收益以及按資產地點劃分非流動資產之資料詳情如下:

		Revenue 收益		Non-current assets 非流動資產	
		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Hong Kong	香港	**161,107,820**	207,581,258	**7,335,579**	12,327,122
PRC excluding Hong Kong	中國(不包括香港)	**27,024,723**	39,067,818	**7,289,639**	11,178,537
East and South East Asia	東亞及東南亞	**45,434,108**	5,714,422	**70,226,667**	63,137,731
Consolidated total	合計	**233,566,651**	252,363,498	**84,851,885**	86,643,390

10. SEGMENT INFORMATION (Continued)

10. 分部資料(續)

Revenue from major customer:

來自主要客戶之收益:

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Stainless steel furnishings segment	不銹鋼傢俱分部		
Customer A	客戶A	**178,578,853**	238,848,093

11. EMPLOYEE BENEFITS EXPENSE

11 僱員福利開支

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Employee benefits expense (including directors' emoluments) (note 12):	僱員福利開支(包括董事酬金)(附註12):		
Fees	袍金	**396,000**	387,000
Salaries, bonuses and allowances	薪金、花紅及津貼	**53,770,463**	52,351,552
Equity-settled share-based payments	以股權結算的股份支付款項	**3,167,000**	2,271,000
Retirement benefit scheme contributions	退休福利計劃供款	**9,417,269**	14,427,847
		66,750,732	69,437,399

Five highest paid individuals

The five highest paid individuals in the Group during the year included one (2018: one) director whose emoluments are reflected in the analysis presented in note 12. The emoluments of the remaining four (2018: four) individuals are set out below:

五名最高薪酬人士

年內本集團五名最高薪酬人士包括一名(二零一八年:一名)董事,其酬金載於附註12所列之分析內。餘下四名(二零一八年:四名)人士的酬金載列如下:

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Basic salaries and allowances	基本薪金及津貼	**2,873,843**	3,304,940
Discretionary bonus	酌情花紅	**48,620**	70,911
Retirement benefit scheme contributions	退休福利計劃供款	**57,330**	46,500
		2,979,793	3,422,351

11. EMPLOYEE BENEFITS EXPENSE (Continued)

Five highest paid individuals (Continued)

The emoluments fell within the following band:

11. 僱員福利開支(續)

五名最高薪酬人士(續)

酬金介乎下列範圍之間：

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
HK$Nil to HK$1,000,000	零港元至1,000,000港元	**4**	1
HK$1,000,001 to HK$1,500,000	1,000,001港元至1,500,000港元	**–**	–
HK$1,500,001 to HK$2,000,000	1,500,001港元至2,000,000港元	**–**	3

12. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

12. 董事福利及權益

(a) 董事酬金

每名董事之薪酬如下：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事(不論為本公司或其附屬公司職務)職務已付或應收酬金								
		Fees 袍金 HK$ 港元	Salaries 薪金 HK$ 港元	Discretionary bonus 酌情花紅 HK$ 港元	(Note i) Estimated money value of other benefits (附註i) 其他利益估計貨幣價值 HK$ 港元	Employer's contribution to a retirement benefit scheme 僱主就退休福利計劃之供款 HK$ 港元	Remunerations paid or receivable in respect of accepting office as director 就接受董事職務已付或應收薪酬 HK$ 港元	Housing allowance 房屋津貼 HK$ 港元	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就董事管理本公司或其附屬公司業務事宜的其他服務已付或應收酬金 HK$ 港元	Total 總計 HK$ 港元
Name of director	**董事姓名**									
Executive directors	執行董事									
– Mr. Cheng Ting Kong	– 鄭丁港先生	–	120,000	–	–	6,000	–	–	–	126,000
– Ms. Yeung So Mui	– 楊素梅女士	–	120,000	–	–	6,000	–	–	–	126,000
– Mr. Luk Wai Keung	– 陸偉強先生	–	1,488,375	110,250	–	18,000	–	–	–	1,616,625
– Mr. Leung Kwok Yin	– 梁國賢先生	–	216,000	134,000	–	–	–	–	–	350,000
Independent non-executive directors	獨立非執行董事									
– Mr. Tse Ting Kwan	– 謝庭均先生	132,000	–	–	–	–	–	–	–	132,000
– Mr. Fung Tze Wa	– 馮子華先生	132,000	–	–	–	–	–	–	–	132,000
– Mr. Ting Wong Kacee	– 丁煌先生	132,000	–	–	–	–	–	–	–	132,000
Total for 2019	**二零一九年總額**	396,000	1,944,375	244,250	–	30,000	–	–	–	2,614,625

12. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

12. 董事福利及權益(續)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事(不論為本公司或其附屬公司職務)職務已付或應收酬金								
		Fees	Salaries	Discretionary bonus	(Note i) Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Housing allowance	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total
		袍金	薪金	酌情花紅	(附註i) 其他利益估計貨幣價值	僱主就退休福利計劃之供款	就接受董事職務已付或應收薪酬	房屋津貼	就董事管理本公司或其附屬公司業務事宜的其他服務已付或應收酬金	總計
		HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元	HK$ 港元
Name of director	**董事姓名**									
Executive directors	執行董事									
– Mr. Cheng Ting Kong	– 鄭丁港先生	–	130,000	–	–	6,500	–	–	–	136,500
– Ms. Yeung So Mui	– 楊素梅女士	–	130,000	–	–	6,500	–	–	–	136,500
– Mr. Luk Wai Keung	– 陸偉強先生	–	1,417,500	105,000	2,271,000	18,000	–	–	–	3,811,500
– Mr. Leung Kwok Yin	– 梁國賢先生	–	216,000	134,000	–	18,900	–	–	–	368,900
Independent non-executive directors	獨立非執行董事									
– Mr. Tse Ting Kwan	– 謝庭均先生	129,000	–	–	–	–	–	–	–	129,000
– Mr. Fung Tze Wa	– 馮子華先生	129,000	–	–	–	–	–	–	–	129,000
– Mr. Ting Wong Kacee	– 丁煌先生	129,000	–	–	–	–	–	–	–	129,000
Total for 2018	二零一八年總額	387,000	1,893,500	239,000	2,271,000	49,900	–	–	–	4,840,400

Note: (i) Estimated money values of other benefits include fair value of share options granted.

附註： (i) 其他利益估計貨幣價值包括授出購股權之公允值。

Neither the chief executive nor any of the directors waived any emoluments during the year (2018: HK$Nil).

年內，概無高級行政人員或任何董事放棄任何酬金(二零一八年：零港元)。

12. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

12. 董事福利及權益(續)

(b) The information about loans, quasi-loans and other dealings entered into by the Company or subsidiary undertaking of the Company in favour of controlled body corporates of Mr. Leung Kwok Yin is as follows:

(b) 有關本公司或本公司附屬公司以梁國賢先生之控制法團為受益人之貸款、準貸款及其他交易之資料如下:

Name of borrower 借款人姓名		Total amount payable 應付總額 HK$ 港元	Outstanding amount at the beginning of the year 於年初尚未償還金額 HK$ 港元	Outstanding amount at the end of the year 於年末尚未償還金額 HK$ 港元	Maximum outstanding amount during the year 年內未償還最高金額 HK$ 港元	Amount due but not paid 已到期但未支付金額 HK$ 港元	Provision for doubtful debts made 已作出呆賬撥備 HK$ 港元	Term 期限	Interest rate 利率	Security 擔保
As at 31 December 2019	**於二零一九年十二月三十一日**									
Amounts due from related companies:	應收關聯公司款項:									
JF Household Furnishings (BVI) Ltd	捷豐家居用品(維爾京群島)有限公司	**4,737,354**	**4,737,354**	**4,737,354**	**4,737,354**	**–**	**–**	**No fixed repayment 無固定還款期**	**Interest free 免息**	**Unsecured 無抵押**
Total for 2019	**二零一九年總額**	**4,737,354**	**4,737,354**	**4,737,354**		**–**	**–**			
As at 31 December 2018	於二零一八年十二月三十一日									
Amounts due from related companies:	應收關聯公司款項:									
JF Household Furnishings (BVI) Ltd	捷豐家居用品(維爾京群島)有限公司	4,737,354	4,737,354	4,737,354	4,737,354	–	–	No fixed repayment 無固定還款期	Interest free 免息	Unsecured 無抵押
Total for 2018	二零一八年總額	4,737,354	4,737,354	4,737,354		–	–			

(c) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in this consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(c) 董事於交易、安排或合約中的重大權益

除於本綜合財務報表所披露者外，本集團概無就其業務訂立本公司為其中訂約方及本公司董事及董事關連人士直接或間接擁有重大權益而於年終或年內任何時間仍然存續的重大交易、安排或合約。

13. FINANCE COSTS

13. 融資成本

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Interest on bank borrowings and overdrafts	銀行借貸及透支利息	**2,183,464**	2,432,412
Interest on other borrowings	其他借貸利息	**1,044,170**	359,586
Interest on lease liabilities	租賃負債利息	**388,575**	—
		3,616,209	2,791,998

14. INCOME TAX EXPENSE

14. 所得稅開支

(a) Income tax has been recognised in profit or loss as following:

(a) 所得稅已於損益內確認如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Current tax — PRC Enterprise Income Tax Provision for the year	即期稅項 — 中國企業所得稅 本年度撥備	**3,100,100**	1,955,869
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅		
Provision for the year	本年度撥備	**44,589**	12,176
Over-provision in prior years	過往年度超額撥備	**—**	(10,627)
		44,589	1,549
Current tax — Malaysia Corporate Tax Provision for the year	即期稅項－馬來西亞企業稅 本年度撥備	**117,573**	9,084
		3,262,262	1,966,502

Under the two-tiered profits tax regime, profits tax rate for the first HK$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, profits tax rate for and profits above that amount will be subject to the tax rate of 16.5%.

根據兩級制利得稅稅率制度，在香港成立之合資格企業首2,000,000港元應課稅溢利之利得稅稅率將降低至8.25%，而超過該金額之溢利將按16.5%之稅率徵收稅項。

14. INCOME TAX EXPENSE (Continued)

(a) Income tax has been recognised in profit or loss as following: (Continued)

PRC Enterprise Income Tax has been provided at a rate of 25% (2018: 25%) on the estimated assessable profit for the year ended 31 December 2019.

Malaysia Corporate Tax has been provided at a rate of 24% (2018: 24%) on the estimated assessable profit for the year ended 31 December 2019.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

14. 所得稅開支(續)

(a) 所得稅已於損益內確認如下:(續)

截至二零一九年十二月三十一日止年度,中國企業所得稅乃按估計應課稅溢利稅率25%(二零一八年:25%)作出撥備。

截至二零一九年十二月三十一日止年度,馬來西亞企業稅乃按估計應課稅溢利稅率24%(二零一八年:24%)作出撥備。

其他地區應課稅溢利之稅項開支乃採用本集團經營所在國家當前稅率根據現行的相關法例、詮釋及慣例計算。

(b) The reconciliation between the income tax expense and the product of loss before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

(b) 所得稅開支與除稅前虧損乘中國企業所得稅稅率之乘積對賬如下:

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Loss before tax	除稅前虧損	**(78,174,218)**	(33,203,173)
Tax at the PRC Enterprise Income Tax rate of 25%	按中國企業所得稅稅率25%計稅	**(19,543,554)**	(8,300,793)
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	**(5,170,946)**	(987,989)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	**2,132,666**	448,415
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	**13,952,852**	5,855,915
Over-provision in prior years	過往年度超額撥備	**—**	(10,627)
Tax effect of unrecognised tax losses	未確認稅項虧損的稅務影響	**11,448,414**	4,972,254
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	**442,830**	(10,673)
Income tax expense	所得稅開支	**3,262,262**	1,966,502

15. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

15. 年內虧損

本集團之年內虧損乃經扣除／(計入)下列各項列賬：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Auditor's remuneration	核數師酬金	**1,020,000**	810,000
Amortisation of intangible assets (included in cost of sales/distribution costs)	無形資產之攤銷（計入銷售成本／分銷成本）	**9,674,373**	2,660,808
Cost of inventories sold	已出售存貨成本	**212,419,102**	224,610,225
Depreciation on property, plant and equipment	物業、廠房及設備之折舊	**3,657,419**	4,492,096
Depreciation on right-of-use assets	使用權資產折舊	**5,139,024**	—
Written off of deposits paid for acquisition of long term assets (note a)	撇銷就收購長期資產之已付按金（附註a）	**1,174,403**	4,830,038
Impairment of goodwill (included in other operating expenses)	商譽減值(計入其他經營開支)	**5,500,000**	—
Impairment of intangible assets (included in other operating expenses)	無形資產減值(計入其他經營開支)	**6,583,048**	—
Operating lease charges — buildings	經營租賃費用—建築物	**—**	4,612,813
Equity-settled share-based payments to consultants	向顧問支付之以股權結算之股份支付款項	**3,167,000**	1,934,907
Net exchange (gain)/losses	淨匯兑(收益)／虧損	**(2,435,532)**	305,504

Cost of inventories sold includes staff costs and depreciation of approximately HK$36,412,000 (2018: HK$44,496,000) which are included in the amounts disclosed separately above.

已出售存貨成本包括員工成本及折舊約36,412,000港元(二零一八年：44,496,000港元)，已計入上述分別披露之款項內。

Note:

(a) Due to the unsatisfactory development progress and quality of respective games, the results of the market research and testing are far poorer than the management's expectation. Deposits paid for acquisition of long term assets is written off by HK$1,174,403 (2018:HK$4,830,038).

附註：

(a) 由於個別遊戲之開發進度及質素未如理想，市場調查及測試結果遠遜於管理層預期。收購長期資產的已付按金撇銷1,174,403港元(二零一八年：4,830,038港元)。

16. DIVIDEND

No dividend has been paid or declared by the Company during the year (2018: Nil).

16. 股息

年內，本公司並無派付或宣派股息(二零一八年：無)。

17. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

17. 每股虧損

每股基本及攤薄虧損乃根據下列數據計算：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Loss	**虧損**		
Loss for the purpose of calculating basic and diluted loss per share	用於計算每股基本及攤薄虧損的虧損	**(77,936,393)**	(34,901,161)

		2019 二零一九年	2018 二零一八年
Number of shares	**股份數目**		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	用於計算每股基本及攤薄虧損之普通股加權平均數	**287,206,000**	287,206,000

The Company's share options as at 31 December 2019 do not give rise to any dilutive effect to the loss per share.

於二零一九年十二月三十一日，本公司之購股權並無對每股虧損產生任何攤薄作用。

18. PROPERTY, PLANT AND EQUIPMENT 18. 物業、廠房及設備

		Leasehold improvement 租賃裝修 HK$ 港元	Plant and machinery 廠房及機械 HK$ 港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$ 港元	Motor vehicles 車輛 HK$ 港元	Leasehold buildings 租賃樓宇 HK$ 港元	Total 總計 HK$ 港元
Cost	**成本**						
At 1 January 2018	於二零一八年一月一日	4,762,973	35,343,022	3,728,332	1,682,667	–	45,516,994
Acquisition of subsidiaries	收購附屬公司	59,410	–	49,297	–	3,998,309	4,107,016
Additions	添置	1,275,336	739,997	1,286,225	9,648	–	3,311,206
Disposal	出售	–	(96,107)	–	–	–	(96,107)
Write off	撇銷	–	–	(228,508)	–	–	(228,508)
Exchange differences	匯兑差異	(247,470)	(1,699,729)	(177,084)	(84,607)	(63,398)	(2,272,288)
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	5,850,249	34,287,183	4,658,262	1,607,708	3,934,911	50,338,313
Reclassification due to adoption of HKFRS 16 (note 3)	因採納香港財務報告準則第16號作出的重新分類(附註3)	–	–	–	–	(3,934,911)	(3,934,911)
Additions	添置	1,005,597	324,619	1,246,943	–	–	2,577,159
Disposal	出售	–	(1,085,165)	(903,490)	(9,664)	–	(1,998,319)
Write off	撇銷	–	–	(134,664)	–	–	(134,664)
Disposal of subsidiaries	出售附屬公司	(58,221)	–	(241,100)	–	–	(299,321)
Exchange differences	匯兑差異	(67,563)	(616,244)	167,873	(31,244)	–	(547,178)
At 31 December 2019	於二零一九年十二月三十一日	6,730,062	32,910,393	4,793,824	1,566,800	–	46,001,079
Accumulated depreciation	**累計折舊**						
At 1 January 2018	於二零一八年一月一日	1,721,742	25,092,114	2,617,567	1,153,497	–	30,584,920
Charge for the year	年內折舊	1,363,808	2,077,998	879,468	134,055	36,767	4,492,096
Disposal	出售	–	(27,082)	–	–	–	(27,082)
Write off	撇銷	–	–	(228,508)	–	–	(228,508)
Exchange differences	匯兑差異	(111,722)	(1,238,834)	(143,551)	(63,024)	79	(1,557,052)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	2,973,828	25,904,196	3,124,976	1,224,528	36,846	33,264,374
Reclassification due to adoption of HKFRS 16 (note 3)	因採納香港財務報告準則第16號作出的重新分類(附註3)	–	–	–	–	(36,846)	(36,846)
Charge for the year	年內折舊	1,500,278	1,070,115	980,717	106,309	–	3,657,419
Disposal	出售	–	(976,648)	(903,490)	(9,664)	–	(1,889,802)
Write off	撇銷	–	–	(134,664)	–	–	(134,664)
Exchange differences	匯兑差異	(48,621)	(467,543)	167,342	(25,645)	–	(374,467)
At 31 December 2019	於二零一九年十二月三十一日	4,425,485	25,530,120	3,234,881	1,295,528	–	34,486,014
Carrying amount	**賬面值**						
At 31 December 2019	於二零一九年十二月三十一日	2,304,577	7,380,273	1,558,943	271,272	–	11,515,065
At 31 December 2018	於二零一八年十二月三十一日	2,876,421	8,382,987	1,533,286	383,180	3,898,065	17,073,939

19. INVESTMENT PROPERTIES

The Group leases out various offices under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 to 3 years. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

19. 投資物業

本集團以經營租賃的方式出租多個辦公室，租金每月支付。租賃的初始租期通常為一至三年。倘承租人行使續約權，則大多數租賃合同均包含市場審查條款。

由於所有租賃均以集團實體各自的功能貨幣計價，故本集團不會因租賃安排而承受外幣風險。租賃合同不包含殘值擔保及／或承租人可於租期結束時購買該物業的選擇權。

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
At 1 January	於一月一日	**31,155,580**	17,750,320
Acquisition of subsidiaries	收購附屬公司	**—**	23,982,205
Disposal of subsidiaries	出售附屬公司	**—**	(10,098,000)
Disposal	出售	**(7,813,900)**	—
Fair value gains	公允值收益	**1,081,328**	439,875
Exchange differences	匯兑差異	**117,307**	(918,820)
At 31 December	於十二月三十一日	**24,540,315**	31,155,580

Investment properties were revalued at 31 December 2019 and 2018 on the open market value basis by reference to market evidence of recent transactions for similar properties by Asset Appraisal Limited and Jones Lang LaSelle Corporate Appraisal and Advisory Limited, independent firms of chartered surveyors.

Valuation for investment properties was derived using the market comparable approach based on recent market prices without any significant adjustment being made to the market observable data.

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專業測量師中誠達資產評值顧問有限公司及仲量聯行企業評估及諮詢有限公司參考類似物業之近期交易市場價值按公開市場價值基準重估。

投資物業估值乃基於對市場可觀察數據(未作任何重大調整)之近期市價採用市場比較法得出。

20. RIGHT-OF-USE ASSETS

20. 使用權資產

		Leased properties 租賃物業 HK$ 港元
At 1 January 2019 (note 3)	於二零一九年一月一日(附註3)	15,909,869
Additions	添置	6,357,134
Modification	修改	(4,846,104)
Depreciation	折舊	(5,139,024)
Exchange differences	匯兑差異	247,585
At 31 December 2019	於二零一九年十二月三十一日	12,529,460

Lease liabilities of HK$9,176,341 are recognised with related right-of-use assets of HK$8,706,513 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

於二零一九年十二月三十一日，相關使用權資產8,706,513港元已確認租賃負債9,176,341港元。除由出租人持有的租賃資產的抵押權益外，租賃協議並無設立任何契諾。租賃資產不得作為任何貸款的抵押。

		2019 二零一九年 HK$ 港元
Depreciation expenses on right-of-use assets	使用權資產的折舊費用	5,139,024
Interest expense on lease liabilities (included in finance cost)	租賃負債的利息開支(計入融資成本)	388,575

Details of total cash outflow for leases is set out in note 41(d).

有關租賃現金流出總額的詳情載於附註41(d)。

For both years, the Group leases various offices, warehouses, and factory for its operations. Lease contracts are entered into for fixed term of two years to three years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

兩年期間，本集團均租用各種辦公室、倉庫及廠房用於運營。租賃合同的固定期限為兩年至三年。租期乃按個別基準磋商，並包含多種不同之條款及條件。在確定租期及評估不可撤銷期限時，本集團採用合約定義，並確定合同可強制執行的期限。

21. GOODWILL 21. 商譽

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Cost	**成本**		
At 1 January	於一月一日	**16,482,214**	—
Arising on acquisition of subsidiaries (note 41(a))	於收購附屬公司時產生（附註41(a)）	**—**	16,482,214
At 31 December	於十二月三十一日	**16,482,214**	16,482,214
Accumulated impairment losses	**累計減值虧損**		
At 1 January	於一月一日	**—**	—
Impairment loss recognised in the current year	本年度已確認的減值虧損	**(5,500,000)**	—
At 31 December	於十二月三十一日	**(5,500,000)**	—
Carrying amount	**賬面值**		
At 31 December	於十二月三十一日	**10,982,214**	16,482,214

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

在業務合併中收購之商譽於收購時分配予預期將從該業務合併中獲益的現金產生單位(「現金產生單位」)。商譽的賬面值分配如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Online games:	線上遊戲：		
Cubinet Interactive (MSC) Sdn. Bhd. and its subsidiaries (the "Cubinet Group")	Cubinet Interactive (MSC) Sdn. Bhd.及其附屬公司（「Cubinet集團」）	**10,982,214**	16,482,214

21. GOODWILL (Continued)

The recoverable amounts of the CGUs have been determined on the basis of their value in use using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 2.29% (2018: 2.32%). This rate does not exceed the average long-term growth rate for the relevant markets.

The rate used to discount the forecast cash flows from the Group's online game activities is 17.64% (2018: 18.18%).

At 31 December 2019, before impairment testing, goodwill of HK$16,482,214 was allocated to the Cubinet Group within the online game segment. Due to the defer in plan of publishing mobile games, the Group has revised its cash flow forecasts for this CGU. The CGU has been reduced to its recoverable of HK$34,695,000 and an impairment loss of HK$5,500,000 recognised on goodwill.

21. 商譽(續)

現金產生單位之可收回金額乃採用貼現現金流量法根據其使用價值釐定。貼現現金流量法的主要假設為期內的貼現率、增長率、預計毛利率及營業額的假設。本集團採用稅前比率估計貼現率，而有關稅前比率乃反映目前市場對金錢時間價值及現金產生單位特有風險的評估。增長率以現金產生單位經營業務所在地區的長遠平均經濟增長率為基礎。預計毛利率及營業額以過往慣例及對市場發展的預期為基礎。

本集團根據董事審批未來五年餘下期間的最近期財務預算，按增長率2.29%(二零一八年：2.32%)編製現金流量預測。此比率並無超出有關市場的長遠平均增長率。

用以貼現本集團線上遊戲業務的預測現金流量的比率為17.64%(二零一八年：18.18%)。

於二零一九年十二月三十一日，於減值測試前，商譽16,482,214港元已分配至Cubinet集團的線上遊戲分部。由於手機遊戲發行計劃延遲，本集團已修訂該現金產生單位的現金流量預測。該現金產生單位已減至其可收回金額34,695,000港元，並就商譽確認減值虧損5,500,000港元。

22. FINANCIAL ASSETS AT FVTOCI

22. 按公允值計入其他全面收益之金融資產

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Unlisted equity securities	非上市股本證券	**2,059,000**	3,869,996

Financial assets at FVTOCI are denominated in USD.

按公允值計入其他全面收益之金融資產以美元計值。

23. DEPOSITS PAID FOR ACQUISITION OF LONG-TERM ASSETS

23. 收購長期資產的已付按金

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Prepayment of mobile game intellectual properties and license rights	手機遊戲知識產權及版權的預付款項	**18,426,799**	1,175,100

24. INTANGIBLE ASSETS

24. 無形資產

		Game intellectual properties and licenses 遊戲知識產權及版權 HK$ 港元	Game software 遊戲軟件 HK$ 港元	Money lending license 放債牌照 HK$ 港元	Total 總計 HK$ 港元
Cost	**成本**				
At 1 January 2018	於二零一八年一月一日	–	–	499,999	499,999
Acquisition of subsidiaries	收購附屬公司	15,221,150	5,102,500	–	20,323,650
Additions	添置	2,863,584	–	–	2,863,584
Exchange differences	匯兑差異	(247,945)	(14,730)	–	(262,675)
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	17,836,789	5,087,770	499,999	23,424,558
Additions	添置	2,354,655	–	–	2,354,655
Exchange differences	匯兑差異	58,664	(4,722)	–	53,942
At 31 December 2019	於二零一九年十二月三十一日	20,250,108	5,083,048	499,999	25,833,155
Accumulated amortisation and impairment losses	**累計攤銷及減值虧損**				
At 1 January 2018	於二零一八年一月一日	–	–	–	–
Amortisation	攤銷	2,660,808	–	–	2,660,808
Exchange differences	匯兑差異	7,193	–	–	7,193
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	2,668,001	–	–	2,668,001
Amortisation	攤銷	9,674,373	–	–	9,674,373
Impairment	減值	1,500,000	5,083,048	–	6,583,048
Exchange differences	匯兑差異	49,701	–	–	49,701
At 31 December 2019	於二零一九年十二月三十一日	13,892,075	5,083,048	–	18,975,123
Carrying amount	**賬面值**				
At 31 December 2019	於二零一九年十二月三十一日	6,358,033	–	499,999	6,858,032
At 31 December 2018	於二零一八年十二月三十一日	15,168,788	5,087,770	499,999	20,756,557

24. INTANGIBLE ASSETS (Continued)

The Group's license of HK$499,999 (2018: HK$499,999) at 31 December 2019 is assessed as having indefinite useful life because the license has a limited term of 1 year but would be able to be renewed annually at minimal cost. The directors of the Company are of the opinion that the Group would renew the license continuously and any conditions necessary to obtain renewal would be satisfied. The license will not be amortised until its useful life is determined to be finite.

At 31 December 2019, management of the Group determined that there was no impairment of the cash-generating unit ("CGU") containing the license with indefinite useful life. The recoverable amount of the CGU containing the license has been determined on a value in use calculation. The Group prepared cash flow forecasts derived from the most recent financial budgets approved by the directors for the next 3 years period.

The rate used to discount the forecast cash flows is 12% (2018: 12%).

The average remaining amortisation period of game intellectual properties and licenses are 1 to 2 years (2018: game intellectual properties and licenses and game software: 1 to 3 years and 3 years respectively).

The Group carried out reviews of the recoverable amount of its intangible assets in 2019, having regard to the market conditions of the Group's products. These assets are used in the Group's online game segment. The review led to the recognition of an impairment loss of HK$1,500,000 and HK$5,083,048 for game intellectual properties and licenses and game software that have been recognised in profit or loss. The recoverable amount for the relevant assets has been determined on the basis of their value in use using discounted cash flow method.

24. 無形資產(續)

於二零一九年十二月三十一日，本集團的牌照499,999港元(二零一八年：499,999港元)評估為具無限可使用年期，因該牌照的合法年期為1年，惟每年可按輕微成本重續。本公司董事認為，本集團將持續重續牌照及將達成取得續新的任何必要條件。牌照將不會攤銷，直至其可使用年期釐定為有限。

於二零一九年十二月三十一日，本集團管理層釐定其包含擁有無限可使用年期之牌照之現金產生單位(「現金產生單位」)並無出現減值。包含牌照之現金產生單位之可收回金額乃按照所計算之使用價值釐定。本集團基於經董事批准未來3年期間之最近財政預算作出現金流量預測。

現金流預測所採用貼現率為12%(二零一八年：12%)。

遊戲知識產權及版權的餘下平均攤銷期為1至2年(二零一八年遊戲知識產權及版權以及遊戲軟件：分別為1至3年及3年)。

考慮到本集團產品的市場狀況，本集團於二零一九年已檢討其無形資產的可收回金額。該等資產乃用於本集團的線上遊戲分部。此次檢討導致就已於損益確認的遊戲知識產權及許可以及遊戲軟件分別確認減值虧損1,500,000港元及5,083,048港元。有關資產之可收回金額乃根據其使用價值以現金流量折現法釐定。

25. INVENTORIES

25. 存貨

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Raw material	原材料	**10,471,902**	10,138,320
Work in progress	在製品	**9,068,229**	10,322,500
Finished goods	製成品	**6,859,068**	7,012,837
		26,399,199	27,473,657

26. LOAN RECEIVABLES

The maturity profile of loan receivables at the reporting date is analysed by the remaining periods to their contractual maturity dates as follows:

26. 應收貸款

於報告日期應收貸款按餘下日期至其合約日期之到期情況如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Within one year	一年內	**4,514,164**	23,462,019
In the second year	第二年	**3,822,691**	—
In the third year	第三年	**4,848,096**	—
In the fourth year	第四年	**458,398**	—
		13,643,349	23,462,019

The carrying amounts of the loan receivables are denominated in HKD.

應收貸款之賬面值乃按港元列值。

At 31 December 2019 and 2018, all loan receivables are unsecured, bear interest at fixed rates and are repayable with fixed terms agreed with the customers.

於二零一九年及二零一八年十二月三十一日，所有應收貸款為無抵押，按固定利率計息及按與客戶協定的固定期限償還。

27. TRADE RECEIVABLES

27. 應收貿易賬款

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Trade receivables	應收貿易賬款	**28,274,613**	28,018,888
Allowance for doubtful debts	呆賬撥備	**(2,400,186)**	(1,483,724)
		25,874,427	26,535,164

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 90 days. The aging analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

本集團主要以信貸條款與客戶進行交易。信貸期一般介乎30至90天。本集團應收貿易賬款按發票日期及扣除撥備後之賬齡分析如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
0–30 days	0至30天	**22,595,328**	23,041,376
31–60 days	31至60天	**1,123,613**	1,358,705
61–90 days	61至90天	**71,573**	276,732
Over 90 days	90天以上	**2,083,913**	1,858,351
		25,874,427	26,535,164

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

本集團應收貿易賬款之賬面值以下列貨幣計值：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
HKD	港元	**450,859**	999,844
RMB	人民幣	**21,868,717**	22,542,522
USD	美元	**3,433,865**	2,992,798
Others	其他	**120,986**	—
		25,874,427	26,535,164

28. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

28. 按金、其他應收款項及預付款項

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Deposit	按金	**3,427,648**	890,903
Prepayments	預付款項	**3,690,919**	12,639,101
Other receivables	其他應收款項	**3,394,042**	3,352,836
		10,512,609	16,882,840

29. FINANCIAL ASSETS AT FVTPL

29. 按公允值計入損益之金融資產

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Wealth management products	財富管理產品	**–**	9,108,800

The carrying amounts of the above financial assets are mandatorily measured at FVTPL in accordance with HKFRS 9.

上述金融資產之賬面值根據香港財務報告準則第9號強制按公允值計入損益計量。

The investments included above represent investments in unlisted wealth management products that offer the Group the opportunity for return through interest income and fair value gains.

上述所包括之投資指於非上市財富管理產品之投資，透過利息收入及公允值收益為本集團提供回報之機會。

30. CASH AND BANK BALANCES

At 31 December 2019, the cash and bank balances of the Group denominated in RMB amounted to approximately HK$13,448,418 (2018: HK$18,328,887). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

30. 現金及銀行結餘

於二零一九年十二月三十一日，本集團以人民幣列值之現金及銀行結餘約為13,448,418港元(二零一八年：18,328,887港元)。人民幣兌換為外幣須遵循中國外匯管理條例以及結匯、售匯及付匯管理規定。

The carrying amounts of the Group's cash and bank balances are denominated in the following currencies:

本集團之現金及銀行結餘賬面值乃按下列貨幣列值：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
HKD	港元	**40,767,396**	24,580,315
RMB	人民幣	**13,448,418**	18,328,887
USD	美元	**1,134,156**	2,062,499
MYR	令吉	**489,431**	1,121,513
THB	泰銖	**203,135**	404,119
Philippine Piso ("PHP")	菲律賓披索(「披索」)	**82,365**	104,686
New Taiwan Dollar ("NTD")	新台幣(「新台幣」)	**837,063**	736,257
		56,961,964	47,338,276

31. TRADE PAYABLES

31. 應付貿易賬款

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Trade payables	應付貿易賬款	**10,334,445**	17,315,023

The Group normally obtains credit terms ranging from 30 to 90 days from its suppliers.

供應商一般授予本集團30至90天的信貸期。

31. TRADE PAYABLES (Continued)

The aging analysis of trade payables, based on the date of receipt of goods, is as follows:

31. 應付貿易賬款(續)

應付貿易賬款按收取貨物日期之賬齡分析如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
0–30 days	0至30天	**7,236,774**	13,342,940
31–60 days	31至60天	**1,401,405**	957,688
61–90 days	61至90天	**—**	1,189,412
Over 90 days	90天以上	**1,696,266**	1,824,983
		10,334,445	17,315,023

The carrying amounts of the Group's trade payables are denominated in the following currencies:

本集團應付貿易賬款之賬面值以下列貨幣計值：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
RMB	人民幣	**7,234,019**	13,123,132
USD	美元	**2,829,654**	4,191,891
THB	泰銖	**111,778**	—
MYR	令吉	**72,834**	—
SGD	新加坡元	**86,160**	—
		10,334,445	17,315,023

32. LEASE LIABILITIES 32. 租賃負債

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款的現值	
		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元	**2019 二零一九年 HK$ 港元**	2018 二零一八年 HK$ 港元
Within one year	一年內	**5,303,180**	–	**5,026,973**	–
In the second to fifth years, inclusive	第二至第五年（包括首尾兩年）	**4,287,261**	–	**4,149,368**	–
After five years	五年後	**–**	–	**–**	–
		9,590,441	–	**9,176,341**	–
Less: Future finance charges	減：未來融資費用	**(414,100)**	–	**N/A 不適用**	N/A 不適用
Present value of lease obligations	租賃責任之現值	**9,176,341**	–	**9,176,341**	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：十二個月內需結算的金額（列於流動負債項下）			**(5,026,973)**	–
Amount due for settlement after 12 months	十二個月後需結算的金額			**4,149,368**	–

The carrying amounts of the Group's lease liabilities are denominated in the following currencies:

本集團之租賃負債乃按下列貨幣列值：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
HKD	港元	**4,322,817**	–
RMB	人民幣	**2,157,358**	–
PHP	披索	**258,482**	–
NTD	新台幣	**2,437,684**	–
		9,176,341	–

32. LEASE LIABILITIES (Continued)

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 3.

32. 租賃負債(續)

本集團已以經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃相關的租賃負債。於二零一八年十二月三十一日的比較資料未經重列。有關過渡至香港財務報告準則第16號的影響的進一步詳情載於附註3。

33. DUE TO RELATED COMPANIES/LONG-TERM LOAN FROM RELATED PARTIES

As at 31 December 2019, included in amounts due to related companies of HK$Nil (2018: HK$30,000,000) represented loan from a related party. The loan was unsecured, interest bearing at 2.00% per annum and repayable within one year. During the year ended 31 December 2019, the related party extended the term of repayment for two years and the loan was reclassified as long-term loan from related parties. The remaining balances were unsecured, interest-free and have no fixed repayment terms.

During the year ended 31 December 2019, the Group received long-term loans from two related parties with principal amount of HK$70,000,000 in total. These long-term loans were unsecured, interest bearing from 1.50% per annum and repayable within three years. The fair value of these loans were estimated at the prevailing market interest rates for equivalent loans of 5% on initial recognition.

33. 應付關聯公司款項／來自關聯方的長期貸款

於二零一九年十二月三十一日，應付關聯公司款項中有零港元(二零一八年：30,000,000港元)指來自一名關聯方之貸款。該貸款為無抵押，按年息2.00%計息及須於一年內償還。於截至二零一九年十二月三十一日止年度，該關聯方將還款期延長兩年，而該貸款重新分類為來自關聯方的長期貸款。餘下結餘為無抵押、免息及並無固定還款期。

於截至二零一九年十二月三十一日止年度，本集團自兩名關聯方收取本金合共70,000,000港元之長期貸款。該等長期貸款為無抵押，按年息1.50%計息及須於三年內償還。該等貸款之公允值乃按同檔次貸款初始確認時之現行市場利率5%估計。

34. OTHER PAYABLES AND ACCRUALS

34. 其他應付款項及應計項目

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Current liabilities	**流動負債**		
Deposits received	已收按金	**447,669**	569,267
Accruals	應計項目	**27,681,236**	30,669,569
Receipt in advance	預收款項	**—**	527,397
Loan from third parties (note a)	來自第三方之貸款(附註a)	**4,390,505**	3,500,000
Royalty payable — current portion (note b)	應付專利權費 — 即期部份(附註b)	**2,970,996**	6,391,165
Other payables	其他應付款項	**4,933,948**	5,063,995
		40,424,354	46,721,393
Non-current liabilities	**非流動負債**		
Royalty payable — non-current portion (note b)	應付專利權費 — 非即期部份(附註b)	**—**	2,956,862

Note:

(a) The balance represented loans from two independent third parties. These loans were unsecured, interest bearing at fixed rates ranged from 0.00% to 3.00% (2018: 0.00% to 3.00%) per annum and repayable within one year.

(b) The balance represented non-cancellable minimum royalty payable to a game developer under an online game license agreement.

附註：

(a) 結餘指來自兩名獨立第三方之貸款。該等貸款為無抵押，按固定年息0.00%至3.00%(二零一八年：0.00%至3.00%)計息及須於一年內償還。

(b) 結餘指根據線上遊戲版權安排應付一名遊戲開發商之不可撤銷最低專利權費。

35. RETIREMENT BENEFIT OBLIGATIONS

The Cubinet Group has defined benefit obligations arising from one of its subsidiaries, Cubinet (Thailand) Co. Ltd.

Under labour laws in Thailand, all employees with more than 120 days of service are entitled to Legal Severance Payment benefits ranging from 30 to 300 days of final salary upon termination of service, including forced termination or retrenchment, or in the event of retirement.

The plan is unfunded and therefore there is no plan asset.

35. 退休福利責任

Cubinet 集團已界定其中一間附屬公司 Cubinet (Thailand) Co. Ltd之福利責任。

根據泰國之勞工法，凡工作逾120日之所有僱員於終止聘用(包括強制終止或開除或退休)後均享有法定遣散費福利，遣散費為30至300日之最終薪酬。

該計劃不設基金，故並無計劃資產。

35. RETIREMENT BENEFIT OBLIGATIONS (Continued)

35. 退休福利責任(續)

The amount of retirement benefit obligations recognised in the consolidated statement of financial position is as follows:

於綜合財務狀況表內確認的退休福利責任金額釐定如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Present value of defined benefit obligation	界定福利責任的現值		
Current portion	即期部份	65,074	48,092
Non-current portion	非即期部份	540,986	303,379
		606,060	351,471

Movements in the Group's retirement benefit obligations during the year are as follows:

年內本集團退休福利責任的變動如下：

		Present value of defined benefit obligation 界定福利責任的現值 HK$ 港元	2019 Total 二零一九年總計 HK$ 港元
At 1 January 2019	於二零一九年一月一日	351,471	351,471
Amounts recognised in profit or loss:	於損益確認之金額：		
Current service cost	即期服務成本	192,916	192,916
Interest expense	利息開支	11,024	11,024
Exchange difference	匯兑差額	50,649	50,649
At 31 December 2019	於二零一九年十二月三十一日	606,060	606,060

35. RETIREMENT BENEFIT OBLIGATIONS (Continued)

35. 退休福利責任(續)

		Present value of defined benefit obligation 界定福利責任的現值 HK$ 港元	2018 Total 二零一八年總計 HK$ 港元
At 1 January 2018	於二零一八年一月一日	—	—
Acquisition of subsidiaries	收購附屬公司	333,501	333,501
Amounts recognised in profit or loss:	於損益確認之金額：		
Current service cost	即期服務成本	15,899	15,899
Interest expense	利息開支	4,397	4,397
Exchange difference	匯兑差額	(2,326)	(2,326)
At 31 December 2018	於二零一八年十二月三十一日	351,471	351,471

The following table is a summary of the assumptions relating to the actuarial technique as at the end of the reporting year.

下表為於報告年度末精算法之假設之概要。

	2019 二零一九年	2018 二零一八年
Discount rate 貼現率	**1.73% to 2.56% 1.73%至2.56%**	3.42% 3.42%
Long-term salary increment rate 長期薪酬加幅	**4.00% to 5.00% 4.00%至5.00%**	5.00% 5.00%
Employees turnover rate 僱員流失率	**1.91% to 22.92% 1.91%至22.92%**	1.91% to 22.92% 1.91%至22.92%
Mortality rates 死亡率	**105% of Thai Mortality Ordinary Table 2017 published by Office of Insurance Commission 105%(保險監管局公佈之二零一七年泰國生命表)**	105% of Thai Mortality Ordinary Table 2017 published by Office of Insurance Commission 105%(保險監管局公佈之二零一七年泰國生命表)

35. RETIREMENT BENEFIT OBLIGATIONS (Continued)

The Group's sensitivity analysis for each significant actuarial assumption as of the end of the reporting period based on reasonably possible changes of the relevant actuarial assumption is as follows:

35. 退休福利責任(續)

本集團截至報告期末根據相關精算假設之合理變動而對各重大精算假設的敏感度分析如下：

		Increase/decrease in rate 比率上升／下降	Impact on defined benefit obligation 對界定福利責任之影響	
			2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Discount rate	貼現率	1.0% (2018: 0.5%) 1.0%(二零一八年：0.5%)	**(85,642)/105,713**	(24,564)/27,250
Salary growth rate	薪酬加幅	1.0%	**102,071/(84,691)**	55,975/(46,500)
Employee turnover rate	僱員流失率	20% of base assumption 基本假設之20%	**(60,044)/78,687**	(36,979)/44,387
Mortality rates	死亡率	20% of base assumption 基本假設之20%	**(7,952)/7,810**	(4,392)/4,471

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

上述敏感度分析乃根據一項假設的變動及所有其他假設維持不變而計算。這種情況在實際上不太可能發生，且部分假設的變動可能互相關連。於計算界定福利責任對主要精算假設的敏感度時，已採用財務狀況表所確認計算退休金責任的相同方法(界定福利責任現值於報告期末以預計單位貸記法計算)。

The Group finances the funding requirements of the pension plan by internal resources and does not have any funding arrangements and funding policy that will affect future contributions.

本集團以內部資源為退休金計劃的資金需求撥資，而並無任何融資安排及融資政策會影響未來供款。

The expected contributions to the pension plan for the year ending 31 December 2020 is approximately HK$65,074.

截至二零二零年十二月三十一日止年度對退休金計劃之預期供款約為65,074港元。

35. RETIREMENT BENEFIT OBLIGATIONS (Continued)

The weighted average duration of the Group's defined benefit obligation is approximately 34 years. The maturity analysis of the Group's undiscounted benefit payments is as follows:

35. 退休福利責任(續)

本集團界定福利責任的加權平均年期約為34年。本集團未貼現福利付款的到期日分析如下：

		Less than 1 year 少於一年 HK$ 港元	Between 1 and 2 years 一年至兩年 HK$ 港元	Between 2 and 5 years 兩年至五年 HK$ 港元	Over 5 years 超過五年 HK$ 港元	Total 總計 HK$ 港元
At 31 December 2019	**於二零一九年十二月三十一日**					
Pension payments	退休金付款	**65,074**	**—**	**—**	**739,857**	**804,931**

		Less than 1 year 少於一年 HK$ 港元	Between 1 and 2 years 一年至兩年 HK$ 港元	Between 2 and 5 years 兩年至五年 HK$ 港元	Over 5 years 超過五年 HK$ 港元	Total 總計 HK$ 港元
At 31 December 2018	**於二零一八年十二月三十一日**					
Pension payments	退休金付款	48,092	—	—	564,421	612,513

36. CONTRACT LIABILITIES

Contract liabilities primarily consist of the unamortised revenue from sales of virtual items for mobile games, where there is still an implied obligation to be provided by the Group over time.

36. 合約負債

合約負債主要包括來自銷售線上遊戲之虛擬物品之未攤銷收益，而本集團隨著時間仍有隱含責任提供該等物品。

36. CONTRACT LIABILITIES (Continued) 36. 合約負債(續)

Movements in contract liabilities:

合約負債之變動：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Balance at 1 January	於一月一日之結餘	**3,130,089**	—
Acquisition of subsidiaries	收購附屬公司	**—**	3,129,205
Decrease in contract liabilities as a result of recognising revenue during the year	因於年內確認收益而導致合約負債減少	**(5,044,354)**	(1,976,080)
Increase in contract liabilities as a result of billing in advance of game publishing service	因提供遊戲發行服務預收款項而導致合約負債增加	**5,343,617**	2,013,731
Exchange differences	匯兑差額	**102,060**	(36,767)
Balance at 31 December	於十二月三十一日之結餘	**3,531,412**	3,130,089

37. BANK BORROWINGS 37. 銀行借貸

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Bank loans	銀行貸款	**41,416,419**	44,951,928
The borrowings are repayable as follows:	借貸償還期限如下：		
Within one year	一年內	**41,416,419**	44,951,928

The above amounts due are based on the scheduled repayment dates set out in the loan agreements.

上述應付金額乃基於貸款協議所載預定還款日期呈列。

The carrying amounts of the Group's borrowings are denominated in RMB.

本集團借貸之賬面值乃按人民幣列值。

The average interest rates per annum at 31 December were as follows:

於十二月三十一日之平均年利率如下：

		2019 二零一九年	2018 二零一八年
Bank loans	銀行貸款	**5.3%**	5.3%

Bank loan are arranged at fixed interest rates and expose the Group to fair value interest rate risk.

銀行貸款按固定利率計息，故本集團面臨公允值利率風險。

At 31 December 2019, the Group's bank facilities were secured by corporate guarantee given by a related company.

於二零一九年十二月三十一日，本集團之銀行信貸由一間關聯公司提供公司擔保。

38. DEFERRED TAX LIABILITIES

38. 遞延稅項負債

The following are the deferred tax liabilities recognised by the Group:

本集團確認的遞延稅項負債如下：

		Fair value adjustments on assets acquired 所收購資產之公允值調整 HK$ 港元	Undistributed earnings of PRC subsidiaries 中國附屬公司之未分配盈利 HK$ 港元	Total 總計 HK$ 港元
At 1 January 2018	於二零一八年一月一日	–	1,715,969	1,715,969
Acquisition of subsidiaries	收購附屬公司	915,792	–	915,792
At 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年十二月三十一日、二零一九年一月一日及二零一九年十二月三十一日	915,792	1,715,969	2,631,761

At the end of the reporting period the Group has unused tax losses of HK$138,750,608 (2018: HK$67,623,690) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK$21,852,000 (2018:HK$21,852,000) and HK$18,062,000 (2018: HK$Nil) that will expire in 2025 and 2026 respectively. Other tax losses may be carried forward indefinitely.

於報告期末，本集團有未動用稅項虧損130,750,608港元(二零一八年：67,623,690港元)可用作抵銷未來溢利。由於未來溢利流不可預測，故並無確認遞延稅項資產。未確認稅務虧損包括分別將於二零二五年及二零二六年到期之21,852,000港元(二零一八年：21,852,000港元)及18,062,000港元(二零一八年：零港元)虧損。其他稅項虧損可無限期結轉。

At the end of the reporting period, the Group has aggregate amount of deductible temporary differences of approximately HK$3,849,000 (2018: HK$3,587,000). No deferred tax asset has been recognised due to the unpredictability of future profit streams.

於報告期末，本集團之可扣稅暫時差額總額約為3,849,000港元(二零一八年：3,587,000港元)。由於未來溢利流不可預測，故並無確認遞延稅項資產。

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is HK$63,070 (2018: HK$830,324). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

於報告期末，與該等並無確認遞延稅項負債之附屬公司未分配盈利有關之暫時差額總額為63,070港元(二零一八年：830,324港元)。由於本集團有權控制暫時差額之回撥時間，且有關差額或將不會於可見將來撥回，故並無就該等差額確認負債。

39. SHARE CAPITAL

39. 股本

		Ordinary shares of HK$0.01 each 每股面值0.01港元之普通股	
		Number of shares 股份數目	Par value 面值 HK$ 港元
Authorised:	法定：		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日、二零一九年一月一日及二零一九年十二月三十一日	5,000,000,000	50,000,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日、二零一九年一月一日及二零一九年十二月三十一日	287,206,000	2,872,060

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團管理股本的目的旨在保障本集團的持續經營能力，並透過優化債務與權益比率為股東帶來最大回報。

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

本集團將按風險比例釐定資本金額。本集團根據經濟環境變動及有關資產的風險特性管理及調整資本結構。為維持或調整資本結構，本集團或會調整派發股息、發行新股、回購股份、新增債務、贖回現有債務或出售資產以減少債務。

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Total debt comprises borrowings. Adjusted capital comprises all components of equity (i.e. share capital, share premium, retained profits and other reserves) except for non-controlling interests.

本集團以債務對經調整資本比率為基準監控資本。該比率以債務淨額除以經調整資本計算。債務總額由借貸所組成。經調整資本包括所有權益部分，即股本、股份溢價、保留溢利及其他儲備(非控股權益除外)。

39. SHARE CAPITAL (Continued)

During 2019, the Group's strategy, which was unchanged from 2018, was to maintain the debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

As at 31 December 2019, the debt-to adjusted capital ratio of the Group is 851% (2018: 85%).

The increase in the debt-to-adjusted capital ratio during 2019 resulted primarily from decrease of equity and increase in other borrowings.

The externally imposed capital requirement for the Group is in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the year.

39. 股本(續)

於二零一九年，本集團的策略與二零一八年保持一致，為將負債對經調整資本比率盡力維持於最低水平。為維持或調整該比率，本集團或會調整派予股東之股息金額、發行新股、向股東退還資本、新增債務融資或出售資產以減少債務。

於二零一九年十二月三十一日，本集團之債務對經調整資本比率為851%(二零一八年：85%)。

二零一九年負債對經調整資本比率上升主要由於股權減少及其他借貸增加所致。

本集團維持其在聯交所上市地位的外部強制資本要求為須保持至少25%股份由公眾持有。

本集團每月自股份登記處接獲有關非公眾持股量之重大股東權益之報告，該報告顯示本集團於整個年度持續遵守25%之限額。

40. SHARE-BASED PAYMENTS

Equity-settled share option scheme

(i) Existing Share Option Scheme

Pursuant to the ordinary written resolution passed in the extraordinary general meeting of the Company on 26 November 2008, the share option scheme ("Existing Share Option Scheme") was approved and adopted by the Company to comply with the requirements under Chapter 17 of the Listing Rules; and the pre-IPO share option scheme and post-IPO share option scheme were terminated accordingly.

The purpose of the Existing Share Option Scheme is to enable the Company to recognise the contributions of any employees (including directors of the Company), consultants and/or advisers who in the sole discretion of the directors of the Company have contributed or will contribute to the Group ("Participants") and to motivate the Participants to continuously work to the benefit of the Group by offering to the Participants an opportunity to have personal interest in the share capital of the Company.

The overall limit on the number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Share Option Scheme and other share option scheme of the Group must not exceed 30% of the shares of the Company in issue from time to time. Upon acceptance of the option, the Grantee shall pay HK$1.00 to the Company by way of consideration for the grant.

40. 以股份支付款項

以股權結算的購股權計劃

(i) 現有購股權計劃

根據本公司於二零零八年十一月二十六日舉行的股東特別大會上通過的書面普通決議案，現有購股權計劃(「現有購股權計劃」)已獲本公司批准及採納，以符合上市規則第十七章的規定，而首次公開招股前購股權計劃及首次公開招股後購股權計劃則相應終止。

現有購股權計劃旨在方便本公司肯定本公司董事全權酌情認為曾經或將會為本集團作出貢獻的任何僱員(包括本公司董事)、諮詢人士及／或顧問(「參與者」)對本集團的貢獻，並藉著使參與者有機會於本公司股本中擁有個人權益，激勵參與者繼續為本集團的利益而努力。

因行使根據現有購股權計劃及本集團其他購股權計劃所授出但尚未獲行使的所有未行使購股權而可能發行的本公司股份數目，整體上限不得超過本公司不時已發行股份的30%。接納購股權後，承授人須向本公司繳付1.00港元，作為接受購股權的代價。

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(i) Existing Share Option Scheme (Continued)

The subscription price for share(s) under the Existing Share Option Scheme will be a price as the board of directors in its absolute discretion shall determine and notify to each Participant and will be the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a business day), (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option and (iii) the nominal value of a share on the date of grant of the option. The date of grant is the date on which the option is offered.

An option under the share option scheme may be exercised in accordance with the terms of the Existing Share Option Scheme at any time during the period to be determined and notified by the board of directors of the Company to each grantee which period of time shall commence on the date of grant of the option and expire on such date as determined by the board of directors of the Company provided that the option may not be exercised after the expiration of 10 years from the date of grant of the option.

The Existing Share Option Scheme does not require a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised, unless the board of directors of the Company otherwise determined and stated in the offer of the grant of options to the grantee.

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(i) 現有購股權計劃(續)

根據現有購股權計劃，股份之認購價格將由董事會全權酌情釐定並知會予各參與者，且將為以下三者之較高者：(i)股份於購股權授出日期(必須為營業日)聯交所日報表所報之收市價；(ii)股份於緊接購股權授出日期前五個營業日在聯交所日報表所報之平均收市價及(iii)股份於購股權授出日期之面值。授出日期乃購股權獲授出之日期。

根據購股權計劃授出之購股權可於本公司董事會釐定並知會各承授人之期間內任何時間，根據現有購股權計劃之條款行使，該期間應於購股權授出日期起，直至本公司董事會釐定之日期為止，惟購股權不可於購股權授出日期起計10年期屆滿後行使。

現有購股權計劃並無規定必須持有購股權之最短期限，或購股權獲行使前必需達到的表現目標，惟本公司董事會另有決定及於授出購股權予承授人時聲明者除外。

40. SHARE-BASED PAYMENTS (Continued)

40. 以股份支付款項(續)

Equity-settled share option scheme (Continued)

以股權結算的購股權計劃(續)

(i) *Existing Share Option Scheme (Continued)*

(i) *現有購股權計劃(續)*

Details of the specific categories of options are as follows:

購股權特定類別之詳情如下:

		Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price 行使價 HK$ 港元	Options granted to 向以下人士授出購股權 Directors 董事	Consultants 顧問	Total 總計
2018	**二零一八年**							
First tranche	第一期	23 May 2018 二零一八年五月二十三日	23 May 2018 二零一八年五月二十三日	23 May 2018 to 22 May 2022 二零一八年五月二十三日至二零二二年五月二十二日	5.14	1,000,000	2,000,000	3,000,000
Second tranche	第二期	23 May 2018 二零一八年五月二十三日	23 November 2018 二零一八年十一月二十三日	23 November 2018 to 22 May 2022 二零一八年十一月二十三日至二零二二年五月二十二日	5.14	–	2,000,000	2,000,000
Third tranche	第三期	23 May 2018 二零一八年五月二十三日	23 May 2019 二零一八年五月二十三日	23 May 2019 to 22 May 2022 二零一九年五月二十三日至二零二二年五月二十二日	5.14	–	1,980,000	1,980,000
						1,000,000	5,980,000	6,980,000

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(i) *Existing Share Option Scheme (Continued)*

If the options remain unexercised after a period of 4 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group.

Details of the movement of share options during the year are as follows:

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(i) *現有購股權計劃(續)*

倘購股權於授出日期起計四年後尚未行使，則購股權將告屆滿。倘僱員離開本集團，則購股權將被沒收。

年內購股權變動之詳情如下：

		2019 二零一九年		2018 二零一八年	
		Number of share options 購股權數目	**Weighted average exercise price 加權平均行使價 HK$ 港元**	Number of share options 購股權數目	Weighted average exercise price 加權平均行使價 HK$ 港元
Outstanding at the beginning of the year	於年初尚未行使	**6,980,000**	**5.14**	—	—
Granted during the year	年內授出	**—**	**—**	6,980,000	5.14
Outstanding at the end of the year	於年末尚未行使	**6,980,000**	**5.14**	6,980,000	5.14
Exercisable at the end of the year	於年末可行使	**6,980,000**	**5.14**	5,000,000	5.14

The options outstanding at the end of the year have a weighted average remaining contractual life of 2.39 years (2018: 3.39 years) and the exercise prices is HK$5.14 (2018: HK$5.14). No options were granted in 2019. In 2018, options were granted on 23 May 2018. The estimated fair value of the options on this date was HK$14,938,673.

於年末尚未行使之購股權的加權平均餘下合約年限為2.39年(二零一八年：3.39年)，行使價為5.14港元(二零一八年：5.14港元)。二零一九年概無授出任何購股權。於二零一八年，購股權已於二零一八年五月二十三日授出。購股權於該日的估計公允值為14,938,673港元。

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(i) *Existing Share Option Scheme (Continued)*

These fair values were calculated using the binomial model. The inputs into the model are as follows:

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(i) *現有購股權計劃(續)*

該等公允值使用二項式模型計算。輸入該模型的參數如下：

		2018 二零一八年
Weighted average share price	加權平均股價	4.91
Weighted average exercise price	加權平均行使價	5.14
Expected volatility	預期波幅	65.50%
Expected life	預期使用年限	4 years 四年
Risk free rate	無風險利率	2.14%
Expected dividend yield	預期股息率	0%

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous 4 years. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

預期波幅透過計算本公司過去4年股價的歷史波幅而釐定。該模型內所用之預期使用年限已根據本集團之最佳估計就不可轉讓、行使限制及行為性的考慮因素之影響作出調整。

Share options granted to consultants were incentives for helping the Group expand its business network, acquire and explore new business projects and opportunities. The fair value of such services was estimated by reference to the market. The difference between the fair value of the share options as at the grant date and the estimated fair value of such services received or to be received is recognised as unidentifiable services.

授予顧問的購股權乃為幫助本集團擴展業務網絡、獲取及尋求新業務項目及機會的獎勵。該等服務之公允值乃參考市場估計。購股權於授出日期之公允值與已接受或將接受之該等服務之估計公允值的差額被確認為無法識別服務。

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(ii) New Share Option Scheme

Pursuant to the ordinary written resolution passed in the annual general meeting of the Company on 29 June 2018, the new share option scheme ("New Share Option Scheme") was approved and adopted by the Company to comply with the requirements under Chapter 17 of the Listing Rules; and the Existing Share Option Scheme was terminated accordingly.

Pursuant to the terms of the Existing Share Option Scheme, the 6,980,000 options previously granted under the Existing Share Option Scheme but not yet exercised will remain valid and exercisable in accordance with the provisions of the Existing Share Option Scheme and the terms of issue of such options.

The purpose of the New Share Option Scheme is to enable the Company to provide an incentive or a reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. The eligible participants include any directors or employees, consultants and/or advisers, the eligible participants also include any business or joint venture partners, contractors, agents or representatives, suppliers, producers or licensors, licensees (including sub-licensee) or distributors, of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group.

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(ii) 新購股權計劃

根據本公司於二零一八年六月二十九日舉行的股東週年大會上通過的書面普通決議案，新購股權計劃(「新購股權計劃」)已獲本公司批准及採納，以符合上市規則第十七章的規定，而現有購股權計劃則相應終止。

根據現有購股權計劃之條款，先前根據現有購股權計劃授出但尚未行使的6,980,000股購股權將根據現有購股權計劃之條文及發行該等購股權之條款維持有效並可予行使。

新購股權計劃旨在使本公司能夠鼓勵或獎賞合資格人士對本集團所作出的貢獻及／或使本集團能夠聘請及挽留優秀僱員及吸引對本集團具價值的人力資源。合資格參與者包括任何董事或僱員、顧問及／或諮詢人士，合資格參與者亦包括本集團任何業務或合營公司夥伴、承包商、代理或代表、供應商、生產商或發牌人、持牌人(包括子持牌人)或分銷商，或董事會全權酌情認為對本集團已作出或可能作出貢獻的任何人士。

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(ii) New Share Option Scheme (Continued)

The overall limit on the number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and other share option scheme of the Group must not exceed 30% of the shares of the Company in issue from time to time. Upon acceptance of the option, the Grantee shall pay HK$1.00 to the Company by way of consideration for the grant.

The subscription price for share(s) under the New Share Option Scheme will be a price as the board of directors in its absolute discretion shall determine and notify to each Participant and shall not be less than the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a business day), (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option and (iii) the nominal value of a share on the date of grant of the option. The date of grant is the date on which the option is offered.

An option under the share option scheme may be exercised in accordance with the terms of the New Share Option Scheme at any time during the period to be determined and notified by the board of directors of the Company to each grantee which period of time shall commence on the date of grant of the option and expire on such date as determined by the board of directors of the Company provided that the option may not be exercised after the expiration of 10 years from the date of grant of the option.

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(ii) 新購股權計劃(續)

因行使根據新購股權計劃及本集團其他購股權計劃所授出但尚未獲行使的所有未行使購股權而可能發行的本公司股份數目，整體上限不得超過本公司不時已發行股份的30%接納購股權後，承授人須向本公司繳付1.00港元，作為接受購股權的代價。

根據新購股權計劃，股份之認購價格將由董事會全權酌情釐定並知會予各參與者，且不得低於以下之較高者：(i)股份於購股權授出日期(必須為營業日)聯交所日報表所報之收市價；(ii)股份於緊接購股權授出日期前五個營業日在聯交所日報表所報之平均收市價及(iii)股份於購股權授出日期之面值。授出日期乃購股權獲授出之日期。

根據購股權計劃授出之購股權可於本公司董事會釐定並知會各承授人之期間內任何時間，根據新購股權計劃之條款行使，該期間應於購股權授出日期起，直至本公司董事會釐定之日期為止，惟購股權不可於購股權授出日期起計10年期屆滿後行使。

40. SHARE-BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

(ii) New Share Option Scheme (Continued)

The New Share Option Scheme does not require a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised, unless the board of directors of the Company otherwise determined and stated in the offer of the grant of options to the grantee.

During the year, no option was granted under the New Share Option Scheme.

40. 以股份支付款項(續)

以股權結算的購股權計劃(續)

(ii) 新購股權計劃(續)

新購股權計劃並無規定必須持有購股權之最短期限，或購股權獲行使前必需達到的表現目標，惟本公司董事會另有決定及於授出購股權予承授人時聲明者除外。

年內，並無根據新購股權計劃授出購股權。

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Acquisition of subsidiaries

In July 2018, the Group acquired 100% of the issued share capital of Cubinet Interactive (MSC) Sdn. Bhd. and its subsidiaries (the "Cubinet Group") for a total consideration of HK$28,864,510. The Cubinet Group was engaged in design, development and operation of online games during the year. The acquisitions are for the purpose of enhancing the market participation in gaming industry over the Asia-Pacific region.

41. 綜合現金流量表附註

(a) 收購附屬公司

於二零一八年七月，本集團收購Cubinet Interactive (MSC) Sdn.Bhd.及其附屬公司(「Cubinet集團」)的全部已發行股本，總代價為28,864,510港元。年內，Cubinet集團從事設計、開發及營運線上遊戲。是項收購旨在提升本集團於亞太區遊戲行業之市場參與。

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

41. 綜合現金流量表附註(續)

(a) Acquisition of subsidiaries (Continued)

(a) 收購附屬公司(續)

The fair value of the identifiable assets and liabilities of the Cubinet Group acquired as at the date of acquisition are as follows:

所收購Cubinet集團之可識別資產及負債於收購日期的公允值如下:

		HK$ 港元
Net assets acquired:	已購入資產淨值:	
Property, plant and equipment	物業、廠房及設備	4,107,016
Investment properties	投資物業	23,982,205
Intangible assets	無形資產	20,323,650
Trade and other receivables	應收貿易賬款及其他應收款項	5,185,367
Bank and cash balances	銀行及現金結餘	1,183,310
Trade and other payables	應付貿易賬款及其他應付款項	(14,102,532)
Bank loan (note)	銀行貸款(附註)	(10,136,612)
Provision for taxation	稅項撥備	(63,774)
Contract liabilities	合約負債	(3,129,205)
Deferred tax liabilities	遞延稅項負債	(915,792)
Royalty payables	應付版稅	(12,520,750)
Net identifiable assets	可識別資產淨值	13,912,883
Non-controlling interests	非控股權益	(1,530,587)
Goodwill	商譽	16,482,214
		28,864,510
Satisfied by:	以下列方式支付:	
Cash	現金	28,864,510
Net cash outflow arising on acquisition:	收購時產生之淨現金流出:	
Advance to the Cubinet Group (note)	向Cubinet集團之墊款(附註)	(10,136,612)
Cash consideration paid	已付現金代價	(28,864,510)
Cash and cash equivalents acquired	已收購現金及現金等值物	1,183,310
		(37,817,812)

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

The fair value of the trade and other receivables acquired is HK$5,185,367. The gross amount due under the contracts is HK$7,485,691, of which HK$2,300,324 is expected to be uncollectible

Note: Pursuant to the sales and purchase agreements for the acquisition of the Cubinet Group, the Group shall advance a loan to the Cubinet Group for the settlement of the outstanding bank loan.

Acquisition-related costs of HK$3,139,000 have been charged to administrative expenses in the consolidated income statement for the year ended 31 December 2018.

The goodwill arising on the acquisition of the Cubinet Group is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

The Cubinet Group contributed approximately HK$4,349,000 to the Group's revenue for the year ended 31 December 2018 for the period between the date of acquisition and the end of the reporting period at 31 December 2018. The Cubinet Group contributed loss of approximately HK$5,659,000 to the Group's loss for the period between the date of acquisition and the end of the reporting period at 31 December 2018.

If the acquisition had been completed on 1 January 2018, total Group revenue for the year ended 31 December 2018 would have been HK$264,529,000, and loss for the year ended 31 December 2018 would have been HK$34,866,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is intended to be a projection of future results.

41. 綜合現金流量表附註(續)

(a) 收購附屬公司(續)

已購入應收貿易賬款及其他應收款項之公允值為5,185,367港元。已逾期合約總額為7,485,691港元，其中2,300,324港元預期無法收回。

附註： 根據收購Cubinet集團之買賣協議，本集團須向Cubinet集團墊付一項貸款，以清償未償還銀行貸款。

截至二零一八年十二月三十一日止年度，3,139,000港元的收購相關成本已在綜合收益表之行政開支內扣除。

收購Cubinet集團所產生之商譽來自於新市場分銷本集團產品之預期盈利能力，以及預期合併所產生之未來營運協同效應。

Cubinet集團於收購日期至報告期末期間為本集團截至二零一八年十二月三十一日止年度收益貢獻約4,349,000港元。Cubinet集團於收購日期至報告期末(即二零一八年十二月三十一日)期間為本集團虧損貢獻約5,659,000港元。

倘收購已於二零一八年一月一日完成，則本集團於截至二零一八年十二月三十一日止年度之收益總額將為264,529,000港元，截至二零一八年十二月三十一日止年度虧損將為34,866,000港元。備考資料僅供說明，未必可指示本集團在收購已於二零一八年一月一日完成的情況下實際錄得之收益及經營業績，亦不擬作為未來業績之預測。

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

41. 綜合現金流量表附註(續)

(b) Disposal of subsidiaries

In August 2018, the Group disposed 100% of the issued share capital of Modern Crown Limited and its subsidiaries (the "Modern Crown Group") for a total consideration of HK$20,000,000.

Net assets at the date of disposal were as follows:

(b) 出售附屬公司

於二零一八年八月，本集團出售時冠有限公司及其附屬公司(「時冠集團」)的100%已發行股本，總代價為20,000,000港元。

於出售日期的淨資產如下：

		HK$ 港元
Investment properties	投資物業	10,098,000
Other receivables	其他應收款項	1,267,651
Bank and cash balances	銀行及現金結餘	5,965
Other payables	其他應付款項	(5,967)
Net assets disposed of	已出售淨資產	11,365,649
Release of foreign currency translation reserve	外匯儲備撥回	(401,964)
Gain on disposal of subsidiaries	出售附屬公司的收益	9,036,315
Total consideration	總代價	20,000,000
Consideration satisfied by	以下列方式支付的代價	
Cash	現金	20,000,000
Net cash inflow arising on disposal:	出售時產生的現金流入淨額：	
Cash consideration received	已收現金代價	20,000,000
Cash and cash equivalents disposed of	已出售的現金及現金等值物	(5,965)
		19,994,035

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

41. 綜合現金流量表附註(續)

(b) Disposal of subsidiaries (Continued)

(b) 出售附屬公司(續)

In April 2019, the Group disposed 100% of the issued share capital of 帝國影遊互動有限公司 and its subsidiaries (the "帝國影遊 Group") for a total consideration of HK$545,584.

於二零一九年四月，本集團出售帝國影遊互動有限公司及其附屬公司(「帝國影遊集團」)的100%已發行股本，總代價為545,584港元。

Net assets at the date of disposal were as follows:

於出售日期的淨資產如下：

		HK$ 港元
Property, plant, and equipment	物業、廠房及設備	299,321
Other receivables	其他應收款項	353,336
Bank and cash balances	銀行及現金結餘	1,002,241
Other payables	其他應付款項	(1,164,416)
Net assets disposed of	已出售淨資產	490,482
Release of foreign currency translation reserve	外匯儲備撥回	50
Gain on disposal of subsidiaries	出售附屬公司的收益	55,052
Total consideration	總代價	545,584
Consideration satisfied by	以下列方式支付的代價	
Cash	現金	545,584
Net cash inflow arising on disposal:	出售時產生的現金流入淨額：	
Cash consideration received	已收現金代價	545,584
Cash and cash equivalents disposed of	已出售的現金及現金等值物	(1,002,241)
		(456,657)

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

41. 綜合現金流量表附註(續)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

(c) 融資活動產生之負債對賬

下表詳述本集團融資活動產生之負債變動，包括現金及非現金變動。融資活動所產生之負債為曾或將於本集團綜合現金流量表分類為融資活動的現金流量之現金流量或未來現金流量。

		1 January 2019 二零一九年一月一日 HK$ 港元	Impact on initial application of HKFRS 16 (note 3) 首次採納香港財務報告準則第16號的影響(附註3) HK$ 港元	Restated balance at 1 January 2019 於二零一九年一月一日的經重列結餘 HK$ 港元	Addition 添置 HK$ 港元	Modification 修改 HK$ 港元	Cash flows 現金流量 HK$ 港元	Interest paid 已付利息 HK$ 港元	Effect on initial recognition 對首次確認的影響 HK$ 港元	Exchange differences 匯兑差異 HK$ 港元	31 December 2019 二零一九年十二月三十一日 HK$ 港元
Lease liabilities (note 32)	租賃負債(附註32)	-	12,011,804	12,011,804	6,291,184	(4,846,719)	(4,813,496)	388,575	-	144,993	9,176,341
Loan from related parties (note 33)	來自關聯方的貸款(附註33)	30,000,000	-	30,000,000	-	-	70,000,000	-	(6,671,958)	-	93,328,042
Other payments and accruals (note 34)	其他應付款項及應計項目(附註34)	3,500,000	-	3,500,000	-	-	890,505	-	-	-	4,390,505
Borrowings (note 37)	借貸(附註37)	44,951,928	-	44,951,928	-	-	(4,893,497)	2,188,498	-	(830,510)	41,416,419
		78,451,928	12,011,804	90,463,732	6,291,184	(4,846,719)	61,183,512	2,577,073	(6,671,958)	(685,517)	148,311,307

		1 January 2018 二零一八年一月一日 HK$ 港元	Cash flows 現金流量 HK$ 港元	Interest paid 已付利息 HK$ 港元	Exchange differences 匯兑差異 HK$ 港元	31 December 2018 二零一八年十二月三十一日 HK$ 港元
Loan from related parties (note 33)	來自關聯方的貸款(附註33)	7,193,400	22,880,331	–	(73,731)	30,000,000
Other payments and accruals (note 34)	其他應付款項及應計項目(附註34)	10,222,025	(6,651,076)	–	(70,949)	3,500,000
Borrowings (note 37)	借貸(附註37)	45,670,368	(492,476)	2,137,643	(2,363,607)	44,951,928
		63,085,793	15,736,779	2,137,643	(2,508,287)	78,451,928

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

41. 綜合現金流量表附註(續)

(d) Total cash outflow for leases

(d) 租賃產生的現金流出總額

Amounts included in the consolidated statement of cash flows for leases comprise the following:

綜合現金流量表中與租賃有關的金額包括：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Within operating cash flows	計入經營現金流	**388,575**	3,915,997
Within investing cash flows	計入投資現金流	**726,172**	—
Within financing cash flows	計入融資現金流	**4,424,921**	—
		5,539,668	3,915,997

These amounts relate to the following:

該等金額與以下方面有關：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Lease rental paid	已付租金	**4,813,496**	3,915,997
Payments for rental deposits	就租賃按金付款	**660,222**	—
Payments for right-of-use assets	就使用權資產付款	**65,950**	—
		5,539,668	3,915,997

42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

42. 本公司之財務狀況及儲備變動表

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		As at 31 December 於十二月三十一日	
		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
ASSETS	**資產**		
Non-current assets	**非流動資產**		
Property, plant and equipment	物業、廠房及設備	**9,024**	—
Investments in subsidiaries	於附屬公司之投資	**3,565,942**	3,565,943
Right-of-use assets	使用權資產	**3,643,002**	—
		7,217,968	3,565,943
Current assets	**流動資產**		
Due from subsidiaries	應收附屬公司款項	**94,589,230**	143,952,861
Due from related companies	應收關聯公司款項	**—**	453,170
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項	**2,409,753**	158,089
Cash and bank balances	現金及銀行結餘	**33,324,287**	4,719,302
		130,323,270	149,283,422
Current liabilities	**流動負債**		
Lease liabilities	租賃負債	**1,430,704**	—
Other payables and accruals	其他應付款項及應計項目	**9,933,184**	39,184,822
Due to subsidiaries	應付附屬公司款項	**23,608,459**	21,409,325
		34,972,347	60,594,147
NET CURRENT ASSETS	**淨流動資產**	**95,350,923**	88,689,275
Non-current liabilities	**非流動負債**		
Loan from related parties	來自關聯方之貸款	**93,328,042**	—
Lease liabilities	租賃負債	**2,527,997**	—
		95,856,039	—
NET ASSETS	**淨資產**	**6,712,852**	92,255,218
CAPITAL AND RESERVES	**資本及儲備**		
Share capital	股本	**2,872,060**	2,872,060
Reserves	儲備	**3,840,792**	89,383,158
TOTAL EQUITY	**總權益**	**6,712,852**	92,255,218

Approved by the Board of Directors on 20 March 2020 and are signed on its behalf by:

董事會已於二零二零年三月二十日批准，並由以下董事代表簽署：

Cheng Ting Kong
鄭丁港

Yeung So Mui
楊素梅

42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

42. 本公司之財務狀況及儲備變動表(續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動表

		Shares premium (note 43(b)(i)) 股份溢價 (附註43(b)(i)) HK$ 港元	Contributed surplus (note 43(b)(ii)) 繳入盈餘 (附註43(b)(ii)) HK$ 港元	Share option reserve 購股權儲備 HK$ 港元	Other reserves (note 43(b)(viii)) 其他儲備 (附註43(b)(viii)) HK$ 港元	Accumulated losses 累計虧損 HK$ 港元	Total 總值 HK$ 港元
At 1 January 2018	於二零一八年一月一日	178,951,014	42,967,020	–	–	(98,439,447)	123,478,587
Loss for the year	年內虧損	–	–	–	–	(38,301,336)	(38,301,336)
Share-based payment	以股份為基礎的付款	–	–	4,205,907	–	–	4,205,907
At 31 December 2018	於二零一八年十二月三十一日	178,951,014	42,967,020	4,205,907	–	(136,740,783)	89,383,158
At 1 January 2019	於二零一九年一月一日	178,951,014	42,967,020	4,205,907	–	(136,740,783)	89,383,158
Loss for the year	年內虧損	–	–	–	–	(95,381,324)	(95,381,324)
Capital contribution	注資	–	–	–	6,671,958	–	6,671,958
Share-based payment	以股份為基礎的付款	–	–	3,167,000	–	–	3,167,000
At 31 December 2019	於二零一九年十二月三十一日	178,951,014	42,967,020	7,372,907	6,671,958	(232,122,107)	3,840,792

43. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

43. 儲備

(a) 本集團

本集團之儲備金額及其變動載列於綜合損益及其他全面收益表以及綜合權益變動表。

43. RESERVES (Continued)

(b) Nature and purpose of reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

(ii) Contributed surplus

The contributed surplus of the Company arose as a result of the Corporate Reorganisation and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the Company's shares issued in exchange therefor.

(iii) Merger reserve

The merger reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the nominal value of the share capital and share premium of its subsidiaries arising from group reorganisation on 8 September 2005 ("Corporate Reorganisation").

(iv) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(c) to the consolidated financial statements.

43. 儲備(續)

(b) 儲備之性質及用途

(i) 股份溢價

根據開曼群島公司法，本公司的股份溢價可根據本公司的組織章程大綱及細則的規定，用於向股東作出分派或派付股息，惟本公司在緊隨分派或派付股息後仍須有能力支付在日常業務過程中到期應付之債務。

(ii) 繳入盈餘

本公司的繳入盈餘因公司重組產生，為所收購附屬公司當時的合併淨資產超過為進行收購交換股份而發行的本公司股份面值的數額。

(iii) 合併儲備

合併儲備指於二零零五年九月八日進行集團重組(「公司重組」)時產生的本公司已發行股本面值交換其附屬公司之股本及股份溢價面值之差額。

(iv) 外幣匯兌儲備

外幣匯兌儲備包括換算海外業務財務報表而產生的所有外匯差額。該儲備乃按載於綜合財務報表附註4(c)之會計政策處理。

43. RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(v) Capital reserve

This represents the transfer from retained profits to capital reserve as a result of the write off of certain trade payables by 寧波捷豐家居用品有限公司 (JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd.) ("JF Ningbo"), a subsidiary of the Company. Pursuant to the People's Republic of China ("PRC") accounting principles and financial regulations, any gains arising from debt restructuring which represent the difference between the final settlement and the carrying value of the debt concerned are directly reflected in capital reserve and therefore not distributable. Accordingly, a transfer has been made from retained profits to capital reserve. The capital reserve can only be used to increase capital of this subsidiary.

(vi) General reserve

The general reserve is set up by way of appropriation from the profit after tax in accordance with the relevant laws and regulations in the PRC. The rate of appropriation to the general reserve is subject to the decision of the board of directors of PRC subsidiaries, but the minimum appropriation rate is 10% of the profit after tax for each year, until when the accumulated balance reaches 50% of the registered capital of the subsidiaries. Pursuant to the relevant laws and regulations of the PRC, if approvals are obtained from the relevant government authorities, the general reserve can be used in setting off accumulated losses or to increase the capital of the subsidiaries.

43. 儲備(續)

(b) 儲備之性質及用途(續)

(v) 資本儲備

資本儲備指因註銷本公司附屬公司寧波捷豐家居用品有限公司(「寧波捷豐」)的若干應付貿易款項，自保留溢利轉撥至資本儲備。根據中華人民共和國(「中國」)會計原則及財務規條，因重組債務而產生的任何收益指最後結算與債務賬面值的差額，有關差額直接反映於資本儲備因此不可供分派。故此從保留溢利轉撥至資本儲備。資本儲備僅可用作增加此附屬公司之資本。

(vi) 一般儲備

一般儲備乃按有關的中國法律及規條由除稅後溢利撥付而成。撥付予一般儲備的比例由中國附屬公司之董事會釐定，惟最低撥付比例為每年除稅後溢利的10%，直至累計結餘達附屬公司註冊資本的50%。根據中國的有關法律及規條，倘取得有關政府當局的批准，一般儲備可用作抵銷累計虧損或增加附屬公司之資本。

43. RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(vii) Financial assets at FVTOCI reserve

The financial assets at FVTOCI reserve comprises the cumulative net change in the fair value of financial assets at FVTOCI held at the end of the reporting period and is dealt with in accordance with the accounting policy in note 4(j) to the consolidated financial statements.

(viii) Other reserves

During the year ended 31 December 2019, the Group received long-term loans from two related parties with principal amount of HK$70,000,000 in total. These long-term loans were unsecured, interest bearing from 1.50% per annum and repayable within three years. The fair value of these loans were estimated at the prevailing market interest rates for equivalent loans of 5% on initial recognition.

As one of the substantial shareholders of the Company has beneficial interests in the two related parties, the difference between the principal amount and the fair value of the loans on initial recognition were considered as capital contribution and recognised in the other reserve.

43. 儲備(續)

(b) 儲備之性質及用途(續)

(vii) 以公允值計入其他全面收益之金融資產儲備

以公允值計入其他全面收益之金融資產儲備包括於報告期末持有並根據綜合財務報表附註4(j)的會計政策處理的以公允值計入其他全面收益之金融資產公允值的累計變動淨額。

(viii) 其他儲備

於截至二零一九年十二月三十一日止年度，本集團自兩名關聯方收取本金合共70,000,000港元之長期貸款。該等長期貸款為無抵押，按年息1.50%計息及須於三年內償還。該等貸款之公允值乃按同檔次貸款初始確認時之現行市場利率5%估計。

由於本公司其中一名主要股東於該兩名關聯方擁有實益權益，本金額與貸款初始確認時之公平值間之差額被視為注資並於其他儲備確認。

44. INVESTMENTS IN SUBSIDIARIES

44. 於附屬公司之投資

Particulars of the subsidiaries as at 31 December 2019 are as follows:

附屬公司於二零一九年十二月三十一日的詳情如下：

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/registered capital 已發行及繳足普通股／註冊資本面值	Principal activities 主要業務
Directly held *直接持有*				
Apex Empire International Limited 領帝國際有限公司	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US$1 each 1股每股面值1美元的普通股	Investment holding 投資控股
Profit Business Group Limited 盈業集團有限公司	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US$1 each 1股每股面值1美元的普通股	Investment holding 投資控股
Gigantic Ocean Investments Limited 鉅海投資有限公司	The Republic of Seychelles 塞舌爾共和國	100%	1,000 ordinary share of US$1 each 1,000股每股面值1美元的普通股	Investment holding 投資控股
JF Household Furnishings Limited 捷豐家居用品有限公司	Hong Kong 香港	100%	1 ordinary shares of HK$1 each 1股每股面值1港元的普通股	Investment holding 投資控股
JF Household Furnishings (Asia) Ltd. 捷豐家居用品(亞洲)有限公司	British Virgin Islands 英屬維爾京群島	100%	300 ordinary shares of US$1 each 300股每股面值1美元的普通股	Investment holding 投資控股
Indirectly held *間接持有*				
Digital King Holdings Limited	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US$1 each 1股每股面值1美元的普通股	Investment holding 投資控股
Hasssh Limited	Hong Kong 香港	100%	1 ordinary share of HK$1 each 1股每股面值1港元的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Seven Senses Game Company Limited 七元素遊戲有限公司	Hong Kong 香港	100%	10,000 ordinary shares of HK$1 each 10,000股每股面值1港元的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲

44. INVESTMENTS IN SUBSIDIARIES (Continued) 44. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/registered capital 已發行及繳足普通股／註冊資本面值	Principal activities 主要業務
Indirectly held (continued) *間接持有(續)*				
七元素遊戲有限公司#	Taiwan 台灣	100%	18,000,000 ordinary shares of NTD1 each 18,000,000股每股面值1新台幣的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
鳳凰數位娛樂有限公司#	Taiwan 台灣	0%	3,000,000 ordinary share of NTD1 each 3,000,000股每股面值1新台幣的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Triple S Global Holdings Limited	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US$1 each 1股每股面值1美元的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Seven Elements Interactive Digital Technology Limited 七元素互動數碼科技有限公司	Hong Kong 香港	95%	1,000 ordinary shares of HK$1 each 1,000股每股面值1港元的普通股	Investment holding 投資控股
Cubinet Interactive (MSC) Sdn. Bhd.#	Malaysia 馬來西亞	100%	6,048,780 ordinary share of MYR1 each 6,048,780股每股面值1令吉的普通股	Investment holding 投資控股
Cubinet Interactive Sdn. Bhd.#	Malaysia 馬來西亞	100%	400,000 ordinary share of MYR6 each 400,000股每股面值6令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Cubinet Interactive Holdings Sdn. Bhd.#	Malaysia 馬來西亞	100%	200,000 ordinary share of MYR0.7 each 200,000股每股面值0.7令吉的普通股	Property investment 物業投資
Cubinet Interactive Int'l Co,. Ltd#	Malaysia-Labuan 馬來西亞－納閩	100%	1 ordinary share of MYR4 each 1股每股面值4令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲

44. INVESTMENTS IN SUBSIDIARIES (Continued) 44. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/registered capital 已發行及繳足普通股／註冊資本面值	Principal activities 主要業務
Indirectly held (continued) *間接持有(續)*				
Cubizone Interactive (Thailand) Co., Ltd#	Thailand 泰國	48.994%	100,000 ordinary shares of THB100 each 100,000股每股面值100泰銖的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Cubizone Philippine Corporation#	Philippines 菲律賓	39.84%	498 ordinary share of MYR7.4 each 498股每股面值7.4令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Cubinet Interactive Philippines Coporation#	Philippines 菲律賓	49%	4,998 ordinary share of MYR0.8 each 4,998股每股面值0.8令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Cubinet Interactive Vietnam Co., Ltd#	Vietnam 越南	49%	14,700 ordinary share of MYR3.4 each 14,700股每股面值3.4令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Tais Mobile Pte Ltd#	Singapore 新加坡	60%	1,800,000 ordinary share of MYR0.026 each 1,800,000股每股面值0.026令吉的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Seven Elements Interactive Limited	Hong Kong 香港	95%	1,000 ordinary share of HK$1 each 1,000股每股面值1港元的普通股	Investment holding 投資控股
Deluxe Trading (HK) Limited 頂尖貿易(香港)有限公司	Hong Kong 香港	100%	100 ordinary shares of HK$1 each 100股每股面值1港元的普通股	Property investment 物業投資
海南萬輝網絡科技有限公司*#	PRC 中國	100%	1,000,000 ordinary share of RMB1 each 1,000,000股每股面值人民幣1元的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲

44. INVESTMENTS IN SUBSIDIARIES (Continued) 44. 於附屬公司之投資(續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立／成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/registered capital 已發行及繳足普通股／註冊資本面值	Principal activities 主要業務
Indirectly held (continued) *間接持有(續)*				
萬輝(蘇州)數碼科技有限公司*#	PRC 中國	100%	1,000,000 ordinary share of RMB1 each 1,000,000股每股面值人民幣1元的普通股	Design, development and operation of online games 設計、開發及營運線上遊戲
Best Gold Corporation Limited 金瑞興業有限公司	Hong Kong 香港	100%	1 ordinary share of HK$1 each 1股每股面值1港元的普通股	Money lending 放債
Keylink Technology Limited 機靈科技有限公司	British Virgin Islands 英屬維爾京群島	100%	100 ordinary shares of US$1 each 100股每股面值1美元的普通股	Investment holding 投資控股
JF Ningbo *# 寧波捷豐*#	PRC 中國	100%	Registered capital and paid-up capital of US$7,000,000 註冊資本及繳足資本7,000,000美元	Manufacturing and sales of stainless steel furnishings and home products and accessories 製造及銷售不銹鋼傢俱、家居用品及配件
JF Metal *# 捷豐金屬*#	PRC 中國	100%	Registered capital and paid-up capital of US$140,000 註冊資本及繳足資本140,000美元	Manufacturing and processing of stainless steel rods and other accessories 製造及加工不銹鋼桿及其他配件

\# Statutory financial statements not audited by RSM Hong Kong
* Wholly-owned foreign enterprise established in the PRC

\# 法定財務報表未經羅申美會計師事務所審核
* 在中國成立的外商獨資企業

Although the Group owns less than 50% of the equity interest in Cubizone Interactive (Thailand) Co., Ltd, Cubizone Philippine Corporation and Cubinet Interactive Philippines Corporation, it is able to gain power over more than 50% of the voting rights by virtue of agreements with other investors. Consequently, the Group consolidates these entities.

儘管本集團於Cubizone Interactive (Thailand) Co., Ltd、Cubizone Philippine Corporation及Cubinet Interactive Philippines Corporation擁有之股權少於50%，但根據與其他投資者訂立的協議，本集團有權獲得50%以上的投票權。因此，本集團將該等實體綜合計算。

The above list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

上表載有對本集團的業績、資產或負債構成重大影響的附屬公司詳細資料。

45. CONTINGENT LIABILITIES

At 31 December 2019, the Group did not have any significant contingent liabilities (2018: Nil).

45. 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)。

46. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet incurred are as follows:

46. 資本承擔

於報告期末的已訂約但尚未產生資本承擔如下：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Game intellectual properties and licenses	遊戲知識產權及牌照	**11,393,491**	—

47. OPERATING LEASE ARRANGEMENTS

The Group as lessee

At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

47. 經營租賃安排

本集團作為承租人

於二零一八年十二月三十一日，不可撤銷經營租賃支付之未來最低租金總額如下：

		2018 二零一八年 HK$ 港元
Within one year	一年內	4,037,916
In the second to fifth years inclusive	第二至五年(包括首尾兩年)	6,712,969
After five years	五年後	3,050,419
		13,801,304

Operating lease payments represent rentals payable by the Group for certain of its offices and factory premises. Leases are negotiated for an term of 1 to 10 years and rentals are fixed over the lease terms and do not include contingent rentals.

經營租賃付款指本集團就其若干辦公室及廠房處所應付之租金。租賃的平均租期協定為1至10年及租金為按租期之固定租金，且不包括或然租金。

47. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessor

All of the Group's investment properties are held for rental purposes. All of the properties held have committed tenants for the next 1 to 3 years (2018: 1 to 3 years).

At 31 December 2018 the total future minimum lease payments under non-cancellable operating leases are receivable as follows:

47. 經營租賃安排(續)

本集團作為出租人

本集團所有投資物業持作租賃用途。所持所有物業已於未來1至3年(二零一八年:1至3年)內均已有承諾租賃之租戶。

於二零一八年十二月三十一日,不可撤銷經營租賃應支付未來最低租金總額為以下應收款項:

		2018 二零一八年 HK$ 港元
Within one year	一年內	1,108,741
In the second to fifth years inclusive	第二至五年(包括首尾兩年)	211,803
		1,320,544

Operating leases relate to investment property owned by the Group with lease terms of 1 to 3 years, with no extension. The lessee does not have an option to purchase the property at the expiry of the lease period.

Minimum lease payments receivable on leases are as follows:

經營租賃與本集團租期為1至3年的自有投資物業(不可延期)有關。承租人並無擁有於租期屆滿時購買該物業的選擇權。

租賃的最低應收租賃款項如下:

		2019 二零一九年 HK$ 港元
Within one year	一年內	**924,782**
In the second to fifth years inclusive	第二至五年(包括首尾兩年)	**353,403**
		1,278,185

47. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessor (Continued)

The following table presents the amounts reported in profit or loss:

47. 經營租賃安排(續)

本集團作為出租人(續)

下表呈列於損益表申報的金額：

		2019 二零一九年 HK$ 港元
Lease income on operating leases	經營租賃的租賃收入	1,463,058

48. RELATED PARTY TRANSACTIONS

For the years ended 31 December 2019 and 2018, transactions with the following parties are considered to be related party transactions:

JF Furniture	A director of the Company, Mr. Leung Kwok Yin, has beneficial interests.
JF Household Furnishings (BVI) Limited	A director of the Company, Mr. Leung Kwok Yin, has beneficial interests.
A.C.R. Equipment Supplies Limited	A director of the Company, Mr. Leung Kwok Yin, has beneficial interests.
King Leader Investment Limited	A key management of the Group, Mr Li Hang Sze, has beneficial interests.
鳳凰數位娛樂有限公司	A director of the Company, Mr. Cheng Ting Kong, has beneficial interests.
Imperium Credit Limited	A director of the Company, Mr. Cheng Ting Kong, has beneficial interests.
Imperium Financial Group Limited	A director of the Company, Mr. Cheng Ting Kong, has beneficial interests.

48. 關聯人士交易

截至二零一九年及二零一八年十二月三十一日止年度，與下列人士進行之交易被視為關聯人士交易：

捷豐傢俱	本公司董事梁國賢先生於該公司擁有實益權益。
捷豐家居用品(維爾京群島)有限公司	本公司董事梁國賢先生於該公司擁有實益權益。
捷豐冷凍器材有限公司	本公司董事梁國賢先生於該公司擁有實益權益。
領皇投資有限公司	本集團主要管理人員李恒思先生於該公司擁有實益權益。
鳳凰數位娛樂有限公司	本公司董事鄭丁港先生於該公司擁有實益權益。
帝國信貸財務有限公司	本公司董事鄭丁港先生於該公司擁有實益權益。
帝國金融集團有限公司	本公司董事鄭丁港先生於該公司擁有實益權益。

48. RELATED PARTY TRANSACTIONS (Continued)

(a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

48. 關聯人士交易(續)

(a) 除本綜合財務報表其他部分所披露的關聯人士交易及結餘外，於年內，本集團與其關聯人士進行以下交易：

		2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Leasing charges paid to — JF Furniture	向以下公司支付租賃費用 — 捷豐傢俱	**2,397,885**	2,305,928
Purchase from — JF Furniture	向以下公司購買 — 捷豐傢俱	**2,589,243**	3,595,296
License fees paid to — A.C.R. Equipment Supplies Limited	向以下公司支付特許費 — 捷豐冷凍器材有限公司	**120,000**	120,000
Consultancy fee paid to — King Leader Investment Limited	向以下公司支付諮詢費 —領皇投資有限公司	**—**	180,000
Service charge paid to — 鳳凰數位娛樂有限公司	向以下公司支付服務費 —鳳凰數位娛樂有限公司	**—**	2,226,396
Interest expense paid to — Imperium Credit Limited — Imperium Financial Group Limited	向以下公司支付利息開支 — 帝國信貸財務有限公司 — 帝國金融集團有限公司	**710,137** **212,055**	147,945 —
Salaries to a close family member of a director	給予一名董事近親之薪金	**—**	1,423,934

JF Furniture has guaranteed bank loans made to the Group of approximately HK$41,416,419 at 31 December 2019 (2018: HK$44,951,928).

於二零一九年十二月三十一日捷豐傢俱已向本集團之銀行貸款約41,416,419港元(二零一八年：44,951,928港元)作出擔保。

During the year, the key management personnel compensation paid by the Group including amounts paid to the Company's director as disclosed in note 12 to the consolidated financial statements and certain of the highest paid employees as disclosed in note 11 to the consolidated financial statements.

年內，本集團支付予主要管理人員的酬金包括如綜合財務報表附註11內所披露支付予本公司董事以及如綜合財務報表附註12內所披露支付予若干位最高薪酬人士的金額。

48. RELATED PARTY TRANSACTIONS (Continued) 48. 關聯人士交易(續)

(b) Balance with related parties

At 31 December 2019 and 2018, the Group had the following balances with related parties:

(b) 與關聯人士的結餘

於二零一九年及二零一八年十二月三十一日，本集團與關聯人士有下列結餘：

		Note 附註	2019 二零一九年 HK$ 港元	2018 二零一八年 HK$ 港元
Due from related companies	應收關聯公司款項			
— King Leader Investment Limited	— 領皇投資有限公司	(i)	—	453,170
— JF Household Furnishings (BVI) Limited	— 捷豐家居用品(維爾京群島)有限公司	(i)	4,737,355	4,737,355
Due to related companies	應付關聯公司款項			
— JF Furniture	— 捷豐傢俱	(i)	(7,650,046)	(3,884,479)
— 鳳凰數位娛樂有限公司	— 鳳凰數位娛樂有限公司	(i)	—	(488,238)
— Imperium Credit Limited	— 帝國信貸財務有限公司	(ii)	(48,093,726)	(30,000,000)
— Imperium Financial Group Limited	— 帝國金融集團有限公司	(ii)	(45,234,316)	—
			(96,240,733)	(29,182,192)

Notes:

(i) These amounts due from/(to) related companies are unsecured interest-free and have no fixed repayment terms.

(ii) These amounts due to related companies of HK$93,328,042 was unsecured, interest bearing from 1.50% to 2.00% per annum and repayable within three years.

附註：

(i) 該等應收／(應付)關聯公司款項為無抵押、免息及無固定還款期。

(ii) 該等應付關聯公司款項93,328,042港元為無抵押、按每年1.50%至2.00%計息及須於三年內償還。

49. EVENTS AFTER THE REPORTING PERIOD

After the COVID-19 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 COVID-19 outbreak and evaluate its impact on the financial position, cash flows and operating results of the Group. Given the dynamic nature of the COVID-19 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 financial statements are authorised for issue.

49. 報告期後事項

自新型冠狀病毒疫症於二零二零年初爆發以來，全球已經及持續實施一系列預防及控制措施。本集團密切注意新型冠狀病毒疫症的發展及所造成的商業及經濟活動中斷，並評估其對本集團財務狀況、現金流量及營運業績之影響。鑑於新型冠狀病毒疫情不斷轉變，於本財務報表授權刊發日期就其對本集團財務狀況、現金流量及營運業績之影響作出合理估計並不切實可行。

50. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 20 March 2020.

50. 財務報表的批准

董事會已於二零二零年三月二十日批准及授權刊發本財務報表。

帝國集團 環球控股有限公司

IMPERIUM GROUP
GLOBAL HOLDINGS LIMITED