

Superactive Group Company Limited 先機企業集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 176



ANNUAL REPORT

2019

年報

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BOARD OF DIRECTORS

Executive Directors:

Ms. Yeung So Lai (*Chairman*)

Mr. Lee Chi Shing Caesar (*Deputy Chairman*)

Independent Non-executive Directors:

Ms. Hu Gin Ing

Mr. Chow Wai Leung William

Mr. Leung Man Man

AUDIT AND RISK COMMITTEE

Ms. Hu Gin Ing (*Chairman*)

Mr. Chow Wai Leung William

Mr. Leung Man Man

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Mr. Chow Wai Leung William (*Chairman*)

Ms. Hu Gin Ing

Mr. Leung Man Man

REMUNERATION COMMITTEE

Ms. Hu Gin Ing (*Chairman*)

Mr. Chow Wai Leung William

Mr. Leung Man Man

COMPANY SECRETARY

Mr. Luk Chi Keung

AUDITOR

BDO Limited

REGISTERED OFFICE

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1510, 15/F., West Tower,
Shun Tak Centre, 168-200 Connaught Road Central,
Sheung Wan, Hong Kong

董事會

執行董事：

楊素麗女士(主席)

李志成先生(副主席)

獨立非執行董事：

胡競英女士

周偉良先生

梁萬民先生

審核及風險委員會

胡競英女士(主席)

周偉良先生

梁萬民先生

提名及企業管治委員會

周偉良先生(主席)

胡競英女士

梁萬民先生

薪酬委員會

胡競英女士(主席)

周偉良先生

梁萬民先生

公司秘書

陸志強先生

核數師

香港立信德豪會計師事務所有限公司

註冊辦事處

Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

總辦事處兼香港主要營業地點

香港上環
干諾道中 168-200 號信德中心
西座 15 樓 1510 室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Conyers Corporate Services
(Bermuda) Limited
Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communication Department.

Website: www.superactive.com.hk

Email: info@superactive.com.hk

百慕達主要股份登記及過戶 辦事處

Conyers Corporate Services
(Bermuda) Limited
Clarendon House,
2 Church Street, Hamilton HM11,
Bermuda

香港股份登記及過戶分處

卓佳秘書商務有限公司
香港
皇后大道東 183 號
合和中心 54 樓

主要往來銀行

交通銀行股份有限公司香港分行
恒生銀行有限公司
香港上海滙豐銀行有限公司

投資者關係

有關本公司的其他資料，
請聯絡企業傳訊部。

網址：www.superactive.com.hk

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FIVE YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

		Years ended 31 December					Fifteen months ended
		截至十二月三十一日止年度					31 December
							截至十二月三十一日止十五個月
		2019	2018	2017	2016	2015	
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	
Revenue	收益	184,812	237,525	206,526	141,267	167,625	
Gross profit	毛利	51,157	42,069	20,019	18,999	12,158	
Impairment of assets	資產減值	(10,758)	(107,859)	-	-	-	
Net impairment loss on financial assets	金融資產減值虧損淨額	(20,916)	(35,157)	159	-	-	
Share of results of associates	應佔聯營公司之業績	(10,533)	11,929	54,122	16,333	24,594	
Gain on dilution of interest in an associate	攤薄一間聯營公司權益之收益	-	-	-	-	1,152	
(Loss)/profit before tax	除稅前(虧損)/溢利	(86,124)	(193,173)	79,048	7,763	(5,305)	
Income tax (expense)/credit	所得稅(開支)/抵免	(8,963)	11,167	(10,074)	(4,277)	(3,621)	
(Loss)/profit for the year/period	年/期內(虧損)/溢利	(95,087)	(182,006)	68,974	3,486	(8,926)	
Attributable to:	以下各項應佔:						
Owners of the Company	本公司擁有人	(94,285)	(174,334)	69,324	3,486	(8,926)	
Non-controlling interests	非控股權益	(802)	(7,672)	(350)	-	-	
		(95,087)	(182,006)	68,974	3,486	(8,926)	

ASSETS AND LIABILITIES

資產及負債

		At 31 December 於十二月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	資產總值	1,389,722	1,485,203	1,257,549	533,763	510,250
Total liabilities	負債總額	772,758	762,965	326,203	63,717	46,294
Net assets	資產淨值	616,964	722,238	931,346	470,046	463,956
Equity attributable to owners of the Company	本公司擁有人應佔權益	625,467	717,640	921,224	470,046	463,956
Non-controlling interests	非控股權益	(8,503)	4,598	10,122	-	-
Total equity	權益總額	616,964	722,238	931,346	470,046	463,956

On behalf of the board (the “Board”) of directors (the “Directors”) of Superactive Group Company Limited (the “Company” together with its subsidiaries (the “Group”)), I am pleased to present the annual results of the Group for the year ended 31 December 2019.

BUSINESS OVERVIEW

For the year ended 31 December 2019, the revenue of the Group decreased to approximately HK\$184.81 million as compared to approximately HK\$237.53 million for the year ended 31 December 2018, representing a decrease of approximately 22.19%. The decrease in revenue was primarily attributable to the disposal of Alford Industries Limited and its subsidiaries (“Alford Group”) in May 2019. The Alford Group has only contributed to revenue of approximately HK\$87.58 million for the year ended 31 December 2019, while it has contributed to revenue of approximately HK\$174.24 million for the year ended 31 December 2018. The Group’s gross profit increased by approximately HK\$9.09 million from approximately HK\$42.07 million for the year ended 31 December 2018 to approximately HK\$51.16 million for the year ended 31 December 2019. Gross profit margin increased from approximately 17.71% for the year ended 31 December 2018 to approximately 27.68% for the year ended 31 December 2019 due to the proportion of revenue contribution from money lending business has increased from 7.00% in 2018 to 12.41% in 2019. The gross profit margin in the money lending business is much higher than other business segments.

The Group recorded a loss of approximately HK\$95.09 million for the year ended 31 December 2019 compared to a loss of approximately HK\$182.01 million for the year ended 31 December 2018. The decline in the loss for the year was mainly due to the impairment of assets decreased from approximately HK\$107.86 million for the year ended 31 December 2018 to approximately HK\$10.76 million for the year ended 31 December 2019.

本人謹代表先機企業集團有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然呈報本集團截至二零一九年十二月三十一日止年度之全年業績。

業務概覽

截至二零一九年十二月三十一日止年度，本集團的收益減少至約184,810,000港元，較截至二零一八年十二月三十一日止年度約237,530,000港元減少約22.19%。收益減少主要由於在二零一九年五月出售雅富實業有限公司及其附屬公司(「雅富集團」)。雅富集團截至二零一九年十二月三十一日止年度僅貢獻收益約87,580,000港元，而截至二零一八年十二月三十一日止年度則貢獻收益約174,240,000港元。本集團毛利由截至二零一八年十二月三十一日止年度約42,070,000港元增加約9,090,000港元至截至二零一九年十二月三十一日止年度約51,160,000港元。毛利率由截至二零一八年十二月三十一日止年度約17.71%增至截至二零一九年十二月三十一日止年度約27.68%，此乃由於放債業務的收益貢獻比例由二零一八年的7.00%上升至二零一九年的12.41%。放債業務的毛利率遠高於其他業務分類。

本集團截至二零一九年十二月三十一日止年度錄得虧損約95,090,000港元，而截至二零一八年十二月三十一日止年度則為虧損約182,010,000港元。年內虧損減少主要由於資產減值由截至二零一八年十二月三十一日止年度約107,860,000港元減少至截至二零一九年十二月三十一日止年度約10,760,000港元。

After the completion of the disposal of Alford Group in May 2019, the manufacturing of transformers became the sole business in the segment of manufacturing of electronics products. The revenue of manufacturing of transformers contributed to approximately HK\$44.28 million (representing 23.96%) of the total revenue of the Group. The revenue in the manufacturing of transformers for the year did not show a significant increase as initially expected. With the development of other businesses, the importance of manufacturing of electronics products to the Group will gradually decrease.

PROSPECTS

With the formal signing of the first phase of the Sino-US trade agreement, the tensions resulting from the Sino-US trade dispute and the external economic situations are likely to be alleviated. However, the novel coronavirus ("COVID-19") first broke out in China and Hong Kong and has spreaded to Europe and the United States, which has undoubtedly presented difficult challenges and causing pessimistic sentiment on the business environment of China and Hong Kong.

With the COVID-19 epidemic, it is expected that the operating results for 2020 will be adversely affected. However, we are not yet able to reasonably quantify the potential magnitude of such impact on our financial performance at the date of this annual report. While adjusting resource allocation, the Group will work hard to explore sources of business growth.

The Board will continue in its best endeavour to seek suitable merger and acquisition opportunities and/or business collaboration for further business expansion.

於二零一九年五月完成出售雅富集團後，生產變壓器成為電子產品生產分類的唯一業務。生產變壓器的收益佔本集團總收益約44,280,000港元或23.96%。本年度生產變壓器的收益並未如最初所預料般出現大幅增長。隨著其他業務的發展，生產電子產品對本集團的重要性將日益下降。

前景

正式簽訂第一階段中美貿易協議後，中美貿易糾紛及外來經濟狀況所帶來的緊張局勢很可能會有所緩和。然而，新型冠狀病毒（「COVID-19」）於中國及香港首先爆發並已擴散至歐洲及美國，無疑會對中國與香港的業務環境帶來挑戰與悲觀情緒。

由於COVID-19疫情爆發，預期二零二零年的經營業績將會受不利影響。雖然如此，我們尚未能在本年報日期合理量化疫情對財務表現的潛在影響程度。在調整資源分配的同時，本集團將努力尋找業務增長動力。

董事會將繼續為進一步業務擴張盡力物色合適併購及／或業務合作機會。

COMMUNITY RELATIONS AND SOCIAL RESPONSIBILITY

At the Company, social responsibility is an integral part of how we do business. We go beyond complying with legal or regulatory requirements and genuinely work towards making a positive impact on the welfare of our employees, our business partners, our local communities, and the environment. Environment, Social and Governance (“ESG”) Report attached in the annual report to provide the public with an appreciation of how we perform and respond to different ESG issues.

ACKNOWLEDGMENTS

Finally, I would like to thank our employees for their dedication, independent directors for their guidance and suggestions, and shareholders for their confidence in the management and their support. I am grateful to everyone who contributes to the success of the Group.

Yeung So Lai

Chairman

5 May 2020

社區關係及社會責任

本公司深信社會責任是業務營運其中一個不可或缺的部分，因此我們致力做到高於法例或規管要求，真正為僱員的福利、我們的業務夥伴、我們的社區，以及環境帶來正面影響。年報所附的《環境、社會及管治（「環境、社會及管治」）報告》讓公眾清楚了解我們對環境、社會及管治方面的不同議題的表現及回應。

致謝

最後，我要感謝所有為本集團的成功作出貢獻的各方：勤奮工作的員工、提供指導及意見的獨立董事，以及相信管理層能力及給予支持的股東們。

楊素麗

主席

二零二零年五月五日

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue and Gross Profit: Revenue comprised of sales of electronics products, tuition fee from the provision of nursery education service, interest income from the provision of money lending, management fee received from property management services provided and services income from the provision of regulated financial services. The revenue in 2019 decreased by approximately HK\$52,713,000 (representing a decrease of approximately 22.19% when compared with 2018) from HK\$237,525,000 in 2018 to HK\$184,812,000 in 2019. The decrease in revenue was mainly due to the disposal of the business of manufacturing of baby monitors and semi-products on 30 May 2019. The gross profit increased by approximately HK\$9,088,000 (representing an increase of approximately 21.60% when compared with 2018) from HK\$42,069,000 in 2018 to HK\$51,157,000 in 2019. The gross profit margin increased by approximately 9.97% from 17.71% in 2018 to 27.68% in 2019.

Other net gains: The other net gains in 2019 were mainly attributable to the gain on disposal of subsidiaries of approximately HK\$13,321,000, rental income of approximately HK\$10,894,000, and net loss on exchange of approximately HK\$20,041,000.

Selling and distribution costs: The selling and distribution costs in the year remained stable as in 2018.

Administrative costs: The decrease was mainly due to no administrative costs for the business of manufacturing of baby monitors and semi-products recognised after the completion of the disposal on 30 May 2019.

Finance costs: The increase in the year was mainly due to interest recognised on the lease liabilities upon the adoption of HKFRS 16 in 2019.

Impairment of assets: The impairment was mainly recognised for the goodwill for the subsidiaries of the manufacturing of electronics products.

財務回顧

收益及毛利：收益包括電子產品的銷售、提供幼兒教育服務的學費、提供放債的利息收入、提供物業管理服務的管理費及提供受規管金融服務的服務收入。二零一九年的收益由二零一八年的237,525,000港元減少約52,713,000港元至二零一九年的184,812,000港元（較二零一八年減少約22.19%）。收益減少主要由於二零一九年五月三十日出售生產嬰兒監視器及半成品的業務。毛利由二零一八年的42,069,000港元增加約9,088,000港元至二零一九年的51,157,000港元（較二零一八年增加約21.60%）。毛利率由二零一八年的17.71%上升約9.97%至二零一九年的27.68%。

其他收益淨額：於二零一九年，其他收益淨額主要來源於出售附屬公司之收益約13,321,000港元，租金收入約10,894,000港元及已扣除匯兌虧損約20,041,000港元。

銷售及分銷成本：本年度銷售及分銷成本與二零一八年維持穩定。

行政成本：減幅乃主要由於二零一九年五月三十日出售生產嬰兒監視器及半成品的業務完成後並未確認行政成本。

財務成本：本年度增幅乃主要由於在二零一九年採納香港財務報告準則第16號時對租賃負債已確認的利息。

資產減值：主要就電子產品生產之附屬公司的商譽確認減值。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

Net impairment loss on financial assets: The net impairment loss on financial assets for the year comprises the impairment loss on trade receivables, other receivables and loan receivables. The impairment was recognised according to the expected credit loss rates which are based on the actual loss experience over the previous years adjusted for forward-looking information available to the Group without undue cost and effort.

Share of results of associates: The amount represented the Group's share of the results of the associates, IT City Development Fund LP, on an equity basis.

BUSINESS REVIEW

The Group is principally engaged in the provision of money lending service and provision of financial service in Hong Kong; and manufacturing of electronics products, provision of nursery education service and property development and management in the People's Republic of China (the "PRC") during the year. In 2019, the income from the manufacturing of electronics products, interest income, services income from the provision of financial service, income from nursery education and property development and management income accounted for approximately 71.35% (2018: 83.62%), 12.41% (2018: 7.00%), 5.98% (2018: 5.15%), 3.85% (2018: 3.75%) and 6.41% (2018: 0.48%) of total revenue respectively.

Manufacturing Electronics Products

During the year, the segment of manufacturing electronics products includes the manufacturing of baby monitors and semi-products and manufacturing of transformers. The segment of manufacturing electronics products contributed approximately HK\$131,861,000 to revenue (2018: HK\$198,628,000 representing a decrease of 33.61% when compared with 2018), of which approximately HK\$87,580,000 (2018: HK\$174,238,000 and representing a decrease of 49.74% when compared with 2018) was generated from manufacturing of baby monitors and semi-products and approximately HK\$44,281,000 (2018: HK\$24,390,000 and representing an increase of 81.55% when compared with 2018) was generated from manufacturing of transformers. The business of manufacturing of baby monitors and semi-products was disposed during the year. The main market for the business of the manufacturing of transformers is the PRC.

金融資產減值虧損淨額：本年度金融資產減值虧損淨額包括應收貿易賬款、其他應收款項及應收貸款之減值虧損。減值乃根據過去數年之實際虧損經驗得出之預期信貸虧損率並按本集團毋須花費過多成本及精力即可取得的前瞻性資料調整後確認。

應佔聯營公司之業績：該金額指本集團按股權基準應佔聯營公司IT City Development Fund LP之業績。

業務回顧

本集團本年度主要於香港從事提供放債服務及金融服務業務；及於中華人民共和國（「中國」）從事電子產品生產、提供幼兒教育服務及物業開發及管理。於二零一九年，來自電子產品生產之收入、利息收入、來自提供金融服務之服務收入、來自提供幼兒教育之收入和物業開發及管理收入分別約佔總收益71.35%（二零一八年：83.62%）、12.41%（二零一八年：7.00%）、5.98%（二零一八年：5.15%）、3.85%（二零一八年：3.75%）及6.41%（二零一八年：0.48%）。

電子產品生產

於本年度，電子產品生產分類包括嬰兒監視器及半成品生產以及變壓器生產。電子產品生產分類貢獻收益約131,861,000港元（二零一八年：198,628,000港元，較二零一八年下跌33.61%），其中約87,580,000港元（二零一八年：174,238,000港元，較二零一八年下跌49.74%）產生自嬰兒監視器及半成品生產，而約44,281,000港元（二零一八年：24,390,000港元，較二零一八年上升81.55%）則產生自變壓器生產。生產嬰兒監視器及半成品業務已於本年度出售。變壓器生產業務的主要市場為中國。

Provision of Nursery Education Services

During the year, the segment of the provision of nursery education services contributed approximately HK\$7,124,000 to revenue (2018: HK\$8,910,000, representing a decrease of 20.04% when compared with 2018).

Provision of Money Lending Services

During the year, the segment of the provision of money lending services contributed approximately HK\$22,933,000 to revenue (2018: HK\$16,625,000, representing an increase of 37.94% when compared with 2018). The terms of the lendings were from 4 days to 1 year (2018: from 7 days to 1 year) at the interest rate from 6% per annum to 15% per annum (2018: from 6% per annum to 15% per annum) on the principals from HK\$2,000,000 to HK\$51,000,000 (2018: from HK\$7,869,000 to HK\$51,000,000).

Property Development and Management

Lijiang Underground Walkway: The Lijiang Underground Walkway is located at the underground of Minzhu Road and Fuhui Road, Lijiang City, Yunan Province, the PRC. The construction and the final acceptance were completed in 2018 and those shops that have been pre-sold before the Group's acquisition have been delivered to the respective buyers. The gross floor area of the underground walkway project is approximately 36,583 square metre ("sq. m.") comprising a civil air defence work structure of approximately 13,730 sq. m., 741 units of the saleable shop premises with a total gross floor area of approximately 19,923 sq. m., a non-saleable property utility room of approximately 15 sq. m. and a commercial function room of approximately 2,915 sq. m.. The Lijiang Underground Walkway is now held-for-sales purpose but in the meantime, the shop premises will be leased to generate rental income and management fee income. During the year, the management fee income generated was approximately HK\$11,846,000 (2018: HK\$1,141,000).

提供幼兒教育服務

於本年度，提供幼兒教育服務分類貢獻收益約7,124,000港元(二零一八年：8,910,000港元，較二零一八年減少20.04%)。

提供放債服務

於本年度，提供放債服務分類貢獻收益約22,933,000港元(二零一八年：16,625,000港元，較二零一八年增加37.94%)。借款年期介乎4天至1年(二零一八年：7天至1年)，本金介乎2,000,000港元至51,000,000港元(二零一八年：7,869,000港元至51,000,000港元)，年利率介乎6%至15%(二零一八年：年利率介乎6%至15%)。

物業發展和管理

麗江地下步行街：麗江地下步行街位於中國雲南省麗江市民主路及福慧路地下。經已於二零一八年完成工程及最終驗收，該等在本集團收購該項目前已預售之商舖已交付予各買方。該地下步行街項目建築面積約為36,583平方米(「平方米」)，由面積約為13,730平方米之一項人民防空工程結構、總建築面積約為19,923平方米之741間可銷售商店、面積約為15平方米之一間不可銷售雜物室及面積約為2,915平方米之一間商業多用途室組成。麗江地下步行街現持作出售用途，但同時，商店將會出租以產生租金收入及管理費收入。於本年度，所產生的管理費收入約為11,846,000港元(二零一八年：1,141,000港元)。

Provision of Financial Services

During the year, the segment of the provision of financial services contributed approximately HK\$11,048,000 to revenue (2018: HK\$12,221,000, representing a decrease of 9.60% when compared with 2018). The revenue of the provision of financial services was generated from the asset management services.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As at 31 December 2019, the Group had cash and cash equivalents of approximately HK\$26,088,000 (2018: HK\$28,464,000) which included approximately HK\$24,472,000 and Renminbi ("RMB") 1,447,000.

The Group had interest-bearing borrowings of approximately HK\$502,549,000 (2018: HK\$439,269,000) of which approximately HK\$270,401,000 (2018: HK\$286,565,000) were repayable on demand or within one year; approximately HK\$10,066,000 (2018: HK\$6,565,000) were repayable in the second year; and approximately HK\$222,082,000 (2018: HK\$146,139,000) were repayable in the third to fifth years, inclusive. The Group's total bank and other borrowings divided by total assets as at 31 December 2019 was 36.16% (2018: 29.58%). As at 31 December 2019, the gearing ratio of the Group was 0.77 (2018: 0.57). This ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest-bearing borrowings less cash and cash equivalents. With the cash and bank balances available, and other current assets could be converted to cash within a year, the Group has sufficient financial resources to finance its operations and to meet the financial obligations of its business.

As at 31 December 2019, the Group has a net asset value of HK\$616,964,000 (2018: HK\$722,238,000), with a liquidity ratio (ratio of current assets to current liabilities) of 1.66 (2018: 1.49).

提供金融服務

於本年度，提供金融服務分類貢獻收益約11,048,000港元(二零一八年：12,221,000港元，較二零一八年減少9.60%)。提供金融服務之收益產生自資產管理服務。

流動資金、財務資源及資本負債比率

於二零一九年十二月三十一日，本集團之現金及現金等價物項目約為26,088,000港元(二零一八年：28,464,000港元)，其中包括約24,472,000港元及人民幣(「人民幣」)1,447,000元。

本集團之計息借款約為502,549,000港元(二零一八年：439,269,000港元)，其中約270,401,000港元(二零一八年：286,565,000港元)須按要求或於一年內償還；約10,066,000港元(二零一八年：6,565,000港元)須於第二年償還；及約222,082,000港元(二零一八年：146,139,000港元)須於第三年至第五年(包括首尾兩年)內償還。本集團於二零一九年十二月三十一日的銀行及其他借款總額除以總資產為36.16%(二零一八年：29.58%)。於二零一九年十二月三十一日，本集團資產負債比率為0.77(二零一八年：0.57)。該比率按債務淨額除以權益總額計算。債務淨額按計息借款總額減現金及現金等價物項目計算。由於具備手頭現金及銀行結餘及其他流動資產可於一年內變現，本集團有足夠的財務資源為其經營提供資金及履行其業務之財務責任。

於二零一九年十二月三十一日，本集團之資產淨值為616,964,000港元(二零一八年：722,238,000港元)，而流動資金比率(流動資產與流動負債之比率)為1.66(二零一八年：1.49)。

CHARGE ON ASSETS

As at 31 December 2019, the share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the operating company of the nursery education in PRC; (ii) Superactive Financial Group, the operating company of the regulated financial services; (iii) Link Complex Limited, a company which held the 18% unlisted equity shares of a company which is for provision of real-time kinematic solution; (iv) Shenzhen Jiaxin Enterprise Management Company Limited, the holding company of a group operating the manufacturing of transformers; and (v) Joint Faith Enterprises Limited and Joint Faith Enterprises Management (SZ) Company Limited, the holding companies of a group operating Lijiang Project were pledged to secure the Company's bond issued on 29 December 2017. In addition, the office properties included in Land and Building under Property, Plant and Equipment were pledged to a bank to secure the Group's term loans.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets, loans and transactions are principally denominated in Hong Kong dollars, RMB and US dollars. All the Group's borrowings are denominated in Hong Kong dollars and RMB. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its financial position exposure as at 31 December 2019.

EMPLOYEES

As at 31 December 2019, the Group had staff force of approximately 300 employees (2018: approximately 600 employees). Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as share option scheme). Total staff costs incurred for the year 2019 were approximately HK\$40,818,000 (2018: approximately HK\$52,690,000).

資產抵押

於二零一九年十二月三十一日，(i)成都壹貳叁澳中教育投資有限公司(一間於中國經營幼兒教育的公司)；(ii)先機金融集團(一間經營受規管金融服務的公司)；(iii) Link Complex Limited (一間持有從事提供實時動態解決方案的公司的18%非上市股權的公司)；(iv) 深圳市加信企業管理有限公司(一間持有經營生產變壓器的集團的控股公司)；及(v) 津信企業有限公司及津信企業管理(深圳)有限公司(經營麗江項目集團的控股公司)的股權已被質押以為本公司於二零一七年十二月二十九日發行的債券作擔保。此外，包含在物業、廠房及設備中土地及樓宇一欄中之辦公室物業已質押予銀行以擔保本集團的定期貸款。

匯率波動風險及有關對沖

本集團的貨幣資產、貸款及交易主要以港元、人民幣及美元計值。本集團借款全部均以港元及人民幣計值。於二零一九年十二月三十一日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖其財務狀況風險。

僱員

於二零一九年十二月三十一日，本集團擁有約300名僱員(二零一八年：約600名僱員)，其中大部份在中國工作。僱員的薪酬與市場趨勢一致，與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵(如購股權計劃)。二零一九年所產生的員工成本總額約為40,818,000港元(二零一八年：約52,690,000港元)。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

As at the date of this annual report, the biographical details of the Directors are as follows:

EXECUTIVE DIRECTOR

Ms. Yeung So Lai (“Ms. Yeung”), aged 42, joined the Company on 25 January 2017 as an executive Director and acted as the Chairman of the Company on 8 February 2017. Ms. Yeung has been appointed as director of various subsidiaries of the Company. Ms. Yeung is presently a director of a number of private companies engaged in the business of investment holding and is experienced in corporate management. Ms. Yeung was also the executive director and chief executive officer of Imperium Group Global Holdings Limited (formerly known as JF Household Furnishings Limited) (stock code: 0776) from 21 September 2012 to 31 July 2016, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and was executive director of Suncity Group Holdings Limited (formerly known as Sun Century Group Limited and Hong Long Holdings Limited) (stock code: 1383), a company listed on the Main Board of the Stock Exchange, from 2 September 2011 to 31 March 2017.

Mr. Lee Chi Shing Caesar (“Mr. Lee”), aged 56, joined the Company on 25 January 2017 as an executive Director and acted as the Deputy Chairman of the Company on 8 February 2017. Mr. Lee has been appointed as director of various subsidiaries of the Company. Mr. Lee obtained a Professional Diploma in Accountancy from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in 1985 and a Bachelor of Arts in Business Studies from the City University of Hong Kong (formerly known as the City Polytechnic of Hong Kong) in 1994. He had worked in the Inland Revenue Department for over 15 years after his graduation. In 2000, he joined Ernst and Young, an international accounting firm, as a senior manager. He later obtained a Master degree in International Accountancy from the City University of Hong Kong in 2001. He was the executive director of Newtree Group Holdings Limited (stock code: 1323), a company listed on the Main Board of the Stock Exchange from 4 October 2011 to 31 January 2020. He is experienced in corporate management and internal control. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, he is a member of the Society of Registered Financial Planners.

於本年報刊發日期，董事的履歷詳情如下：

執行董事

楊素麗女士(「楊女士」)，42歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司主席。楊女士獲委任為本公司多間附屬公司的董事。楊女士目前為多間從事投資控股業務的私人公司的董事，在企業管理方面經驗豐富。楊女士亦曾於二零一二年九月二十一日至二零一六年七月三十一日擔任帝國集團環球控股有限公司(前稱為捷豐家居用品有限公司)(股份代號：0776)執行董事兼行政總裁，該公司股份於香港聯合交易所有限公司(「聯交所」)主板上市，並曾於二零一一年九月二日至二零一七年三月三十一日擔任聯交所主板上市公司太陽城集團控股有限公司(前稱太陽世紀集團有限公司及鴻隆控股有限公司)(股份代號：1383)執行董事。

李志成先生(「李先生」)，56歲，於二零一七年一月二十五日加入本公司並擔任執行董事，並於二零一七年二月八日獲委任為本公司副主席。李先生獲委任為本公司多間附屬公司的董事。李先生於一九八五年獲香港理工大學(前稱為香港理工學院)頒發會計專業文憑，並於一九九四年獲香港城市大學(前稱為香港城市理工學院)頒發商學文學士學位。彼畢業後於稅務局工作逾15年。於二零零零年，彼加入國際會計師事務所安永會計師事務所出任高級經理。其後，彼於二零零一年獲香港城市大學頒發國際會計碩士學位。彼於二零一一年十月四日至二零二零年一月三十一日擔任聯交所主板上市公司友川集團控股有限公司(股份代號：1323)之執行董事。彼於企業管理及內部監控方面經驗豐富。彼為香港會計師公會及英國特許公認會計師公會資深會員。此外，彼亦為註冊財務策劃師協會會員。

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Hu Gin Ing (“Ms. Hu”), aged 61, joined the Company on 6 November 2013 as an independent non-executive Director, chairman of the audit and risk committee and a member of the nominating and corporate governance committee of the Company. Ms. Hu has been appointed as a member of the remuneration committee of the Company on 30 May 2014 and re-designated as chairman of the remuneration committee of the Company on 15 September 2014. Ms. Hu has experience in media, television network and private equity investments. Ms. Hu has been a director/partner of NHL CPA Limited, Hong Kong, since January 2005. Ms. Hu is now the vice chairman of the board of Benelife Management Limited since February 2018 and the chairman of the board of Benepet Co., Ltd. since July 2017. Ms. Hu has been the Corp. CFO, Global Finance, of Acer Incorporated a company listed on the Taiwan Stock Exchange Corporation for the period from May 2014 to June 2017. Ms. Hu was an independent non-executive director of Carnival Group International Holdings Limited (stock code: 0996), a company listed on the Main Board of the Stock Exchange from December 2013 to April 2019. Ms. Hu is an independent non-executive director of LVGEM (China) Real Estate Investment Company Limited (stock code: 0095) and Enterprise Development Holdings Limited (stock code: 1808), all of which are listed on the Main Board of the Stock Exchange. Ms. Hu has been an independent director of Vigor Kobo Company Limited (stock code: 2733) and Acer Synergy Tech Corp. (stock code: 6751) since 28 June 2019 and 15 October 2019 respectively and both companies are listed on the Mainboard of the Taipei Exchange. Ms. Hu obtained a Master of Business Administration degree from Florida International University, the US, a Master of Science degree from Barry University, the US, and a Bachelor degree in Foreign Language from the National Taiwan University. Ms. Hu is a Certified Public Accountant, a member of the Hong Kong Institute of Certified Public Accountants as well as a member of the American Institute of Certified Public Accountants and has over 25 years of experience in accounting and finance.

獨立非執行董事

胡競英女士(「胡女士」)，61歲，於二零一三年十一月六日加入本公司，為本公司之獨立非執行董事、審核及風險委員會主席以及提名及企業管治委員會成員。胡女士於二零一四年五月三十日獲委任為薪酬委員會成員並於二零一四年九月十五日調任為薪酬委員會主席。胡女士於媒體、電視網絡及私募股權投資方面擁有經驗。胡女士自二零零五年一月起擔任香港匯俊會計師事務所有限公司之董事／合夥人。胡女士自二零一八年二月起擔任合富潤生企業管理諮詢(上海)有限公司副董事長及自二零一七年七月起擔任益龍生醫藥股份有限公司董事長。胡女士自二零一四年五月至二零一七年六月期間任職宏碁股份有限公司(一間於台灣證券交易所上市的公司)全球財務長。胡女士於二零一三年十二月至二零一九年四月期間擔任聯交所主板上市公司嘉年華國際控股有限公司(股份代號：0996)之獨立非執行董事。胡女士為綠景(中國)地產投資有限公司(股份代號：0095)及企展控股有限公司(股份代號：1808)之獨立非執行董事(上述公司均於聯交所主板上市)。胡女士自二零一九年六月二十八日及二零一九年十月十五日起分別出任維格餅家股份有限公司(股份代號：2733)及智聯服務股份有限公司(股份代號：6751)之獨立董事(以上兩家公司均於證券櫃檯買賣中心上櫃)。胡女士取得美國佛羅里達國際大學(Florida International University)工商管理碩士學位、美國貝瑞大學(Barry University)理科碩士學位及國立台灣大學外文系學士學位。胡女士為執業會計師、香港會計師公會會員以及美國會計師公會會員，並於會計及財務方面擁有逾25年經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS 董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Continued)

Mr. Chow Wai Leung William (“Mr. Chow”), aged 47, joined the Company on 8 February 2017 as an independent non-executive Director, chairman of the nominating and corporate governance committee, a member of each of the audit and risk committee and remuneration committee of the Company. Mr. Chow is a certified public accountant and an executive of an accounting firm in Hong Kong and has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. Mr. Chow obtained a Bachelor’s Degree in Business Administration (Hons.) from Hong Kong Baptist University in 1996. Mr. Chow is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Society of Chinese Accountants and Auditors and the Taxation Institute of Hong Kong.

Mr. Leung Man Man (“Mr. Leung”), aged 52, joined the Company on 17 April 2019 as an independent non-executive Director, a member of each of the audit and risk committee, nominating and corporate governance committee and remuneration committee of the Company. Mr. Leung is currently a practising solicitor in Hong Kong and China-Appointed Attesting Officer. Mr. Leung obtained a Bachelor of Laws in the University of Wolverhampton, the United Kingdom and passed the Solicitors’ Final Examination pursuant to the Training Regulations, 1989 in England and Wales. He was admitted as a solicitor of the High Court in 1997. He is now a partner of Messrs. K M Lai & Li, Solicitors.

獨立非執行董事(續)

周偉良先生(「周先生」)，47歲，於二零一七年二月八日加入本公司，為本公司獨立非執行董事、提名及企業管治委員會主席、審核及風險委員會兼薪酬委員會成員。周先生為執業會計師，並為香港一間會計師行之行政人員，於香港審計、稅務及公司秘書業務方面擁有多年經驗。周先生於一九九六年在香港浸會大學取得工商管理學士(榮譽)學位。周先生為香港會計師公會、英國特許公認會計師公會、香港華人會計師公會及香港稅務學會會員。

梁萬民先生(「梁先生」)，52歲，於二零一九年四月十七日加入本公司擔任獨立非執行董事，其為本公司審核及風險委員會、提名及企業管治委員會及薪酬委員會之成員。梁先生現為香港執業律師及中國委託公證人。梁先生在英國伍爾弗漢普頓大學取得法學士學位，並於一九八九年在英格蘭及威爾斯根據「培訓規例」通過律師期末考試。梁先生於一九九七年獲認許為高等法院律師，現為黎錦文李孟華律師事務所之合夥人。

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

PRINCIPAL ACTIVITIES

The Company is a diversified investment holding company. The activities of its principal subsidiaries are set out in note 42 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 82 and the accompanying notes to the consolidated financial statements.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2019 (2018: nil).

To enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 21 January 2019 ("Dividend Policy").

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider the Company's financial results, prospects and other factors, and subject to:

- the Company's Bye-laws;
- the applicable restrictions and requirements under the laws of the Bermuda;
- any banking or other funding covenants by which the Company is bound from time to time;
- the investment and operating requirements of the Company; and
- any other factors that have a material impact on the Company.

董事欣然提呈本報告及本集團截至二零一九年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司為一家多元化投資控股公司。本公司主要附屬公司之業務載於綜合財務報表附註42內。

業績及分派

本集團之年內業績載於第82頁之綜合損益表及隨附之綜合財務報表附註內。

董事不建議派付截至二零一九年十二月三十一日止年度之末期股息(二零一八年：無)。

為提升本公司之透明度及促使本公司股東及投資者作出有關本公司之知情投資決定，董事會於二零一九年一月二十一日採納一項股息政策(「股息政策」)。

根據股息政策，當未來決定是否宣派任何股息及所宣派股息的金額時，本公司將考慮本公司之財務業績、前景及其他因素，並受以下各項限制：

- 本公司之公司細則；
- 百慕達法律下的適用限制及要求；
- 本公司不時受其約束的任何銀行或其他融資契諾；
- 本公司的投資及經營需求；及
- 任何其他對本公司構成重大影響的因素。

DIRECTORS' REPORT

董事會報告

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board has the right to review the Dividend Policy from time to time as it deems fit according to the financial and business development requirements of the Company.

DONATIONS

The Group did not make any charitable and other donation during the year (2018: nil).

SHARE CAPITAL

Details of the Company's share capital as at 31 December 2019 are set out in note 30 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 86.

DISTRIBUTABLE RESERVES

The Company did not have any distributable reserve available for distribution to the shareholders as at 31 December 2019.

本公司沒有任何預定的股息分配比例或分配比率。股息之宣派、派付及金額將由董事會酌情決定。董事會有權於其認為合適時按本公司財政及業務發展需求不時審閱股息政策。

捐款

本集團年內並無作出任何慈善及其他捐款(二零一八年：無)。

股本

本公司截至二零一九年十二月三十一日之股本詳情載於綜合財務報表附註30。

儲備

年內，本集團之儲備變動詳情載於第86頁之綜合權益變動表。

可分派儲備

於二零一九年十二月三十一日，本公司並無擁有任何可供分派儲備以供向股東派發。

ISSUANCE OF BONDS

On 29 December 2017, the Company has issued bonds to an independent third party for a principal amount of HK\$300 million. The bonds are interest-bearing at 8% per annum at issue and interest is payable quarterly in arrears and matured on 28 December 2019. The first instalment of interest was payable on 20 March 2018. According to the subscription agreement, the bonds are non-callable until 29 December 2018. The purpose of the bonds is to satisfy the funding needs of the money lending operation, the capital expenditures for the development of nursery education business and the general working capital of the Group. The proceeds of the bonds were received on 2 January 2018.

On 23 July 2018, the Group partially repaid the principal amount of HK\$20,000,000.

On 24 December 2019, the Group further partially repaid the principal amount of HK\$20,000,000 and the bondholder granted an extension of the maturity date for the remaining outstanding principal amount of HK\$260,000,000 from 28 December 2019 to 28 December 2020.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

發行債券

於二零一七年十二月二十九日，本公司向一名獨立第三方發行本金額為300,000,000港元之債券。該等債券於發行時按年利率8%計息，利息須於每季度支付及已於二零一九年十二月二十八日到期。第一筆分期付款之利息應於二零一八年三月二十日支付。根據認購協議，該等債券於截至二零一八年十二月二十九日止為不可贖回。該等債券乃旨在滿足本集團之放債業務的資金需求、發展幼兒教育業務之資本開支及一般營運資金。有關債券款項已於二零一八年一月二日收取。

於二零一八年七月二十三日，本集團已償還20,000,000港元之部分本金額。

於二零一九年十二月二十四日，本集團進一步償還部分本金額20,000,000港元，而債券持有人批准將餘下未償還本金額260,000,000港元之到期日由二零一九年十二月二十八日延長至二零二零年十二月二十八日。

物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於綜合財務報表附註13。

DIRECTORS' REPORT 董事會報告

DIRECTORS

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

Executive Directors:

Ms. Yeung So Lai
Mr. Lee Chi Shing Caesar

Independent Non-executive Directors:

Ms. Hu Gin Ing
Mr. Chow Wai Leung William
Mr. Chiu Sze Wai Wilfred (retired on 30 May 2019)

Mr. Leung Man Man (appointed on 17 April 2019)

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the current directors are set out on page 14 to page 16 of this annual report.

DIRECTOR'S SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with Bye-law 84 of the Company's Bye-laws and Code Provision A.4.2 of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. All of the independent non-executive Directors are appointed for a specific term.

In accordance with Bye-law 84 of the Company's Bye-laws, Ms. Yeung So Lai, and Ms. Hu Gin Ing shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

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.

董事

於年內及截至本報告刊發日期之董事如下：

執行董事：

楊素麗女士
李志成先生

獨立非執行董事：

胡競英女士
周偉良先生
趙思璋先生
(於二零一九年五月三十日退任)
梁萬民先生
(於二零一九年四月十七日獲委任)

董事之履歷詳情

現任董事之履歷詳情載於本年報第 14 至 16 頁。

董事服務合約與輪值

根據本公司細則第 84 條及上市規則附錄十四所載之企業管治守則(「企業管治守則」)守則條文第 A.4.2 條，各委任董事均須輪值退任且符合資格並願意重選連任。所有獨立非執行董事均按指定任期獲委任。

根據本公司之公司細則第 84 條，楊素麗女士及胡競英女士將於本公司即將舉行之股東週年大會上退任董事職務，而彼等符合資格並願意重選連任。

董事概無與本公司或其任何附屬公司訂立或擬訂立並非於一年內屆滿或僱傭公司不可於一年內不作補償(法定補償除外)而終止之服務合約。

DIRECTOR'S EMOLUMENTS

Details of Director's emoluments on a named basis are set out in note 9 to the consolidated financial statements.

The executive Directors, Ms Yeung So Lai and Mr Lee Chi Shing Caesar have waived part of their salaries of approximately HK\$6,600,000 and HK\$5,400,000 respectively during the year.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

DIRECTORS' INTEREST IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2019, the interests of the Directors and their associates in the ordinary shares and underlying ordinary shares of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") which are required to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or are deemed to have taken under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

董事酬金

董事酬金詳情以具名方式載列於綜合財務報表附註9。

於本年度，執行董事楊素麗女士及李志成先生已放棄彼等部分薪金分別約6,600,000港元及5,400,000港元。

獨立非執行董事之獨立性

根據上市規則第3.13條之規定，本公司已收到每位獨立非執行董事就其獨立性之年度確認。本公司認為所有獨立非執行董事均屬獨立人士。

董事於本公司及其相聯法團證券之權益

於二零一九年十二月三十一日，董事及其聯繫人於本公司及其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之普通股及相關普通股中，擁有根據證券及期貨條例第XV部第7及8分部，須知會本公司及聯交所之權益（包括根據證券及期貨條例該等條文被當作或被視為擁有之權益及淡倉），或根據證券及期貨條例第352條須記入本條所述之登記冊之權益，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益如下：

DIRECTORS' INTEREST IN THE SECURITIES
OF THE COMPANY AND ITS ASSOCIATED
CORPORATIONS (Continued)

董事於本公司及其相聯法團證券
之權益(續)

Long Positions in the Shares of the Company

於本公司股份之好倉

Name of director 董事姓名	Corporate Interest 公司權益	Number of shares 股份數目	
		Total 總計	Percentage of aggregate interest to total number of shares in issue* 總權益 佔已發行股份總數 之百分比*
Ms. Yeung So Lai 楊素麗女士	1,152,731,997 ⁽¹⁾	1,152,731,997	56.71%
Mr. Lee Chi Shing Caesar 李志成先生	1,152,731,997 ⁽²⁾	1,152,731,997	56.71%

Notes:

(1) This represents interest hold by Ms. Yeung So Lai through Super Fame Holdings Limited ("Super Fame") which holds 1,152,731,997 shares of the Company. Ms. Yeung So Lai has 55% interest in Super Fame, and she is therefore deemed to be interested in 1,152,731,997 shares of the Company.

(2) This represents interest held by Mr. Lee Chi Shing Caesar through Super Fame which holds 1,152,731,997 shares of the Company. Mr. Lee Chi Shing Caesar has 45% interest in Super Fame, and he is therefore deemed to be interested in 1,152,731,997 shares of the Company.

* The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2019 (i.e. 2,032,571,385 shares).

附註：

(1) 指楊素麗女士透過持有本公司1,152,731,997股股份之超名控股有限公司(「超名」)持有之權益。楊素麗女士擁有超名之55%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。

(2) 指李志成先生透過持有本公司1,152,731,997股股份之超名持有之權益。李志成先生擁有超名之45%權益，故彼被視為於本公司1,152,731,997股股份中擁有權益。

* 該百分比已按本公司於二零一九年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

Other than as disclosed above, neither the Directors nor any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

除以上披露者，董事或彼等之任何聯繫人概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 38 to the consolidated financial statements headed "Related Party Transactions", no other transactions, arrangements or contracts of significance to which the Company, its holding 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 or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this annual report, none of the Directors is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

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

董事於重大交易，安排或合約中之權益

除綜合財務報表附註38「關連人士交易」所披露者外，於本年度末或年內任何時間概無存續由本公司、其控股公司或其任何附屬公司訂立而董事直接或間接於其中擁有重大權益之其他重大交易、安排或合約。

董事於競爭業務中之權益

於本年度內及直至本年報日期，概無董事被視為於與本集團之業務直接或間接形成競爭或可能形成競爭之業務(定義見上市規則)中擁有權益。

董事購入股份或債券之權利

本公司、其控股公司或其任何附屬公司在本年度內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而得益。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2019, the interests or short positions of those persons (other than Directors whose interests disclosed above) in the ordinary shares and underlying ordinary shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

Long Positions

Name	Capacity in which shares were held	Number of shares	Percentage of aggregate interest to total number of shares in issue* 總權益 佔已發行股份 總數之百分比*
名稱	持有股份的身份	股份數目	
Super Fame ¹ 超名 ¹	Beneficial owner 實益擁有人	1,152,731,997 (L)	56.71%
Jade Treasure Global Limited ("Jade Treasure") ² 致達環球有限公司(「致達」) ²	Security interest 抵押權益	1,152,731,997 (L)	56.71%

L: Long position

Notes:

1. Super Fame is owned as to 55% by Ms. Yeung So Lai and 45% by Mr. Lee Chi Shing Caesar. As such, Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar were deemed to be interested in 1,152,731,997 shares of the Company held by Super Fame.

於本公司股本中之主要權益

於二零一九年十二月三十一日，根據證券及期貨條例第336條本公司須存置之登記冊所記錄，該等人士(不包括其權益於上文披露之董事)於本公司普通股及相關普通股持有之權益或淡倉如下：

好倉

L: 好倉

附註：

1. 超名由楊素麗女士及李志成先生分別擁有55%及45%權益。因此，楊素麗女士及李志成先生被視為於超名持有的1,152,731,997股本公司股份中擁有權益。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY (Continued)

Long Positions (Continued)

- Jade Treasure is wholly-owned by Wise Prismatic Limited ("Wise Prismatic"). Wise Prismatic is wholly-owned by China Huarong Overseas Investment Holdings Co., Limited ("Huarong Overseas Investment"), which in turn is wholly-owned by Huarong Overseas Chinese Asset Management Co., Ltd. ("Huarong Overseas Chinese Asset Management"). Huarong Overseas Chinese Asset Management is owned as to 91% by Huarong Zhiyan Investment & Management Co. Ltd ("Huarong Zhiyan") which in turn wholly-owned by China Huarong Asset Management Co., Ltd. ("China Huarong"). Thus, each Wise Prismatic, Huarong Overseas Investment, Huarong Overseas Chinese Asset Management, Huarong Zhiyan and China Huarong is deemed to be interested in 1,152,731,991 Shares in which Jade Treasure has a security interest.

* The percentage has been adjusted based on the total number of shares of the Company in issue at 31 December 2019 (i.e. 2,032,571,385 shares).

Save as disclosed above, as at 31 December 2019, the Company has not been notified of any other interests or short positions in the ordinary shares and underlying ordinary shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors throughout the year and up to the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

PRE-EMPTIVE RIGHTS

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

PENSION SCHEMES

The pension schemes of the Group are primarily in the form of contributions to Hong Kong's Mandatory Provident Fund and the PRC statutory public welfare fund, respectively.

於本公司股本中之主要權益(續)

好倉(續)

- 致達由Wise Prismatic Limited(「Wise Prismatic」)全資擁有。Wise Prismatic由China Huarong Overseas Investment Holdings Co., Limited(「Huarong Overseas Investment」)全資擁有，Huarong Overseas Investment由華融華僑資產管理股份有限公司(「華融華僑資產管理」)持有。華融華僑資產管理由華融致遠投資管理有限責任公司(「華融致遠」)擁有91%權益。華融致遠由中國華融資產管理股份有限公司(「中國華融」)全資擁有。因此，Wise Prismatic、Huarong Overseas Investment、華融華僑資產管理、華融致遠及中國華融各自被視為致達擁有抵押權益之1,152,731,997股股份中擁有權益。

* 該百分比已按本公司於二零一九年十二月三十一日已發行股份總數(即2,032,571,385股)予以調整。

除上文所披露者外，於二零一九年十二月三十一日，本公司並未獲知會有任何其他人士擁有根據證券及期貨條例第336條須存置之登記冊所記錄之本公司普通股及相關普通股之任何其他權益或淡倉。

公眾持股量

根據本公司可獲得之公開資料，並就董事所知悉，本公司於本年度及直至本年報日期內維持充足的公眾持股量，其並不少於上市規則規定之本公司已發行股份之25%。

優先購買權

本公司之公司細則概無有關優先購買權之條文，百慕達法律亦沒有該等權利之規定，使本公司須按比例向現有股東發售新股。

退休金計劃

本集團之退休金計劃主要供款形式分別為香港強制性公積金計劃及中國法定公益金供款計劃。

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 were exempted from the requirements of the Listing Rules are also disclosed in note 38 to the consolidated financial statements as related party transactions.

MANAGEMENT CONTRACT

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

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

The Company has not purchased, sold or redeemed any of the Company's listed securities during the year.

BUSINESS REVIEW

Business review is set out on page 9 to page 13 under Management Discussion and Analysis of this annual report.

MAJOR CUSTOMERS AND MAJOR SUPPLIERS

Sales to the largest customer and the five largest customers accounted for 25.38% and 57.83%, respectively, of total revenues for the year.

Purchases from the largest supplier and the five largest suppliers accounted for 10.38% and 42.39%, respectively, of total purchases for the year.

As far as the Directors are aware, none of the Directors, their close associates, or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's total issued shares) has any interest in the customers or suppliers of the Company disclosed above.

關聯交易

於本年度，本公司並無訂立任何須遵守上市規則的關聯交易。獲上市規則豁免的其他交易亦於綜合財務報表附註38披露作關連人士交易。

管理合約

本年度概無訂立或於年末存續任何有關本公司全部或絕大部分業務管理與行政之合約。

購買、出售或贖回本公司上市證券

本公司於本年度概無購買、出售或贖回本公司任何上市證券。

業務回顧

業務回顧載於本年報管理層討論與分析第9至13頁。

主要客戶及主要供應商

最大客戶及五大客戶之銷售額分別佔本年度總收益額之25.38%及57.83%。

最大供應商及五大供應商之採購額分別佔本年度總採購額之10.38%及42.39%。

據董事所知，概無董事、其緊密聯繫人或據董事所知擁有本公司已發行股份總數5%以上權益之任何股東於上文所披露之本公司客戶或供應商擁有任何權益。

PERMITTED INDEMNITY PROVISION

The Bye-laws of the Company provides that directors shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they are or any of them shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against Directors.

EVENTS AFTER THE REPORTING PERIOD

COVID-19 Epidemic

After the COVID-19 epidemic in China in early 2020, a series of effective prevention and control measures continued to be implemented throughout China. As at the date of this annual report, China's prevention and control efforts have yielded positive results, and the COVID-19 epidemic situation continues to improve.

The Group has been closely monitoring developments of COVID-19 epidemic and continuously assessing its impact on the financial position and operating performance of the Group. At present, the Group is still in the progress of assessing its impact, and could not reasonably estimate relevant impacts of COVID-19 epidemic on the Group.

SHARE OPTION

On 6 June 2017, a resolution was passed in the 2017 annual general meeting of the Company to adopt a new share option scheme (the "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 Share Option Scheme subsequently.

As at 31 December 2019, no share options were granted under the Share Option Scheme.

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

獲准許的彌償條文

本公司之公司細則規定董事或其任何一人於或就各自執行其職務或應執行之職務時而所作出、發生之作為或不作為而將會或可能招致或蒙受之所有訴訟、費用、收費、損失、損害及開支，可獲確保就此免受任何損害，並從本公司的資產獲得彌償。本公司已就董事可能面對任何訴訟時產生的責任及相關的費用購買保險。

報告期後事項

COVID-19 疫情

二零二零年初，中國爆發COVID-19疫情後，全國各地持續實施一系列有效的預防及管控措施。截至本年報日期，中國的防控工作取得了積極成效，COVID-19疫情形勢持續向好。

本集團一直密切關注COVID-19疫情的發展情況，並持續評估其對本集團財務狀況及經營業績的影響。目前，本集團仍在進行評估，尚無法合理估計COVID-19疫情對本集團的相關影響。

購股權

於二零一七年六月六日，一項決議案已於本公司二零一七年股東週年大會上通過，以採納新購股權計劃（「購股權計劃」）。

聯交所上市委員會已批准本公司其後根據購股權計劃授出及／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。

於二零一九年十二月三十一日，概無購股權根據購股權計劃獲授出。

以下為購股權計劃之主要條款概要。

SHARE OPTION *(Continued)*

(A) Share Option Scheme

Purpose

To attract and retain the grantees and to promote the success of the business of the Group.

Participants

Eligible participants include:

- (a) any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or a company in which the Group holds an interest or a subsidiary of such company (the "Affiliate")
- (b) a company beneficially owned by any director, employee, consultant or advisor, substantial shareholder, distributor, contractor, supplier, agent, customer, business partner or service provider to the Group or an Affiliate

Exercise price

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

- (a) the closing price of one (1) 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 one (1) share as stated in the Stock Exchange's daily quotation sheets for the five (5) 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.

購股權 *(續)*

(A) 購股權計劃

目的

吸引及挽留承授人並推動本集團業務成功。

參與者

合資格參與者包括：

- (a) 本集團、本集團持有權益之公司或該公司附屬公司(「聯屬公司」)之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商
- (b) 本集團或聯屬公司之任何董事、僱員、顧問或諮詢人、主要股東、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商所實益擁有之公司

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)一(1)股股份在聯交所每日報價單所列之收市價；
- (b) 緊接授出日期前五(5)個營業日一(1)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。

SHARE OPTION *(Continued)*

(A) Share Option Scheme *(Continued)*

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

203,257,138 shares, being approximately 10% of the issued shares of the Company.

Maximum entitlement of each participant

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

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 the offer.

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

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$1.00 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme will be valid and effective until 5 June 2027, 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 5 June 2027 shall continue to be exercisable in accordance with their terms of the grant, notwithstanding the expiry of the scheme.

購股權 *(續)*

(A) 購股權計劃 *(續)*

可發行股份總數及於本年度報告日期佔已發行股本之百分比

203,257,138 股股份，佔本公司已發行股份約 10%。

每名參與者之最高配額

不超過於任何十二個月期間已發行股份之 1%。

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授出日期起計滿十年之較早者。

購股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付 1.00 港元。

付款金額／貸款須作出／償還之期限

不適用。

計劃之餘下年期

計劃將生效及有效直至二零二七年六月五日，此後將不會進一步授出任何購股權，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二零二七年六月五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。

SHARE OPTION *(Continued)*

(B) Movements of the Share Option Scheme

No share option has been granted under the Share Option Scheme since the date of the adoption of the scheme.

AUDITOR

The consolidated financial statements for the year have been audited by BDO Limited which will retire and being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board

Superactive Group Company Limited

Yeung So Lai

Chairman

Hong Kong, 5 May 2020

購股權 *(續)*

(B) 購股權計劃之變動

自購股權計劃採納日期以來概無根據計劃授出任何購股權。

核數師

本年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，該核數師將於應屆股東週年大會上退任，惟符合資格並願意重選連任。

代表董事會

先機企業集團有限公司

楊素麗

主席

香港，二零二零年五月五日

The Company is committed to maintaining a high standard of corporate governance practices to enhance corporate performance and accountability. Continuous efforts are made to review and enhance the Group's procedures in light of changes in regulations and developments in best practices.

CORPORATE GOVERNANCE CODE

The Company has adopted all the code provisions in the CG Code as set out in Appendix 14 of the Listing Rules. Throughout the year, the Company complied with applicable code provisions of the CG Code, save as disclosed below.

Under Code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer ("CEO") should be separated and should not be performed by the same individual. The Company does not at present have an officer with the title CEO. The daily operation and management of the Company are monitored by the executive Directors. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company's strategies.

Under Code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. However, due to their other business commitment, Mr. Chiu Sze Wai Wilfred and Mr. Leung Man Man, independent non-executive Directors, did not attend the annual general meeting of the Company held on 30 May 2019.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises five Directors, with two executive Directors and three independent non-executive Directors.

Appropriate directors' and officers' liability insurance had been arranged for all the Directors and Officers of the Company.

本公司致力維持高水平企業管治常規，以提升企業表現及問責性。鑒於法規變動及最佳慣例之演變，我們亦持續審閱及加強本集團之程序。

企業管治守則

本公司已採納上市規則附錄十四所載之企業管治守則之所有守則條文。於整個年度內，除下文披露者外，本公司一直遵守企業管治守則之適用守則條文。

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（「行政總裁」）之角色應予分開，不應由同一人士兼任。本公司並無任何職稱為「行政總裁」之主管人員。本公司之日常運作及管理由執行董事監察。董事會認為現有架構適合本公司，因為其可促進本公司策略之有效制訂及實施。

根據企業管治守則之守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會及均衡了解股東的意見。然而，由於彼等的其他公務，趙思璋先生及梁萬民先生（為本公司獨立非執行董事）未出席於二零一九年五月三十日舉行的本公司股東週年大會。

董事會

於本報告刊發日期，董事會由五名董事組成，其中兩名為執行董事及三名為獨立非執行董事。

本公司已為全體董事及高級職員投購合適之董事及高級職員責任保險。

BOARD OF DIRECTORS *(Continued)*

Each newly appointed director receives comprehensive, formal and tailored induction on his/her appointment, so as to ensure that he/she has an appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Directors are also regularly updated on the Group's business and accounting reporting standards in the board meetings. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided a record of the training they received for the year to the Company.

During the year, the company secretary, who is the employee of the Company, has taken no less than 15 hours of the relevant professional training requirement.

The Board has a balance of appropriate skills and experience to meet the requirements of the businesses of the Group. All Directors had separate and independent access to the advice and services of the senior management, the chief financial officer and the company secretary of the Company, with a view to ensuring that Board procedures, and all applicable rules and regulations, are followed.

During the year, the Board met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing more than one-third of the board of directors, with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company had received from each of its independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considered them to be independent.

董事會 *(續)*

各新委任董事獲委任時均會獲得一項全面、正規及切合個人需要的入職指引，以確保彼對本公司的業務及營運有恰當了解，並完全知悉其根據上市規則及有關監管要求的職責及責任。於董事會會議上，董事定時獲得與本集團業務及會計申報準則有關的更新資料。全體董事已參與持續專業發展，以發展並重溫其知識及技能，並已向本公司提供彼等年內所接受培訓之記錄。

年內，公司秘書(其為本公司之僱員)已符合不少於15小時的相關專業培訓規定。

董事會具備適當的技能和經驗以滿足本集團之業務需求。全體董事均有個別和獨立途徑取得高級管理層、首席財務官及本公司公司秘書之建議和服務，從而確保董事會程序，以及所有適用規則和規定得以遵從。

年內，董事會已遵守上市規則有關委任至少三名獨立非執行董事(超過董事會三分之一成員)，且其中一名須具備適當專業資格或會計或相關財務管理專長的規定。

根據上市規則第3.13條，本公司已接獲每名獨立非執行董事就其獨立性作出之年度確認書，並認為彼等均屬獨立。

BOARD OF DIRECTORS *(Continued)*

Appointment and Succession Planning of Directors

The Company has established the nomination and corporate governance committee (“NCG Committee”) and adopted formal, considered and transparent procedures for the appointment and succession planning of Directors. Appropriate candidates as properly selected by the NCG Committee will be proposed to the Board for approval.

The Board and the NCG Committee as a whole are responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. The Board reviews its structure, size and composition, as appropriate, to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

In accordance with the Company’s Bye-laws, one third of the Directors are subject to retirement by rotation every year, and any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company. Detailed information of the Directors standing for re-election will be set out in the circular of the Company in relation to the forthcoming annual general meeting to be despatched to the shareholders.

董事會 (續)

董事之委任及續任計劃

本公司已成立提名及企業管治委員會 (「提名及企業管治委員會」) 並就董事的委任及繼任計劃制訂正式、經周詳考慮及透明的程序。經提名及企業管治委員會挑選考慮合適人選，再向董事會提名、通過落實。

董事會連同提名及企業管治委員會整體上負責審閱董事會的組成、確立及制訂提名及委任董事的有關程序、監察董事的委任及繼任計劃，並評估獨立非執行董事的獨立性。董事會會在適當時候檢討其架構、成員人數及組成，確保其具備適合本公司業務需求的專業知識、技能及經驗。

根據本公司的公司細則，本公司三分之一董事每年均須輪流退任，而獲委任填補臨時空缺或新增董事會職位的任何新董事，僅留任至本公司下屆股東週年大會為止，屆時彼等將符合資格於該大會上膺選連任。

董事會建議被重新委任的董事將於本公司應屆股東週年大會上接受重選。寄發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。

BOARD OF DIRECTORS *(Continued)*

Board Diversity Policy

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. In January 2019, the Board adopted a Board Diversity Policy.

The Company believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how and any other factors that the Board deems appropriate from time to time. In implementing its perspectives on Board diversity, the Company will also take into account factors based on its business model and specific needs from time to time.

The composition, experience and balance of skills in the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The NCG Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. The NCG Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and it reflects the achievement of full consideration of factors of Board diversity.

The Board will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness.

董事會 *(續)*

董事會多元化政策

本公司一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會成員多元化之好處。於二零一九年一月，董事會採納董事會多元化政策。

在決定任命董事時，本公司相信要獲得董事會多元化，可以從多方面的因素考慮，包括(但不限於)性別、年齡、經驗、文化及教育背景、專業經驗、技能及知識及董事會不時認為適用的其他因素。在實行董事會多元化方面，本公司亦將根據其業務模式及不時之特定需要考慮各種因素。

董事會定期檢討其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名及企業管治委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。提名及企業管治委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會將在適當時候檢討董事會多元化政策，以確保其持續有效。

BOARD OF DIRECTORS (Continued)

The Board meets regularly, and the Board meetings are held at least four times a year, and at other times as necessary. Where appropriate, decisions are also taken by way of circulated resolutions. The Board monitors and reviews, among others, the performance of the Group companies, including operations, finance, risk management, internal controls and strategic issues. The principal functions of the Board are to:

- play a key role in the implementation and monitoring of internal controls, financial reporting and risk management;
- assume responsibility for corporate governance and compliance with applicable laws and regulations; and
- approve the Group's strategies, directions and financial objectives.

The overall management of the Company's business is vested in the Board. The Board reserves for its decision all significant matters of the Company and it has delegated the day-to-day management, administration and operations of the Company to the executive Directors and senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board for all material transactions entered into by senior management and other executives.

The Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

For all of the Board meetings, proper and reasonable notices, adequate and appropriate information in the form of agenda, board papers and minutes of the meetings are prepared and circulated to all the Directors in a reasonable time.

董事會(續)

董事會定期會面，一年最少召開四次董事會會議，及於必要時在其他時間召開會議。在適當情況下，亦會以傳閱決議案之方式作決定。董事會監察及檢討(其中包括)本集團成員公司於營運、財務、風險管理、內部控制及策略等事項之表現。董事會之主要職能為：

- 在執行和監察內部控制、財務報告及風險管理方面擔當重要角色；
- 承擔企業管治責任並遵守適用法律及法規；及
- 批核本集團之策略、方向及財務目標。

董事會負責本公司業務之整體管理。董事會對本公司所有重大事宜保留決策權，並委派執行董事及高級管理層負責本公司之日常管理、行政及運作，並定期檢討獲分派的職能及職責。高級管理人員及其他行政人員訂立的所有重大交易必須獲董事會批准。

董事會定期檢討各董事向本公司履行其職責時所作出的貢獻。

就所有董事會會議而言，正規及合理的通知以及充足及適當的資料包括議程、董事會文件及會議記錄均會在合理時間內編製及發送予各董事。

BOARD OF DIRECTORS (Continued)

The attendance records of all the Directors for the Board and Committee meetings for the year are set out below:

董事會 (續)

於本年度，所有董事的董事會及委員會會議出席記錄載列如下：

Directors	董事	No. of meetings attended/No. of meetings held 出席會議數目/舉行會議數目				
		Full Board 董事會 全體會議	Audit and Risk Committee 審核及風險 委員會	NCG Committee 提名及 企業管治 委員會	Remuneration Committee 薪酬委員會	General meeting ¹ 股東大會 ¹
<i>Executive Directors:</i> 執行董事：						
Ms. Yeung So Lai	楊素麗女士		N/A	N/A	N/A	
		12/12	不適用	不適用	不適用	1/1
Mr. Lee Chi Shing Caesar	李志成先生		N/A	N/A	N/A	
		12/12	不適用	不適用	不適用	1/1
<i>Independent Non-executive Directors:</i> 獨立非執行董事：						
Ms. Hu Gin Ing	胡競英女士	5/12	2/2	2/2	2/2	1/1
Mr. Chow Wai Leung William	周偉良先生	12/12	2/2	2/2	2/2	1/1
Mr. Chiu Sze Wai Wilfred ²	趙思璋先生 ²	2/5	0/1	0/2	0/2	0/1
Mr. Leung Man Man ³	梁萬民先生 ³	3/9	1/1	0/0	0/0	0/1
Number of meetings held during the year ended 31 December 2019	截至二零一九年十二月三十一日 止年度內舉行之會議數目	12	2	2	2	1

Notes

- ¹ 2019 annual general meeting held on 30 May 2019.
² Retired on 30 May 2019.
³ Appointed on 17 April 2019.

附註

- ¹ 二零一九年股東週年大會於二零一九年五月三十日舉行。
² 於二零一九年五月三十日退任。
³ 於二零一九年四月十七日獲委任。

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibilities as to the Company's financial statements, reporting, audit findings and reviewing the risk management and internal control systems of the Company, as well as the Company's process for monitoring compliance with certain laws and regulations.

The members of the Audit and Risk Committee are as follows: Ms. Hu Gin Ing (Chairman), Mr. Chow Wai Leung William, Mr. Chiu Sze Wai Wilfred (retired on 30 May 2019) and Mr. Leung Man Man (appointed on 17 April 2019), all of whom are independent non-executive Directors.

Work done during the year

- reviewed the annual report and the interim report in accordance with the accounting policies and practices, accounting standards, Listing Rules and legal requirements;
- reviewed the appointment of auditors for audit and non-audit related services and their fees;
- reviewed the audit plans and findings of auditors, risk management, internal controls and financial reporting matters;
- discussed the audit approach and significant audit and accounting issues with the auditors; and

The Audit and Risk Committee met twice a year with the external auditors in the absence of the executive Directors during the year.

There was no disagreement between the Audit and Risk Committee and the Directors in respect of matters about selection, appointment, resignation or dismissal of external auditor.

During the year, the Company's annual results for the year ended 31 December 2018 and the interim results for the six months ended 30 June 2019 have been reviewed by the Audit and Risk Committee.

審核及風險委員會

審核及風險委員會協助董事會履行監察本公司之財務報表、匯報、核數結果及審閱風險管理及內部控制系統，以及本公司監督遵循若干法律及法規程序之責任。

審核及風險委員會由以下人士組成：胡競英女士(主席)、周偉良先生、趙思璋先生(於二零一九年五月三十日退任)及梁萬民先生(於二零一九年四月十七日獲委任)，全部皆為獨立非執行董事。

於本年度處理的工作

- 根據會計政策及常規、會計準則、上市規則及法定要求，審閱年報及中期報告；
- 審閱委聘核數師提供核數及非核數相關服務及其酬金；
- 審閱核數師的核數計劃及結果、風險管理、內部控制及財務報告事宜；
- 與核數師討論審核方法及重大審核及會計事宜；及

於本年度，審核及風險委員會在執行董事缺席的情況下每年與外聘核數師舉行兩次會議。

審核及風險委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事並無意見分歧。

於本年度內，審核及風險委員會已審閱本公司截至二零一八年十二月三十一日止年度的全年業績及截至二零一九年六月三十日止六個月的中期業績。

REMUNERATION COMMITTEE

The Remuneration Committee advises the Board on the Group's compensation policy and practices with a view that a meaningful portion of management's compensation should be contingent upon financial performance of the Group to foster the creation of long term shareholder value.

The Remuneration Committee adopted the model described in code provision B.1.2(c)(i) of the CG Code.

The members of the Remuneration Committee are as follows: Ms. Hu Gin Ing (Chairman), Mr. Chow Wai Leung William, Mr. Chiu Sze Wai Wilfred (retired on 30 May 2019) and Mr. Leung Man Man (appointed on 17 April 2019), all of whom are independent non-executive Directors.

Work done during the year

- reviewed the remuneration policy for the Directors and management with reference to the Board's corporate goals and objectives;
- reviewed and determined packages of the Directors and management with reference to their duties and responsibilities with the Company; and
- ensured no Director or any of his/her associate is involved in deciding his/her remuneration.

Pursuant to code provision B.1.5 of the CG Code, the emoluments of the members of the senior management of the Group by bands is set out below:

Remuneration Bands 酬金級別		Number of Individuals 人數
Nil to HK\$1,000,000	零至 1,000,000 港元	6
HK\$1,000,001 – above	1,000,001 港元以上	0
		6

薪酬委員會

薪酬委員會就本集團之薪酬政策及慣例向董事會提供意見，其認為管理層薪酬之合理部分應與本集團之財務表現掛鉤，以加強創造股東長遠價值。

薪酬委員會採用企業管治守則中守則條文B.1.2(c)(i)所述之模式。

薪酬委員會由以下人士組成：胡競英女士(主席)、周偉良先生、趙思瑋先生(於二零一九年五月三十日退休)及梁萬民先生(於二零一九年四月十七日獲委任)，全部皆為獨立非執行董事。

於本年度處理的工作

- 參考董事會的企業方針及目標，審閱董事及管理層的薪酬政策；
- 參考董事及管理層於本公司的職務及職責，審閱及釐定彼等的待遇；及
- 確保並無董事或其任何聯繫人士參與決定其薪酬。

根據企業管治守則守則條文第B.1.5條，本集團高級管理層成員之酬金級別載列如下：

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE (“NCG COMMITTEE”)

The NCG Committee oversees the composition of the Board to ensure that qualified individuals meeting the criteria of the provisions of the Listing Rules serve as members of the Board and its committees. The NCG Committee also has the responsibility to develop, recommend to the Board and oversee the implementation of corporate governance principles and policies relating to the operation of the Board and its committees and the Company as a whole.

Where vacancies on the Board exist or an additional Director is considered necessary, the NCG Committee will identify suitable candidates and propose the appointment of such candidates to the Board for consideration and the NCG Committee will take into account the qualification as required by the Listing Rules, ability, working experience, leadership and professional ethics, etc. of the candidates and approved if such appointment is considered suitable.

The members of the NCG Committee are as follows: Mr. Chow Wai Leung William (Chairman), Ms. Hu Gin Ing, Mr. Chiu Sze Wai Wilfred (retired on 30 May 2019) and Mr. Leung Man Man (appointed on 17 April 2019), all of whom are independent non-executive Directors.

Work done during the year

- reviewed the structure, size and composition of the Board, and is of the view that there is an appropriate and diverse mix of skills and experience;
- assessed the independence of independent non-executive Directors and confirmed that all independent non-executive Directors are considered independent;

提名及企業管治委員會(「提名及企業管治委員會」)

提名及企業管治委員會監督董事會之組成，以確保由符合上市規則條文所訂標準之合資格人士出任董事會及其委員會之成員。提名及企業管治委員會亦有責任制定、向董事會提出建議及監督有關董事會及其委員會以及本公司整體營運之企業管治原則及政策之執行。

倘董事會出現空缺或認為有必要增加董事，提名及企業管治委員會將物色合適候選人，並向董事會提呈有關候選人之委任事項以供審議，提名及企業管治委員會則將考慮候選人是否符合上市規則規定之資格、能力、工作經驗、領導才能及職業道德操守等因素，如認為有關委任合適則給予批准。

提名及企業管治委員會由以下人士組成：周偉良先生(主席)、胡競英女士、趙思璋先生(於二零一九年五月三十日退休)及梁萬民先生(於二零一九年四月十七日獲委任)，全部皆為獨立非執行董事。

於本年度處理的工作

- 檢討董事會的架構、規模及組成，並認為董事會成員具備適當而多元化的技能及經驗；
- 評估獨立非執行董事的獨立性，並確認全體獨立非執行董事均屬獨立；

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE (“NCG COMMITTEE”) (Continued)

Work done during the year (Continued)

- reviewed the profile and performance of Directors who will stand for re-election at the annual general meeting and confirmed that all those Directors are suitable to stand for re-election;
- developed and reviewed the Company’s policies and practices on corporate governance;
- reviewed and monitored the Company’s policies and practices on compliance with legal and regulatory requirements; and
- reviewed the Company’s compliance with the code provisions of the CG Code and disclosure in the Corporate Governance Report.

The NCG Committee continued to monitor the Board composition with regard to its diversity policy by reviewing its size, structure and composition to ensure that the Board has a balance of ages, talents, expertise, skills, experience, culture, knowledge and gender appropriate to the requirements of the Company. The Company believes diversity is important to enhance the Board’s effectiveness by encouraging a diversity of perspectives and to maintain high standards of corporate governance. The Company will continue to monitor and develop new objectives for implementing and achieving improved diversity on the Board as and when it considers appropriate with regard to the specific needs of the Company and the market from time to time.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct governing Directors’ securities transactions. All Directors have confirmed, following a specific enquiry by the Company, that they had complied with the required standards set out in the Model Code throughout the year.

提名及企業管治委員會(「提名及企業管治委員會」)(續)

於本年度處理的工作(續)

- 審閱將於股東週年大會上參與重選董事的履歷及表現，並確認所有有關董事適合參與重選；
- 制定及審閱本公司企業管治的政策及常規；
- 審閱及監察本公司政策及常規在遵守法定及監管要求的情況；及
- 審閱本公司遵守企業管治守則的守則條文及企業管治報告的披露要求的情況。

針對董事會的多元化政策，提名及企業管治委員會透過審閱董事會的規模、架構及組成監察董事會的組成，以確保董事會於年齡、才能、專長、技能、經驗、文化、知識及性別方面可取得平衡，以切合本公司的要求。本公司相信多元化政策能鼓勵多元視野並維持企業管治處於高水平，對提升董事會的效能起重要作用。本公司將繼續監察，並不時因應本公司及市場的特別需要，在其認為適當時，制定落實及提升董事會多元化發展的新目標。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則作為其本身之董事進行證券交易之操守準則。全體董事經本公司作出特別查詢後確認，彼等於整個年度內一直遵守標準守則內所規定之準則。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's systems of risk management and internal control involve the operation and/or supervision of the Board and the Audit and Risk Committee. The main features and the key processes that have been established in reviewing the adequacy and effectiveness of such systems are stated below.

The Board is responsible for overseeing the Group's systems of risk management and internal control. However, these systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or financial losses or fraud.

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. The Audit and Risk Committee reviews and briefs the systems at least annually.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the systems of risk management and internal control when there are changes to the business environment or regulatory guidelines. The effectiveness and efficiency of risk management and internal control systems are reviewed annually.

The Group has developed an internal control system, which covers major financial, operational and compliance controls to safeguard its assets against unauthorised use, ensure the maintenance of proper accounting records and ensure compliance with relevant laws and regulations. The internal control system is reviewed on an ongoing basis by the Board and Audit and Risk Committee annually. For any identified internal control weaknesses or defects, the Group will enhance control measures to rectify such control weaknesses or defects.

風險管理及內部控制

本集團之風險管理及內部監控系統涉及董事會及審核及風險委員會之運作及／或監督。本集團所確立供審閱該等系統的充足性及有效性的主要特點及主要程序載列如下。

董事會負責監督本集團風險管理及內部監控系統。然而，該等系統的設計旨在將本集團的風險控制在可接受的風險範圍內(而非完全消除失誤風險)，以達至本集團業務目標。因此，有關系統僅可就管理層及財務資料及紀錄的重大錯誤陳述或財務損失或欺詐提供合理而非絕對的保證。

董事會負責監察本集團整體企業匯報及控制系統之程序。審核及風險委員會每年至少進行一次檢討及簡述系統。

董事會已確立既定程序，以識別、評估及管理本集團所面對的重大風險，有關程序包括於營商環境或監管指引變更時更新風險管理及內部監控系統。每年均就風險管理及內部監控系統之有效性及其效率進行檢討。

本集團已制定內部監控系統，該系統涵蓋主要財務、營運及合規監控，以保障資產免受未經授權的使用，確保維持正式會計記錄及確保遵守相關法律及法規。董事會和審核及風險委員會每年以持續基準檢討內部監控系統。本集團將針對任何已識別的內部監控弱點或缺陷加強監控措施，以糾正有關監控弱點或缺陷。

RISK MANAGEMENT AND INTERNAL CONTROLS *(Continued)*

The key processes that have been established in reviewing the adequacy and integrity of the systems of risk management and internal control include the following:

- the Audit and Risk Committee reviews risk management and internal control issues (if any) identified by the external auditor, regulatory authorities and management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

The Group has already established the inside information policies. They depict the decision trees to distinguish inside information and the necessary actions. Employees are required to keep all inside information in strict confidence. Once the inside information needs disclosure, the manner must be equal, timely and effective.

AUDITOR'S REMUNERATION

The Company's principal auditor is BDO Limited. The total remuneration paid/payable to BDO Limited and auditors of subsidiaries and associate in respect of audit services and non-audit services during the year amounted to approximately HK\$1,105,000 and HK\$262,000, respectively.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

All Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2019. The auditor of the Company acknowledges its reporting responsibilities on the financial statements for the year ended 31 December 2019 as set out in the Independent Auditor's Report on pages 73 to 81.

風險管理及內部控制 *(續)*

本集團已確立主要程序以審閱風險管理及內部監控系統的充足性及完整性，該等程序包括：

- 審核及風險委員會審閱外聘核數師、監管機構及管理層所識別的風險管理及內部監控事項(如有)，並評估本集團風險管理及內部監控系統的充足性及有效性。

本集團已訂立內幕消息政策。該政策已描述決策樹以區別內幕消息及必要行動。僱員必須絕對保密所有內幕消息。如需披露內幕消息，必須以平等、適時及有效的方式披露。

核數師酬金

本公司之主要核數師為香港立信德豪會計師事務所有限公司。於年內，就已付／應付香港立信德豪會計師事務所有限公司，以及附屬公司及聯營公司核數師之核數服務及非核數服務之酬金總額分別約為1,105,000港元及262,000港元。

有關財務報表之責任

全體董事知悉彼等編製截至二零一九年十二月三十一日止年度之財務報表之責任。本公司核數師知悉其對第73至81頁獨立核數師報告載列之截至二零一九年十二月三十一日止年度財務報表之申報責任。

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to ensuring that the Group complies with disclosure obligations under the Listing Rules and other applicable laws and regulations and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information issued by the Company. Information regularly provided to the shareholders includes annual and interim reports, circulars and announcements in accordance with the Listing Rules.

The Company welcomes the attendance of shareholders at general meetings to express their views. All the Directors are encouraged to attend the general meetings to have personal communication with shareholders. The external auditor is also required to be present to assist the Directors in addressing any relevant queries by shareholders.

The Chairman of the Company, chairman of each of Audit and Risk Committee, Remuneration Committee and NCG Committee, and representatives of BDO Limited, the external auditor of the Company, attended the annual general meeting held on 30 May 2019. All these persons were available to answer questions at the annual general meeting.

For both institutional and retail investors, the Company's website at www.superactive.com.hk, provide up-to-date information of the Group. All key information such as announcements, annual and interim reports and circulars can be downloaded from these websites.

與股東之通訊

本公司致力確保本集團遵守上市規則項下之披露責任以及其他適用法律及法規，而所有股東及潛在投資者均有同等機會接獲及取得本公司發放之對外公開資料。本公司根據上市規則定期向股東提供之資料包括年報及中期報告、通函及公佈。

本公司歡迎股東出席股東大會以表達意見，並鼓勵所有董事出席股東大會與股東直接溝通。外聘核數師亦須出席股東大會，以協助董事回答股東之任何相關提問。

本公司主席、審核及風險委員會、薪酬委員會和提名及企業管治委員會的主席，以及香港立信德豪會計師事務所有限公司(本公司外聘核數師)的代表均有出席於二零一九年五月三十日舉行的股東週年大會，從而在股東週年大會上解答問題。

機構及散戶投資者可於本公司網站 www.superactive.com.hk 獲得有關本集團之最新資料。所有主要資料如公佈、年報及中期報告及通函均可於上述網址下載。

SHAREHOLDERS' RIGHTS

(i) Procedures by which Shareholders can convene a Special General Meeting ("SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

The requisition must state the purpose of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company with a copy to the Company's head office and principal place of business in Hong Kong at Room 1510, 15/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

(ii) Procedures for putting forward proposals at General Meetings ("GM")

Shareholders can submit a written requisition to move a resolution at GM. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having, at the date of the requisition, a right to vote at the GM, or who are no less than 100 shareholders.

股東之權利

(i) 股東召開股東特別大會(「股東特別大會」)之程序

應持有不少於本公司十分之一已繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面請求，董事會須立即就此召開股東特別大會。

呈請須列明會議目的，並須由呈請人簽署並送交本公司註冊辦事處，且抄送至本公司總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心西座15樓1510室)，註明公司秘書收。

倘董事會並未於該請求書發出日期起計二十一日內召開股東特別大會，則提出該請求人士或持有全體請求人士之過半數總表決權之任何請求人士可自行召開股東特別大會，惟任何如此召開之會議不得於原先發出要求日期起計三個月後舉行。

(ii) 於股東大會(「股東大會」)提出建議之程序

股東可於股東大會上提出書面請求動議決議案。股東之數目須不少於在該請求提出之日期有權於股東大會上表決之所有股東之總表決權二十分之一，或不少於100名股東。

SHAREHOLDERS' RIGHTS (Continued)

(ii) Procedures for putting forward proposals at General Meetings ("GM") (Continued)

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the GM. It must also be signed by all of the shareholders concerned and be deposited at the Company's head office and principal place of business in Hong Kong at Room 1510, 15/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong, for the attention of the Company Secretary not less than six weeks before the GM in case of a requisition requiring notice of a resolution and not less than one week before the GM in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

(iii) Shareholders' Enquiries

Shareholders should direct their questions about their shareholdings to the Company's registrar. Shareholders and the investment community may at any time make a request for information on the Company to the extent that such information is publicly available. Shareholders may also make enquiries to the Board by writing to the Company Secretary at the Company's head office and principal place of business in Hong Kong at Room 1510, 15/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

股東之權利(續)

(ii) 於股東大會(「股東大會」)提出建議之程序(續)

該請求書須列明有關決議案，連同一份不多於一千字之陳述書，內容有關任何提案所提述之事宜，或有關將在該股東大會上處理之事務。該請求書亦須由全體有關股東簽署並送交本公司之總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心西座15樓1510室)，註明公司秘書收。如屬要求發出決議案通知之情況，該請求書須在該股東大會舉行前不少於六個星期送交；如屬任何其他情況，則須在該股東大會舉行前不少於一個星期送交。

有關股東須存放一筆合理及充足之款項，用以支付本公司根據適用法律及規則送達決議案通知及傳閱有關股東提交之陳述書所產生之開支。

(iii) 股東之查詢

股東如對名下持股有任何疑問，應向本公司之股份過戶登記處提出。股東及投資人士可隨時要求索取有關本公司之公開資料。股東亦可透過致函本公司總辦事處及於香港之主要營業地點(地址為香港上環干諾道中168-200號信德中心西座15樓1510室)之公司秘書向董事會作出查詢。

ABOUT THE REPORT

With increasing global concern on sustainability and corporate social responsibility, the Group, as a responsible corporate, shall share the common goals to foster sustainable development. By integrating the principles of sustainability throughout our businesses activities, this can help the Group to capture the business opportunities, to sustain the long-term business growth, as well as maintaining a strong competitive edge in the industry.

This report is our fourth “Environmental, Social and Governance Report” (collectively the “ESG Report”) published by the Group, which communicates our policies, management practices and the Environmental, Social and Governance (collectively the “ESG”) performance of our business activities to our stakeholders – from our headquarter office in Hong Kong

Reporting Standards

The ESG Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Guide”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) set out in Appendix 27 of the Listing Rules. The information in the ESG Report is derived from the Group’s official documents and statistics, as well as the integration and summary of monitoring, management and operational information provided by subsidiaries of the Group.

Reporting Year

All the information in the ESG Report reflects the performance of the Group in environmental management and social responsibility from 1 January 2019 to 31 December 2019 (the “Reporting Period”). This ESG Report is released annually by the Group for public review so as to improve the transparency and responsibility of information disclosure.

關於本報告

隨著全球日益關注可持續發展及企業社會責任，本集團作為一間負責任的企業，應擁有促進可持續發展的共同目標。我們通過於業務活動貫徹整合可持續性原則，即可幫助本集團抓住商機，維持長期業務增長，亦可保持業內強勁競爭優勢。

本報告為我們第四份環境、社會及管治報告（統稱「環境、社會及管治報告」），向我們的持份者傳達我們的政策、管理實踐以及我們業務活動－香港總部的環境、社會及管治（統稱「環境、社會及管治」）表現。

報告準則

本環境、社會及管治報告依據香港聯合交易所有限公司（「聯交所」）所載上市規則附錄二十七「環境、社會及管治報告指引」（「環境、社會及管治指引」）編製。本環境、社會及管治報告所載資料源自本集團的正式文件及統計數據，以及本集團附屬公司提供的監察、管理及營運資料之整合及概要。

報告年度

本環境、社會及管治報告的所有資料反映自二零一九年一月一日起至二零一九年十二月三十一日期間（「報告期間」）本集團環境管理及社會責任方面的表現。本集團每年發佈本環境、社會及管治報告供公眾閱覽，以提高資料披露的透明度及責任。

Reporting Scope

The Group is a diversified holding company with principal engagement in manufacturing and sales of consumer electronics. During the Reporting Period, the Group has disposed the business of manufacturing of baby monitors and semi-products on 30 May 2019 which is the part of the reporting scope covered in the previous ESG Report. Based on the principle of materiality for disclosure and reporting, this ESG Report focuses primarily on the Group's manufacturing and sales of consumer electronics in the People's Republic of China (the "PRC") and the headquarter office in Hong Kong. However, the Group has not yet established the data collection system for the Key performance indicators ("KPIs") relating to environmental aspects for the manufacturing facility for transformers. Thus, the KPIs relating to environmental and social aspects in the ESG Report only cover the headquarter office in Hong Kong for the Reporting Period.

After the comprehensive completion of data collection system and the Group's deepening in its ESG work, the Board has identified certain ESG issues relevant to the Group, which have been assessed by considering their materiality and importance to the Group's principal activities, stakeholders as well as the Group. Those identified ESG issues and KPIs have been disclosed in the ESG Report.

We would like to hear your feedback on this ESG Report. If you have any suggestions, please contact us at info@superactive.com.hk.

報告範圍

本集團是一家多元化控股公司，主要從事消費電子產品的製造及銷售。於報告期間內，於二零一九年五月三十日，本集團已出售嬰兒監視器及半成品生產業務，而此乃過去環境、社會及管治報告所涵蓋報告範圍一部分。根據披露及報告的重要性原則，本環境、社會及管治報告主要集中於本集團在中華人民共和國（「中國」）生產及銷售消費電子產品以及香港總部。然而，本集團尚未就變壓器的製造廠房建立有關環境方面的關鍵績效指標數據收集系統。因此，環境、社會及管治報告中有關環境及社會方面的關鍵績效指標僅涵蓋於報告期間的香港總部。

在數據收集系統全面完善以及本集團深化環境、社會及管治工作後，董事會已確定若干與本集團相關的環境、社會及管治問題，並已通過考慮其對本集團主要活動、持份者及本集團的重大性及重要性進行評估。該等已確定的環境、社會及管治問題及關鍵績效指標已於環境、社會及管治報告中披露。

我們希望聽取閣下對本環境、社會及管治報告的反饋。倘閣下有任何建議，請通過info@superactive.com.hk與我們聯繫。

Stakeholder Engagement

The Stock Exchange has set forth four principles for reporting in the ESG Guide: materiality, quantitative, balance and consistency, which should form the basis for preparing the ESG Report. As the Stock Exchange emphasises, stakeholder engagement is the method by which materiality is assessed. Through stakeholder engagement, companies can understand wide-ranging views and identify material environmental and social issues.

The Group believes that effective feedback from stakeholders not only contributes to comprehensive and impartial evaluation of its ESG performance, but also enables it to improve its performance based on the feedback. Therefore, the Group has engaged in open and regular communication with its stakeholder groups including shareholders, employees, customers, suppliers and regulators. Over the years, the Group has continued to fine-tune its sustainability focus, addressing pressing issues. The table below shows how the Group communicates with key stakeholder groups and their respective concerns.

持份者之參與

聯交所於環境、社會及管治指引中提出四個報告原則：重要性、量化、平衡及一致性，該等原則應為編製環境、社會及管治報告的基礎。誠如聯交所所強調，持份者的參與為評估重要性的方法。通過持份者的參與，公司可了解各種不同觀點並確定重大環境及社會問題。

本集團相信，持份者的有效反饋不僅有助於對其環境、社會及管治表現進行全面公正的評估，而且可該其根據反饋改善表現。因此，本集團與其持份者團體（包括股東、僱員、客戶、供應商及監管機構）進行公開的定期溝通。多年來，本集團繼續微調其可持續發展重點，解決迫切問題。下表列示本集團如何與主要持份者團體進行溝通以及彼等各自關注的事項。

Stakeholders and Engagement Methods

持份者及參與方法

Stakeholders 持份者	Interests and concerns 權益及關注事項	Engagement channels 參與渠道
Shareholders and investors	<ul style="list-style-type: none"> Return on investment Corporate strategy and governance Risk mitigation and management 	<ul style="list-style-type: none"> Annual General Meeting Interim and annual reports, corporate websites Announcements, notices of meetings, circulars
持份者及投資者	<ul style="list-style-type: none"> 投資回報 企業策略及管治 降低及管理風險 	<ul style="list-style-type: none"> 股東週年大會 中期及年度報告、公司網站 公告、會議通告、通函
Customers	<ul style="list-style-type: none"> Robust operation management Full compliance with regulations Sustainability performance of operations 	<ul style="list-style-type: none"> Interim and annual reports, corporate websites Regular meetings and communication
客戶	<ul style="list-style-type: none"> 穩健的營運管理 全面遵守法規 營運的持續性表現 	<ul style="list-style-type: none"> 中期及年度報告、公司網站 定期會議及溝通
Employees	<ul style="list-style-type: none"> Compensation and benefits Occupational health and safety (“OHS”) Career development opportunities Corporate culture and well-being 	<ul style="list-style-type: none"> Provide leisure activities and increase cohesion In-house training programmes Performance reviews and appraisals Promote career development and enhance competence at all levels
僱員	<ul style="list-style-type: none"> 薪酬及福利 職業健康與安全 事業發展機會 企業文化及福利 	<ul style="list-style-type: none"> 提供休閒活動及增強凝聚力 內部培訓計劃 績效考核及評估 促進所有職級的事業發展及增強彼等的能力
Suppliers	<ul style="list-style-type: none"> Long-term partnership Ethical business practices Supplier assessment criteria 	<ul style="list-style-type: none"> Procurement processes Audits and assessments
供應商	<ul style="list-style-type: none"> 長期關係 符合道德的業務常規 供應商評估準則 	<ul style="list-style-type: none"> 採購程序 審核及評估
Regulators	<ul style="list-style-type: none"> Laws and regulations compliance 	<ul style="list-style-type: none"> Review latest law & regulations Inspection
監管機構	<ul style="list-style-type: none"> 遵守法律及法規 	<ul style="list-style-type: none"> 檢討最新法律及法規 調查

The business of the Group affects different stakeholders, and stakeholders have different expectations on the Group. The Group will maintain communication with stakeholders continuously, collect opinions from stakeholders through different forms and more extensively, and make substantive analysis more comprehensively. At the same time, the Group will enhance the reporting principles of quantification, balance and consistency, in order to define the content of the ESG Report and presentation of the information that is more in line with the expectations of stakeholders.

PROTECTING OUR ENVIRONMENT

Maintaining environmental sustainability is essential to our daily operations and closely related to our long-term business development, as we rely wholly on the natural resources from our planet for operating activities and office operations. We have policies in place and guide us to ensure our operations are strictly followed with the requirements of relevant environmental laws, regulations and other industrial requirements (e.g. The Environmental Protection Law of the PRC, The Environmental Protection Tax Law of the PRC etc.), to enhance the resource efficiency as well as minimising the adverse impact on the environment resulted from pollution.

We were not aware of any significant impacts of activities on the environment and natural resources during our operations. During the Reporting Period, we were not aware of any breaches of relevant laws and regulations relating to air and greenhouse gas (“GHG”) emissions, water discharges and waste generation (2018: Nil).

Emissions

The KPIs relating to the emissions in the ESG Report only covers the headquarter office in Hong Kong for the Reporting Period whilst the ESG performance reporting mechanism is yet to be established for the manufacturing facility for transformers. The Group expects the said reporting mechanism would be formulated in the next year.

本集團的業務影響不同的持份者，而不同持份者對本集團的期望不盡相同。本集團將持續與持份者保持溝通，通過不同形式更廣泛地收集持份者的意見，並進行更全面的實質性分析。同時，本集團將加強量化、平衡及一致性的報告原則，以便界定環境、社會及管治報告的內容和資訊的呈列方式，使其更符合持份者的期望。

保護我們的環境

我們完全依賴於地球上的自然資源進行經營活動及辦公營運，因此，維持環境的可持續性對我們的日常營運至關重要，並與我們的長期業務發展息息相關。我們制定相關政策，指引我們保證業務營運嚴格遵守相關環境法律法規及其他行業規定(如《中國環境保護法》及《中國環境保護稅法》等)，以提高資源效率以及盡力減少污染對環境產生的不利影響。

我們並不知悉我們的營運活動對環境及自然資源的任何重大影響。於報告期間，我們概無發現違反有關氣體及溫室氣體(「溫室氣體」)排放、污水排放及廢物產生的相關法律法規的情況(二零一八年：無)。

排放物

環境、社會及管治報告內就報告期間有關排放的關鍵績效指標僅涵蓋香港總部辦事處，而並未就變壓器的製造廠房建立有關環境、社會及管治績效報告機制。本集團預期上述報告機制將於下個年度制訂。

The usage of vehicle generates the emissions of nitrogen oxide (“NO_x”), sulphur oxide (“SO_x”) and particulate matter (“PM”):

所用車輛產生的氮氧化物(「NO_x」)、硫氧化物(「SO_x」)及顆粒物(「PM」)排放如下：

Air emissions from vehicle usage

車輛使用的氣體排放

Types of air emissions 氣體排放種類		2019 二零一九年
NO _x emissions (tonne)	NO _x 排放(噸)	0.0050
SO _x emissions (tonne)	SO _x 排放(噸)	0.0002
PM emissions (tonne)	PM 排放(噸)	0.0004

In respect of reducing the air emissions from vehicle usage, the Group has formulated that prior approval must be sought from the department head for vehicle use, aiming at having a well-planned transportation route to minimise unnecessary transportation needs. Regular maintenance for all the Group’s vehicles are carried out to make sure they function in the optimum conditions. Besides, the Group prioritises the selection of the local vendors for products and service supplies in order to shorten the distance transportation and hence minimise the energy use and GHG emissions.

為減少車輛使用產生的氣體排放，本集團已制訂使用車輛必須事先徵求部門主管批准之規定，以有效規劃交通路線，盡量減少不必要的交通需要。本集團所有車輛均定期進行維護，以確保其在最佳狀態下運作。此外，本集團優先選擇本地產品及服務供應商，以縮短運輸路程，從而盡量減少能源使用及溫室氣體排放。

GHG Emissions

During the course of operations in Hong Kong, there are GHG emissions principally resulting from vehicle usage and electricity consumed.

溫室氣體排放

於香港營運過程中，溫室氣體排放主要來自車輛使用及電力耗用。

Scope 1 – Direct emissions

During the operations of the Group’s headquarter office in Hong Kong in 2019, due to the intense usage of private cars, a certain amount of GHG is produced.

範疇1 – 直接排放

於二零一九年，本集團香港總部運營期間，因大量使用私家車而產生若干溫室氣體排放量。

The Group strictly controls the emissions of GHG through the establishment of a comprehensive data collection system. This system helps the Group to monitor the monthly usage of all vehicles to maintain the efficiency at a prominent level.

本集團通過建立全面的數據收集系統，嚴格控制溫室氣體排放。該系統有助於本集團監察所有車輛的每月使用量，以維持較高水平的效益。

Scope 2 - Electricity purchased from power companies

Apart from the direct emissions of PM and fumes, the Group has also incurred indirect GHG emissions (Scope 2), principally resulting from electricity consumed at the rented headquarter office.

Scope 3 - Other indirect emissions

The other indirect emissions are mainly arisen from the business travel of Hong Kong employees during the Reporting Period.

範疇2 - 自電力公司購買的電力

除顆粒物及氣體的直接排放外，本集團亦產生間接溫室氣體排放(範疇2)，主要由於所租總部辦公室的耗電所致。

範疇3 - 其他間接排放

於報告期間，其他間接排放主要來自香港僱員的差旅。

Summary of GHG emissions

溫室氣體排放概要

Types		2019 二零一九年 Carbon dioxide ("CO ₂ ") equivalent emissions 二氧化碳 ("CO ₂ ") 當量
種類		
Scope 1 - Direct emissions (tonne)	範疇1 - 直接排放(噸)	29.30
Scope 2 - Energy indirect emissions (tonne)	範疇2 - 能源間接排放(噸)	27.74
Scope 3 - Other indirect emissions (tonne)	範疇3 - 其他間接排放(噸)	12.36
Total	總計	69.40

Resources Use

The Group adheres to the concept of energy conservation and emissions reduction for green production. The major resources used by the Group are principally electricity consumed in the Group's headquarter office in Hong Kong and the manufacturing facility in the PRC. As mentioned before, the Group manufacturing facility for transformers has not developed the data collection system for KPIs yet. Therefore, the consumption data of resource shown below only covered the headquarter office in Hong Kong only.

The Group aims to improve its energy utilisation efficiency to achieve low-carbon practices and emissions reduction throughout the operation, and strive to save the resources.

Energy Consumption Management

Electricity is the main source of energy consumption in the Group's operations in Hong Kong. To improve the energy consumption efficiency and in turn reduce our carbon footprints, the Group actively looks for energy saving opportunities and improve the energy efficiency in operation activities. For instance, the Group replaced conventional lighting by energy-efficient Light-emitting Diode ("LED") lights and phased out the old models of machine with high consumption of electricity.

Apart from adopting energy saving measures in the operation, the Group also implements green practices in the offices and manufacturing facility, and engages the staff to take up the shared responsibility in energy saving. The Group's energy saving working guideline outlines the good practices of energy saving for the staff to follow in the workplace. For example, opting for higher energy-efficient models when purchasing new office appliance, turning off the office appliances when they are not in use, utilising natural lighting and natural ventilation as much as possible and maintaining the comfort room temperature at 25 degrees celsius.

資源的使用

本集團堅持綠色生產的節能減排理念。本集團使用的重大資源主要為本集團於香港總部及在中國製造廠房所耗用的電力。如前文所述，本集團的變壓器製造廠房尚未建立關鍵績效指標數據收集系統。因此，下文所示的耗量數據僅涵蓋香港總部。

本集團旨在提高能源使用效益，以在整個營運過程中實踐低碳習慣及減少排放，並致力節約資源。

能源消耗管理

本集團於香港的營運中能源消耗的主要來源為電力。為提高能源消耗效率，從而降低我們的碳足跡，本集團積極找尋節能機會以提高於營運活動中的能源效率。例如，本集團使用節能型發光二極管（「LED」）照明替代傳統照明，淘汰耗電量高的過時機械。

除了在生產過程採用節能措施外，本集團亦在辦公室及製造廠房實施綠色實踐，並促使員工共同承擔節能責任。本集團的節能工作指南載列於工作場所員工應遵循的良好節能實踐。例如，於購置新辦公設備時選擇更高能效的型號、不使用辦公設備時將其關閉、盡可能利用自然採光及自然通風以及維持25攝氏度舒適的室溫。

The total electricity consumption and intensity in kilowatt hour (“kWh”) in Hong Kong are shown in the following table:

下表列示香港的總耗電量及密度以千瓦時表示：

Electricity consumption

耗電量

		2019 二零一九年
Electricity consumption (kWh)	耗電量(千瓦時)	34,680
Intensity of total electricity consumption (kWh) ^(Note 1)	總耗電密度 (千瓦時) ^(附註1)	1,239

Note 1: The intensity of total electricity is calculated based on the total number of employee at Hong Kong headquarter office in 2019.

附註1：總電量密度是以二零一九年香港總部辦事處的僱員總數計算的。

Water and Effluent Management

In order to wisely use the precious water resource, the Group follows the “Water Management Regulation” in headquarter office and manufacturing facility. All departments are responsible to maintain good conditions of the water supply facilities. In the scenarios of any leakage and damage of the water supply facilities, this should be reported to the maintenance team immediately for replacement or repair to avoid water wastage. Water-saving posters are placed in workplace, particularly in our toilets, pantry and cleaning facilities, to increase the employees’ awareness on water conservation.

水及污水管理

為明智地使用寶貴的水資源，本集團於總部辦公室及製造廠房遵循「水資源管理規定」。所有部門均有責任維持供水設施狀況良好。倘供水設施發生任何洩漏及損壞情況，應立即向保養設施團隊報告更換或維修，避免浪費用水。節水海報張貼於工作場所，尤其在洗手間、配餐室以及清潔設施，以提高員工的節水意識。

During the Reporting Period, there was no water consumption data maintained by the Hong Kong headquarter office as the water charges are borne by the landlord.

於報告期間，香港總部辦事處並無備存耗水數據，因為水費乃由業主承擔。

Waste Management

To ensure compliance with relevant national and local laws (e.g. Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste) and minimise negative impact on the environment due to the waste disposal, the Group implemented an effective waste management system by adopting the 3R principles (Reduce, Recycle and Reuse) for wastes generated from the offices and manufacturing facility.

To reduce the waste at source, the Group regularly reviews the materials in-out records and analyse the amount of materials used in production in order to prevent the unnecessary waste of materials. To facilitate the workers in waste segregation and recycling, the Group has provided different recycling bins nearby the working area to properly sort and collect the recyclable materials without mixing with the non-recyclable materials, and reuse or recover the useful materials in the manufacturing processes as much as possible. The remaining recyclable materials are then sold to the designated waste collectors for recycling. The Group keeps track on the types and amount of non-hazardous waste generated in the manufacturing facility and continues to seek opportunities to minimise the waste generation.

The Group recognises that it is inevitable to generate certain amount of waste such as tin residues, organic solvents and activated carbon that are categorised as hazardous waste under the national laws during the production process, and these hazardous wastes must receive proper treatment before disposal to harm our environment. All the hazardous wastes are properly categorised, segregated and stored in rigid containers that are resistant to chemicals actions with drip tray in the designated storage area, in order to avoid mixing with incompatible wastes and to prevent chemical leakage. Proper safety labelling and cautions signage are placed on the containers for hazard identifications and fire safety. The hazardous wastes are consigned to licensed waste collectors for further treatment and disposal. To minimise the amount of hazardous waste generated, the chemicals and solvents will be recycled and reused in the production process as much as possible.

廢物管理

為確保遵守有關國家及地方法律(如《中華人民共和國固體廢物污染環境防治法》)及盡量降低廢物處理對環境的負面影響，本集團透過對辦公室及製造廠房產生的廢物採用3R原則(減少、回收及再利用)，實施有效的廢物管理系統。

在源頭實行減少浪費，本集團定期對物料進出記錄進行審查及分析生產時材料使用數量，以防止不必要的物料浪費。為方便工人進行廢物分類及回收，本集團於工作區域周圍提供不同的回收箱，以便區分並正確分類可回收物料與不可回收物料及收集可回收物料，並於生產過程中盡可能重複使用或回收有用物料。餘下可回收物料隨後出售予指定廢物收集商回收。本集團追蹤記錄製造廠房所產生的非危險廢物的種類及數量，並繼續找尋機會以盡量減少廢物的產生。

本集團意識到生產過程中不可避免地產生了若干數量的廢物，如錫渣、有機溶劑及活性炭(根據國家法律被歸類為危險廢物)，該等危險廢物對環境造成危害前須經過妥善處理方可棄置。所有危險廢物會進行妥善分類、隔離，並於指定區域擺放及貯存在附有防漏盆且耐化學作用的堅固容器當中，以避免和不相容廢物混合及防止化學品洩漏。該等容器上均貼有適當安全標籤和警告牌，便於識別危險及保障消防安全。該等危險廢物均由持牌廢物收集商作進一步處理及處置。為減少產生的危險廢物量，生產過程中會盡量回收及重用化學品及溶劑。

Green Purchasing

The Group is dedicated to selecting the environmentally friendly products with competitive prices and good quality, in order to safeguard end-users' health and safety, to prevent pollution and to efficiently use the natural resources. The Group strives to consider the products' life cycle and selects the raw materials, sub-assemblies and parts that are eco-friendly, hazardous substance free or emitting smaller toxic substances during installation, use or upon disposal for manufacture. The Group requires the vendors to provide proves (e.g. laboratory testing reports and product specifications etc.) to evidence the supplies are all in compliance with the national regulations and international industrial standards such as Waste Electrical and Electronic Equipment ("WEEE"), Restriction of Hazardous Substances ("RoHS") and Registration Evaluation Authorisation and Restriction of Chemicals ("REACH"). There is no material packaging material used for finished products during the operations.

All departments are required to take into account environmental considerations and search for the products with high recycled content, with greater durability or with greater water and energy efficiency when purchasing office appliances, machines and equipment for daily operation, in order to optimise the resource efficiency and minimise pollutions and waste generation.

CARING OUR PEOPLE

Building and developing sustainable workforce is the key factor for leading the Group's long-term business success and continuity. Apart from complying with the requirements of relevant laws and regulations such as Hong Kong Employment Ordinance (Cap.57), the Labour Law of the PRC and Labour Contract Law of the PRC, the Group strives to create a motivating, harmonious and safe working environment for our employees, foster the staff equal opportunity and development and ensure the well-beings of employees working in the Group through the implementation of our Human Resource Management System.

The Group closely manages and optimises five focused areas: employment practices, equal opportunity and anti-discrimination, labour rights, staff training and development, and OHS to ensure all employees are treated with the highest respect and dignity.

綠色採購

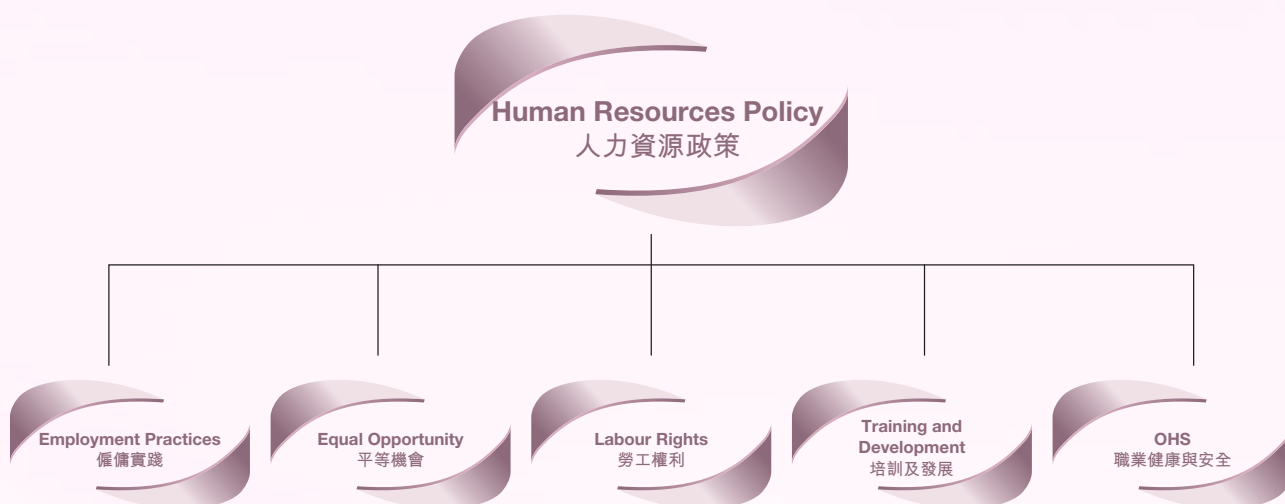
本集團致力選擇具有競爭力的價格及優質的環保產品，以保障最終用戶的健康與安全，防止污染及有效利用自然資源。於安裝、使用或生產處置過程中，本集團盡量考慮產品的生命週期並選擇環保、無有害物質或排放較少有毒物質的原材料、子組件及零件。本集團要求供應商提供證據(如實驗室測試報告及產品規格等)以證明彼等的供應均符合國家法規及《廢棄電子電機設備指令》(「WEEE」)、《關於限制在電子電器設備中使用某些有害成分的指令》(「RoHS」)以及《關於化學品註冊、評估、許可和限制法案》(「REACH」)等國際行業標準。於營運中並無就製成品使用大量包裝物料。

所有部門均須考慮環境因素，並於購置日常營運所需的辦公用品、器械及設備時，物色具有回收成分、更耐用或水和能源效率更高的產品，以優化資源效率、減少污染以及產生的廢物。

關愛我們的員工

建立及發展可持續的員工隊伍是領導本集團業務的長期持續成功的關鍵因素。除遵守《香港僱傭條例》(第57章)、《中華人民共和國勞動法》及《中華人民共和國勞動合同法》等相關法律法規的規定外，本集團通過實施人力資源管理體系，努力為僱員創造一個激勵、和諧及安全的工作環境，促進員工的平等機會及發展以及確保於本集團工作的僱員的福祉。

本集團密切管理及優化五個重點領域：僱傭實踐、平等機會及反歧視、勞工權利、員工培訓及發展以及職業健康與安全，以確保所有員工以最高尊重及尊嚴相待。



Employment Practices

The Group offers a competitive remuneration package to all employees including attractive wage, fixed working hours, comprehensive insurance coverage (e.g. medical insurance or “Five insurance and one fund”), overtime compensation and allowances etc. The Group’s employees are entitled to other additional holidays such as maternity leaves, paternity leaves, marriage leaves and compassionate leaves apart from annual leaves. The Group also provides monetary incentives and promotions to employees with outstanding achievements and performance in various aspects and units of our works.

As at 31 December 2019, the Group had 28 full-time employees in Hong Kong within the Reporting Scope. The breakdown of the staff profile is showed in the table below:

僱傭實踐

本集團為全體員工提供具有競爭力的薪酬待遇，包括具吸引力的工資、固定的工作時間、全面保險（如醫療保險或「五險一金」）、加班補貼及津貼等。本集團員工有權享受除年假以外之其他額外的假期，如產假、陪產假、婚假及體恤假期等。本集團亦為在工作各個方面及單位均有出色成就及表現的員工提供金錢獎勵及晉升。

於二零一九年十二月三十一日，本集團於報告範圍內在香​​港擁有全職僱員28人。員工概況明細如下表所示：

Breakdown of Staff Profile & Employee Turnover Rate

員工概況及員工流失率明細

		2019 二零一九年	
		Total number of employees <small>(Note 1)</small>	Employee turnover rate (%) <small>(Note 1)</small>
		員工總數 <small>(附註1)</small>	員工 流失率 (%) <small>(附註1)</small>
By Gender	按性別劃分		
Male	男性	19	10.53
Female	女性	9	44.44
By Employment Type	按員工類別劃分		
Full-time	全職	28	21.43
Part-time/Temporary	兼職/臨時	—	—
By Age Group	按年齡組別劃分		
Below 30	30歲以下	—	—
30-50	30歲—50歲	22	13.64
Over 50	50歲以上	6	50.00
By Geographical Region	按地區劃分		
Hong Kong	香港	28	21.43
China	中國	—	—

Note 1: The figure is calculated based on the total number of employees at Hong Kong headquarter office as at 31 December 2019.

附註1：該數字乃基於二零一九年十二月三十一日在香港總部辦事處的員工總數計算。

Equal Opportunity

The Group is committed to the principles of equal opportunities and diversity, and strive to provide a respectful and fair working environment for our employees. During the recruitment, job rotation and promotion processes, the Group makes the decision solely based on the candidates' individual qualification, experience and performance against the discrimination on the ground of nationality, age, gender, religion, sexual orientation, gender identity, ethnicity, disability, pregnancy, political inclination, union membership and/or other forms of difference that is unrelated to job requirements. The Group also strictly prohibits any forms of harassment and victimisation in our workplace.

Labour Rights

The Group has zero tolerance policy towards child labour and forced labour in the workplace. By strictly following the relevant local labour laws and ordinances, the Group forbids employment of any persons who are under the age of 16, and other unlawful form of labour. All employees can exercise their freedom to pick their careers and terminate employment with proper notifications or pay in lieu of notice. The Group also ensures our staff works consensually, including overtime work and disapprove any forced labour behaviour in the workplace, as well as protecting their freedom and rights of association and collective bargaining.

To prevent any recruitment of child labour and forced labour, the Group clearly explains to all applicants about the Group's stance on child labour and force labour during the job interview. The identity, employment eligibility prove and academic qualification of job candidates are examined and verified thoroughly by our Human Resources Department before the job is offered. If any child or forced labour is discovered; unfortunately, the Group will stop all the work of the identified child or forced labour immediately and offer medical checks and treatment where appropriate. Subsequent investigation will be carried out to find out the root cause of child or forced labour employment and revise the employment management procedure whenever possible to plug the loophole.

平等機會

本集團秉持平等機會及多元化的原則，努力為員工提供受尊重及公平的工作環境。於招聘、工作輪換及晉升過程中，本集團僅根據候選人的個人資格、經驗和表現作出決定，反對基於國籍、年齡、性別、宗教信仰、性取向、性別認同、種族、殘疾、懷孕、政治傾向、工會會員身份及／或與工作要求無關的其他形式差異的歧視。本集團的工作場所亦嚴禁任何形式的騷擾及傷害行為。

勞工權利

本集團對工作場所使用童工及強迫勞工採取零容忍政策。通過嚴格遵守相關地方勞動法律及條例，本集團禁止僱用任何 16 歲以下的員工及以其他非法形式聘用的勞工。所有員工均可自由選擇職業並通過適當的通知或以代通知金終止僱傭關係。本集團亦確保我們的員工在自願情況下工作，包括加班工作及不贊成工作場所的強迫勞動行為，以及保護他們的自由及結社權以及集體談判權。

為防止聘用任何童工及強迫勞工，我們於求職面試中向所有申請人清楚解釋本集團對童工及強迫勞工的立場。在僱用前，我們的人力資源部門將會對候選人的身份、僱傭資格證明以及學歷資格進行檢查並深入核實。倘不幸發現任何童工或強迫勞工，本集團將立即停止所識別童工或強迫勞工的所有工作，並在適當情況下提供醫療檢查及治療。隨後我們將調查並找出使用童工或強迫勞工就業的根本原因，並盡可能修訂僱傭管理程序，以堵塞漏洞。

In addition, the Group requests our suppliers to observe the same labour standards when conducting business with the Group and regular assessments will be carried out to evaluate if the suppliers meet the same labour requirements. The Group will refuse to have business partnerships with the suppliers who violate the labour standards.

During the Reporting Period, the Group was not aware of any legal case regarding to the use of child labour and forced labour (2018: Nil).

Staff Well-being and Communication

The Group strives to encourage and promote work-life balance to our employees as it is crucial to the staff personal health and development, improve the staff productivity and performance at work, as well as enhancing the employees' loyalty and the engagement level to the Group ultimately. The Group organised various activities such as sport activities, sports fun day and festive celebrations to our staff during the Reporting Period, aiming to inspire healthy lifestyle, reduce stress levels from work and strengthen the staff bonding.

The Group encourages staff participation, and raises their concerns or recommendations towards the Group's corporate management, OHS and management or staff benefits and welfare. The staff employees can make suggestions or complaints via various established communication channels such as suggestion box, letters, direct report to supervisors or to the Human Resources Department. Once complaints or grievances are received, a dedicated team will handle and resolve the problems promptly and the results will be communicated to both complainants and the management. All the information received from the employees is kept in confidentiality. For the employees in China, they can also utilise the two-way communication channel with the senior management through the Labour Union to express their views on the existing management approaches and make recommendations for improvement.

此外，本集團要求供應商在與本集團開展業務時遵守相同的勞工標準，並進行定期評估，以評估供應商是否符合同一勞工規定。本集團將拒絕與違反勞工標準的供應商建立業務夥伴關係。

於報告期間，本集團並無發現有關使用童工及強迫勞工的任何法律案件(二零一八年：無)。

員工福祉及溝通

本集團致力於鼓勵及促進僱員的工作與生活平衡，因為這對員工的個人健康與發展、提高員工的工作效率及工作表現，以及最終提高僱員對本集團的忠誠度及參與度至關重要。於報告期間，本集團為員工組織體育活動、趣味運動會及節慶等各類活動，旨在啟發健康的生活方式、緩解工作壓力以及加強員工聯繫。

本集團鼓勵員工參與，並提出彼等對本集團的企業管理、職業健康與安全以及管理或員工待遇及福利的問題或建議。員工可通過多個既定的溝通渠道(如建議箱及信件)直接向主管或人力資源部門提出建議或投訴。當收到投訴或申訴後，特別小組將及時處理並解決問題，並將結果傳達至投訴人及管理層。一切所接收來自員工的資訊內容均獲保密。對於中國僱員，彼等亦可以通過工會利用雙向溝通渠道與高級管理層溝通，對現有管理方法發表意見，並提出改進建議。

Occupational Health and Safety (“OHS”)

The Group puts safety first at work to safeguard the well-being of our workforce. To achieve the ultimate goal of zero-accident in the workplace, the Group has implemented the safety and health management system to effectively control safety hazards and risks posed to the employees and the premises, as well as fulfilling the legal requirements such as Occupational Safety and Health Ordinance in Hong Kong, Work Safety Law of the PRC and Law of the PRC on the Prevention and Control of Occupational Diseases in order to thoroughly implement safety production and operation in our manufacturing facility and headquarter office.

Regular safety risk identification assessments are conducted by Health and Safety Committee to evaluate the risks levels and hazards exposure towards workers in the workplace. Relevant safety procedures, working instructions, machines and equipment maintenance safety guidelines, in-house safety rules and suitable personal protective equipment provision have been implemented to avoid, minimise and mitigate the safety risks in the workplace. Daily safety inspections are conducted to ensure that safety control measures are effectively maintained.

Maintaining a safe working environment requires the cooperative efforts among the Group and all employees. The Group strives to raise the employees' safety awareness and equip the workers with knowledge on safe work. The Group offers a compulsory safety and health training to all new hirers before they commence work in manufacturing facility and internal OHS training courses with specific topics are provided to all workers in regular time intervals so that they are aware of the significance of work safety.

During the Reporting Period, there was no work-related fatality or lost days due to work injuries and the Group confirmed that no breaches of relevant national or local laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards were identified (2018: Nil).

職業健康與安全(「職業健康與安全」)

本集團將工作安全放在首位，以保障僱員福祉。為實現工作場所零事故的最終目標，本集團已實施安全與健康管理系統，以有效控制對員工及工作場所構成的安全隱患和風險，以及符合香港《職業安全及健康條例》、《中國安全生產法》及《中國職業病防治法》等法律要求，以便在製造廠房及總部辦公室貫徹實施安全生產及營運。

健康與安全委員會定期進行安全風險識別評估，以評估工人在工作場所面臨的風險等級和危害。我們已經實施了相關的安全程序、工作指導、機械及設備維護安全指南、內部安全規則及提供適當的個人防護裝備，以避免、盡量減少和紓解工作場所的安全風險。為確保安全控制措施得到有效維護，我們會進行日常安全檢查。

維持安全的工作環境需要本集團與全體僱員的通力合作。本集團努力提高僱員的安全意識，並為員工提供安全工作知識。於所有新僱員開始在製造廠房工作前，本集團提供強制性的安全與健康培訓，並定期向全體工人提供具有特定主題的內部職業健康與安全培訓課程，以便員工瞭解工作安全的重要性。

於報告期間，概無工亡事故或因工傷損失工作日數，且本集團確認概無發現違反有關提供安全工作環境及保障僱員免受職業危險的相關國家或地方法律法規的情況(二零一八年：無)。

Staff Training and Development

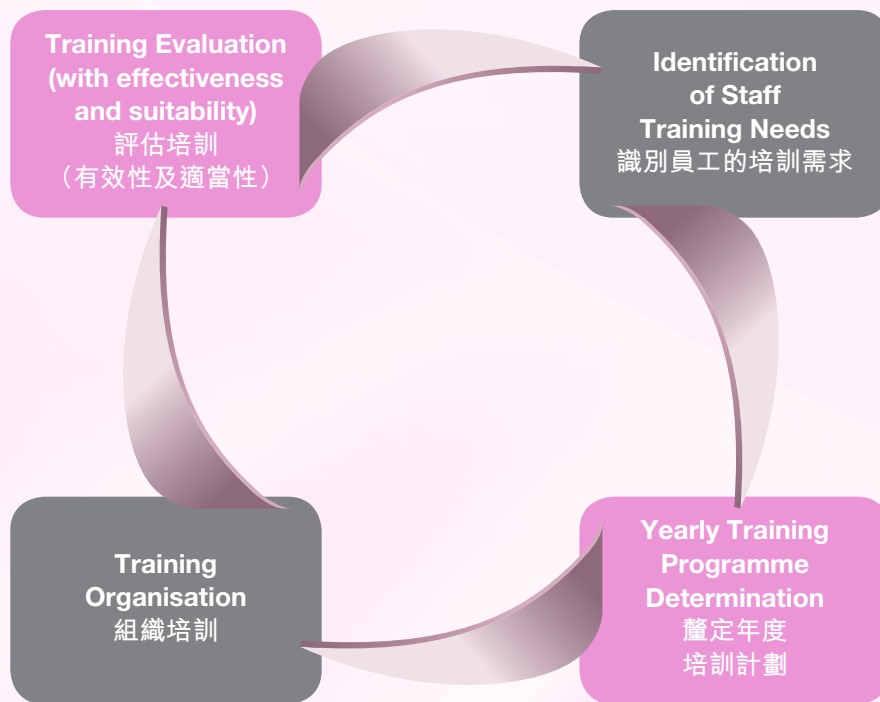
Under the evolving business environment, the Group recognises that it is vital to maximise its employees' potentials and advance their skills and knowledge, in order to retain talents and maintain its competitive edge. The Group seeks to empower employees by providing suitable on-the-job and external training programmes, to further nurture their professional knowledge and personal goals for continuous career development

Followed by the Group's Training Management Procedure, the Group identifies the training needs of our staff members depending on their different positions and career stages, and tailor a yearly training programme for staff skills and knowledge advancement. Reviews are being conducted at regular time intervals to evaluate the effectiveness and suitability of training, aiming to make adjustment or improvement for further training opportunities where necessary.

員工培訓及發展

本集團認可於不斷變化的商業環境中，最大化僱員潛力並提升彼等技能及專業知識，以挽留人才並保持競爭優勢至關重要。本集團力求通過提供適當的在職及外部培訓課程提高僱員的能力，以進一步培養僱員的專業知識及個人目標實現持續的職業發展。

遵循本集團的培訓管理程序，本集團根據員工不同的職位及職業階段確定員工的培訓需求，以及針對員工技能及知識拓展量身定制年度培訓計劃，並定期進行檢討，評估培訓的有效性及適當性，旨在於必要情況下調整或改善進一步培訓機會。



An orientation training programme, which covers the topics of the Group's business profile and organisation, employees' welfares and obligations, OHS knowledge, is offered to all new hirers within three months upon their arrival. Additionally, the Group regularly provides internal on-the-job training with assessment to all existing employees at different levels or departments to suit the operation needs. To encourage life-long learning, the Group offers financial subsidiaries to eligible employees and attends external training courses in order to pursue their professional development.

本集團為所有新入職者於彼等到崗後三個月內提供入職培訓計劃，涵蓋本集團業務概況及組織、僱員福利及義務、職業健康與安全知識等主題。此外，本集團定期對各個層級或部門的所有現有僱員提供內部在職培訓並作出評估，以滿足營運需求。為鼓勵終身學習，本集團為合資格僱員提供財務支持，以參加外部培訓課程，追求彼等的專業發展。

Percentage of employees trained & average training hours per employee

受訓僱員百分比及每名僱員平均受訓時數

		2019 二零一九年	
		Average training hours	%
		平均受訓時數	%
By Gender	按性別		
Male	男性	31.60	31.73
Female	女性	68.00	68.27
By Position	按職位		
Management	管理層	46.82	94.93
General Staff	一般員工	2.50	5.07

Manging our suppliers

The Group closely collaborates with a variety of suppliers or contractors as the Group depends on their supplies for supporting the Group's daily production. The Group is committed to effective management of environmental and social performance throughout the Group's supply chain to ensure the quality of the Group's products at sources, and mutually step towards the path of sustainability.

管理我們的供應商

本集團依賴供應商的供應以支持我們的日常生產，因此本集團與各類供應商或承包商保持密切合作。本集團著力於整個供應鏈中有效管理環境及社會表現，以從源頭確保本集團的產品質量，並共同邁進可持續發展的道路。

Supply Chain Management

Under the Group's procurement policy, new suppliers are required to fill in the pre-qualification questionnaire to reveal their competency in the following areas: 1) Production capability; 2) Management of quality assurance, safety and environmental compliance; 3) Partnerships; 4) Process on materials procurement; and 5) Practices on corporate social responsibility for our assessment. Only those suppliers fulfilling all the above requirements can be qualified as approved suppliers.

To ensure suppliers' performance meet required standards, regular performance assessments with all suppliers, including on-site inspections, are carried out to monitor and evaluate their continuous performances. When any non-conformities are identified based on the assessment findings, the Group will issue corresponding areas-for-improvement reports to the suppliers and request rectifications or taking corrective actions for improvement under the grace period. Those suppliers who are consecutively fail to fulfil the requirements will contribute to the disqualification from the Group's approved supplier list.

In order to promote the values of social responsibility and sustainability to our suppliers, the suppliers must follow the Group's "Supplier Code of Business Conduct" and associated practices (e.g. labour practices, legal compliance, anti-corruption and anti-bribery and data protection etc.) in business dealings. A self-assessment survey of Corporate Social Responsibility ("CSR") performance is distributed to all suppliers to complete and the Group's procurement team will evaluate the performance annually.

供應鏈管理

根據本集團的採購政策，新供應商需要填寫資格預審調查問卷以供我們評估，以表明他們在以下方面的能力：1) 生產能力；2) 質量保證、安全及環境合規管理；3) 合作夥伴關係；4) 材料採購流程；5) 企業社會責任實踐。供應商須符合上述所有要求方可成為認可的供應商。

為確保供應商的表現符合要求的標準，本集團定期對所有供應商進行績效評估（包括現場檢查）以監察及評估彼等的持續表現。當根據評估結果確定任何不合格情況時，本集團將向供應商發出相應的須待改善方面的報告，並要求在寬限期內進行整改或採取糾正措施以進行改進。多次不符合要求的供應商將自本集團的批准供應商名單取消資格。

為了向供應商宣揚社會責任及可持續發展的價值觀，於本集團的業務往來中，供應商必須遵守我們的「供應商商業行為規範」及相關實踐（例如勞工實踐、法律合規、反貪污及反賄賂以及數據保護等）。本集團將向所有供應商分發企業社會責任（「企業社會責任」）績效的自我評估調查以供填寫，採購團隊將每年評估績效。

MAINTAINING QUALITY PRODUCTS & SERVICES

In adherence with the commitment under the quality management policy — gaining customer trust and satisfaction with superior products, the Group strives to provide high quality products that are safe to use at competitive prices to customers, as well as exerting the expertise to meeting their needs and expectations.

Products Quality

The Group has established a comprehensive quality control procedures. Through the implementation of quality control procedures, the Group can address the potential risks and opportunities of product quality and safety issues along the production chain systematically, securing all products are upheld against the highest quality standard as well as complying with the national laws, regulations (e.g. the Product Quality Law of the PRC).

The Group has set up a series of standardised management procedures for carrying out stringent quality assurance inspections along the production cycle — from incoming materials checks, manufacturing process inspections to final products examination based on the latest national regulations and international industrial standards. The Group's effective in-house quality control system and regular sampling checks help identifying the quality problems immediately and taking prompt corrections and preventive actions in order to maintain the product quality and prevent the severe defects of final products during the manufacturing processes. The Group's final product quality assurance examination aid to ascertain the goods that are free from defects and with proper safety labelling and packing, and meet the required product specifications before delivery.

To ensure the effectiveness of the quality control, the Group has arranged on-the-job training and external training related to quality management to our workers to build up their capability and ensure they understand our requirements on quality assurance to resolve the quality and technical problems in work.

保持優質產品及服務

本集團遵循質量管理政策承諾 — 贏得客戶的信賴及對優質產品的滿意度，為客戶提供可安全使用並具競爭力價格的優質產品，並運用專業知識達到彼等的需求及期望。

產品質量

本集團已建立全面的質量控制程序。通過質量控制程序的實施，本集團可系統地處理生產鏈中產品質量與安全問題的潛在風險及機遇，保證所有產品均符合最高質量標準，並遵循國家法律法規(如《中華人民共和國產品質量法》)。

本集團設立一系列標準化管理程序，以便根據最新的國家法規及國際行業標準，於生產週期內進行嚴格質量保證檢查 — 從來料檢查、製造過程檢查到最終產品檢驗。本集團有效的內部質量控制制度及定期抽樣檢查有助我們於立即識別質量問題並及時採取糾正及預防措施，以保持產品質量以及防止於我們的生產過程中製成的最終產品出現嚴重缺陷。本集團的最終產品質量保證檢查有助在產品交付前確定製造的產品並無缺陷，以及配有適當的安全標籤及包裝，以及符合規定的產品規格。

為保證質量控制實施的有效性，本集團就質量管理為員工安排相關的在職培訓及外部培訓，以提升彼等的能力，並確保彼等瞭解我們的質量保證規定，以解決工作時的質量及技術問題。

Customer Services

The valuable customer feedback and opinions can serve as a driver to refine the products, services and management systems or processes in return to enhance the customer satisfaction on an on-going basis. Hence, the Group solicits customer feedback through annual customer satisfaction survey to understand their needs and expectations. Based on the survey results and the comments or suggestions offered by the respondents, a customer satisfaction analysis report is prepared to further review our strengths and weaknesses and identify the areas for continuous improvement. This helps the Group keeps track on addressing customer needs and enhancing customer experience.

In event of communications or complaints are received from customers with regard to the product quality and schedule of product delivery, the Marketing Department will promptly follow up and attend to the concerned customers by following our “Customer Complaint Handling Procedure”. Subsequent investigations will be carried out to confirm the nature of the complaints. Relevant root-cause analysis will be conducted for the confirmed cases by the responsible department, where corrections and corrective actions will be employed to avoid recurrence of the cases. The Group is committed to replying to the complainants within three working days as per our performance pledge. During the Reporting Period, no products and services related complaints were received. (2018: Nil)

Customers Privacy & Intellectual Property Rights

All tangible and intangible assets and information (e.g. sample raw materials, sub-assemblies and mould etc.) provided by the customers are stored in designated area with proper labelling and kept in confidentiality. All the assets and information can only be accessed and handled by our authorised personnel for operational purposes and staff members forbidden to copy, transfer and disclose any information, particular to intellectual property and customer personal data, to any third parties without prior consent from the customers.

To prevent any infringement of intellectual property rights (i.e. trademarks, patents and designs), the Group obtains legal advice from solicitors for drafting patent licence agreements or service contracts, to ensure all business activities are in compliance with all the national laws and regulations (e.g. the Patent Law of the PRC and the Implementation Rules of Patent Law of the PRC) and there is no infringement on intellectual property rights.

客戶服務

寶貴的客戶反饋及意見可作為改進產品、服務及管理體系或流程的驅動力，以持續提高客戶滿意度。因此，本集團通過年度客戶滿意度調查徵求客戶反饋，以瞭解彼等的需求及期望。我們基於調查結果及受訪者提供的意見或建議編製客戶滿意度分析報告，以進一步審查我們的優勢及劣勢，以及識別可繼續改善的領域。此舉有助於本集團跟蹤滿足客戶需求及提升客戶體驗。

倘本集團收到客戶就產品質量及產品交付時間表的來信或投訴，營銷部門將按照「客戶投訴處理程序」及時跟進並關注相關客戶。隨後將進行調查以確認投訴的性質。負責部門將分析所確認情況發生的相關根本原因，並採取糾正措施以避免再次發生類似情況。本集團致力根據我們的服務承諾於三個工作日內回覆投訴者。於報告期間，概無收到任何與產品及服務相關的投訴(二零一八年：無)。

客戶私隱及知識產權

我們客戶提供的所有有形及無形資產以及資料(例如樣品原材料、子組件及模具等)都帶有適當的標籤存放於指定區域並保密。所有資產及資料僅可就營運目的由我們的授權人員進行存取及處理。工作人員不得未經客戶事先同意向任何第三方複製、傳輸及披露任何資料，尤其是知識產權及客戶個人資料。

為防止侵犯知識產權(即商標、專利及設計)，本集團就起草專利許可協議或服務合同向律師諮詢法律建議，以確保所有的業務活動符合所有國家法律法規(如《中華人民共和國專利法》及《中華人民共和國專利法實施細則》)的同時不侵犯知識產權。

ETHICAL BUSINESS

Business integrity and accountability are the core pillar to sustain the business development and success. The Group enacts zero tolerance policy against any form of bribery, fraud, extortion and corruption practices in our operations and upholds the highest degree of honesty, transparency and accountability in our business dealings. The Group requests all employee to comply with the relevant national and local laws and regulations such as the Criminal Law of the PRC and Prevention of Bribery Ordinance (Cap. 201) in Hong Kong.

Anti-corruption

The Group has established a series of anti-corruption policy, management principles and measures, as stipulated in the “Code of Business Conduct”, for all employees and business partners to strictly abide by. The Group forbids the employees offering or asking for any forms of benefits such as presents, coupons and money for any advantages and favours in the business. In case those benefits cannot be refuted, they shall be handed over to the Ethics Committee for further handling within one week. Employees will be subject to disciplinary action, which includes termination of the employment contract if they are found violating the rules.

The Group encourages the employees and stakeholders to raise concerns on any suspected or actual case(s) of corruption, misconducts or malpractices, especially related to the violation of the Code of Business Conduct and relevant legislations. The Group’s whistle-blowing mechanism with clear reporting channels is in place and allows whistle-blowers to report such case(s) in good faith. All the collected information from the whistle-blower is treated confidentially to protect the whistle-blowers against reprisal, discrimination and victimisation. In the event of receiving any reported case(s), the Ethics Committee will handle on the cases in a timely manner. Dedicated investigation team is nominated and deal with the case to ensure the independence and the reliability of the investigation results. The result of the investigation will be communicated to the whistle-blower within two months. If discovered the personnel who suspect the violation of laws in corruption or participating in other unlawful activities upon the internal investigation, the cases will be further handed over to the relevant justice authorities for relevant legal actions.

商業道德

商業誠信及責任是維持業務發展及成功的核心支柱。本集團對業務營運中任何形式的賄賂、欺詐、勒索及貪污行為實施零容忍政策，以及在業務往來中秉承最高程度的誠實、透明和責任。本集團要求所有僱員遵守相關的國家及地方法律法規，如《中華人民共和國刑法》及香港法例第201章《防止賄賂條例》。

反貪污

根據「商業行為規範」規定，本集團設立一系列反貪污政策、管理原則及措施予全體僱員及業務合作夥伴嚴格遵守。本集團禁止僱員提供或要求任何形式的福利(如禮品、優惠券及現金)以在業務中獲得任何利益及好處。倘該等福利無法被駁回，彼等應於一周內將其移交至道德委員會進一步處理。倘發現違反規定，僱員將受到紀律處分，包括終止僱傭合同。

本集團鼓勵員工及持份者對任何涉嫌或實際貪污、不當行為或玩忽職守行為提出質疑，尤其是違反商業行為規範及相關法律有關的情況。本集團實施具備明確匯報渠道的舉報機制，並允許舉報人真誠舉報此類情況。所有自舉報人收集的信息均保密處理，以保護舉報人免遭報復、歧視及傷害。倘收到任何報告案件，道德委員會將及時處理案件。特別調查小組獲提名並處理案件，以確保調查結果的獨立性及可靠性。調查結果將於兩個月內傳達舉報人。倘於內部調查中發現涉嫌貪污違法行為或參與其他非法活動的人員，案件將進一步轉交相關司法機關進行相關法律訴訟。

During the Reporting Period, the Group was not aware of any breaches of relevant laws and regulations relating to bribery, extortion, fraud and money laundering and the Group confirmed that no concluded legal cases regarding corrupt practices brought against the Group and the employees (2018: Nil).

CONTRIBUTIONS TO OUR COMMUNITY

The Group recognises the importance and the values of giving back to the society that the Group operates. The Group is dedicated to undertaking activities that promote the well-being and sustainable development of the society. The Group participated in the Médecins Sans Frontières (“MSF”) Day in July 2019 and made donation to support the MSF worldwide medical relief work.

Looking forward, the Group will formulate the community investment policy with strategies that linked with the local concerned issues and leverage the Group’s business competency and resources for supporting our communities. The Group also continues to enlarge the employee participation in various voluntary and charitable activities to exert our cares about the underprivileged ones in the community, which will enable us to better shoulder our corporate responsibilities and create benefits to the society.

於報告期間，本集團概無發現任何違反有關賄賂、勒索、欺詐及洗錢的相關法律法規的行為，且本集團確認亦無針對本集團及我們僱員涉及貪污行為的已完結法律案件(二零一八年：零)。

為我們的社區作出貢獻

本集團認同回饋本集團經營所載社區的重要性及價值。本集團努力開展可促進社會福祉及可持續發展的活動。本集團參與二零一九年七月的無國界醫生(「無國界醫生」)日並捐款支持無國界醫生於全球的醫療援助工作。

展望未來，本集團將擬備社區投資政策，根據當地相關問題制定戰略，並利用本集團的業務能力及資源支持我們的社區。本集團亦繼續鼓勵員工參與多項自願及慈善活動，以表達我們對社區中弱勢群體的關懷，此舉有助於我們更好地承擔企業責任，為社會創造效益。

Environmental performance indicators are summarized in the following tables:

下表概述環境績效指標：

Environmental Performance Indicators

環境績效指標

Aspect A1: Emissions

層面 A1：排放物

Performance indicator 績效指標		2019 二零一九年	The Stock Exchange ESG Reporting Guide KPI 聯交所 環境、社會及 管治報告 指引關鍵 績效指標
Emissions 排放物	Total NOx emissions (tonne) NOx 排放總量 (噸)	0.0050	KPI A1.1 關鍵績效 指標 A1.1
	Total SOx emissions (tonne) SOx 排放總量 (噸)	0.0002	KPI A1.1 關鍵績效 指標 A1.1
	Total PM emissions (tonne) PM 排放總量 (噸)	0.0004	KPI A1.1 關鍵績效 指標 A1.1
	Total GHG emissions – scope 1 (tonne) 溫室氣體排放總量 – 範疇 1 (噸)	29.30	KPI A1.2 關鍵績效 指標 A1.2
	Total GHG emissions – scope 2 (tonne) 溫室氣體排放總量 – 範疇 2 (噸)	27.74	KPI A1.2 關鍵績效 指標 A1.2
	Total GHG emissions – scope 3 (tonne) 溫室氣體排放總量 – 範疇 3 (噸)	12.36	KPI A1.2 關鍵績效 指標 A1.2

Aspect A2: Use of resources

層面A2：資源使用

Performance indicator 績效指標			2019 二零一九年	The Stock Exchange ESG Reporting Guide KPI 聯交所環境、社會及管治報告指引 關鍵績效指標
Electricity 電力	Total electricity consumption (kWh) 耗電總量(千瓦時)		34,680	KPI A2.1 關鍵績效指標 A2.1

Social Performance Indicators

社會績效指標

Aspect B1: Employees

層面B2：僱員

Performance indicator 績效指標			2019 二零一九年	The Stock Exchange ESG Reporting Guide KPI 聯交所環境、社會及管治報告指引 關鍵績效指標
Number of employees 員工人數	By region	按地區劃分		KPI B1.1 關鍵績效 指標 B1.1
	- Hong Kong	- 香港	28	
	- PRC	- 中國	-	
	By gender	按性別劃分		KPI B1.1 關鍵績效 指標 B1.1
	- Male	- 男性	19	
	- Female	- 女性	9	
	By employment type	按員工類別劃分		KPI B1.1 關鍵績效 指標 B1.1
	- Full time	- 全職	28	
	- Part time/Temporary	- 兼職/臨時	-	
	By age	按年齡劃分		KPI B1.1 關鍵績效 指標 B1.1
- Below 30 years old	- 30歲以下	-		
- Between 30 to 50 years old	- 30歲-50歲	22		
- Over 50 years old	- 50歲以上	6		

Performance indicator 績效指標			2019 二零一九年	The Stock Exchange ESG Reporting Guide KPI 聯交所 環境、社會及 管治報告 指引關鍵 績效指標
Employee turnover rate 員工流失率	By gender	按性別劃分		KPI B1.2
	– Male (%)	– 男性 (%)	10.53	關鍵績效
	– Female (%)	– 女性 (%)	44.44	指標 B1.2
	By employment type	按員工類別劃分		KPI B1.2
	– Full time (%)	– 全職 (%)	21.43	關鍵績效
	– Part time/ Temporary (%)	– 兼職/ 臨時 (%)	–	指標 B1.2
	By age	按年齡劃分		KPI B1.2
	– Below 30 years old (%)	– 30 歲以下 (%)	–	關鍵績效
	– Between 30 to 50 years old (%)	– 30 歲 – 50 歲 (%)	13.64	指標 B1.2
	– Over 50 years old (%)	– 50 歲以上 (%)	50.00	
	By region	按地區劃分		KPI B1.2
	– Hong Kong (%)	– 香港 (%)	21.43	關鍵績效
– China (%)	– 中國 (%)	–	指標 B1.2	

Aspect B3: Development and training

層面 B3：發展及培訓

Performance indicator 績效指標			2019 二零一九年	The Stock Exchange ESG Reporting Guide KPI 聯交所 環境、社會及 管治報告指引 關鍵績效指標
The percentage of employees trained 受訓僱員百分比	By gender	按性別劃分		KPI B3.1 關鍵績效 指標 B3.1
	– Male (%)	– 男性 (%)	31.73	
	– Female (%)	– 女性 (%)	68.27	
	By position	按職位		KPI B3.1 關鍵績效 指標 B3.1
	– Management (%)	– 管理層 (%)	94.93	
	– General staff (%)	– 一般員工 (%)	5.07	
Average training hours completed per employee in Hong Kong 每名香港僱員平均 已完成培訓時數	By gender	按性別劃分		KPI B3.2 關鍵績效 指標 B3.2
	– Male (hours)	– 男性 (小時)	31.60	
	– Female (hours)	– 女性 (小時)	68.00	
	By position	按職位劃分		KPI B3.2 關鍵績效 指標 B3.2
	– Management (hours)	– 管理層 (小時)	46.82	
	– General staff (hours)	– 一般員工 (小時)	2.50	

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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TO THE SHAREHOLDERS OF SUPERACTIVE GROUP COMPANY LIMITED

(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Superactive Group Company Limited (the “Company”) and its subsidiaries (herein referred to as the “Group”) set out on pages 82 to 220, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致先機企業集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審核第82頁至第220頁所載先機企業集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及包括主要會計政策概要在内的綜合財務報表附註。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見基礎

我們已根據香港會計師公會頒佈的香港審核準則(「香港審核準則」)進行審核工作。根據該等準則，我們的責任於本報告「核數師對審核綜合財務報表的責任」一節中詳述。根據香港會計師公會「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

KEY AUDIT MATTERS

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

Impairment assessment of licenses and goodwill allocated to the cash generating units ("CGUs")

(Refer to note 17 and the Group's accounting policies set out in note 3 Goodwill, note 3 Impairment of non-financial assets (excluding goodwill) and critical accounting estimates and judgements set out in note 4)

As at 31 December 2019, the Group had licenses and goodwill of HK\$35,002,000 which are allocated to the CGUs of money lending business, regulated financial services business, electronics products and property development and management segments for annual impairment testing.

The Company's directors have concluded that there was no impairment loss on licenses and impairment loss on goodwill amounted to HK\$10,758,000 in current year (2018: HK\$69,314,000 and HK\$34,720,000 respectively). This conclusion was based on the impairment testing carried out by the management for these CGUs as set out in note 17. The impairment assessment was prepared in accordance with the Group's accounting policies which are set out in detail in note 3 Goodwill, note 3 Impairment of non-financial assets (excluding goodwill). The calculation of recoverable amount, which is the higher of value in use and fair value less costs to sell, involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

We identified the impairment testing of licenses and goodwill of the relevant CGUs as a key audit matter because of its significance to the consolidated financial statements and because the impairment testing involved significant management judgement and estimates as explained above.

關鍵審核事項

關鍵審核事項為我們的專業判斷中有關審核本期間的綜合財務報表中最重要的事項。我們於審核整體綜合財務報表中處理此等事項及就此達致意見，而不會就此等事項單獨發表意見。

分配至現金產生單位（「現金產生單位」）之牌照及商譽之減值評估

（請參考附註17及附註3商譽、附註3非金融資產減值（商譽除外）所載 貴集團之會計政策及附註4所載重大會計估計及判斷）

於二零一九年十二月三十一日，貴集團之牌照及商譽為35,002,000港元，並分配至放債業務、受規管金融服務業務、電子產品及物業開發和管理分類之現金產生單位作年度減值測試。

貴公司董事認為於本年度，牌照並無減值虧損，而商譽的減值虧損則為10,758,000港元（二零一八年：分別為69,314,000港元及34,720,000港元）。此結論建基於附註17所載管理層就該等現金產生單位進行之減值測試。減值評估乃根據附註3商譽、附註3非金融資產減值（商譽除外）所詳述 貴集團之會計政策編製。計算可收回金額（即使用價值與公允值減銷售成本之較高者）涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

我們將相關現金產生單位之牌照及商譽之減值測試識別為關鍵審核事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出的重大判斷及估計。

KEY AUDIT MATTERS (Continued)

Our response

Our audit team included our internal valuation expert. Our audit procedures in relation to management's impairment assessment above included:

- Evaluating the models used by management in the value in use calculations and where applicable, fair value less costs to sell, for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value in use calculations and where applicable, fair value less costs to sell, mathematically;
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs; and
- Considering the overall adequacy of the disclosures in respect of impairment testing included in the consolidated financial statements.

關鍵審核事項(續)

我們的回應

我們的審核團隊包括我們內部的估值專家。我們就管理層上述減值評估所採納審核程序包括：

- 評核管理層於減值測試之使用價值及公允值減銷售成本(倘適用)計算中採用之模型；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 查核支持輸入值的證據，例如獲批准預算及考慮預算的合理性；
- 查核使用價值及公允值減銷售成本(倘適用)的計算；
- 進行敏感度分析，包括評估更改主要假設對現金產生單位的可收回金額之影響；及
- 考慮綜合財務報表所包含之減值測試披露的整體充足性。

KEY AUDIT MATTERS *(Continued)*

Impairment assessment of trade receivables and loan receivables

(Refer to note 20 and note 22 and the Group's accounting policy set out in note 3 Financial Instruments - Impairment loss on financial assets and critical accounting estimates and judgements set out in note 4)

As at 31 December 2019, the Group had trade receivables amounting to HK\$26,421,000 and loan receivables amounting to HK\$275,007,000. The Group assessed impairment for these receivables based on expected credit losses model. Loss allowance for expected credit losses amounting to HK\$3,883,000 and HK\$28,785,000 respectively has been made for the trade receivables and loan receivables as at 31 December 2019.

Assessing expected credit losses on trade receivables and loan receivables is a subjective area as it requires application of judgement and uses of estimates. Judgement is applied in assessing whether the credit risk of the loan receivables has increased significantly since initial recognition and whether the trade receivables and loan receivables are credit-impaired. In this regard, management considers factors including those relevant forward-looking information and how it has impact on the historical data. These require significant judgement by the management.

We have identified impairment assessment of trade receivables and loan receivables as a key audit matter due to considerable amount of judgement and estimation being required in conducting impairment assessment as mentioned in the foregoing paragraph.

關鍵審核事項 (續)

應收貿易賬款及應收貸款的減值評估

(請參閱附註20及附註22以及附註3金融工具 - 金融資產減值虧損所載 貴集團會計政策及附註4所載重大會計估計及判斷)

於二零一九年十二月三十一日，貴集團分別有應收貿易賬款26,421,000港元及應收貸款275,007,000港元。貴集團根據預期信貸虧損模式評估該等應收款項的減值。於二零一九年十二月三十一日，已分別就應收貿易賬款及應收貸款計提預期信貸虧損的虧損撥備3,883,000港元及28,785,000港元。

評估應收貿易賬款及應收貸款的預期信貸虧損為主觀事項，需要使用判斷及估計。於評估應收貸款信貸風險自首次確認以來是否大幅增加及應收貿易賬款及應收貸款是否信貸減值時會應用判斷。就此而言，管理層考慮各種因素，包括相關前瞻性資料及其如何影響過往數據。管理層須行使重大判斷。

由於如上一段所述，進行減值評估時須行使大量判斷及估計，我們已識別應收貿易賬款及應收貸款的減值評估為關鍵審核事項。

KEY AUDIT MATTERS (Continued)

Our response

Our audit procedures in relation to management's assessment of expected credit losses on trade receivables and loan receivables included:

- Obtaining an understanding on the key controls over credit risk assessment and how management estimates the loss allowance for trade receivables and loan receivables;
- Assessing the appropriateness of the loss allowance calculation methodology used by the management;
- Testing the integrity of information used by management in assessing the credit risk of individual customers, on a sample basis, by comparing historical default rates to the actual losses recorded during the current financial year;
- Evaluating management's assessment of the historical credit loss rates by sample checking inputs in respect of the assumptions made, such as historical payment records, correspondence on any disputes or claims with the customers and subsequent settlement records; and
- Assessing the factors considered by the management for determining whether the credit risk of the loan receivables has increased significantly since initial recognition and whether the trade receivables and loan receivables are credit-impaired which include:
 - Challenging management's consideration of other factors including changes in repayment pattern of borrowers and changes in value of collateral since initial recognition (if applicable);
 - Assessing how reasonably management has incorporated in their assessment forward-looking information including expected changes in economic and financial conditions which is expected to cause a significant change in the customers' ability to meet their debt obligations; and
 - Checking subsequent settlement of the year end trade receivables and loan receivables on a sample basis.

關鍵審核事項 (續)

我們的回應

我們就管理層對上述應收貿易賬款及應收貸款的預期信貸虧損評估所採納的審核程序包括：

- 了解對信貸風險評估的關鍵監控及管理層如何估計應收貿易賬款及應收貸款的虧損撥備；
- 評估管理層所採用虧損撥備計算模型是否合適；
- 透過對比過往違約率與當前財政年度錄得的實際虧損，抽樣測試管理層用於評估個別客戶信貸風險的資料的完整性；
- 透過抽樣檢查所作假設的輸入數據（例如過往付款記錄、與客戶的任何糾紛或申索的對應及其後還款記錄），評估管理層對過往信貸虧損率的評估；及
- 評估管理層釐定應收貸款信貸風險自首次確認以來是否大幅增加以及應收貿易賬款及應收貸款是否信貸減值時考慮的因素，包括：
 - 挑戰管理層考慮其他因素，包括借款人還款模式以及自初次確認應收款後抵押品價值變動（如適用）；
 - 評估管理層是否合理於評估時考慮前瞻性資料，包括預期會對客戶履行債務責任的能力造成重大變動的經濟及財務狀況的預期變動；及
 - 抽樣檢查於年終之應收貿易賬款及應收貸款結餘之其後還款情況。

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

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

年報的其他資料

董事負責其他資料。其他資料包括 貴公司年報所載資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們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，我們的責任為閱覽其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審核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。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。我們並無就此報告任何事項。

董事對綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實且公平的綜合財務報表，並為其認為為使編製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而必需的內部監控措施負責。

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。

董事亦負責監督 貴集團的財務報告過程。審核及風險委員會協助董事履行有關責任。

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. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師對審核綜合財務報表的責任

我們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重大錯誤陳述，並發出載有我們意見的核數師報告。我們僅向閣下(作為整體)按照百慕達一九八一年公司法第90條報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次核證，但不能擔保根據香港審核準則進行的審核工作一定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。

根據香港審核準則進行審核時，我們運用專業判斷，於整個審核過程中抱持專業懷疑態度。我們亦：

- 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我們的意見提供基礎。由於欺詐可能涉及合謀串通、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。

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

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

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

核數師對審核綜合財務報表的責任 (續)

- 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。
- 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。倘我們總結認為存在重大不確定因素，我們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，則修訂我們的意見。我們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。
- 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。
- 就貴集團內各實體或業務活動的財務資料獲得充足恰當的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行貴集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們與審核及風險委員會就(其中包括)審核工作的計劃範圍及審核時間及重大審核發現(包括我們於審核期間識別出內部監控的任何重大缺陷)進行溝通。

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

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

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

BDO Limited

Certified Public Accountants

Li Pak Ki

Practising Certificate Number P01330

Hong Kong, 5 May 2020

**核數師對審核綜合財務報表的責
任** *(續)*

我們亦向審核及風險委員會提交聲明，說明我們已遵守有關獨立身份的道德要求，並就所有被合理認為可能影響我們的獨立身份的關係及其他事宜及相關防範措施(如適用)與審核及風險委員會溝通。

我們從與董事溝通的事項中，釐定對本期間綜合財務報表的審核工作最為重要的事項，並據此構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們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，否則我們會於核數師報告中描述此等事項。

香港立信德豪會計師事務所有限公司

執業會計師

李柏基

執業證書號碼：P01330

香港，二零二零年五月五日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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

		Notes	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Revenue	收益	5	184,812	237,525
Cost of sales	銷售成本		(133,655)	(195,456)
Gross profit	毛利		51,157	42,069
Other net gains	其他收益淨額	6	11,115	16,607
Selling and distribution costs	銷售及分銷成本		(4,828)	(4,567)
Administrative costs	行政成本		(70,144)	(89,254)
Finance costs	財務成本	7	(31,217)	(26,941)
Impairment of assets	資產減值	8	(10,758)	(107,859)
Net impairment loss on financial assets	金融資產減值虧損淨額	8	(20,916)	(35,157)
Share of results of associates	應佔聯營公司之業績	14	(10,533)	11,929
Loss before tax	除稅前虧損	8	(86,124)	(193,173)
Income tax (expense)/credit	所得稅(開支)/抵免	10	(8,963)	11,167
Loss for the year	年內虧損		(95,087)	(182,006)
Loss for the year attributable to:	應佔年內虧損：			
Owners of the Company	本公司擁有人		(94,285)	(174,334)
Non-controlling interests	非控股權益		(802)	(7,672)
			(95,087)	(182,006)
Loss per share	每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	12	(4.64)	(8.58)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year		(95,087)	(182,006)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from the translation of foreign operations		14,456	(23,176)
Exchange differences arising from the translation of interest in a foreign associate	14	—	10,812
Reclassification adjustments on reserves upon disposal of subsidiaries	34	(2,395)	(17,269)
Share of other comprehensive income of an associate	14	—	305
Other comprehensive income for the year, net of tax		12,061	(29,328)
Total comprehensive income for the year		(83,026)	(211,334)
Total comprehensive income for the year attributable to:			
Owners of the Company		(82,878)	(203,584)
Non-controlling interests		(148)	(7,750)
		(83,026)	(211,334)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	334,838	346,195
Interest in an associate	於一間聯營公司之權益	14	150,349	155,611
Financial assets at fair value through profit or loss	按公允值於損益列賬之 金融資產	15	22,624	26,086
Deferred tax assets	遞延稅項資產	29	—	8,789
Land appreciation tax recoverables	可收回土地增值稅		—	1,738
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	21	—	3,866
Intangible assets	無形資產	16	24,244	35,703
			532,055	577,988
CURRENT ASSETS	流動資產			
Inventories	存貨	18	9,726	41,514
Properties held for sale	持作出售物業	19	506,699	507,855
Trade and bills receivables	應收貿易賬款及應收票據	20	23,330	58,039
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	21	43,262	44,679
Loan receivables	應收貸款	22	246,222	226,664
Restricted bank deposits	受限制銀行存款	23	2,340	—
Cash and bank balances	現金及銀行結餘		26,088	28,464
			857,667	907,215
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易賬款及其他 應付款項	24	166,167	240,752
Rental received in advance	預收租金		7,740	2,170
Contract liabilities	合約負債	25	3,095	3,782
Amount due to an associate	應付一間聯營公司款項	14	63,757	61,900
Amount due to a shareholder	應付一名股東款項	26	1,129	152
Amounts due to non-controlling interests	應付非控股權益款項	26	3,006	2,843
Interest-bearing borrowings	計息借款	27	270,401	286,565
Lease liabilities	租賃負債	28	581	—
Tax payable	應付稅項		803	10,582
			516,679	608,746
NET CURRENT ASSETS	流動資產淨值		340,988	298,469
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		873,043	876,457

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 December 2019
於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing borrowings	計息借款	27	232,148	152,704
Lease liabilities	租賃負債	28	22,416	—
Deferred tax liabilities	遞延稅項負債	29	1,515	1,515
			256,079	154,219
NET ASSETS	資產淨值		616,964	722,238
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	30	203,257	203,257
Reserves	儲備	31	422,210	514,383
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔權益		625,467	717,640
Non-controlling interests	非控股權益	32	(8,503)	4,598
TOTAL EQUITY	權益總額		616,964	722,238

The consolidated financial statements on pages 82 to 220 were approved and authorised for issue by the board of directors of the Company ("Directors") on 5 May 2020 and are signed on its behalf by:

載於第82至220頁的綜合財務報表已於二零二零年五月五日經本公司董事會（「董事」）批准並授權刊發，且由以下人士代表簽署：

YEUNG SO LAI

楊素麗

DIRECTOR

董事

LEE CHI SHING CAESAR

李志成

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

		Share capital	Share premium*	Other reserve*	Capital redemption reserve*	Capital reserve*	Translation reserve*	Investment revaluation reserve*	Retained profits*	Total	Non-controlling interests	Total equity
		股本	股份溢價*	其他儲備*	資本贖回儲備*	資本儲備*	換算儲備*	投資重估儲備*	保留溢利*	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	203,257	476,989	40	1,442	19,870	16,944	(301)	202,983	921,224	10,122	931,346
Acquisition of subsidiaries (note 33)	收購附屬公司 (附註33)	-	-	-	-	-	-	-	-	-	1,088	1,088
Capital contributions	注資	-	-	-	-	-	-	-	-	-	1,138	1,138
Transactions with owners	與擁有人之交易	-	-	-	-	-	-	-	-	-	2,226	2,226
Loss for the year	年內虧損	-	-	-	-	-	-	-	(174,334)	(174,334)	(7,672)	(182,006)
Other comprehensive income:	其他全面收益：											
Exchange differences arising from the translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	(23,098)	-	-	(23,098)	(78)	(23,176)
Exchange differences arising from the translation of interest in a foreign associate (note 14)	換算於一間海外聯營公司之權益產生之匯兌差額(附註14)	-	-	-	-	-	10,812	-	-	10,812	-	10,812
Reclassification adjustments on reserves upon disposal of a subsidiary (note 34)	出售一間附屬公司後儲備之重新分類調整(附註34)	-	-	-	-	-	(17,265)	(4)	-	(17,269)	-	(17,269)
Share of other comprehensive income of an associate (note 14)	應佔一間聯營公司的其他全面收益(附註14)	-	-	-	-	-	-	305	-	305	-	305
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	(29,551)	301	(174,334)	(203,584)	(7,750)	(211,334)
At 31 December 2018	於二零一八年十二月三十一日	203,257	476,989	40	1,442	19,870	(12,607)	-	28,649	717,640	4,598	722,238

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

		Share capital	Share premium*	Other reserve*	Capital redemption reserve*	Capital reserve*	Translation reserve*	(Accumulated	Non-controlling interests	Total equity	
								loss)/ Retained profits*			Total
		股本	股份溢價*	其他儲備*	資本贖回儲備*	資本儲備*	換算儲備*	(累計虧損)/ 保留溢利*	總計	權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2018	於二零一八年十二月三十一日	203,257	476,989	40	1,442	19,870	(12,607)	28,649	717,640	4,598	722,238
Initial application of HKFRS 16 (note 2(a)(b))	首次應用香港財務報告準則第16號(附註2(a)(b))	-	-	-	-	-	-	(9,295)	(9,295)	(12,953)	(22,248)
At 1 January 2019	於二零一九年一月一日	203,257	476,989	40	1,442	19,870	(12,607)	19,354	708,345	(8,355)	699,990
Loss for the year	年內虧損	-	-	-	-	-	-	(94,285)	(94,285)	(802)	(95,087)
Other comprehensive income:	其他全面收益：										
Exchange differences arising from the translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	13,802	-	13,802	654	14,456
Reclassification adjustments on reserves upon disposal of subsidiaries (note 34)	出售附屬公司後儲備之重新分類調整(附註34)	-	-	-	-	-	(2,395)	-	(2,395)	-	(2,395)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	11,407	(94,285)	(82,878)	(148)	(83,026)
At 31 December 2019	於二零一九年十二月三十一日	203,257	476,989	40	1,442	19,870	(1,200)	(74,931)	625,467	(8,503)	616,964

* The total reserves at 31 December 2019 is HK\$422,210,000 (2018: HK\$514,383,000).

* 於二零一九年十二月三十一日之儲備總計為422,210,000港元(二零一八年：514,383,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from operating activities:	經營活動產生之現金流量：		
Loss before tax	除稅前虧損	(86,124)	(193,173)
Adjustment for:	下列項目之調整：		
Interest income	利息收入	(24)	(111)
Interest on bank borrowings and overdrafts and other borrowings	銀行借款及透支以及 其他借款之利息	27,784	26,941
Interest on lease liabilities	租賃負債之利息	3,433	—
Share of results of associates	應佔聯營公司之業績	10,533	(11,929)
Impairment of assets	資產減值	10,758	107,859
Over provision of payables in relation to properties under development	開發中物業應付款項之 超額撥備	—	(5,980)
Fair value loss on financial assets at fair value through profit or loss	按公允值於損益列賬之 金融資產的公允值虧損	3,462	914
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	23,098	19,499
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損	68	139
Gain on disposal of subsidiaries (note 34)	出售附屬公司之收益 (附註34)	(13,321)	(1,024)
Net impairment loss on financial assets	金融資產減值虧損淨額	20,916	35,157
Impairment loss on inventories	存貨之減值虧損	767	4,965
Exchange differences	匯兌差額	20,041	—
Operating cash flows before movements in working capital	營運資金變動前之經營 現金流量	21,391	(16,743)
Decrease/(increase) in inventories	存貨減少/(增加)	4,324	(6,767)
Increase in properties held for sale	持作出售之物業 增加	—	(30,794)
Increase in loan receivables	應收貸款增加	(36,414)	(179,790)
(Increase)/decrease in trade and other receivables	應收貿易賬款及其他應收 款項(增加)/減少	(12,781)	12,592
Decrease in trade and other payables	應付貿易賬款及其他應付 款項減少	(41,305)	(43,437)
Increase/(decrease) in rental received in advance	預收租金增加/(減少)	5,570	(703)
Increase in contract liabilities	合約負債增加	1,236	3,782
Decrease in land appreciation tax recoverables	可收回土地增值稅減少	—	900
Net cash used in operations	業務營運已動用之現金淨額	(57,979)	(260,960)
Income tax paid	已付所得稅	(1,008)	(4,938)
Net cash used in operating activities	經營活動已動用之現金淨額	(58,987)	(265,898)

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from investing activities:	投資活動產生之現金流量：		
Purchase of property, plant and equipment	購買物業、廠房及設備	(10,267)	(297,341)
Acquisition of an associate	收購一間聯營公司	—	(91,071)
Purchase of financial assets at fair value through profit or loss	購買按公允值於損益列賬之金融資產	—	(27,000)
Interest received	已收利息	24	111
Disposal of financial assets at fair value through profit or loss	出售按公允值於損益列賬之金融資產	—	23,088
Acquisition of subsidiaries (note 33)	收購附屬公司(附註33)	—	(38,228)
Proceeds from disposal of subsidiaries (note 34)	出售附屬公司所得款項(附註34)	31,915	213,943
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	62	—
Increase in restricted bank deposits	受限制銀行存款增加	(2,340)	—
Capital injection from non-controlling interests	非控股權益注資	—	1,138
Acquisition of intangible assets	收購無形資產	—	(600)
Net cash generated from/ (used in) investing activities	投資活動已產生/(動用)之現金淨額	19,394	(215,960)
Cash flows from financing activities:	融資活動產生之現金流量：		
Proceeds from interest-bearing borrowings	計息借款所得款項	90,335	461,120
Repayments of interest-bearing borrowings	償還計息借款	(27,054)	(25,227)
Interest paid on interest-bearing borrowings	計息借款之已付利息	(27,163)	(26,881)
Repayments of principal portion of lease liabilities	償還租賃負債之本金部分	(1,208)	—
Payments of interest portion of lease liabilities	支付租賃負債之利息部分	(3,433)	—
Advance from/(repayment to) a shareholder	一名股東之墊款/(還款)	977	(10,548)
Advance from non-controlling interests	非控股權益墊款	107	1,138
Net cash generated from financing activities	融資活動產生之現金淨額	32,561	399,602
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(7,032)	(82,256)
Effect of foreign exchange rates	外匯匯率影響	4,656	2,589
Cash and cash equivalents at the beginning of the year	年初之現金及現金等價物	28,464	108,131
Cash and cash equivalents at the end of the year	年末之現金及現金等價物	26,088	28,464
Analysis of balances of cash and cash equivalents:	現金及現金等價物結餘分析：		
Cash and bank balances	現金及銀行結餘	26,088	28,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of its business is Room 1510, 15/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In the opinion of the Directors, at 31 December 2019, Super Fame Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate holding company and Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar are the ultimate controlling parties of the Company.

The functional currency and the presentation currency of the Company is Hong Kong dollars ("HK\$"). Each entity in the Group maintains its books and records in its own functional currency.

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collectively include all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair value. The measurement bases are fully described in accounting policies set out below.

1. 一般資料

本公司在百慕達註冊成立為受豁免有限公司。本公司註冊辦事處之地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，且主要營業地點為香港上環干諾道中168-200號信德中心西翼15樓1510室。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。董事認為，於二零一九年十二月三十一日，超名控股有限公司(一間於英屬處女群島註冊成立之公司)為直接控股公司及楊素麗女士與李志成先生為本公司之最終控制方。

本公司的功能貨幣及呈列貨幣為港元(「港元」)。本集團內各實體按其本身的功能貨幣記賬及記錄。

此等綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)(其中包括所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋及香港公司條例之披露規定而編製。綜合財務報表亦包括適用之聯交所證券上市規則(「上市規則」)之披露規定。

綜合財務報表按歷史成本法編製，惟若干以公允值計量之金融工具除外。有關計量基準於下文會計政策詳述。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

2. ADOPTION OF NEW OR REVISED HKFRSs

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019

The HKICPA has issued a number of new or revised HKFRSs that are first effective for the current accounting period of the Group.

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

The impact of the adoption of HKFRS 16 has been summarised below. The other new or revised HKFRSs that are effective from 1 January 2019 did not have any significant impact on the Group's accounting policies.

2. 採納新訂或經修訂香港財務報告準則

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效

香港會計師公會已頒佈多項於本集團本會計期間首次生效之新訂或經修訂香港財務報告準則。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號之修訂	具負補償之提前還款特性
香港會計準則第19號之修訂	計劃修訂、縮減或清償
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港會計準則第12號及香港會計準則第23號之修訂

採納香港財務報告準則第16號的影響概述如下。自二零一九年一月一日起生效的其他新訂或經修訂香港財務報告準則對本集團的會計政策並無任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

The nature and the impact of the changes are described below:

HKFRS 16 - Leases

HKFRS 16 replaces HKAS 17, Leases, and the related interpretations, HK(IFRIC) Int 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. It introduces 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 (“short-term leases”) and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

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 retained profits at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16. Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)

變動之性質及影響如下所述：

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號租賃及有關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號釐定安排是否包括租賃、香港(詮釋常務委員會)詮釋第15號經營租賃－誘因以及香港(詮釋常務委員會)詮釋第27號評估涉及租賃法律形式交易的內容。其就承租人引入單一會計模式，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(「短期租賃」)及低值資產的租賃除外。出租人的會計規定則大致保留香港會計準則第17號的規定。

本集團已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。本集團已選用經修訂追溯法，並因而將首次應用的累積影響確認為對於二零一九年一月一日期初保留溢利餘額的調整。比較資料並無重列，且繼續根據香港會計準則第17號以及香港財務報告準則第16號過渡條文允許的相關詮釋呈報。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：

2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(a) Changes in the accounting policies

- (i) New definition of a lease
- Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

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

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)

香港財務報告準則第16號－租賃(續)

(a) 會計政策變動

- (i) 租賃的新定義
- 根據香港財務報告準則第16號，租賃被定義為以代價獲得資產(相關資產)於一段時間內的使用權的一項合約或合約的一部分。當客戶於整個使用期間同時：(a)有權獲取使用已識別資產帶來的絕大部分經濟利益及(b)有權指示已識別資產的用途時，合約附帶權利可於一段時間內控制已識別資產的用途。

就含有租賃成分以及一項或多項額外租賃或非租賃成分的合約而言，承租人須按租賃成分的相對獨立價格及非租賃成分的總獨立價格將合約代價分配至各租賃成分，除非承租人應用實際權宜方法使承租人可按相關資產類別選擇不從租賃成分中區分非租賃成分，而是將各租賃成分及任何相關非租賃成分入賬列作單一租賃成分。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 *(Continued)*

HKFRS 16 - Leases *(Continued)*

(a) Changes in the accounting policies *(Continued)*

- (ii) Lessee accounting
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. As far as the Group is concerned, these newly capitalised leases are primarily in relation to properties.

2. 採納新訂或經修訂香港財務報告準則 *(續)*

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效 *(續)* **香港財務報告準則第 16 號－租賃** *(續)*

(a) 會計政策變動 *(續)*

- (ii) 承租人會計處理方法
香港財務報告準則第 16 號剔除先前香港會計準則第 17 號要求承租人將租賃分類為經營租賃或融資租賃的規定。反之，倘本集團為承租人，其須將所有租賃資本化，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，惟短期租賃及低值資產租賃除外。就本集團所知，該等新資本化的租賃主要與物業有關。

2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(a) Changes in the accounting policies (Continued)

(ii) Lessee accounting (Continued)

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. For the Group, low-value assets are typically office equipment. The lease payments associated with those leases which are not capitalised are recognised as an expense on a straight-line basis over the lease term.

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.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)

香港財務報告準則第16號－租賃(續)

(a) 會計政策變動(續)

(ii) 承租人會計處理方法(續)

倘本集團就低值資產訂立租賃，則本集團按個別租賃基準決定是否將租賃資本化。對本集團而言，低值資產一般為辦公設備。與該等未資本化租賃相關的租賃付款於租期內按直線法確認為開支。

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款以及任何所產生的初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(a) Changes in the accounting policies (Continued)

(ii) Lessee accounting (Continued)

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

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.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港財務報告準則第16號－租賃(續)

(a) 會計政策變動(續)

(ii) 承租人會計處理方法(續)

使用權資產其後按成本減累計折舊及減值虧損列賬。

倘租賃已資本化，租賃負債初步按租期應付租賃付款現值確認，並按租賃中所隱含的利率貼現，或倘該利率不能輕易釐定，則以相關增量借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。租賃負債的計量並不包括不依賴指數或利率的可變租賃付款，因此可變租賃付款於其產生的會計期間在損益中扣除。

2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(a) Changes in the accounting policies (Continued)

(ii) Lessee accounting (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.

(iii) Lessor accounting

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

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)

香港財務報告準則第16號－租賃(續)

(a) 會計政策變動(續)

(ii) 承租人會計處理方法(續)

倘指數或利率變化引致未來租賃付款出現變動，或本集團預期根據剩餘價值擔保應付的估計金額產生變化，或就本集團是否合理確定將行使購買、續租或終止選擇權的有關重新評估產生變化，則租賃負債將重新計量。倘以這種方式重新計量租賃負債，則應當對使用權資產的賬面值進行相應調整，而倘使用權資產的賬面值已調減至零，則應於損益列賬。

(iii) 出租人會計處理方式

本集團作為出租人適用的會計政策與香港會計準則第17號項下者大致相同。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(b) Transitional impact

At the date of transition to HKFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was approximately 13.79%. To ease the transition to HKFRS 16, the Group applied the recognition exemption and practical expedients of 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.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港財務報告準則第16號－租賃(續)

(b) 過渡的影響

於過渡至香港財務報告準則第16號當日(即二零一九年一月一日)，本集團就先前分類為經營租賃的租賃按餘下租賃付款現值釐定餘下租期及計量租賃負債，並已使用二零一九年一月一日之相關增量借款利率進行貼現。釐定餘下租賃付款現值所採用的增量加權平均借款利率約為13.79%。為緩解香港財務報告準則第16號的過渡影響，本集團採用下列確認豁免及可行權宜方法不應用香港財務報告準則第16號有關確認租賃負債及使用權資產至餘下租期於首次應用香港財務報告準則第16號當日起計12個月內結束(即租期於二零一九年十二月三十一日或之前結束)之租賃的規定。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(b) Transitional impact (Continued)

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

		HK\$'000 千港元
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	5,177
Add: lease payments for the additional periods where the Group considers it reasonably certain that it will exercise the extension options	加：於本集團認為可合理確定其將行使續租權的額外期間的租賃付款	57,870
Less: short term leases with remaining lease term ending on or before 31 December 2019	減：餘下租期於二零一九年十二月三十一日或之前結束的短期租賃	(1,151)
Less: total future interest expenses	減：未來利息開支總額	(37,002)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019	餘下租賃付款現值，採用二零一九年一月一日增量借款利率貼現	24,894
Analysed as	按以下各項分析：	
Current	流動	1,137
Non-current	非流動	23,757
		24,894

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)

香港財務報告準則第16號－租賃(續)

(b) 過渡的影響(續)

下表為二零一八年十二月三十一日之經營租賃承擔與二零一九年一月一日確認之租賃負債期初結餘的對賬：

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(b) 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 consolidated statement of financial position at 31 December 2018.

After the recognition of the right-of-use assets as at 1 January 2019, the Group assessed whether the right-of-use assets was impaired in accordance with the Group's accounting policy for impairment of non-current assets. Right-of-use assets under the nursery education services segment was considered to be fully impaired as the recoverable amount of the cash generating unit of nursery education services segment was determined to be close to zero (details are set out in note 17 of the consolidated financial statements for the year ended 31 December 2018). As a result, impairment loss on these right-of-use assets amounted to HK\$22,248,000 was adjusted to retained profits as at 1 January 2019.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港財務報告準則第16號－租賃(續)

(b) 過渡的影響(續)

於此前分類為經營租賃的租賃相關的使用權資產已按餘下租賃負債確認的金額相等的金額確認，並就任何於二零一八年十二月三十一日綜合財務狀況表確認之租賃相關的預付或應計租賃付款作出調整。

於二零一九年一月一日確認使用權資產後，本集團根據本集團有關非流動資產減值的會計政策評估使用權資產有否減值。由於幼兒教育服務分類的現金產生單位的可收回金額已釐定為接近零(詳情載於截至二零一八年十二月三十一日止年度的綜合財務報表附註17)，幼兒教育服務分類的使用權資產被視為已完全減值。因此，於二零一九年一月一日，該等使用權資產的減值虧損22,248,000港元被調整至保留溢利。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HKFRS 16 - Leases (Continued)

(b) Transitional impact (Continued)

The following table summarises the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position as at 1 January 2019, the information presented for 2018 has not been restated:

		Carrying amount at 31 December 2018 於二零一八年十二月三十一日的賬面值 HK\$'000 千港元	Impact of HKFRS 16 香港財務報告準則第16號的影響 HK\$'000 千港元	Carrying amount at 1 January 2019 於二零一九年一月一日的賬面值 HK\$'000 千港元
Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:	因採納香港財務報告準則第16號受影響的綜合財務狀況表的細分項目：			
Property, plant and equipment	物業、廠房及設備	346,195	2,697	348,892
Total non-current assets	非流動資產總值	577,988	2,697	580,685
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	44,679	(51)	44,628
Total current assets	流動資產總值	907,215	(51)	907,164
Lease liabilities	租賃負債	–	1,137	1,137
Total current liabilities	流動負債總額	608,746	1,137	609,883
Net current assets	流動資產淨值	298,469	(1,188)	297,281
Total assets less current liabilities	總資產減流動負債	876,457	1,509	877,966
Lease liabilities	租賃負債	–	23,757	23,757
Total non-current liabilities	非流動負債總額	154,219	23,757	177,976
Net assets	淨資產	722,238	(22,248)	699,990
Reserves	儲備	514,383	(9,295)	505,088
Non-controlling interests	非控股權益	4,598	(12,953)	(8,355)
Total equity	權益總額	722,238	(22,248)	699,990

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續)
香港財務報告準則第16號－租賃(續)

(b) 過渡的影響(續)

下表概述採納香港財務報告準則第16號對本集團於二零一九年一月一日的綜合財務狀況表的影響，二零一八年呈列的資料並未重列：

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and has full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKFRS 9 - Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港(國際財務報告詮釋委員會)－詮釋第23號－所得稅處理的不確定性

該詮釋透過就如何反映所得稅會計處理涉及之不確定性之影響提供指引，支持香港會計準則第12號所得稅之規定。

根據該詮釋，企業須決定分開抑或集中考慮各項不確定稅務處理，以更佳預測不確定性之解決方法。企業亦須假設稅務機關將會查驗其有權查驗之金額，並在作出上述查驗時全面知悉所有相關資料。如企業決定稅務機關可能會接受一項不確定稅務處理，則企業應按與其稅務申報計量即期及遞延稅項。倘企業決定稅務機關不可能會接受一項不確定稅務處理，則採用「最可能金額」或「預期值」兩個方法中較能預測不確定性解決方式的方法來反映釐定稅務涉及的不確定性。

香港財務報告準則第9號修訂本－附帶負補償的預付款項

該修訂澄清倘若符合指明條件，具有負補償的可預付金融資產可以攤銷成本或以按公允值於其他全面收益列賬計量，而不按公允值於損益列賬計量。

2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

Amendments to HKAS 19 – Plan amendment, curtailment or settlement

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

Amendments to HKAS 28 – Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition-date fair value.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港會計準則第19號修訂本－計劃修訂、縮減或結算

該修訂澄清於修訂、縮減或結算界定福利計劃時，公司應使用更新的實際假設以釐定其當前服務成本及期內淨利息。此外，在計算任何計劃結算的收益或虧損時，資產上限的影響將不予計算，並於其他全面收益中單獨處理。

香港會計準則第28號修訂本－於聯營公司及合營企業的長期權益

該修訂澄清，香港財務報告準則第9號適用於聯營公司或合營企業的長期權益(「長期權益」)，其構成於聯營公司或合營企業淨投資的一部分，並規定就應用在該等長期權益而言，香港財務報告準則第9號應先於香港會計準則第28號減值虧損指引。

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第3號修訂本業務合併

根據年度改進過程發出的修訂對準則目前不清晰之處作出輕微而不緊急的更改。其包括對香港財務報告準則第3號的修訂，其澄清，當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併分階段實現，故此先前持有之股權應以其收購日期之公允值重新計量。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (Continued)

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarify that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

2. 採納新訂或經修訂香港財務報告準則(續)

(a) 採納新訂／經修訂之香港財務報告準則－於二零一九年一月一日起生效(續) 香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第12號修訂本所得稅

根據年度改進過程發出的修訂對準則目前不清晰之處作出輕微而不緊急的更改。其包括對香港會計準則第12號的修訂，其澄清，股息的所有所得稅後果均以與產生可分派溢利的交易一致的方式，在損益、其他全面收益或直接在權益內確認。

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第23號修訂本借貸成本

根據年度改進過程發出的修訂對準則目前不清晰之處作出輕微而不緊急的更改。其包括對香港會計準則第23號的修訂，其澄清，為取得符合條件的資產而專門借入的借款，如在有關符合條件的資產可作其擬定用途或出售時仍未償還，其將成為企業一般借入資金的一部分，因此包括在一般資金池內。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 3	Definition of a business ¹
Amendments to HKAS 1 and HKAS 8	Definition of material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

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

² The amendments were originally intended to be effective for periods beginning on or after 1 January 2018. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

2. 採納新訂或經修訂香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則

以下可能與本集團綜合財務報表有關的新訂／經修訂香港財務報告準則經已頒佈，惟尚未生效，並未獲本集團提早採納。本集團目前擬於其生效日期應用有關變動。

香港財務報告準則第3號之修訂	業務的定義 ¹
香港會計準則第1號及香港會計準則第8號之修訂	重大的定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ²

¹ 於二零二零年一月一日或之後開始的年度期間生效。

² 該等修訂原擬於二零一八年一月一日或之後開始的期間生效。生效日期現已延後／取消。修訂本仍可予提早應用。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 3 – Definition of a business

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

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions.

An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Amendments to HKAS 1 and HKAS 8 – Definition of material

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

2. 採納新訂或經修訂香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港財務報告準則第3號之修訂－業務的定義

該項修訂澄清，一項業務必須至少包括一項投入和一項實質性過程，並共同顯著促進創造產出的能力，連同就「實質性過程」的涵義提供廣泛的指引。

此外，該修訂刪除了對市場參與者是否有能力取代任何缺少的投入或過程並能持續產生產出的評估，並縮小了「產出」及「一項業務」的定義範圍，重點關注向客戶銷售的商品或服務的回報，而非削減成本。

該修訂亦新增可選的集中度測試，以允許對所取得的一組活動和資產是否不構成業務進行簡化評估。

香港會計準則第1號及香港會計準則第8號之修訂－重大的定義

該等修訂澄清「重大」的定義及解釋，將所有香港財務報告準則的定義與概念框架保持一致，並將香港會計準則第1號的支持規定納入該定義。

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2. ADOPTION OF NEW OR REVISED HKFRSs

(Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 - Interest Rate Benchmark Reform

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

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

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

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and consolidated financial statements.

2. 採納新訂或經修訂香港財務報告準則(續)

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂－利率基準改革

該修訂修改若干特定對沖會計規定，以減輕利率基準改革引致不明朗因素的潛在影響。此外，該修訂要求公司向投資者提供有關彼等對沖關係的額外資料，而該等對沖關係直接受此等不確定因素影響。

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業之間的資產出售或注資

該修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損；反之，當交易涉及不構成一項業務的資產，則僅須就不相關投資者於合營企業或聯營公司的權益確認收益或虧損。

本集團尚未能說明該等新準則會否導致本集團之會計政策及綜合財務報表出現重大變動。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combination and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group made up to 31 December each year. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

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

3. 主要會計政策概要

業務合併及綜合基準

綜合財務報表包括本集團直至每年十二月三十一日編製的財務報表。編製綜合財務報表時，公司間交易及集團公司之間的結餘連同未變現盈利將全數對銷。倘已於損益內確認虧損，除非交易能提供已轉讓資產減值的證據，否則未變現虧損亦將對銷。

年內所收購或出售的附屬公司的業績已載於自收購事項生效日期起或直至出售事項生效日期(按適用者)的綜合損益表內。

如有需要，可於附屬公司的財務報表作出調整，致令其會計政策與本集團其他成員公司所用者一致。

收購附屬公司或業務乃以收購法入賬。收購事項的成本乃按已轉讓資產於收購日期的公允值、所產生負債及本集團(作為收購人)所發行的權益的總和計量。已收購的可識別資產及所承擔負債主要按收購日期公允值計量。本集團先前所持有於被收購人的權益將按收購日期公允值重新計量，而最終的盈虧則於損益內確認。本集團可能按個別交易的情況選擇按公允值或被收購人可識別淨資產的按比例份額計量代表目前於附屬公司的擁有權權益的非控股權益。除非香港財務報告準則規定須應用其他計量準則，所有其他非控股權益應以公允值計量。除非與收購事項相關的成本乃因發行股本工具而產生且成本已自股本扣除，否則所產生成本已獲支銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination and basis of consolidation (Continued)

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

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

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

3. 主要會計政策概要 (續)

業務合併及綜合基準 (續)

收購方將予轉讓之任何或然代價按收購日之公允值確認。其後對代價之調整僅於調整源自於計量期間(最長為自收購日期起12個月)獲得有關收購日之公允值之新資料時才會與商譽確認。其後對或然代價分類為資產或負債之所有其他調整均於損益中確認。

當本集團失去附屬公司控制權時，出售之損益為以下兩者之差額：(i) 已收代價公允值與任何保留權益公允值之總額及(ii) 附屬公司與任何非控股權益之資產(包括商譽)及負債之過往賬面值。以往於其他全面收益確認與附屬公司有關之金額按在相關資產或負債已經出售情況下須採取之方式入賬。

收購後，非控股權益賬面值(即現時於附屬公司擁有權益)為該等權益於初步確認時之金額加有關非控股權益應佔其後權益變動金額。即使全面收益總額撥歸該等非控股權益後造成虧絀，全面收益總額仍須撥歸相關非控股權益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsidiaries

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

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In the notes to the consolidated financial statements that discloses the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period.

Interest in an associate

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

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amounts are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

3. 主要會計政策概要 (續)

附屬公司

附屬公司為本公司可行使控制權的被投資人。倘下列三項元素全部存在，則本公司已控制該被投資人：對被投資人的權力、就收取被投資人可變動回報面臨的風險或權利，以及運用其權力影響有關可變動回報的能力。倘出現任何該等控制權元素可能有變的事實或情況，控制權將獲重新評估。

所有集團內公司間交易、結餘、收入及開支已於綜合入賬時對銷。

在披露本公司財務狀況表之綜合財務報表附註中，於附屬公司之投資經扣除任何減值虧損後按成本列賬。本公司將附屬公司的業績以於報告期末所收及應收股息的基準入賬。

於一間聯營公司之權益

聯營公司指本集團能夠對其發揮重大影響力之實體，附屬公司或於合資企業之權益除外。重大影響力是有權參與被投資公司之財務及經營政策決定，但並非控制或共同控制該等政策。

聯營公司採用權益法入賬，據此，聯營公司初步按成本確認，此後其賬面金額因應本集團收購後所佔之聯營公司資產淨值變動予以調整，惟超出本集團於聯營公司之權益之虧損不會被確認，除非有責任承擔該等虧損。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in an associate (Continued)

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

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

Goodwill

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

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

3. 主要會計政策概要 (續)

於一間聯營公司之權益(續)

所確認的本集團及其聯營公司的交易所產生的損益僅限於聯營公司內互不相關的投資者的權益。投資者因此等交易於聯營公司的損益中分佔的部份於聯營公司的賬面值中對銷。倘未變現虧損能證明所轉讓資產的減值，則其即時於損益中獲確認。

就聯營公司所支付高於本集團分佔的已收購可識別資產、負債及或然負債公允值的任何溢價已撥充資本，並計算在聯營公司的賬面值之內。倘客觀證據證明於聯營公司的投資已減值，該投資的賬面值須按與其他非金融資產相同的方式進行減值測試。

商譽

倘可識別資產及負債之公允值高於所付代價之公允值、於被收購方任何非控股權益之金額與收購方先前所持被收購方股本權益之收購日期公允值的總額，則超出部份於重估後於收購日期在損益確認。

商譽按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位為產生現金流入且該現金流入基本上獨立於其他資產或資產組別現金流入的最小可識別資產組合。獲分配商譽之現金產生單位每年透過將賬面值與其可收回金額作比較而進行減值測試，亦於有跡象顯示該單位可能減值時進行減值測試。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

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

Revenue recognition

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

3. 主要會計政策概要 (續)

商譽 (續)

就財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位於該財政年度結束前進行減值測試。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至撇減該單位獲分配之任何商譽之賬面值，然後基於該單位內各資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會令個別資產之賬面值減少至低於其公允值減出售成本(如可計量)或其使用價值(如可釐定)(以較高者為準)。商譽之任何減值虧損於損益確認，不會於後續期間撥回。

收益確認

來自客戶合約之收益於貨物或服務的控制權轉移至客戶時確認，其金額反映本集團預期就交換該等貨品或服務而有權獲得的代價，不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅，並扣除任何貿易折扣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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

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

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

(i) **Electronic products**

Customers obtain control of the electronic products when the goods are delivered to and have been accepted. Revenue is thus recognised when the customers accept the electronic products. There is generally only one performance obligation. Invoices are usually payable within 120 days.

3. 主要會計政策概要(續)

收益確認(續)

視乎合約條款及適用於合約的法律，貨物或服務控制權可隨時間或於某一時間點轉移。倘本集團在履約過程中滿足下列條件，則貨物或服務控制權隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 本集團履約時創建或提升客戶所控制的資產；或
- 沒有創建對本集團有替代用途的資產，且本集團可強制執行其權利收回至今已完成履約部分的款項。

倘貨物或服務控制權隨時間轉移，收益會參考整個合約期間完成履約義務的進度進行確認。否則，收益於客戶獲得貨物或服務控制權時的某一時間點確認。

(i) **電子產品**

客戶於貨物予以交付及已獲接納時獲得對電子產品的控制權。當客戶接納電子產品後，則因而確認收益。一般僅有一項履約責任。發票通常於120日內應付。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

(i) **Electronic products** (Continued)

Some of the Group's contracts with customers from the sale of electronic products provide customers a volume rebate if the customers purchase more than certain volume of electronic products in a calendar year. The volume rebates give rise to variable consideration. The Group applies the expected value method to estimate the variable consideration. A refund liability would be recognised based on the estimate of the amount expected to be paid to customers under volume-based rebate.

(ii) **Nursery education services/properties management**

Revenue is recognised over time as those services are provided. Payments received from customers are generally paid in advance prior to the rendering of services. In accordance with HKFRS 15, if there are obligations to transfer services to a customer for which the Group has received consideration from customer, an entity should recognise contract liabilities.

(iii) **Money lending**

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost 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.

3. 主要會計政策概要(續)

收益確認(續)

(i) **電子產品(續)**

本集團與客戶的若干銷售電子產品合約中在客戶於某一曆年內購買超過一定數量的電子產品，向客戶提供銷量回扣。銷量回扣產生可變代價。本集團應用預期值法估計可變代價。退貨責任按照預期向客戶支付之銷量回扣估計金額確認。

(ii) **幼兒教育服務／物業管理**

收益乃隨著提供該等服務之時間轉移而確認。自客戶收取之款項通常於提供該等服務前預先支付。根據香港財務報告準則第15號，倘本集團已收取客戶代價而有責任向客戶轉讓服務時，則實體須確認合約負債。

(iii) **放債**

利息收入於產生時根據實際利率法採用將金融資產預計年期的估計未來現金收入貼現為該金融資產賬面總值之比率確認。就按攤銷成本計量且並無信貸減值之金融資產而言，按該資產之賬面總值採用實際利率。就已信貸減值之金融資產而言，按該資產之攤銷成本(即扣除虧損撥備之賬面總值)採用實際利率。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

(iv) Regulated financial services

Revenue from asset management services is recognised over time as those services are provided. Invoices for regulated financial services are issued on a semi-annual basis and are usually payable within 60 days.

(v) Other income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

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

Property, plant and equipment

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

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

3. 主要會計政策概要(續)

收益確認(續)

(iv) 受規管金融服務

資產管理服務之收益乃隨著提供該等服務之時間流逝而確認。受規管金融服務的發票每半年發出，通常於60日內應付。

(v) 其他收入

經營租賃項下的租金收入於有關租賃年期按直線基準確認。

利息收入就未償還本金根據適用利率按時間基準累計。

股息收入於有權收取股息時予以確認。

物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。

物業、廠房及設備的成本包括其購買價以及收購有關項目直接產生的成本。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is provided to write off the cost of property, plant and equipment net of expected residual value over their estimated useful lives, using the straight-line method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Over the remaining unexpired term of the lease or five years, whichever is shorter
Furniture, fixtures and equipment	10% - 33 $\frac{1}{3}$ %
Motor vehicles	10% - 25%
Plant and machinery	10% - 33 $\frac{1}{3}$ %

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

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 costs, such as repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

3. 主要會計政策概要(續)

物業、廠房及設備(續)

物業、廠房及設備按其估計可使用年期，以直線法撇銷扣除預期剩餘價值後之成本以計算折舊。可使用年期、剩餘價值及折舊方法均於各報告期末審閱，並在適當情況下作出調整。

物業、廠房及設備項目以直線法按下列年率折舊：

租賃裝修	於租賃尚餘年期內或五年(以較短者為準)
傢俬、裝置及設備	10% - 33 $\frac{1}{3}$ %
汽車	10% - 25%
廠房及機器	10% - 33 $\frac{1}{3}$ %

使用權資產按租期和相關資產的可使用年期(以較短者為準)折舊。

因出售或停用物業、廠房及設備項目引致之收益或虧損乃按銷售所得款項及資產賬面值兩者之差額釐定，並於損益內確認。

僅當與項目有關之未來經濟利益很可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會按該資產之賬面值入賬或確認為獨立資產(視情況而定)。所有其他成本(如維修及保養費)於其產生之財政年度在損益內扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties held for sale

Properties for future sale in the ordinary course of business are included in current assets at the lower of cost and net realisable value. Cost comprises the consideration for development expenditure (which includes cost of land use rights, construction costs and capitalised interest) directly attributable to the development of the properties.

Financial Instruments

Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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

3. 主要會計政策概要 (續)

持作出售之物業

為日常業務過程中將於未來出售之物業乃按成本及可變現淨值兩者間之較低者計入流動資產。成本包括物業開發所直接應佔之發展開支之代價(包括土地使用權成本、建築成本及資本化利息)。

金融工具

金融資產

金融資產(並無重大融資部份的應收貿易賬款除外)初步按公允值加上收購或發行應佔的直接交易成本計量(倘屬並非按公允值於損益列賬(「按公允值於損益列賬」)的金融資產)。並無重大融資部份的應收貿易賬款初步按交易價計量。

所有金融資產之日常買賣於交易日確認，即本集團承諾買賣資產之日期。日常買賣指須根據市場規則或慣例一般訂定之時限內交付資產之金融資產買賣。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There is one measurement category into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income is recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

3. 主要會計政策概要(續)

金融工具(續)

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為一種計量類別：

攤銷成本：倘為收取合約現金流量而持有之資產之現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。按攤銷成本計量的金融資產其後用實際利率法計量。利息收入、匯兌收益及虧損及減值於損益確認。終止確認的任何收益於損益確認。

股本工具

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公允值的後續變動。該選擇乃按投資逐項作出。按公允值於其他全面收益列賬之股本投資乃按公允值計量。除非股息收入清楚表示為收回部分投資成本，否則股息收入於損益中確認。其他收益及虧損淨額於其他全面收益中確認，且不會重新分類至損益。所有其他股本工具分類為按公允值於損益列賬，公允值變動、股息及利息收入則於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment loss on financial assets

The Group recognises loss allowances for ECL on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation of the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

3. 主要會計政策概要(續)

金融工具(續)

金融資產減值虧損

本集團就應收貿易賬款及按攤銷成本計量的金融資產確認預期信貸虧損的虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內可能發生之違約事件導致的預期信貸虧損；及(2)全期預期信貸虧損：此乃於財務工具預計年期內所有可能違約事件將產生之預期信貸虧損。於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損乃信貸虧損的概率加權估計。信貸虧損乃基於根據合約應付本集團之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。該差額其後按與資產原有實際利率相近的利率貼現。

本集團已選用香港財務報告準則第9號簡化法計量應收貿易賬款之虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已設立以本集團過往信貸虧損經驗為基礎的撥備矩陣，並按債務人特定之前瞻性因素及經濟環境調整。

就其他債務金融資產而言，預期信貸虧損乃基於12個月預期信貸虧損。然而，倘信貸風險自產生以來大幅增加，撥備將基於全期預期信貸虧損。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment loss on financial assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the debtor is unlikely to pay its credit obligations to the Group in full without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 120 days past due.

In respect of loan receivables, credit risk arises from a customer's inability and unwillingness to meet its financial obligations to make timely payments under the loans the Group provided. The Group has taken measures to identify credit risks arising from loan business. The Group manages credit risk through review and credit approval and post-transaction monitoring processes which is performed by management. The Group also demands certain borrowers to place collateral at the time the loan agreement is entered into as securities of loans.

3. 主要會計政策概要(續)

金融工具(續)

金融資產減值虧損(續)

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料分析，包括前瞻性資料。

本集團假設，倘逾期超過90日，金融資產之信貸風險已大幅增加。

本集團認為金融資產於下列情況下為信貸減值：(1) 借款人不大可能在本集團並無進行追索例如變現抵押(如持有)的情況下向本集團悉數支付其信貸義務；或(2) 該金融資產逾期超過120日。

就應收貸款而言，信貸風險來自客戶無力及不願履行其財務責任，以及時支付本集團提供的貸款。本集團已採取措施識別貸款業務產生的信貸風險。本集團透過管理層進行的審閱及信貸審批以及交易後監控程序管理信貸風險。本集團亦於訂立貸款協議時要求若干借款人提供抵押品作為貸款抵押。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment loss on financial assets (Continued)

During the post-transaction monitoring process, the Group performs credit evaluations on customers periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay.

The Group categorises the credit quality of its loan receivables and interest receivables according to 3 different stages under the ECL model:

Stage 1:

Loan receivables and interest receivables have not experienced a significant increase in credit risk since origination and impairment recognised on the basis of 12-month expected credit losses (12-month ECLs).

Stage 2:

Loan receivables and interest receivables have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime expected credit losses (Lifetime ECLs non credit-impaired).

Stage 3:

Loan receivables and interest receivables that are in default and considered credit-impaired (Lifetime ECLs credit-impaired).

3. 主要會計政策概要(續)

金融工具(續)

金融資產減值虧損(續)

於交易後的監察過程中，本集團定期對客戶進行信貸評估。該等評估重點為客戶過往於款項到期時之付款記錄及當前付款能力。

根據預期信貸虧損模型，本集團根據三個不同階段對應收貸款及應收利息的信貸質素進行分類：

第一階段：

由於應收貸款及利息的信貸風險自批授後並無大幅增加，故減值乃按12個月預期信貸虧損(12個月預期信貸虧損)基準確認。

第二階段：

由於應收貸款及利息的信貸風險自批授後大幅增加，故減值乃按全期預期信貸虧損(無信貸減值的全期預期信貸虧損)基準確認。

第三階段：

應收貸款及利息違約並被視為信貸減值(信貸減值的全期預期信貸虧損)。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment loss on financial assets (Continued)

The loan receivables are moveable between stages. For instance, loan receivables originally classified at stage 1 should be downgraded to stage 2 if events occur such as a significant increase in credit risk. Loan receivables at stage 2 could be upgraded to stage 1 if credit risk decreases and the criteria for the determination of “a significant increase in credit risk” are no longer met.

The Group recognises a loss allowance to different loan receivables at an amount equal to 12-month or lifetime expected credit loss based on whether there has been a significant increase in credit risk and whether the financial instrument is credit-impaired. ECL is the result of discounted product of the weighted average of “probability of default (PD)”, “loss given default (LGD)”, “exposure at default (EAD)” under the three scenarios, which are defined as follows:

Probability of default (PD) is the probability of default occurring of a client and its assets in a given period of time in the future.

Loss given default (LGD) represents the percentage of amount of loss to be incurred in the event of default to the total risk exposure. It is expressed as the loss percentage per unit of exposure which typically varies by nature of debtor, type and seniority of claim and the availability of collaterals or other credit enhancements.

3. 主要會計政策概要(續)

金融工具(續)

金融資產減值虧損(續)

應收貸款可於不同階段自由流動。例如，倘發生信貸風險大幅增加等事件，原分類為第一階段的應收貸款應降級至第二階段。倘信貸風險減少且不再符合釐定「信貸風險大幅增加」的標準，則第二階段的應收貸款可升級至第一階段。

本集團根據信貸風險是否大幅增加及金融工具是否出現信貸減值，按相等於12個月或全期預期信貸虧損的金額確認不同應收貸款的虧損撥備。預期信貸虧損是三種情景下「違約概率(PD)」、「違約損失率(LGD)」、「違約風險敞口(EAD)」加權平均值的折現結果，其定義如下：

違約概率(PD)指客戶及其資產在未來特定時期內發生違約的概率。

違約損失率(LGD)指發生違約時蒙受的損失金額佔總風險承擔百分比。其表示為每單位風險承擔的損失百分比，通常因債務人性質、申索類型及優先次序以及抵押品或其他信用增級的可用性而有所不同。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Impairment loss on financial assets (Continued)

Exposure at default (EAD) represents the total amount of on balance sheet and off-balance sheet exposure at the time of default by debtor, reflecting the total amount of possible losses likely to be incurred. In general, this includes the utilised credit limit, interest receivable, the anticipated usage of unused credit facilities as well as the related expenses to be incurred.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from loan receivables are set out in notes 22 and 40.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. All the Group's financial liabilities are at amortised cost and are initially measured at fair value, net of directly attributable costs incurred.

3. 主要會計政策概要(續)

金融工具(續)

金融資產減值虧損(續)

違約風險敞口(EAD)指債務人違約時資產負債表內及資產負債表外風險的總額，反映可能產生的損失總額。一般包括已使用的授信限額、應收利息、未使用授信額度的預期使用數額以及可能產生的相關費用。

有關本集團應收貸款所產生之信貸風險之進一步量化披露載於附註22及40。

信貸減值金融資產的利息收入乃按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。對於非信貸減值之金融資產，利息收入根據賬面總值計算。

金融負債

本集團視乎金融負債產生之目的將其金融負債分類。本集團所有金融負債均按攤銷成本計算，且初步按公允值扣除所產生之直接應佔成本計算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables and borrowings are subsequently measured at amortised cost using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Equity instruments

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

Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

3. 主要會計政策概要(續)

金融工具(續)

按攤銷成本計量之金融負債

按攤銷成本計量之金融負債包括應付貿易賬款及其他應付款項及借款隨後採用實際利率法按攤銷成本計量。有關利息開支會於損益確認。

當負債終止確認或進行攤銷時，收益或虧損於損益確認。

實際利率法

實際利率法乃計算金融資產或金融負債之攤銷成本及於有關期間分配利息收入或利息開支之方法。實際利率乃於金融資產或負債估計年期或(倘適用)較短期間實際折現估計日後現金收入或付款之比率。

股本工具

本公司發行的股本工具按所收取的所得款項扣除直接發行成本列賬。

終止確認

凡收取金融資產所帶來之未來現金流量之合約權利期間屆滿，或當金融資產被轉讓而轉讓符合香港財務報告準則第9號之終止確認準則，則本集團會終止確認該金融資產。

金融負債於有關合約列明之責任獲解除、取消或到期時終止確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using weighted average method. Net realisable value represents 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.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

3. 主要會計政策概要 (續)

借貸成本

直接因收購、建築或生產須一段時間方能用作其擬定用途或出售之資產借貸成本，乃資本化為該等資產之一部份成本。將待用於該等資產之特定借貸作短期投資所賺取之收入，會於資本化借貸成本中扣除。所有其他借貸成本於彼等產生期間在損益確認。

存貨

存貨初步按成本確認，其後按成本或可變現淨值兩者之較低者入賬。成本包括直接原料及(如適用)直接成本及使存貨達至目前地點及狀況所需之間接成本。成本乃採用加權平均法計算。可變現淨值指於日常業務過程中之估計售價，減完成產品之估計成本及促成銷售所需估計成本。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知數額現金、承受價值變動風險甚微以及一般於購入時三個月內到期之短期高流通性投資，該等金額扣除須應要求償還之銀行透支及作為本集團現金管理之一個完整部份。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3. 主要會計政策概要 (續)

撥備及或然負債

當本集團因過往事件而擁有現有責任(法定或推定)，而履行該責任可能將需要經濟利益外流且責任的金額能夠可靠估計，則會就付款時間或金額不定之負債確認撥備。撥備乃按董事對於報告日期就履行責任所需開支所作之最佳估計計量，倘屬影響重大者，則貼現至現值。

如果需要經濟利益外流的可能性較低，或無法對有關數額作出可靠的估計，便會披露為或然負債，但經濟利益外流的可能性極低者則除外。當潛在責任之存在僅能以一宗或數宗未來事項發生或不發生來證實，除非經濟利益外流之可能性極小，否則亦披露為或然負債。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (excluding goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset. An impairment loss is recognised as an expense immediately.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策概要 (續)

非金融資產減值(商譽除外)

於各個報告期間結束時，本集團審核其資產之賬面值，以決定是否有顯示該等資產出現減值虧損。倘一項資產之可收回金額估計少於其賬面值，則該資產之賬面值將調低至其可收回金額，除非相關資產乃根據本集團之會計政策按重估金額列賬。可收回金額為公允值(反映市況減出售成本)與使用價值兩者之較高者。評估使用價值時，估計未來現金流量使用反映現時市場估計貨幣時間價值之稅前貼現率及資產特定風險貼現為現值。減值虧損即時確認為支出。

就評估減值而言，倘一項資產並未產生主要獨立於其他資產所產生者之現金流入，則就獨立產生現金流入之最小資產組合(即現金產生單位)釐定可收回金額。因此，若干資產單獨進行減值測試，而若干資產則按現金產生單位水平進行減值測試。

倘其後將減值虧損撥回，該資產之賬面值須增至其可收回金額之經修訂估計值，使已增加之賬面值不會超過倘若過往期間並無確認有關資產之減值虧損而應釐定之賬面值。減值虧損撥回即時確認為收入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract assets and liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Income Taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

3. 主要會計政策概要 (續)

合約資產及負債

合約資產指本集團對於已向客戶轉讓的貨品或服務而收取代價的權利(尚未成為無條件)。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅須待時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而本集團有責任須向客戶轉讓貨品或服務。

所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常活動損益，並就所得稅屬不可評稅或不可扣稅的項目作出調整而定，以及按報告期末已頒佈或實際上頒佈的稅率計算。

遞延稅項乃就以財務報告為目的之資產及負債賬面值與以稅務為目的之相應金額之間的暫時差異獲確認。除不會影響會計或應課稅利潤的商譽以及已確認資產及負債外，遞延稅項負債將就所有應課稅暫時差異獲確認。倘能動用應課稅利潤抵銷可扣除暫時差異，遞延稅項將獲確認。遞延稅項乃按適用於資產或負債的賬面值獲變現或清償的預期方式，且報告期末已頒佈或實際上頒佈的稅率計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

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

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

3. 主要會計政策概要 (續)

所得稅 (續)

除本集團可控制撥回暫時差異以及暫時差異於可見將來不會撥回之外，遞延稅項負債乃為投資於附屬公司及聯營公司所產生的應課稅暫時差異而確認。

除非所得稅與已於其他全面收益內確認的項目有關，而稅項亦已於其他全面收益內確認，或所得稅與直接於權益內確認的項目有關，而稅項亦已直接於權益內確認，否則所得稅乃於損益內確認。

政府補助

政府補助於可合理地確定將會收取補助及將符合所有附帶條件時按公允值確認。如補助涉及開支項目，則會於成本支銷的期間內系統性地對應其擬補助的成本確認為收入。

倘補助與資產有關，則其公允值計入遞延收入賬，並在有關資產的預期可使用年內以每年等額分期撥至損益表。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at that date, and their income and expenses are translated at the average monthly exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of other comprehensive income (the translation reserve). Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策概要 (續)

外幣

於編製各獨立集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按各自之功能貨幣(即實體主要經營之經濟環境之貨幣)以交易當日之現行匯率記錄。於各報告期末，以外幣列值之貨幣項目以報告日期之現行匯率重新換算。按公允值入賬且以外幣列值之非貨幣項目乃按釐定公允值當日之現行匯率重新換算。按以外幣歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目時所產生之匯兌差額會於其產生期間在損益確認。因重新換算以公允值列賬之非貨幣項目所產生之匯兌差額則計入期內損益，除非因重新換算非貨幣項目所產生之差額的損益已於其他全面收益內確認，在該情況下，匯兌差額亦於其他全面收益內確認。

就呈報綜合財務報表而言，本集團海外業務之資產及負債均按當日之現行匯率換算為本集團之呈報貨幣(即港元)，而其收支則按期內月度平均匯率換算，除非匯率於該段期間內大幅波動則作別論，在該情況下，則採用交易當日之現行匯率，而所產生之匯率差額(如有)會確認為其他全面收益中之獨立部份(匯兌儲備)。該等匯兌差額於出售海外業務之期間在損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 have been treated as assets and liabilities of the foreign operation and translated in Hong Kong dollars at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

Leasing (accounting policies applied from 1 January 2019)

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

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

3. 主要會計政策概要 (續)

外幣 (續)

因於二零零五年一月一日或之後收購境外業務而產生之商譽及公允值調整已作為境外業務之資產及負債處理，並已於報告期結束時換算為港元。所產生匯兌差額於換算儲備中確認。

租賃 (自二零一九年一月一日起應用的會計政策)

所有租賃 (不論為經營租賃或融資租賃) 須於財務狀況表資本化為使用權資產及租賃負債，惟實體可選擇不資本化 (i) 屬短期租賃的租賃及 / 或 (ii) 相關資產為低價值的租賃的會計政策。本集團已選擇不就低值資產及於開始日期租期少於 12 個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租期內按直線基準支銷。

使用權資產

使用權資產應按成本確認並將包括：(i) 租賃負債的初始計量金額；(ii) 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；(iii) 承租人產生的任何初始直接成本及 (iv) 承租人根據租賃條款及條件規定的情況下拆卸及移除相關資產時將產生的估計成本，除非該等成本乃產生自生產存貨。本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就任何租賃負債重新計量作出調整。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (accounting policies applied from 1 January 2019) (Continued)

Lease liability

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

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

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

3. 主要會計政策概要(續)

租賃(自二零一九年一月一日起應用的會計政策)(續)

租賃負債

租賃負債按租賃開始日期尚未支付的租賃付款的現值確認。租賃付款乃使用租賃中的內含利率(倘該利率能較容易確定)進行貼現。倘該利率無法即時釐定,則本集團使用本集團的增量借款利率。

下列並非於租賃開始日期支付的租期內相關資產使用權付款被視為租賃付款:(i)固定付款減去任何應收租賃優惠;(ii)取決於指數或利率的可變租賃付款,初始按開始日期的指數或利率計量;(iii)承租人根據剩餘價值擔保預期應付的金額;(iv)購買選擇權的行使價(倘承租人合理確定行使該選擇權);及(v)支付終止租賃的罰款(倘租期反映承租人行使選擇權終止租賃)。

於開始日期後,本集團按以下方式計量租賃負債:(i)增加賬面值以反映租賃負債的利息;(ii)減少賬面值以反映作出的租賃付款;及(iii)重新計量賬面值以反映任何重估或租賃修訂,例如指數或利率變動導致未來租賃付款變動、租期變動、實質固定租賃付款變動或購買相關資產的評估變動。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (accounting policies applied from 1 January 2019) (Continued)

Accounting as a lessor

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

Leasing (accounting policies applied until 31 December 2018)

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Prepaid land lease payments under operating leases

Leasehold interests in land are up-front payments to acquire the land use rights. The payments are stated at cost less accumulated amortisation and any impairment loss. Amortisation is calculated on a straight-line basis to write off the up-front payments over the lease terms.

The Group as lessor

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

3. 主要會計政策概要 (續)

租賃(自二零一九年一月一日起應用的會計政策)(續)

作為出租人的會計處理

經營租賃的租金收入於相關租賃期內按直線法於損益確認。磋商及安排經營租賃所產生之初始直接成本計入租賃資產之賬面值，並於租期內以直線法確認為開支。

租賃(直至二零一八年十二月三十一日應用的會計政策)

倘本集團認定某項安排具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該安排(由一宗交易或一系列交易組成)屬於租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而不論安排是否具備租賃之法律形式。

凡租賃條款規定將擁有權之絕大部份風險及回報轉讓予承租人之租約，均分類為融資租賃。所有其他租賃則分類為經營租賃。

經營租賃項下之預付土地租賃款項

土地租賃權益指收購土地使用權之預付款項。有關款項按成本減累計攤銷及任何減值虧損列賬。攤銷於租賃期內以直線法計算以撇銷預付款項。

本集團作為出租人

經營租賃的租金收入乃於相關租期內以直線法於損益確認。磋商及安排經營租賃時產生的初步直接成本計入租賃資產的賬面值，並於租期內以直線法確認為開支。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (accounting policies applied until 31 December 2018) (Continued)

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Intangible assets (other than goodwill)

License acquired separately are initially recognised at cost. The cost of license acquired in a business combination is its fair value at the date of acquisition. Subsequently, intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses.

Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts. The accounting policy as set out in "Impairment of non-financial assets (excluding goodwill)" is adopted for impairment testing of intangible assets with finite and indefinite useful lives.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

3. 主要會計政策概要 (續)

租賃(直至二零一八年十二月三十一日應用的會計政策)(續)

本集團作為承租人

經營租賃之應付租金按直線法於有關租賃期內在損益扣除。為吸引訂立經營租賃而收取及應收之利益，按直線法於租期內確認為租金開支之扣減項目。

無形資產(商譽除外)

獨立收購之牌照初步按成本確認。於業務合併中購入之牌照成本為於收購日期之公允值。其後，無限可使用年期之無形資產按成本減任何累計減值虧損列賬。

減值

當有跡象顯示一項資產可能出現減值，則會對有限年期的無形資產進行減值測試。無限可使用年期之無形資產及尚未可供使用之無形資產每年進行減值測試，而不論該等無形資產是否已出現任何減值跡象。無形資產乃透過比較其賬面值與可收回金額進行減值測試。有限及無限可使用年期之無形資產之減值測試採納「非金融資產減值(商譽除外)」所載之會計政策。

倘估計資產之可收回金額少於其賬面值，則該項資產之賬面值將減少至其可收回金額。

減值虧損即時確認為開支，除非相關資產按重估金額列賬，在此情況下，減值虧損會視作重估調減處理，以其重估盈餘為限。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefits costs

Payments to the defined contribution retirement plans are charged as expenses when employees have rendered services entitling them to contributions.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the “MPF Scheme”), for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Company’s subsidiaries which operate in Mainland China are required to participate in central pension schemes operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension schemes. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the central pension scheme.

Related parties

- (a) A person or a close member of that person’s family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company’s parent.

3. 主要會計政策概要 (續)

退休福利成本

定額供款退休計劃之付款於當僱員提供服務使其有權取得供款時支銷。

本集團根據強制性公積金計劃條例，為合資格參與強積金計劃(「強積金計劃」)之僱員推行定額供款退休福利計劃。按照強積金計劃之規定，供款額須按僱員基本薪金之百分比計算，並於應付時在損益扣除。強積金計劃之資產由獨立管理基金與本集團資產分開持有。本集團僱主之供款於向強積金計劃作出供款時全面歸屬予僱員，惟本集團僱主之自願性供款除外。按照強積金計劃之規定，當僱員於自願性供款全面歸屬前離職，該筆供款將退還予本集團。

本公司在中國大陸經營之附屬公司所聘僱員，須參與由地方市政府籌辦之中央退休金計劃。附屬公司須將其薪金成本之若干百分比撥出作為中央退休金計劃之供款。根據中央退休金計劃之規定，供款將於應付時在損益扣除。

關聯方

- (a) 倘任何個人符合以下條件，則該名個人或該名個人近親家屬成員為本集團之關聯方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本公司之母公司中主要管理人員成員。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

3. 主要會計政策概要 (續)

關聯方 (續)

- (b) 倘下列任何條件對其適用，則該實體為本集團之關聯方：
- (i) 該實體與本集團屬同一集團(指一方之母公司、附屬公司及同系附屬公司與另一方存在關聯)成員公司。
 - (ii) 一家實體為另一實體之聯營公司或合營企業(或另一實體其中成員公司之集團成員公司之聯營公司或合營企業)。
 - (iii) 兩家實體均為同一第三方之合營企業。
 - (iv) 一家實體為第三方實體之合營企業而另一實體為該第三方實體之聯營公司。
 - (v) 該實體乃為本集團或與本集團有關聯之實體之僱員福利設立之退休福利計劃。
 - (vi) 該實體由(a)所界定人士控制或共同控制。
 - (vii) (a)(i)所界定人士對該實體具有重大影響力或為該實體(或該實體之母公司)之主要管理人員成員。
 - (viii) 實體、或一間集團之任何成員公司(為集團之一部份)向本集團或本集團之母公司提供主要管理服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's executive Director.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

3. 主要會計政策概要 (續)

關聯方 (續)

個人之近親家屬成員指於其與實體進行交易時，預期可影響該人士或受該人士影響之家屬成員，包括：

- (i) 該人士之子女及配偶或家庭伴侶；
- (ii) 該人士配偶或家庭伴侶之子女；及
- (iii) 該人士或該人士配偶或家庭伴侶之受養人。

分類呈報

經營分類按與呈交主要經營決策人的內部報告一致的方式呈報。主要經營決策人已獲確認為本集團的執行董事，彼負責分配經營分類的資源及評估經營分類的表現。

4. 重大會計估計及判斷

於應用本集團的會計政策時，董事須就尚未見於其他來源的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及其他被視為相關的因素。實際結果與該等假設有所不同。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The key accounting judgement is as follows:

Classification of properties held for sale

The Group has temporarily leased out its properties held for sale (shop premises) but has decided not to treat these shop premises as investment properties because it is not the Group's intention to hold these shop premises in the long-term for capital appreciation or rental income. Accordingly, these properties are still treated as properties held for sale.

The key sources of estimation uncertainty are as follows:

Inventories

Inventories are measured at the lower of cost and net realisable value. The management of the Group reviews the carrying amount of the inventories at the end of each reporting period, and makes allowance for any inventory items identified to be carried at a recoverable value that is lower than cost through estimation of the expected selling prices under current market conditions.

Impairment of properties held for sale

Management assessed the recoverability of the carrying amount based on professional valuation of the net realisable value of the underlying properties which involves, inter-alia, considerable analysis of current market price of properties of a comparable standard and location and a forecast of future sales based on zero growth rate of property price. If the actual net realisable values of the underlying properties are more or less than expected as a result of change in market condition and/or significant variation in the budgeted development costs, material reversal of or provision for impairment losses may result.

4. 重大會計估計及判斷(續)

主要會計判斷如下：

持作出售物業之分類

本集團暫時將其持作出售之物業(商店)出租，但決定不將該等商店視為投資物業，乃由於本集團無意為長期資本增值或收取租金收入而持有該等商店。因此，該等物業仍被視為持作出售物業。

主要估計不確定因素如下：

存貨

存貨按成本或可變現淨值兩者中之較低者計量。本集團管理層於各個報告期末審閱存貨之賬面值，並根據目前市況估計預期售價，就確認為賬面值低於成本之可收回價值之存貨項目計提撥備。

持作出售之物業減值

管理層根據對相關物業之可變現淨值之專業估值，對賬面值之可收回程度進行評估，當中涉及(其中包括)對相約標準及地點之物業現行市價以及根據物業價格零增長率之未來銷售預測進行大量分析。倘由於市場狀況之變化及/或預算開發成本之重大變化，導致相關物業之實際可變現淨值大於或小於預期，則可能導致減值虧損之重大撥回或撥備產生。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Impairment of non-financial assets (excluding goodwill)

Management periodically reviews each asset for possible impairment or reversal of previously recognised impairment. The recoverable amount of an asset is the higher of its fair value less costs to sell and value in use. If such assets are considered by management to be impaired or impairment recognised is no longer required, the impairment required or reversal of impairment previously recognised is measured by the amount by which the carrying amount of the assets exceeds or exceeded by the estimated recoverable amount of the assets respectively. In determining the recoverable amount, the Group seeks professional advice or makes use of independent professional valuations as appropriate which are based on various assumptions and estimates.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2019 was HK\$14,458,000 (2018: HK\$25,917,000). Further details are given in note 17 to the consolidated financial statements.

4. 重大會計估計及判斷(續)

非金融資產減值(商譽除外)

管理層須定期檢討各項資產有否出現減值或以往確認之減值是否需要撥回。資產之可收回金額為公允值(減銷售成本)與使用價值兩者之較高者。倘該項資產被管理層評定為已減值或不再存在減值，則所需減值或先前已確認減值撥回乃分別按資產賬面值超出資產之估計可收回金額或資產估計可收回金額超出資產賬面值金額計量。於釐定可收回金額時，本集團尋求專業建議或使用多項假設及估計之適當獨立專業估值。

商譽減值

本集團至少按年度基準釐定商譽是否出現減值。該過程需要估計獲分配商譽之現金產生單位之使用價值。本集團須於估計使用價值時對現金產生單位之預期未來現金流量作出估計，亦須選用合適之貼現率以計算該等現金流量之現值。於二零一九年十二月三十一日，商譽之賬面值為14,458,000港元(二零一八年：25,917,000港元)。進一步詳情載於綜合財務報表附註17。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Fair value measurement

The fair value measurement of certain of the Group's financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the below item at fair value:

- Financial assets at fair value through profit or loss (note 15)

For more detailed information in relation to the fair value measurement of the item above, please refer to the applicable note.

4. 重大會計估計及判斷(續)

公允值計量

本集團若干金融資產之公允值計量盡可能利用市場可觀察輸入值及數據。用以釐定公允值計量的輸入值根據估值方法所使用輸入值的可觀察程度分為不同等級(「公允值等級」)：

- 第1級：相同項目於活躍市場之報價(未經調整)；
- 第2級：第1級輸入值以外之可觀察直接或間接輸入值；
- 第3級：不可觀察輸入值(即並非源自市場數據)。

將項目分類為上述等級乃基於所使用對該項目公允值產生重大影響之最低等級輸入值確定。項目在不同等級間轉換於產生期間予以確認。

本集團按公允值計量下列項目：

- 按公允值於損益列賬之金融資產(附註15)

有關上述項目公允值之更詳盡資料，請參考適用附註。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Impairment of trade and loan receivables

Management assesses the expected credit loss on trade and loan receivables based on the lifetime ECLs and 12-month ECLs respectively. Judgement is required in assessing probability-weighted estimate of credit losses, and the cash flows that the Group expects to receive. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional provision may be required in future accounting periods.

Estimating the incremental borrowing rate for leasing

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

4. 重大會計估計及判斷(續)

應收貿易賬款及應收貸款減值

管理層分別按全期預期信貸虧損及12個月預期信貸虧損評估應收貿易賬款及應收貸款的預期信貸虧損。評估信貸虧損的概率加權估計及本集團預期獲得的現金流量時須作出判斷。倘債務人的財務狀況將會惡化而削弱彼等的付款能力，則可能須於日後的會計期間作出額外撥備。

估計租賃的增量借款利率

本集團無法輕易確定租賃隱含的利率，因此使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率是指本集團在類似經濟環境下，為獲得與使用權資產價值類似的資產所需的資金，以類似的抵押品在類似期限內借入資產所必須支付的利率。因此，增量借款利率反映本集團「須支付」的內容，當無法獲得可觀察利率（例如就並無訂立融資交易的附屬公司而言），或需要調整以反映租賃的條款及條件（例如當租賃並非使用附屬公司的功能貨幣）時需進行估計。本集團使用可用的可觀察輸入數據（如市場利率）估計增量借款利率，並須作出若干實體特定估計（如附屬公司的獨立信貸評級）。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Determination of lease term of contracts with renewed options

As explained in note 2(a), the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. Upon the application of HKFRS 16 and at the date of initial application of HKFRS 16, the Group assessed and concluded that it is reasonably certain that the Group will exercise extension options included in some of the lease arrangements. Such assessment and conclusion has resulted in an increase in recognised lease liabilities and right-of-use assets of HK\$57,870,000 at the initial application of HKFRS 16. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control (e.g. a change in business strategy). Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in subsequent financial periods.

4. 重大會計估計及判斷 (續)

釐定有重續選擇權合約的租期

如附註2(a)所述，租賃負債初步按租期內應付租賃付款的現值確認。於開始日期釐定包含本集團可行使的續租權的租賃租期時，本集團會評估行使續租權之可能性，並考慮到所有能形成經濟誘因促使本集團行使續租權之相關事實及情況(包括有利條款、已作出之租賃裝修及該相關資產對本集團經營之重要性)。於應用香港財務報告準則第16號後及於香港財務報告準則第16號之首次應用日期，本集團已作出評估，結論為本集團可合理地確定將行使部份租賃安排附帶之續期選擇權。有關評估及結論導致於首次應用香港財務報告準則第16號時確認之租賃負債及使用權資產增加57,870,000港元。倘發生本集團控制範圍內之重大事件或重大情況變動(如業務策略變動)，則會重新評估租期。租期的任何增加或減少將影響於其後財政期間確認的租賃負債及使用權資產金額。

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5. REVENUE AND SEGMENT INFORMATION

The Group's segment information is based on regular internal financial information reported to the Company's executive Directors and management for their decisions about resources allocation to the Group's business components and their review of these components' performance.

The Group currently has five reportable segments. These segments are managed separately as each business offers different products and services and requires different business strategies as follows: (i) manufacture of electronics products; (ii) provision of nursery education service; (iii) money lending business; (iv) property development and management business; and (v) regulated financial services business.

The following summary describes the operations in each of the Group's reportable segments:

5. 收益及分類資料

本集團之分類資料乃根據呈報予本公司執行董事及管理層以供其決定本集團業務組成部份之資源分配及檢討該等組成部份之表現之定期內部財務資料編製。

本集團目前有五個可報告分類。獨立管理該等分類之原因是各業務提供不同產品及服務，並需要不同業務策略如下：(i) 電子產品生產；(ii) 提供幼兒教育服務；(iii) 放債業務；(iv) 物業開發和管理業務；及(v) 受規管金融服務業務。

下文概述本集團各個可報告分類的經營：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	香港財務報告準則第 15 號 來自客戶合約之收益：		
Electronics products - manufacturing and sale of electronics products	電子產品－ 生產及銷售電子產品	131,861	198,628
Nursery education - providing nursery education for children	幼兒教育－ 為兒童提供幼兒教育	7,124	8,910
Property management - providing management services for landlords and tenants	物業管理－ 為業主及租戶提供管理服務	11,846	1,141
Regulated financial services - providing asset management services	受規管金融服務－ 提供資產管理服務	11,048	12,221
		161,879	220,900
Revenue scoped out of HKFRS 15:	香港財務報告準則第 15 號 範圍以外的收益：		
Money lending	放債	22,933	16,625
		184,812	237,525

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

5. 收益及分類資料(續)

本集團經營分類所呈報總額與本集團於綜合財務報表內呈報之主要財務數據對賬詳情如下：

		Electronics products 電子產品 HK\$'000 千港元	Nursery education 幼兒教育 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Property development and management 物業開發和管理 HK\$'000 千港元	Regulated financial services 受規管金融服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2019	二零一九年						
Segment revenue	分類收益	131,861	7,124	22,933	11,846	11,048	184,812
Inter-segment revenue	分類間收益	—	1,047	—	—	—	1,047
Reportable segment revenue	可報告分類收益	131,861	8,171	22,933	11,846	11,048	185,859
Segment profit/(loss)	分類溢利/(虧損)	(10,067)	(3,835)	(1,649)	1,043	(154)	(14,662)
Other information:	其他資料:						
Additions to segment non-current assets	添置之分類非流動資產	10,702	—	1,624	436	19	12,781
Net finance (credit)/charge	融資(抵免)/開支淨額	175	3,311	3	(5)	(1)	3,483
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	3,583	—	214	1,215	69	5,081
Income tax (credit)/expense	所得稅(抵免)/開支	(13)	—	—	8,875	101	8,963
Net impairment loss on financial assets	金融資產減值虧損淨額	(5)	(113)	16,855	2,872	1,307	20,916
Impairment loss on inventories	存貨減值虧損	767	—	—	—	—	767
Impairment of assets	資產減值	10,758	—	—	—	—	10,758
2018	二零一八年						
Segment revenue	分類收益	198,628	8,910	16,625	1,141	12,221	237,525
Inter-segment revenue	分類間收益	—	391	—	—	7,064	7,455
Reportable segment revenue	可報告分類收益	198,628	9,301	16,625	1,141	19,285	244,980
Segment profit/(loss)	分類溢利/(虧損)	(8,797)	(132,836)	1,792	(2,885)	3,573	(139,153)
Other information:	其他資料:						
Additions to segment non-current assets	添置之分類非流動資產	5,953	295	—	5,105	264	11,617
Net finance credit	融資抵免淨額	(22)	(2)	—	(11)	—	(35)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,802	1,136	—	230	38	3,206
Income tax (credit)/expense	所得稅(抵免)/開支	591	(17,329)	—	3,023	870	(12,845)
Net impairment loss on financial assets	金融資產減值虧損淨額	2,273	20,955	11,929	—	—	35,157
Impairment loss on inventories	存貨減值虧損	4,965	—	—	—	—	4,965
Impairment of assets	資產減值	—	107,859	—	—	—	107,859

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Reportable segment loss	可報告分類虧損	(14,662)	(139,153)
Share of results of associates	應佔聯營公司之業績	(10,533)	11,929
Other net gains	其他收益淨額	(7,565)	6,133
Unallocated corporate costs (note)	未分配企業成本(附註)	(25,654)	(45,217)
Unallocated corporate net finance cost	未分配企業融資成本淨額	(27,710)	(26,865)
Loss before tax	除稅前虧損	(86,124)	(193,173)

Note:

The unallocated corporate costs mainly comprise staff cost (including Directors' remuneration), legal and professional fee, exchange differences, depreciation and office rental (short term lease).

附註：

未分配企業成本主要包括員工成本(包括董事酬金)、法律及專業費用、匯兌差額、貶值及辦公室租金(短期租約)。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Segment assets	分類資產		
Electronics products	電子產品	46,396	154,679
Nursery education	幼兒教育	5,679	1,991
Money lending	放債	248,326	227,202
Property development and management	物業開發和管理	551,113	541,737
Regulated financial services	受規管金融服務	25,596	24,495
Total reportable segment assets	可報告分類資產總額	877,110	950,104
Unallocated corporate assets	未分配企業資產		
Interest in an associate	於一間聯營公司之權益	150,349	155,611
Financial assets at fair value through profit or loss	按公允值於損益列賬之金融資產	22,624	26,086
Property, plant and equipment (note (i))	物業、廠房及設備(附註(i))	318,137	331,913
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	443	22,730
Elimination of inter-segment receivables	對銷分類間應收款項	—	(1,650)
Others (note (ii))	其他(附註(ii))	21,059	409
Total assets	資產總值	1,389,722	1,485,203

Notes:

- (i) This mainly represents office buildings which are used as corporate head office.
- (ii) The balance mainly represents cash and bank balances retained at corporate level.

附註：

- (i) 此項主要指用作公司總辦事處之辦公大樓。
- (ii) 該結餘主要為保留於企業層面的現金及銀行結餘。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

5. 收益及分類資料(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Segment liabilities	分類負債		
Electronics products	電子產品	21,380	72,881
Nursery education	幼兒教育	31,893	7,268
Money lending	放債	378	3,329
Property development and management	物業開發和管理	142,028	61,026
Regulated financial services	受規管金融服務	3,286	2,942
Total reportable segment liabilities	可報告分類負債總額	198,965	147,446
Unallocated corporate liabilities	未分配企業負債		
Bond payable	應付債券	260,000	280,000
Interest-bearing borrowings	計息借款	242,214	159,269
Other payables	其他應付款項	914	111,590
Fund contribution payable	應付基金供款	64,771	61,900
Elimination of inter-segment payables	對銷分類間應付款項	—	(1,650)
Others (note)	其他(附註)	5,894	4,410
Total liabilities	負債總額	772,758	762,965

Note:

The balance mainly represents amount due to a shareholder and accrued corporate expenses.

附註：

結餘主要為應付股東款項及應計企業開支。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

The following provides an analysis of the Group's revenue from external customers by geographical market, irrespective of the origin of the goods:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
The People's Republic of China ("PRC")	中華人民共和國(「中國」)		
Mainland China	中國大陸	63,698	35,224
Hong Kong (place of domicile)	香港(註冊地點)	33,981	29,573
		97,679	64,797
United States of America ("US")	美利堅合眾國(「美國」)	64,320	139,015
United Kingdom	英國	18,990	23,233
Europe	歐洲	3,738	8,936
Others	其他	85	1,544
		184,812	237,525

Information about major customers

For the year ended 31 December 2019, revenue from two customers (2018: one customer) of the manufacture of electronics products segment with whom transactions have exceeded 10% of the Group's revenue for the year as detailed below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶 A	46,913	98,726
Customer B	客戶 B	19,437	N/A 不適用
		66,350	98,726

5. 收益及分類資料(續)

地區資料

下表提供本集團按地區市場劃分(不論貨物之來源)的來自外部客戶之收益分析：

有關主要客戶的資料

截至二零一九年十二月三十一日止年度，來自電子產品生產分類兩名客戶(二零一八年：一名客戶)的交易收益超過本集團年內收益的10%，詳情如下：

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Timing of revenue recognition

	Electronics products 電子產品		Nursery education 幼兒教育		Property development and management 物業開發和管理		Regulated financial services 受規管金融服務		Total 總計	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Timing of revenue recognition 收益確認時間										
At a point in time 於某一時間點	131,861	198,628	—	—	—	—	—	—	131,861	198,628
Over time 隨時間轉移	—	—	7,124	8,910	11,846	1,141	11,048	12,221	30,018	22,272
	131,861	198,628	7,124	8,910	11,846	1,141	11,048	12,221	161,879	220,900

5. 收益及分類資料(續)

收益確認時間

The following table provides information about trade and bills receivables and contract liabilities from contracts with customers.

下表載列有關與客戶合約的應收貿易賬款、應收票據及合約負債的資料。

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade and bills receivables	應收貿易賬款及應收票據	20	23,330	58,039
Contract liabilities	合約負債	25	3,095	3,782

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6. OTHER NET GAINS

6. 其他收益淨額

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Interest on bank deposit and balances	銀行存款及結餘之利息	24	111
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(68)	(139)
Gain on disposal of subsidiaries	出售附屬公司之收益	13,321	1,024
Over provision of payables in relation to properties under development	開發中物業應付款項之超額撥備	—	5,980
Rental income	租金收入	10,894	8,172
Government grant	政府補助	1,067	—
Exchange differences	匯兌差異	(20,041)	54
Forfeiture of deposits from tenants and property purchasers	租戶及物業買家所放棄的按金	6,595	—
Fair value loss on financial assets at FVTPL	按公允值於損益列賬之金融資產之公允值虧損	(3,462)	(914)
Others	其他	2,785	2,319
		11,115	16,607

7. FINANCE COSTS

7. 財務成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on bank borrowings and bank overdrafts and other borrowings	銀行借款及銀行透支以及其他借款之利息	27,784	26,941
Interest on lease liabilities	租賃負債之利息	3,433	—
		31,217	26,941

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8. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

8. 除稅前虧損

除稅前虧損乃於扣除/(計入)以下各項後達致：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Staff costs including Directors' emoluments:	員工成本(包括董事酬金)：		
Directors' emoluments (note 9)	董事酬金(附註9)	662	9,293
Staff salaries, allowance and welfare	員工薪酬、津貼及福利	36,705	39,532
Retirement benefit scheme contributions	退休福利計劃供款	3,451	3,865
Total staff costs	員工成本總額	40,818	52,690
Auditors' remuneration	核數師酬金	1,105	1,213
Cost of inventories recognised as expenses	確認為支出之存貨成本	119,676	159,820
Depreciation of property, plant and equipment (note 13)	物業、廠房及設備之折舊(附註13)	23,098	19,499
Exchange differences	匯兌差異	20,041	(54)
Minimum lease payment for leases previously classified as operating leases under HKAS 17	過往根據香港會計準則第17號分類為經營租賃的租賃最低租賃款項	—	9,584
Short term leases expenses	短期租賃開支	3,571	—
Impairment loss on intangible assets (note 16)	無形資產減值虧損(附註16)	10,758	104,034
Impairment loss on property, plant and equipment (note 13)	物業、廠房及設備之減值虧損(附註13)	—	3,825
Impairment of assets	資產減值	10,758	107,859
Net impairment loss on trade receivables (note 40)	應收貿易賬款減值虧損淨額(附註40)	2,168	2,273
Net impairment loss on other receivables	其他應收款項減值虧損淨額	1,892	20,955
Impairment loss on loan receivables (note 40)	應收貸款減值虧損(附註40)	16,856	11,929
Net impairment loss on financial assets	金融資產減值虧損淨額	20,916	35,157
Impairment loss on inventories	存貨減值虧損	767	4,965

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the Directors are as follows:

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9. 董事及僱員酬金

已付或應付各董事之酬金如下：

截至二零一九年十二月三十一日止年度

		Fees	Basic salaries and allowances	Bonuses	Benefits in kind	Retirement benefit scheme contributions	Total
		袍金	基本薪金及津貼	紅利	實物福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors:	執行董事：						
Ms. Yeung So Lai	楊素麗女士	—	—	—	—	—	—
Mr. Lee Chi Shing Caesar	李志成先生	—	30	—	—	—	30
Independent non-executive Directors:	獨立非執行董事：						
Ms. Hu Gin Ing	胡競英女士	250	—	—	—	—	250
Mr. Chiu Sze Wai Wilfred (resigned on 30 May 2019)	趙思璋先生 (於二零一九年五月三十日離任)	75	—	—	—	—	75
Mr. Chow Wai Leung William	周偉良先生	180	—	—	—	—	180
Mr. Leung Man Man (appointed on 17 April 2019)	梁萬民先生 (於二零一九年四月十七日獲委任)	127	—	—	—	—	127
		632	30	—	—	—	662

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

For the year ended 31 December 2018

9. 董事及僱員酬金 (續)

截至二零一八年十二月三十一日止年度

	Fees	Basic salaries and allowances	Bonuses	Benefits in kind	Retirement benefit contributions	Total
	袍金	基本薪金及津貼	紅利	實物福利	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors: 執行董事:						
Ms. Yeung So Lai 楊素麗女士	200	5,123	—	—	30	5,353
Mr. Lee Chi Shing Caesar 李志成先生	200	3,100	—	—	30	3,330
Independent non-executive Directors: 獨立非執行董事:						
Ms. Hu Gin Ing 胡競英女士	250	—	—	—	—	250
Mr. Chiu Sze Wai Wilfred 趙思璋先生	180	—	—	—	—	180
Mr. Chow Wai Leung William 周偉良先生	180	—	—	—	—	180
	1,010	8,223	—	—	60	9,293

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

During the year ended 31 December 2019, Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar have waived part of their emoluments in the amount of HK\$6,600,000 and HK\$5,400,000 respectively (2018: HK\$1,100,000 and HK\$900,000 respectively).

Save as aforesaid, no Directors has waived or agreed to waive any emoluments during the years ended 31 December 2019 and 2018.

No remuneration was paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 December 2019 (2018: nil).

For the five individuals with the highest emoluments in the Group, none of them were directors of the Group (2018: two), details of whose emoluments are set out above. The emoluments of the five (2018: remaining three) highest individuals are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and other benefits 薪金及其他福利	4,753	3,835
Contributions to retirement benefit schemes 退休福利計劃供款	80	60
	4,833	3,895

9. 董事及僱員酬金(續)

截至二零一九年十二月三十一日止年度，楊素麗女士及李志成先生已放棄彼等部分酬金，金額分別為6,600,000港元及5,400,000港元(二零一八年：分別為1,100,000港元及900,000港元)。

除上文所述者外，截至二零一九年及二零一八年十二月三十一日止年度，本集團概無董事放棄或同意放寬任何酬金。

截至二零一九年十二月三十一日止年度，本集團並無向董事支付薪酬作為將加入或當加入本集團時的獎勵或離職補償(二零一八年：無)。

本集團的五名最高薪酬人士概並非董事(二零一八年：兩名)，有關酬金詳情載於上文。五名(二零一八年：剩餘三名)最高薪酬人士之酬金載列如下：

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

Their emoluments were within the following bands:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Nil – HK\$1,000,000	零至 1,000,000 港元	3	2
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	—
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
		5	3

The emoluments paid or payable to members of senior management were within the following bands:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Nil – HK\$1,000,000	零至 1,000,000 港元	6	3
HK\$3,000,001 – HK\$3,500,000	3,000,001 港元至 3,500,000 港元	—	1
HK\$5,000,001 – HK\$5,500,000	5,000,001 港元至 5,500,000 港元	—	1
		6	5

9. 董事及僱員酬金(續)

彼等之酬金分為下列級別：

已付或應付高級管理層成員之酬金分為下列級別：

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10. INCOME TAX (EXPENSE)/CREDIT

The income tax (expense)/credit for the year comprises:

10. 所得稅(開支)/抵免

本年度所得稅(開支)/抵免包括：

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax – Hong Kong Profits tax Tax for the year	即期稅項 – 香港利得稅 年度稅項	(101)	(870)
Current tax – PRC tax Tax for the year	即期稅項 – 中國稅項 年度稅項	(171)	(3,614)
Over provision in respect of prior years	過往年度超額撥備	68	—
		(103)	(3,614)
		(204)	(4,484)
Deferred tax (Charged)/credited for the year	遞延稅項 年內(扣除)/計入	(4,986)	15,651
Under provision in respect of prior years	過往年度撥備不足	(3,773)	—
		(8,759)	15,651
Income tax (expense)/credit	所得稅(開支)/抵免	(8,963)	11,167

PRC Enterprise Income Tax has been provided on estimated assessable profits of the subsidiaries' operations in the PRC at 25% (2018: 25%).

In accordance with the new two-tiered profits tax rates regime with effect from the year of assessment 2018/19, Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the year ended 31 December 2019 (2018: 16.5%), except for the first HK\$2,000,000 of the qualified entity's assessable profit which is calculated at 8.25% (2018: 8.25%).

已就中國營運之附屬公司之估計應課稅溢利按稅率25%(二零一八年：25%)計提撥備中國企業所得稅。

根據於二零一八/一九課稅年度生效之新兩級制利得稅率，截至二零一九年十二月三十一日止年度，香港利得稅按估計應課稅溢利16.5%計稅(二零一八年：16.5%)，惟合資格實體之首2,000,000港元應課稅溢利則按8.25%計稅(二零一八年：8.25%)。

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10. INCOME TAX (EXPENSE)/CREDIT (Continued)

The income tax (expense)/credit for the year can be reconciled to the loss before tax in the consolidated statement of profit or loss as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before tax	除稅前虧損	(86,124)	(193,173)
Tax thereon at domestic rates applicable to profits or losses in the jurisdictions concerned	於有關司法權區按適用於損益之當地稅率計算之稅項	14,454	43,629
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	(12,846)	(34,214)
Tax effect of income not assessable for tax purposes	毋須課稅收入之稅務影響	3,431	12,441
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	(8,158)	(17,821)
Tax effect of temporary differences not recognised	未確認暫時差異之稅務影響	(2,950)	5,579
Tax effect of share of results of an associate	應佔一間聯營公司之業績之稅務影響	—	(1,678)
Utilisation of tax losses previously not recognised	動用以往未確認之稅項虧損	714	3,690
Under provision in respect of prior years	過往年度撥備不足	(3,705)	(548)
Effect of special tax exemption	特殊稅項豁免納稅影響	97	89
Income tax (expense)/credit for the year	年內所得稅（開支）／抵免	(8,963)	11,167

11. DIVIDEND

The board (the "Board") of Directors does not recommend the payment of a final dividend for the year ended 31 December 2019 (2018: nil).

10. 所得稅（開支）／抵免（續）

本年度所得稅（開支）／抵免與綜合損益表之除稅前虧損對賬如下：

11. 股息

董事會（「董事會」）不建議派付截至二零一九年十二月三十一日止年度之末期股息（二零一八年：無）。

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12. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the loss attributable to owners of the Company of HK\$94,285,000 (2018: HK\$174,334,000) and the weighted average number of 2,032,571,385 ordinary shares.

The calculation of weighted average number of ordinary shares is as follows:

		2019 二零一九年	2018 二零一八年
Issued ordinary shares at 1 January	於一月一日已發行之普通股	2,032,571,385	2,032,571,385
Weighted average number of ordinary shares at 31 December	於十二月三十一日普通股加權平均數	2,032,571,385	2,032,571,385
Basic and diluted loss per share (HK cents) (note)	每股基本及攤薄虧損(港仙)(附註)	(4.64)	(8.58)

Note:

The basic and diluted loss per share are the same for the years ended 31 December 2019 and 2018 as there were no dilutive potential ordinary shares outstanding.

12. 每股虧損

每股基本及攤薄虧損乃根據本公司擁有人應佔虧損94,285,000港元(二零一八年: 174,334,000港元)以及普通股加權平均數2,032,571,385股計算。

普通股加權平均數之計算如下:

附註:

截至二零一九年及二零一八年十二月三十一日止年度並無具攤薄潛力之發行在外普通股股份，故每股基本及攤薄虧損為相同。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Right-of-use asset 使用權資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本							
At 1 January 2018	於二零一八年一月一日	–	6,324	15,840	1,962	3,215	–	27,341
Additions	添置	347,663	6,553	4,190	408	504	–	359,318
Acquisition of subsidiaries	收購附屬公司	–	–	355	50	1,440	–	1,845
Disposals	出售	–	(473)	(22)	–	–	–	(495)
Impairment	減值	–	(5,426)	(584)	–	–	–	(6,010)
Currency realignment	匯率調整	–	(77)	(594)	(62)	(56)	–	(789)
At 31 December 2018	於二零一八年十二月三十一日	347,663	6,901	19,185	2,358	5,103	–	381,210
Initial application of HKFRS 16 (note 2(a)(b))	首次應用香港財務報告準則第16號(附註2(a)(b))	–	–	–	–	–	2,697	2,697
At 1 January 2019	於二零一九年一月一日	347,663	6,901	19,185	2,358	5,103	2,697	383,907
Additions	添置	–	11,070	2,611	261	263	2,820	17,025
Disposal of subsidiaries	出售附屬公司	–	–	(17,759)	(267)	(3,215)	(3,763)	(25,004)
Disposals	出售	–	(472)	(10)	(270)	–	–	(752)
Currency realignment	匯率調整	–	(222)	(97)	(25)	(38)	(41)	(423)
At 31 December 2019	於二零一九年十二月三十一日	347,663	17,277	3,930	2,057	2,113	1,713	374,753
Accumulated depreciation	累計折舊							
At 1 January 2018	二零一八年一月一日	–	1,234	11,795	1,655	3,215	–	17,899
Depreciation	折舊	15,935	1,289	1,920	253	102	–	19,499
Acquisition of subsidiaries	收購附屬公司	–	–	167	25	427	–	619
Disposals	出售	–	(355)	(1)	–	–	–	(356)
Impairment	減值	–	(1,804)	(381)	–	–	–	(2,185)
Currency realignment	匯率調整	–	(10)	(376)	(58)	(17)	–	(461)
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	15,935	354	13,124	1,875	3,727	–	35,015
Depreciation	折舊	17,383	2,382	1,393	204	308	1,428	23,098
Disposal of subsidiaries	出售附屬公司	–	–	(13,187)	(267)	(3,215)	(762)	(17,431)
Disposals	出售	–	(362)	(4)	(256)	–	–	(622)
Currency realignment	匯率調整	–	(28)	(63)	(16)	(14)	(24)	(145)
At 31 December 2019	於二零一九年十二月三十一日	33,318	2,346	1,263	1,540	806	642	39,915
Net book value	賬面淨值							
At 31 December 2019	於二零一九年十二月三十一日	314,345	14,931	2,667	517	1,307	1,071	334,838
At 31 December 2018	於二零一八年十二月三十一日	331,728	6,547	6,061	483	1,376	–	346,195

Bank borrowings of HK\$242,214,000 (2018: HK\$159,269,000) are secured on the Group's land and buildings.

銀行借款242,214,000港元(二零一八年：159,269,000港元)由本集團之土地及樓宇擔保。

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14. INTEREST IN AN ASSOCIATE/AMOUNT DUE TO AN ASSOCIATE

As at 31 December 2019 and 2018, the Group had an interest in the following associate:

14. 於一間聯營公司之權益／應付一間聯營公司款項

於二零一九年及二零一八年十二月三十一日，本集團於以下聯營公司擁有權益：

Name of entity	Form of business structure	Place of incorporation	Principal place of operation	Total capital HK\$'000	Proportion of capital contributed by the Group	Proportion of voting rights held by the Group as general partner	Principal activities
實體名稱	業務架構形式	註冊成立地點	主要營業地點	總資本 千港元	本集團 貢獻資本比例	本集團 作為普通 合夥人所持 投票權比例	主要業務
IT City	Limited partnership 有限合夥人	Cayman Islands 開曼群島	Hong Kong 香港	255,250	60%	28.57%	IT properties investment IT物業投資

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Movements of interest in an associate are as follows:	於一間聯營公司之權益變動如下：		
At 1 January	於一月一日	155,611	221,648
Investment in an associate (note (i))	於一間聯營公司之投資 (附註(i))	—	151,000
Capital contribution to associate	向聯營公司注資	5,271	1,071
Share of profits and total comprehensive income of associates	應佔聯營公司之 溢利及全面收益總額	(10,533)	12,311
Disposal of a subsidiary (note (ii))	出售一間附屬公司 (附註(ii))	34	(241,231)
Currency realignment	匯兌調整	—	10,812
At 31 December	於十二月三十一日	150,349	155,611

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14. INTEREST IN AN ASSOCIATE/AMOUNT DUE TO AN ASSOCIATE (Continued)

Notes:

- (i) On 2 May 2018, the Group entered into the limited partnership agreement in relation to the operation of IT City Development Fund LP ("IT City") and two subscription agreements in relation to the application to subscribe for an interest in IT City with a committed capital contribution of HK\$51,000,000 in capacity as general partner (through an indirect wholly-owned subsidiary of the Company ("GP1")) and HK\$100,000,000 in capacity as limited partner (through a direct wholly-owned subsidiary of the Company) respectively. The principal purpose of IT City is to invest in properties that can consolidate and promote the development of IT industry and its related supporting facilities. According to the limited partnership agreement, the management, policies and control of IT City shall be vested exclusively in the general partners who, acting unanimously, may make such investment decisions as they shall determine, having given consideration to the investment objective and investment strategy of IT City and the advice of the investment committee of IT City (the "Investment Committee"). GP1 shall be entitled to appoint two members to the Investment Committee, which demonstrates its significant influence over IT City.
- (ii) On 20 July 2018, interest in an associate relating to 27.9% equity interest in Yuji Development Corporation ("Yuji") was disposed upon the disposal of Rise Up International Limited ("Rise Up"), wholly-owned subsidiary of the Company. Rise Up is an investment holding company which holds the Group's 27.9% interest equity in Yuji. Please refer to note 34 for details.

14. 於一間聯營公司之權益／應 付一間聯營公司款項(續)

附註：

- (i) 於二零一八年五月二日，本集團訂立一項有限合夥人協議，內容有關經營IT City Development Fund LP (「IT City」) 及兩項認購協議，內容有關申請認購IT City 權益，當中已承諾分別透過本公司間接全資附屬公司以普通合夥人(「普通合夥人一」)身份出資51,000,000港元及透過本公司直接全資附屬公司以有限合夥人身份出資100,000,000港元。IT City的主要目的是投資於能夠整合及推動IT行業及其相關配套發展的物業。根據有限合夥人協議，IT City的管理、政策及控制權應獨家歸屬於普通合夥人，據此，普通合夥人(以一致行動行事)可於考慮IT City的投資目標及投資策略以及IT City之投資委員會(「投資委員會」)的意見後按其釐定作出有關投資決定。普通合夥人一應有權委任投資委員會當中兩名成員，顯示其於IT City具重大影響力。
- (ii) 於二零一八年七月二十日，與宇錡建設股份有限公司(「宇錡」)相關之於一間聯營公司之27.9%權益已出售，連同本公司之全資附屬公司Rise Up International Limited (「Rise Up」)亦已出售。Rise Up為一間投資控股公司，持有宇錡約27.9%權益。詳情請參閱附註34。

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14. INTEREST IN AN ASSOCIATE/AMOUNT DUE TO AN ASSOCIATE (Continued)

The summarised financial information in respect of IT City is set out below:

14. 於一間聯營公司之權益／應付一間聯營公司款項(續)
有關IT City之財務資料概述如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	237,769	260,770
Total assets	總資產	237,769	260,770
Current liabilities	流動負債	(10,567)	(2,720)
Total liabilities	總負債	(10,567)	(2,720)
Net assets	資產淨值	227,202	258,050
Share of an associate's net assets	應佔一間聯營公司之資產淨值	150,349	155,611
Revenue	收益	12,234	7,791
Total comprehensive income	全面收益總額	(36,098)	264
Share of (loss)/profit and total comprehensive income of an associate (net of tax)	應佔一間聯營公司之(虧損)／溢利及全面收益總額(扣除稅項)	(10,533)	3,540

The amount due to an associate is unsecured, interest-free and repayable on demand.

應付一間聯營公司款項為無抵押、免息及須於要求時償還。

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14. INTEREST IN AN ASSOCIATE/AMOUNT DUE TO AN ASSOCIATE (Continued)

At the date of this annual report, IT City has not identified any potential project for investment. IT City and its general partners are now inviting potential investors to participate in order to increase the fund size and the investment options.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at fair value through profit or loss			
按公允值於損益列賬之金融資產			
— Unlisted equity investment	— 非上市股本投資	22,624	26,086

The unlisted equity investment represents 18% equity interest in ORBiz International Limited which was established for provision of real-time kinematic solution. The equity of Link Complex Limited, which owns this unlisted equity investment and a wholly-owned subsidiary of the Company was pledged to secure the Group's bond issued as detailed in notes 27(x) and (xi).

非上市股本投資指於ORBiz International Limited的18%股權(為提供實時動態解決方案而成立)。如附註27(x) and (xi)所詳述，此項非上市股本投資持有人及本公司之全資附屬公司Link Complex Limited的股權已被質押以為本集團已發行的債券作擔保。

14. 於一間聯營公司之權益／應付一間聯營公司(續)

於本年報日期，IT City未有識別任何潛在投資項目。IT City及其普通合夥人正邀約潛在投資者參與，以祈擴大基金規模及增加投資項目選擇。

15. 按公允值於損益列賬之金融資產

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16. INTANGIBLE ASSETS

16. 無形資產

		Notes 附註	License 牌照 HK\$'000 千港元	Goodwill 商譽 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日		78,500	38,611	117,111
Acquisition of subsidiaries:	收購附屬公司：				
– Electronic products	– 電子產品	33(i)	—	19,538	19,538
– Property development and management	– 物業開發和管理	33(ii)	—	3,883	3,883
Regulated financial services business	受規管金融服務業務				
– Addition of license	– 添加牌照		600	—	600
Impairment	減值	8	(69,314)	(34,720)	(104,034)
Currency realignment	匯兌調整		—	(1,395)	(1,395)
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		9,786	25,917	35,703
Impairment	減值	8	—	(10,758)	(10,758)
Currency realignment	匯兌調整		—	(701)	(701)
At 31 December 2019	於二零一九年十二月三十一日		9,786	14,458	24,244

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16. INTANGIBLE ASSETS (Continued)

The intangible assets comprise licenses and goodwill from business combinations. License mainly represent the nursery education license (fully impaired in 2018) and Type 1, Type 4, Type 5, Type 6 and Type 9 regulated activities licenses as defined under Securities and Futures Ordinance (“SFO”) Chapter 571 of the Laws of Hong Kong. These licenses were considered to have indefinite useful lives and will be tested for impairment annually and whenever there is an indication that it may be impaired. During the year ended 31 December 2019, impairment loss of HK\$10,758,000 was recognised on goodwill relating to acquisition of subsidiaries engaged in manufacturing and sale of electronic products.

The Directors assessed the impairment of licenses under the cash generating units (“CGUs”) of nursery education services and regulated financial services business segments at the CGU level. Based on the results of the assessments, the directors are of the opinion that there was no reversal of impairment on the fully impaired licenses under the nursery education services segment and no impairment of licenses under the regulated financial services business segment as at 31 December 2019 (2018: impairment of licenses of HK\$69,314,000 of nursery education services segment).

16. 無形資產(續)

無形資產包括業務合併產生的牌照及商譽。牌照主要指幼兒教育牌照(於二零一八年悉數減值)以及香港法例第571章《證券及期貨條例》(「《證券及期貨條例》」)項下所界定之第1類、第4類、第5類、第6類及第9類受規管活動牌照。該等牌照被視為有無限可使用年期，其將每年及當有跡象顯示可能出現減值時進行減值測試。於截至二零一九年十二月三十一日止年度，已就有關收購從事製造及銷售電子產品之附屬公司之商譽確認減值虧損10,758,000港元。

董事按現金產生單位(「現金產生單位」)層面評估幼兒教育服務及受規管金融服務業務分類之現金產生單位項下之牌照減值。根據評估結果，董事認為，於二零一九年十二月三十一日，已全面減值教育服務分部項下牌照並無出現減值撥回，而受規管金融服務業務分部項下牌照並無出現減值(二零一八年：幼兒教育服務分部項下牌照減值69,314,000港元)。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL

For the purpose of impairment testing, licenses and goodwill are allocated to the CGUs of nursery education services, money lending business, regulated financial services business, electronic products and property development and management as set out in note 16 to the consolidated financial statements.

Nursery education services

The recoverable amount of the CGU has been determined from higher of fair value less costs to sell or value in use calculations. The value in use calculation was based on cash flow projections from formally approved budgets covering a five-year period of 2020 - 2024 (2018: 2019-2023). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2018: 3%), which does not exceed the long-term growth rate for the nursery education industry in the PRC.

		2019 二零一九年	2018 二零一八年
Discount rate	貼現率	15.45%	15.45%
Monthly tuition fee per student	每名學生每月學費	RMB6,100 人民幣6,100元	RMB6,100 人民幣6,100元
Growth rate within 2020 - 2024 (2018: 2019-2023)	二零二零年至二零二四年 之增長率(二零一八年： 二零一九年至二零二三年)	3%	3%

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The tuition fees within the five-year period were determined based on past experience.

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

17. 牌照及商譽之減值測試

就減值測試而言，牌照及商譽被分配至誠如綜合財務報表附註16所載之幼兒教育服務、放債業務、受規管金融服務業務、電子產品及物業開發和管理之現金產生單位。

幼兒教育服務

現金產生單位之可回收金額乃根據公允值減銷售成本與使用價值之較高者釐定。使用價值根據二零二零年至二零二四年(二零一八年：二零一九年至二零二三年)正式獲批准的預算中的現金流量預測(涵蓋五年期間)計算。超過五年期間之現金流量乃採用估計加權平均增長率3%(二零一八年：3%)推算，有關增長率不超過中國幼兒教育行業長期增長率。

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

五年期間內之學費乃基於過往經驗釐定。

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本貼現其現值而釐定。

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Nursery education services (Continued)

During the year, the Group has continued to keep track of the implementation of “Certain Opinions of the Central Committee of CPC and the State Council on In-Depth Reform and Regulated Development of Preschool Education (中共中央、國務院關於學前教育深化改革規範發展的若干意見)” (“Opinions”) which was announced in November 2018. The Group updated the 2020 budget and has continued to suspend all of its expansion process after take into account the likely potential impact of the Opinions to the Group. Given the operating costs (mainly lease expense of the existing kindergarten) cannot be lowered and the economies of scales cannot be achieved, the revised cash flows projection continued to show negative discounted cash flows and the value in use was therefore considered as nil.

To assess the fair value less costs to sell, management considered the resaleable value of the existing kindergarten would be limited since (1) the operation has been loss-making for years and (2) the Opinions narrowed down the potential buyers base and all transfer of ownership has to obtain the approval from the relevant government department. In order to locate buyers, the Group might incur other direct costs which further lower the recoverable amount. Therefore, management considers the fair value less costs to sell would continue to be close to zero.

Since the value in use has nil value and the fair value less costs to sell is close to zero, management considered that a full impairment on nursery education CGU’s non-current assets (i.e. license and goodwill of HK\$69,314,000 and HK\$34,720,000 respectively) is required as at 31 December 2018 and 2019.

17. 牌照及商譽之減值測試(續)

幼兒教育服務(續)

年內，本集團繼續關注於二零一八年十一月公佈的中共中央、國務院關於學前教育深化改革規範發展的若干意見(「意見」)的實施。本集團已更新二零二零年預算，並經考慮該意見可能對本集團造成之潛在影響後，繼續暫停其所有擴展程序。鑑於經營成本(主要為現有幼兒園的租賃開支)無法降低，且無法達致規模經濟，經修訂現金流量預測仍然呈現經貼現負現金流量，因此使用價值被視為零。

為評估公允值減出售成本，管理層認為現有幼兒園的轉售價值有限，此乃由於(1)業務多年虧損及(2)意見縮小潛在買家層，而所有擁有權轉讓須獲相關政府部門批准。為物色買家，本集團可能須產生其他直接成本，進一步降低可收回金額。因此，管理層認為公允值減出售成本仍然接近零。

由於使用價值為零，而公允值減出售成本接近零，管理層認為幼兒教育現金產生單位的非流動資產(即分別為69,314,000港元及34,720,000港元的牌照及商譽)須於二零一八年及二零一九年十二月三十一日計提全數減值。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Regulated financial services business

The recoverable amount of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2020 - 2024 (2018: 2019 - 2023). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 2% (2018: 3%), which does not exceed the long-term growth rate for the financial advisory industry in Hong Kong.

		2019 二零一九年	2018 二零一八年
Discount rate	貼現率	15.58%	15.45%
Management fee growth rate	管理費增長率	2%	3% - 5%
Advisory fee growth rate	諮詢費增長率	0%	5%
Costs growth rate	成本增長率	2% - 5%	4%

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the regulated financial services exceeded the combined value of the non-current assets under this CGU, the Directors are of the opinion that there was no impairment on license and goodwill as at 31 December 2019 (2018: nil).

17. 牌照及商譽之減值測試(續)

受規管金融服務業務

現金產生單位之可回收金額乃根據正式批准預算之二零二零年至二零二四年(二零一八年：二零一九年至二零二三年)現金流量預測(涵蓋五年期間)採用使用價值計算而釐定。超過五年期間之現金流量乃採用估計加權平均增長率2%(二零一八年：3%)推算，有關增長率不超過香港財務諮詢行業長期增長率。

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於受規管金融服務現金產生單位之可收回金額超出此現金產生單位項下非流動資產之總價值，故董事認為牌照及商譽於二零一九年十二月三十一日並無出現減值(二零一八年：零)。

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Property management services

The recoverable amount of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2020 - 2024 (2018: 2019-2023). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2018: 3%), which does not exceed the long-term growth rate for property management in the PRC.

		2019 二零一九年	2018 二零一八年
Discount rate	貼現率	16.46%	16.47%
Management fee growth rate	管理費增長率	10%	5%

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The management fees within the five-year period were determined based on past experience.

17. 牌照及商譽之減值測試(續)

物業管理服務

現金產生單位之可收回金額乃根據涵蓋五年期(二零二零年至二零二四年)(二零一八年：二零一九年至二零二三年)的正式批准預算而作出的現金流量預測，採用使用價值計算以釐定。五年期以後之現金流量乃採用估計加權平均增長率3%(二零一八年：3%)推算，該比率預期不超過中國物業管理的長期增長率。

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

五年期間內之管理費乃基於過往經驗釐定。

17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Property management services (Continued)

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

As the recoverable amount of the CGU of the property management services exceeded the combined value of the non-current assets under this CGU, the directors are of the opinion that there was no impairment on goodwill as at 31 December 2019.

Electronics products

The recoverable amount of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period of 2020 - 2024 (2018: 2019-2023). Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 2% (2018: 2%), which does not exceed the long-term growth rate for the manufacturing of electronics products in the PRC.

17. 牌照及商譽之減值測試 (續)

物業管理服務 (續)

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

由於物業管理服務現金產生單位之可收回金額超出此現金產生單位項下非流動資產之總價值，故董事認為商譽於二零一九年十二月三十一日並無出現減值。

電子產品

現金產生單位之可收回金額乃根據涵蓋五年期(二零二零年至二零二四年)(二零一八年：二零一九年至二零二三年)的正式批准預算而作出的現金流量預測，採用使用價值計算以釐定。五年期以後之現金流量乃採用估計加權平均增長率2%(二零一八年：2%)推算，該增長率預期不超過中國電子產品生產的長期增長率。

		2019 二零一九年	2018 二零一八年
Discount rate	貼現率	15.83%	16.47%
Revenue growth rate within 2020 - 2024	二零二零年至二零二四年之 收益增長率	3% - 5%	2% - 66.67%
Costs growth rate	成本增長率	3% - 5%	2% - 37.22%

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17. IMPAIRMENT TESTING ON LICENSES AND GOODWILL (Continued)

Electronics products (Continued)

The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

The recoverable amount of the CGU was estimated using unobservable market data from the projection of the future cash flows of the business from its economic useful life and is classified within level 3 of the fair value hierarchy. Fair value was determined by discounting its present value by the weighted average cost of capital determined from market data.

In view of the combined book value of the non-current assets under the CGU being higher than the recoverable amount of this CGU determined based on value in use, management estimated that the fair value less cost to sell of this CGU should not be materially different from its value in use since the existing use of the subject non-current assets under the CGU represent their highest and best use. Accordingly, based on value in use calculation, an impairment loss of HK\$10,758,000 against goodwill has been recognised in the consolidated statement of profit or loss for the year ended 31 December 2019 (2018: Nil).

Sensitivity to changes in assumptions

The management believes that a reasonably possible change in the key assumptions on which management has based its determination of the recoverable amounts of the CGUs of regulated financial services business and property management services would not cause the carrying amount of the respective CGU to exceed the respective recoverable amount.

17. 牌照及商譽之減值測試 (續)

電子產品 (續)

所採用之貼現率乃除稅前並反映相關現金產生單位之具體風險。

現金產生單位之可收回金額乃使用來自該業務經濟可使用年期之未來現金流量預測之不可觀察市場數據作出估計，並分類為公允值層級第3級。公允值乃按市場數據釐定之加權平均資本成本折現其現值而釐定。

鑒於現金產生單位項下非流動資產的合併賬面值高於該現金產生單位根據使用價值釐定的可收回金額，管理層估計該現金產生單位的公允值減出售成本應與其使用價值並無重大差異，此乃由於現金產生單位項下的非流動資產的現有用途為其最高及最佳用途。因此，根據使用價值計算，商譽減值虧損10,758,000港元已於截至二零一九年十二月三十一日止年度之綜合損益表內確認(二零一八年：零)。

假設變動的敏感度

管理層相信管理層所根據以釐定受規管金融服務業務及物業管理服務現金產生單位可收回金額的主要假設的合理可能變動不會導致各現金產生單位的賬面值超出各自的可收回金額。

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18. INVENTORIES

18. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	原料	1,146	19,540
Work in progress	半製品	6,339	9,768
Finished goods	製成品	2,241	12,206
		9,726	41,514

19. PROPERTIES HELD FOR SALE

19. 持作出售物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Properties held for sale	持作出售物業	506,699	507,855

The properties are located at the underground of Minzhu Road and Fuhui Road, Lijiang City, Yunan Province, the PRC. The gross floor area of the underground walkway project is approximately 36,583 square metre ("sq. m.") comprising a civil air defence work structure of approximately 13,730 sq. m., 741 units of the saleable shop premises with a total gross floor area of approximately 19,923 sq. m., a non-saleable property utility room of approximately 15 sq. m. and a commercial function room of approximately 2,915 sq. m.. Properties held for sale which are expected to be recovered more than twelve months after the end of the reporting period are classified as current assets as it is expected to be realised in the normal operating cycle of the Group.

物業位於中國雲南省麗江市民主路及福慧路地下。該地下步行街項目建築面積約為36,583平方米(「平方米」)，由面積約為13,730平方米之一項人民防空工程結構、總建築面積約為19,923平方米之741間可銷售商店、面積約為15平方米之一間不可銷售雜物室及面積約為2,915平方米之一間商業多用途室組成。持作出售之物業預期將於報告期末後十二個月以後收回，由於其預期在本集團正常運營週期內變現，故其分類作為流動資產。

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20. TRADE AND BILLS RECEIVABLES

20. 應收貿易賬款及應收票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收貿易賬款	26,421	59,394
Less: impairment provision	減：減值撥備	(3,883)	(3,169)
Trade receivables – net	應收貿易賬款－淨額	22,538	56,225
Bills receivables	應收票據	792	1,814
		23,330	58,039

At the reporting date, the ageing analysis of trade and bills receivables, based on invoice date, is as follows:

按發票日期計，應收貿易賬款及應收票據於報告日期之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 - 60 days	零至60日	12,663	40,877
61 - 90 days	61至90日	1,858	3,894
91 - 120 days	91至120日	2,107	3,654
Over 120 days	120日以上	10,585	12,783
		27,213	61,208

The Group allows credit periods ranging from 0 to 120 days (31 December 2018: 0 to 120 days) to its trade customers depending on their credit status and geographical location. The Directors consider that the carrying amounts of trade and bills receivables approximate to their fair values.

本集團視乎其貿易客戶之信貸狀況及地理位置而給予彼等介乎0至120日(二零一八年十二月三十一日：0至120日)之信貸期。董事認為，應收貿易賬款及應收票據賬面值與其公允值相若。

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

21. 預付款項、按金及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	43,262	41,815
Other tax recoverable	其他可收回稅項	—	6,730
		43,262	48,545
Less: Non-current portion	減：非流動部份		
Other tax recoverable	其他可收回稅項	—	3,866
		—	3,866
		43,262	44,679

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22. LOAN RECEIVABLES

22. 應收貸款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loan receivables	應收貸款	275,007	238,593
Less: impairment provision	減：減值撥備	(28,785)	(11,929)
Loan receivables - net	應收貸款－淨額	246,222	226,664

As at 31 December 2019, loan receivables with aggregate gross principal amount of HK\$264,000,000 and gross interest receivables of HK\$11,007,000 (2018: gross principal amount of HK\$225,269,000 and gross interest receivables of HK\$13,324,000) were due from twelve (2018: nine) independent third parties. The interest rates of the loan receivables range from 6% to 15% per annum (2018: 6% to 15% per annum.) Three (2018: five) of the loan receivables are secured by share charges of the borrowers, and ten (2018: six) of the loan receivables are guaranteed by independent third parties. The Group does not have the right to sell or repledge the shares held as collateral in the absence of default by the borrowers. All loan receivables which were repayable within twelve months from the end of the reporting period were classified as current assets at the reporting date.

於二零一九年十二月三十一日，本金總額合計264,000,000港元之應收貸款及應收利息總額11,007,000港元(二零一八年：本金總額225,269,000港元及應收利息總額13,324,000港元)乃收取自十二名(二零一八年：九名)獨立第三方。應收貸款之利率介乎於每年6%至15%之間(二零一八年：每年6%至15%)。其中三項(二零一八年：五項)應收貸款由借款人股份押記作質押及其中十項(二零一八年：六項)應收貸款由獨立第三方作擔保。本集團不得在借款人並無違約的情況下出售或再抵押所持作為抵押品之股份。於報告日期，所有自報告期末起須於十二個月內償還之應收貸款均分類為流動資產。

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23. RESTRICTED BANK DEPOSITS

23. 受限制銀行存款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Restricted bank deposits	受限制銀行存款	2,340	—

As at 31 December 2019, a bank deposit of approximately HK\$2,340,000 (2018: nil) was pledged for banking facility amounting to HK\$90,000,000 granted to the Group (note 27(v)).

於二零一九年十二月三十一日，銀行存款約2,340,000港元(二零一八年：無)已就授予本集團的銀行融資90,000,000港元作抵押(附註27(v))。

24. TRADE AND OTHER PAYABLES

24. 應付貿易賬款及其他應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	應付貿易賬款	20,839	95,174
Accruals and other payables	應計費用及其他應付款項	145,328	145,578
		166,167	240,752

At the reporting date, the ageing analysis of trade payables, based on invoice date, is as follows:

按發票日期計，應付貿易賬款於報告日期之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 - 60 days	零至60日	15,077	25,556
61 - 90 days	61至90日	2,167	10,266
Over 90 days	90日以上	3,595	59,352
		20,839	95,174

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values.

董事認為應付貿易賬款及其他應付款項之賬面值與其公允值相若。

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25. CONTRACT LIABILITIES

25. 合約負債

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Contract liabilities arising from:</i>	下列項目產生之合約負債：		
Provision of nursery service	提供幼兒服務	404	810
Provision of properties management services	提供物業管理服務	2,691	2,346
Manufacturing of electronic products	生產電子產品	—	626
		3,095	3,782

Revenue recognised in relation to contract liabilities

就合約負債確認之收益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	3,782	2,371
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	本年度確認年初計入合約負債之收益導致合約負債減少	(1,859)	(2,371)
Disposal of subsidiaries (note 34)	出售附屬公司(附註34)	(1,923)	—
Increase in contract liabilities as a result of advanced payments received	收取預付款項導致合約負債增加	3,095	3,782
Balance as at 31 December	於十二月三十一日之結餘	3,095	3,782

26. AMOUNTS DUE TO A SHAREHOLDER/ NON-CONTROLLING INTERESTS

The amounts due to a shareholder/non-controlling interests are unsecured, interest-free and repayable on demand.

26. 應付股東／非控股權益款項

應付股東／非控股權益款項為無抵押、免息及須於要求時償還。

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27. INTEREST-BEARING BORROWINGS

27. 計息借款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current:	流動		
Secured bank borrowings due within one year comprise:	一年內到期之有抵押銀行借款包括：		
Term loans (notes (i) to (ix) and (xii))	定期貸款(附註(i)至(ix)及(xii))	10,401	6,565
Bond payable (notes (x) to (xi) and (xii))	應付債券(附註(x)至(xi)及(xii))	260,000	280,000
		270,401	286,565
Non-current:	非流動：		
Term loans (notes (i) to (vi), (ix) and (xii))	定期貸款(附註(i)至(vi), (ix)及(xii))	232,148	152,704
Total	總計	502,549	439,269

(i) Term loans I and II are repayable in 59 monthly instalments, commencing in March 2018.

(ii) Term loans I and II are interest-bearing at 1.4% per annum over one-month HIBOR or the lending bank's cost of funds, whichever is higher. The average interest rates of term loans I and II for the year ended 31 December 2019 are 3.21% per annum (2018: 2.81%).

(iii) Term loans III and IV are repayable in 59 monthly instalments, commencing in August 2018.

(i) 定期貸款I及II自二零一八年三月開始，分59個月償還。

(ii) 定期貸款I及II按一個月銀行同業拆息加1.4%年利率或借款銀行資金成本率之較高者計息。定期貸款I及II於截至二零一九年十二月三十一日止年度之平均年利率為3.21%(二零一八年：2.81%)。

(iii) 定期貸款III及IV自二零一八年八月開始，分59個月償還。

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27. INTEREST-BEARING BORROWINGS

(Continued)

- (iv) Term loans III and IV are interest-bearing at 2% per annum over one-month HIBOR or the lending bank's cost of funds, whichever is higher. The average interest rates of term loans III and IV for the year ended 31 December 2019 are 3.86% per annum (2018: 3.78%).
- (v) Term loan V is repayable in 59 monthly instalments, commencing in December 2019 and is secured by bank deposits of HK\$2,340,000 (note 23).
- (vi) Term loan V is interest-bearing at 1.75% per annum over one-month HIBOR or the lending bank's cost of funds, whichever is higher. The average interest rates of term loan V for the year ended 31 December 2019 is 4.43% per annum.
- (vii) Term loan VI is repayable in 12 monthly instalments, commencing in October 2019.
- (viii) Term loan VI is interest-bearing at 8.48% per annum.
- (ix) All the term loans do not contain repayment on demand clause but are subject to the fulfilment of covenants. If the Group were to breach the covenants, the term loans would become repayable on demand. The Group regularly monitors its compliance with their covenants and there was no breach during the years ended 31 December 2019 and 2018.

27. 計息借款(續)

- (iv) 定期貸款III及IV按一個月銀行同業拆息加2%年利率或借款銀行資金成本率之較高者計息。定期貸款III及IV於截至二零一九年十二月三十一日止年度之平均年利率為3.86%(二零一八年:3.78%)。
- (v) 定期貸款V自二零一九年十二月開始,分59個月償還,並以銀行存款2,340,000港元(附註23)作抵押。
- (vi) 定期貸款V按一個月銀行同業拆息加1.75%年利率或借款銀行資金成本率之較高者計息。定期貸款V於截至二零一九年十二月三十一日止年度之平均年利率為4.43%。
- (vii) 定期貸款VI自二零一九年十月開始,分12個月償還。
- (viii) 定期貸款VI按年利率8.48%計息。
- (ix) 所有定期貸款並無按要求償還條款,但須履行契諾。倘本集團違反契諾,定期貸款須按要求償還。本集團定期監察其契諾合規情況,而截至二零一九年及二零一八年十二月三十一日止年度並無違反契諾。

27. INTEREST-BEARING BORROWINGS

(Continued)

(x) In 2018, the Group issued bond with principal amount of HK\$300,000,000 to an independent third party. The bond bears interest at 8% per annum and matured in December 2019. The interest is repayable quarterly in arrears by the Group. On 23 July 2018, the Group partially repaid the principal amount of HK\$20,000,000. The bond payable was secured by pledge of share equity of (i) Chengdu One Two Three Aozhong Education Investment Company Limited, the immediate holding company of operating company of the provision of nursery education services in PRC; (ii) Superactive Financial Group Company Limited (“Superactive Financial Group”), the operating company of the provision of regulated financial services in Hong Kong; (iii) Link Complex Limited, a company which held 18% equity in ORBiz International Limited; and (iv) Shenzhen Jiixin Enterprise Management Company Limited (“Shenzhen Jiixin”).

(xi) On 24 December 2019, the Group partially repaid the principal amount of HK\$20,000,000 and the bondholder granted an extension of the maturity date for the remaining outstanding principal amount of HK\$260,000,000 from December 2019 to 28 December 2020.

Upon extension of the maturity date, the bond payable was secured by additional pledge of share equity of (i) Edisoft Investment Limited, (ii) Joint Faith Enterprise Limited, (iii) Shenzhen City Qianhai Wanke Financial Services Company Limited and (iv) Lijiang Hua Ou Real Estate Company Limited, the operating company which is engaged in property development in PRC.

(xii) Except for a term loan with outstanding principal amount of RMB300,000 (HK\$335,250), all interest-bearing borrowings are denominated in HK\$.

27. 計息借款(續)

(x) 於二零一八年，本集團向獨立第三方發行本金額為300,000,000港元的債券。債券的年利率為8%，於二零一九年十二月到期。本集團須每季償還利息。於二零一八年七月二十三日，本集團已償還20,000,000港元之部分本金額。應付債券以(i)成都壹貳叁澳中教育投資有限公司(一間於中國經營提供幼兒教育服務的公司之直接控股公司)；(ii)先機金融集團有限公司(「先機金融集團」)(一間於香港經營提供受規管金融服務的公司)；(iii) Link Complex Limited(一間持有ORBiz International Limited 18%股權的公司)；及(iv)深圳市加信企業管理有限公司(「深圳加信」)的股權作抵押。

(xi) 於二零一九年十二月二十四日，本集團已償還部分本金20,000,000港元，債券持有人就其餘未償還本金260,000,000港元授予延期，到期日由二零一九年十二月延至二零二零年十二月二十八日。

於延遲到期日後應付債券以(i) Edisoft Investment Limited；(ii) Joint Faith Enterprise Limited；(iii) 深圳市前海萬客金融服務有限公司；及(iv) 麗江華歐房地產置業有限公司(於中國從事物業發展的營運公司)的股權作抵押。

(xii) 除未償還本金為人民幣300,000元(335,250港元)之定期貸款外，所有計息借款均以港元結算。

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27. INTEREST-BEARING BORROWINGS

(Continued)

At 31 December, total current and non-current borrowings were scheduled to be repaid as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	270,401	286,565
More than one year, but not exceeding two years	一年以上但不超過兩年	10,066	6,565
More than two years, but not exceeding five years	兩年以上但不超過五年	222,082	146,139
		502,549	439,269

27. 計息借款(續)

於十二月三十一日，計劃償還的流動及非流動借款總額如下：

28. LEASES

HKFRS 16 was adopted on 1 January 2019 without restatement of comparative figures. For an explanation of the transitional requirements that were applied as at 1 January 2019, see note 2(a). The accounting policies applied subsequent to the date of initial application, 1 January 2019, are disclosed in note 3.

(a) Nature of leasing activities (in the capacity as lessee)

The Group leases a number of properties with a fixed periodic rent over the lease term in Hong Kong and Mainland China. The lease term of properties are from 1 year to 20 years.

28. 租賃

香港財務報告準則第16號已於二零一九年一月一日獲採納，且並無重列比較數字。有關於二零一九年一月一日應用的過渡性規定的解釋，請參閱附註2(a)。於首次應用日期(二零一九年一月一日)後應用的會計政策如附註3所披露。

(a) 租賃活動性質(以承租人身份)

本集團於香港及中國大陸租賃多項於租期內定期支付定額租金的物業。物業租期介乎一年至二十年。

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28. LEASES (Continued)

(b) Lease liabilities

		Properties leased for own use 租賃自用物業 HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	24,894
Additions	添置	2,820
Interest expense (note 7)	利息支出(附註7)	3,433
Disposal of subsidiaries (note 34)	出售附屬公司(附註34)	(3,080)
Lease payments	租賃付款	(4,641)
Foreign exchange movements	外匯變動	(429)
As at 31 December 2019	於二零一九年十二月三十一日	22,997

Future lease payments are due as follows:

未來租賃付款到期情況如下：

		Minimum lease payments 最低租賃付款 1 January 2019 二零一九年 一月一日 HK\$ 千港元	Interest 利息 1 January 2019 二零一九年 一月一日 HK\$ 千港元	Present value 現值 1 January 2019 二零一九年 一月一日 HK\$ 千港元
Not later than one year	不遲於一年	4,567	(3,430)	1,137
Later than one year and not later than two years	遲於一年但不遲於兩年	4,446	(3,413)	1,033
Later than two years and not later than five years	遲於兩年但不遲於五年	10,501	(10,206)	295
Later than five years	遲於五年	42,382	(19,953)	22,429
		61,896	(37,002)	24,894

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28. LEASES (Continued)

(b) Lease liabilities (Continued)

		Minimum lease payments 最低租賃付款 31 December 2019 二零一九年十二月三十一日附註 HK\$'000 千港元	Interest 利息 31 December 2019 二零一九年十二月三十一日附註 HK\$'000 千港元	Present value 現值 31 December 2019 二零一九年十二月三十一日附註 HK\$'000 千港元
Not later than one year	不遲於一年	3,919	(3,338)	581
Later than one year and not later than two years	遲於一年但不遲於兩年	3,432	(3,342)	90
Later than two years and not later than five years	遲於兩年但不遲於五年	10,797	(9,946)	851
Later than five years	遲於五年	37,791	(16,316)	21,475
		55,939	(32,942)	22,997

Note: The Group has initially applied HKFRS 16 using the cumulative effect 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. See note 2(a) for further details about transition.

附註：本集團於首次應用香港財務報告準則第16號時採用累計影響法，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有關租賃負債。有關過渡的進一步詳情，請參閱附註2(a)。

The present value of future lease payments are analysed as:

未來租賃付款之現值分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current liabilities	流動負債	581	—
Non-current liabilities	非流動負債	22,416	—
		22,997	—

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29. DEFERRED TAX ASSETS/(LIABILITIES)

The deferred tax assets/(liabilities) recognised and movements thereon during the current year and prior year:

29. 遞延稅項資產／(負債)

本年度及過往年度確認之遞延稅項資產／(負債)及有關變動：

		Tax loss	Undistributed earnings of an associate	Intangible asset	Total
		稅項虧損	聯營公司未分配盈利	無形資產	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	9,269	(9,289)	(18,844)	(18,864)
Credited/(charged) to profit or loss for the year (note 10)	年內計入損益／(自損益扣除)(附註10)	—	(1,678)	17,329	15,651
Disposal of Rise up (note 34)	出售 Rise up (附註34)	—	11,043	—	11,043
Currency realignment	貨幣調整	(480)	(76)	—	(556)
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	8,789	—	(1,515)	7,274
Charged to profit or loss for the year (note 10)	年內自損益扣除(附註10)	(4,986)	—	—	(4,986)
Over provision in respect of prior years	過往年度超額撥備	(3,773)	—	—	(3,773)
Currency realignment	貨幣調整	(30)	—	—	(30)
At 31 December 2019	於二零一九年十二月三十一日	—	—	(1,515)	(1,515)

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29. DEFERRED TAX ASSETS/(LIABILITIES)

(Continued)

Deferred tax assets have not been recognised for the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unused tax losses	未動用稅項虧損	174,444	144,917

The Group recognises deferred tax assets in respect of tax losses only where there is a reasonable expectation that these tax losses will be utilised in the foreseeable future. Based on forecast income streams and having considered potential future earnings volatility, the Group does not anticipate the utilisation of any significant portion of these unrecognised tax losses in the foreseeable future.

The tax losses of the subsidiaries operating in PRC amounted to HK\$20,053,000 (2018: HK\$17,313,000) can be carried forward for five years from the year of incurrance of such loss under the current tax legislation. Tax losses of HK\$154,391,000 (2018: HK\$127,604,000) can be carried forward indefinitely.

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The Group is therefore liable to 10% withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

29. 遞延稅項資產／(負債) (續)

未確認遞延稅項資產如下：

本集團僅於可合理預期稅項虧損將於可見將來獲動用之情況下確認有關遞延稅項資產。根據預測收入流及經考慮潛在未來盈利之波動性後，本集團預期於可見將來並不會動用該等未確認稅項虧損之任何重大部份。

根據現行稅務法例，於中國經營之附屬公司之稅項虧損20,053,000港元（二零一八年：17,313,000港元）可由產生有關虧損之年度起結轉五年。稅項虧損154,391,000港元（二零一八年：127,604,000港元）可無限期結轉。

根據中國企業所得稅法，於中國成立之外資企業向外國投資者宣派之股息須繳納10%預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國與外國投資者所在司法權區訂立稅項條約，則可調低預扣稅稅率。因此，本集團須就該等於中國內地成立之附屬公司於二零零八年一月一日起賺取之盈利所宣派之股息繳納10%預扣稅。

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29. DEFERRED TAX ASSETS/(LIABILITIES)

(Continued)

As at 31 December 2019 and 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Company's subsidiaries established in the PRC. In the opinion of Directors, it is not probable that these subsidiaries will distribute their earnings accrued after 1 January 2008 in the foreseeable future. As at 31 December 2019, the unrecognised deferred tax liability that would be payable on the unremitted earnings of the Group's subsidiaries amounted to approximately HK\$2,331,000 (2018: HK\$4,600,000).

29. 遞延稅項資產／(負債) (續)

於二零一九年及二零一八年十二月三十一日，並無就本公司於中國成立之附屬公司應付之未匯出盈利所產生之預扣稅確認遞延稅項。董事認為，該等附屬公司於可見將來應不會分派彼等於二零零八年一月一日後賺取之盈利。於二零一九年十二月三十一日，將以本集團附屬公司的未匯出盈利支付的未確認遞延稅項負債約為2,331,000港元(二零一八年：4,600,000港元)。

30. SHARE CAPITAL

30. 股本

	2019 二零一九年		2018 二零一八年		
	Number of shares 股份數目	Nominal value 面值 HK\$ 港元	Number of shares 股份數目	Nominal value 面值 HK\$ 港元	
Authorised: Ordinary shares of HK\$0.10 (2018: HK\$0.10) each	法定： 每股面值0.10港元 (二零一八年：0.10港元) 的普通股	15,000,000,000	1,500,000,000	15,000,000,000	1,500,000,000
Issued and fully paid	已發行及繳足	2,032,571,385	203,257,139	2,032,571,385	203,257,139

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31. RESERVES

The amounts of the Group's reserves and the movements therein for both the current year and prior year are presented in the consolidated statement of changes in equity on pages 86 and 87 of the consolidated financial statements.

Share Premium

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 31 December	於十二月三十一日	476,989	476,989

Other Reserve

The other reserve represents the net gain on the disposal of the treasury shares.

Capital Reserve

The capital reserve represents the capital reserve arising on the Group reorganisation carried out in 1994.

Translation Reserve

The translation reserve comprises the exchange differences arising on the translation of the financial statements of foreign operations.

31. 儲備

本集團儲備金額及其於本年度及過往年度之變動呈列於綜合財務報表第86及87頁之綜合權益變動表。

股份溢價

其他儲備

其他儲備指出售庫存股份之收益淨額。

資本儲備

資本儲備指本集團於一九九四年進行之重組產生之資本儲備。

換算儲備

換算儲備包括換算外地業務之財務報表產生之匯兌差額。

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32. NON-CONTROLLING INTERESTS

- (i) 123 China Education Development Limited, a 80% owned subsidiary of the Company, has material non-controlling interests. Summarised financial information in relation to the non-controlling interests of 123 China Education Development Limited and its subsidiaries before intra-group eliminations is presented below:

32. 非控股權益

- (i) 本公司擁有80%權益之附屬公司123中國教育發展有限公司擁有重大非控股權益。有關123中國教育發展有限公司及其附屬公司於集團內對銷前的非控股權益財務資料概要呈列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	5,625	1,934
Current liabilities	流動負債	(64,809)	(60,100)
Non-current liabilities	非流動負債	(22,193)	—
Non-controlling interests	非控股權益	28,531	15,098
Revenue	收益	8,171	9,301
Loss for the year	年內虧損	(2,788)	(28,404)
Total comprehensive income for the year	年內全面收益總額	(1,824)	(28,550)
Loss attributable to the non-controlling interests	非控股權益應佔虧損	(978)	(6,622)
Other comprehensive income attributable to the non-controlling interests	非控股權益應佔其他全面收益	497	597
Total comprehensive income attributable to the non-controlling interests	非控股權益應佔全面收益總額	(481)	(6,025)
Dividends paid to non-controlling interests	已付非控股權益股息	—	—
Net cash inflow/(outflow) from operating activities	經營活動產生之現金流入／(流出)淨額	1,066	(1,068)
Net cash outflow from investing activities	投資活動產生之現金流出淨額	(7)	—
Net cash outflow from financing activities	融資活動產生之現金流出淨額	(952)	(450)
Net cash inflow/(outflow)	現金流入／(流出)淨額	107	(1,518)

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32. NON-CONTROLLING INTERESTS (Continued)

- (ii) Shenzhen Dowis Electronics Company Limited (“Shenzhen Dowis”) and Zhaoqing Shengxiang Electronic Technology Company Limited (“Zhaoqing Shengxiang”), 60% owned subsidiaries of the Company, has material non-controlling interests. Summarised financial information in relation to the non-controlling interests of Shenzhen Dowis and Zhaoqing Shengxiang before intra-group eliminations is presented below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	29,079	29,188
Non-current assets	非流動資產	11,374	3,438
Current liabilities	流動負債	(36,710)	(28,930)
Non-controlling interests	非控股權益	(1,443)	(1,489)
Revenue	收益	44,281	24,390
Loss for the year	年內虧損	(84)	(1,778)
Total comprehensive income for the year	年內全面收益總額	(116)	(1,817)
Loss attributable to the non-controlling interests	非控股權益應佔虧損	(34)	(711)
Other comprehensive income attributable to the non-controlling interests	非控股權益應佔其他全面收益	(13)	(26)
Total comprehensive income attributable to the non-controlling interests	非控股權益應佔全面收益總額	(47)	(737)
Dividends paid to non-controlling interests	已付非控股權益股息	—	—
Net cash inflow from operating activities	經營活動產生之現金流入淨額	3,736	1,641
Net cash outflow from investing activities	投資活動產生之現金流出淨額	(5,219)	(1,783)
Net cash inflow/(outflow) from financing activities	融資活動產生之現金流入／(流出)淨額	1,380	(364)
Net cash outflow	現金流出淨額	(103)	(506)

32. 非控股權益(續)

- (ii) 深圳市德維斯電子有限公司(「深圳德維斯」)及肇慶聖享電子科技有限公司(「肇慶聖享」)(為本公司擁有60%權益之附屬公司)擁有重大非控股權益。有關深圳德維斯及肇慶聖享於集團內對銷前的非控股權益財務資料概要呈列如下：

33. BUSINESS COMBINATIONS

Acquisition of subsidiaries

The acquisition of subsidiaries accounted for as business combination are as follows:

(i) Acquisition of entire equity interest of Shenzhen Jiaxin

On 4 July 2018, the Group acquired the entire equity interest of Shenzhen Jiaxin, a company incorporated in PRC with limited liability, for cash consideration of RMB30,000,000 (equivalent to approximately HK\$35,550,000). Shenzhen Jiaxin and its subsidiaries are principally engaged in the manufacturing and trading of electronic products in Shenzhen, the PRC. The fair values of the identifiable assets and liabilities acquired during 2018 are as follows:

33. 業務合併

收購附屬公司

收購附屬公司以業務合併入賬如下：

(i) 收購深圳加信全部股權

於二零一八年七月四日，本集團按現金代價人民幣30,000,000元(等值約35,550,000港元)收購深圳加信(於中國註冊成立之有限公司)全部股權。深圳加信及其附屬公司主要於中國深圳市從事電子產品生產及買賣。二零一八年收購之可識別資產及負債之公允值如下：

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33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(i) Acquisition of entire equity interest of Shenzhen Jiaxin (Continued)

		Notes 附註	Fair value recognised on acquisition 於收購時確認 之公允值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	13	1,226
Trade receivables	應收貿易賬款		19,448
Inventories	存貨		14,795
Other receivables, deposits and prepayments	其他應收款項、按金及 預付款項		896
Cash and cash equivalents	現金及現金等價物		806
Bank and other borrowings	銀行及其他借款		(356)
Trade payables	應付貿易賬款		(14,555)
Other payables and accruals	其他應付款項及應計費用		(1,719)
Amount due to former shareholder	應付前股東款項		(14,248)
Amount due to immediate holding company	應付直接控股公司款項		(3,429)
Tax payables	應付稅項		(12)
			2,852
Amount due to former shareholder assigned to the Group	指讓予本集團的應收前 股東款項		14,248
Total identifiable net assets at fair value	按公允值之可識別 淨資產總額		17,100
Non-controlling interests	非控股權益		(1,088)
			16,012
Goodwill	商譽	16	19,538
			35,550
			HK\$'000 千港元
Satisfied by:	支付方式：		
Cash consideration paid	已付現金代價		35,550

33. 業務合併(續)

收購附屬公司(續)

(i) 收購深圳加信全部股權(續)

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33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(i) Acquisition of entire equity interest of Shenzhen Jiaxin (Continued)

An analysis of the cash flows in respect of the acquisition of Shenzhen Jiaxin is as follows:

		HK\$'000 千港元
Consideration settled by cash	以現金支付代價	(35,550)
Cash and cash equivalents acquired	所收購現金及現金等價物	806
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(34,744)

The transaction cost of the acquisition is immaterial.

Shenzhen Jiaxin's acquisition contributed HK\$24,390,000 to the Group's revenue and loss of HK\$1,798,000 to the consolidated loss for the year ended 31 December 2018 upon the completion of the acquisition.

Had the combination taken place at the beginning of 2018, the Group's revenue and consolidated loss would have been HK\$259,333,000 and HK\$180,986,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of 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 it intended to be a projection of future performance.

33. 業務合併(續)

收購附屬公司(續)

(i) 收購深圳加信全部股權(續)

就收購深圳加信之現金流量之分析如下：

收購事項之交易成本並不重大。

於收購完成後，深圳加信收購於截至二零一八年十二月三十一日止年度為本集團帶來收益24,390,000港元及為綜合虧損帶來虧損1,798,000港元。

倘合併於二零一八年初進行，本集團之收益及綜合虧損應分別為259,333,000港元及180,986,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一八年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

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33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(i) Acquisition of entire equity interest of Shenzhen Jiaxin (Continued)

The fair value of the trade and other receivables as at the date of acquisition amounted to approximately HK\$20,344,000. The gross contractual amount of trade and other receivables was approximately HK\$20,344,000, of which no balance was expected to be uncollectible.

The non-controlling interests were recognised at their proportionate share of the recognised amounts of Shenzhen Jiaxin's identifiable net assets.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

33. 業務合併(續)

收購附屬公司(續)

(i) 收購深圳加信全部股權(續)

應收貿易賬款及其他應收款項於收購日期之公允值約為20,344,000港元。應收貿易賬款及其他應收款項之合約總金額約為20,344,000港元，預期並無結餘將不可收回。

非控股權益乃按彼等應佔深圳加信可識別淨資產之已確認金額之比例進行確認。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

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33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”)

On 30 September 2018, the Group acquired the entire equity interest of Shunjing, a company incorporated in PRC with limited liability, for cash consideration of RMB4,000,000 (equivalent to approximately HK\$4,554,000). Shunjing is principally engaged in property management services. The fair values of the identifiable assets and liabilities acquired during 2018 are as follows:

		Fair value recognised on acquisition 於收購時確認 之公允值 HK\$'000 千港元
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	3,625
Amount due from a fellow subsidiary	應收同系附屬公司款項	595
Cash and cash equivalents	現金及現金等價物	1,070
Trade payables	應付貿易賬款	(34)
Accruals and other payables	應計費用及其他應付款項	(3,372)
Contract liabilities	合約負債	(1,213)
Total identifiable net assets at fair value	按公允值之可識別淨資產總額	671
Goodwill (note 16)	商譽(附註16)	3,883
		4,554

33. 業務合併(續)

收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權

於二零一八年九月三十日，本集團按現金代價人民幣4,000,000元(等值約4,554,000港元)收購順境(於中國註冊成立之有限公司)全部股權。順境主要從事物業管理服務。二零一八年度收購之可識別資產及負債之公允值如下：

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33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”) (Continued)

		HK\$'000 千港元
Satisfied by:	支付方式：	
Cash consideration paid	已付現金代價	4,554

An analysis of the cash flows in respect of the acquisition of Shunjing is as follows:

		HK\$'000 千港元
Consideration settled by cash	以現金支付代價	(4,554)
Cash and cash equivalents acquired	所收購現金及現金等價物	1,070
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(3,484)

The transaction cost of the acquisition is immaterial.

Shunjing's acquisition contributed HK\$1,141,000 to the Group's revenue and loss of HK\$940,000 to the consolidated loss for the year ended 31 December 2018 upon the completion of the acquisition.

33. 業務合併(續)

收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權(續)

就收購順境之現金流量之分析如下：

收購事項之交易成本並不重大。

於收購完成後，順境於截至二零一八年十二月三十一日止年度為本集團帶來收益1,141,000港元及為綜合虧損帶來虧損940,000港元。

33. BUSINESS COMBINATIONS (Continued)

Acquisition of subsidiaries (Continued)

(ii) Acquisition of entire equity interest of Lijiang Shunjing Business Administration and Management Limited (“Shunjing”) (Continued)

Had the combination taken place at the beginning of 2018, the Group’s revenue and consolidated loss would have been HK\$243,193,000 and HK\$181,153,000 respectively. This pro forma information is for illustration purpose only and is not necessarily an indication of 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 it intended to be a projection of future performance.

The fair value of the other receivables as at the date of acquisition amounted to approximately HK\$3,625,000. The gross contractual amount of other receivables was approximately HK\$3,625,000, of which no balance was expected to be uncollectible.

The goodwill arose in the above acquisition because the consideration included benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for income tax purposes.

33. 業務合併(續)

收購附屬公司(續)

(ii) 收購麗江順境商業經營管理有限公司(「順境」)全部股權(續)

倘合併於二零一八年初進行，本集團之收益及綜合虧損應分別為243,193,000港元及181,153,000港元。此備考資料僅供參考，未必一定反映倘收購已於二零一八年一月一日完成本集團實際應達致之收益及經營業績，亦非擬作未來表現之預測。

其他應收款項於收購日期之公允值約為3,625,000港元。其他應收款項之合約總金額約為3,625,000港元，預期並無結餘將不可收回。

上述收購產生商譽乃由於代價包括收益增長及未來市場發展之利益。該等利益不會與商譽分開確認，因為其並不符合可識別無形資產之確認標準。

預期已確認的商譽就所得稅而言不可扣減。

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34. DISPOSAL OF SUBSIDIARIES

- (i) On 6 May 2019, the Group entered into a sale and purchase agreement (as amended and supplemented by a supplemental agreement) with a purchaser pursuant to which the Group agreed to sell the entire issued share capital of a subsidiary, Alford Industries Limited and its subsidiaries (“Alford Group”) to an independent third party at a cash consideration of HK\$59,000,000. The disposal of Alford Group was completed on 30 May 2019. The net assets of Alford Group on 30 May 2019 were as follows:

		Notes 附註	30 May 2019 二零一九年 五月三十日 HK\$'000 千港元
Net assets disposed of:	已出售之資產淨值：		
Property, plant and equipment	物業、廠房及設備		7,573
Inventories	存貨		26,697
Trade receivables	應收貿易賬款		41,799
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		8,419
Cash and cash equivalents	現金及現金等價物		27,085
Trade and other payables	應付貿易賬款及其他應付款項		(51,893)
Contract liabilities	合約負債	25	(1,923)
Tax payable	應付稅項		(6,603)
Lease liabilities	租賃負債	28	(3,080)
			48,074
Translation reserve	換算儲備		(2,395)
			45,679
			HK\$'000 千港元
Consideration	代價		59,000
Less: Net assets disposed of	減：已出售之資產淨值		(45,679)
Gain on disposal	出售收益	6	13,321
			HK\$'000 千港元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：		
Cash consideration	現金代價		59,000
Cash and cash equivalents disposed of	已出售之現金及現金等價物		(27,085)
			31,915

34. 出售附屬公司

- (i) 於二零一九年五月六日，本集團與一名買方訂立買賣協議（經補充協議修訂及補充），據此本集團同意向獨立第三方出售一間附屬公司雅富實業有限公司及其附屬公司（「雅富集團」）之全部已發行股本，代價為現金59,000,000港元。出售雅富集團已於二零一九年五月三十日完成。雅富集團於二零一九年五月三十日之資產淨值如下：

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34. DISPOSAL OF SUBSIDIARIES (Continued)

- (ii) On 27 April 2018, the Group entered into a sale and purchase agreement with a purchaser pursuant to which the Group agreed to sell all of the Group's 100% equity interest of a subsidiary, Rise Up, and shareholder's loan to an independent third party at a consideration of HK\$214,000,000. The disposal of Rise Up was completed on 20 July 2018. The net assets of Rise Up at the disposal date were as follows:

34. 出售附屬公司 (續)

- (ii) 於二零一八年四月二十七日，本集團與一名買方訂立買賣協議，據此本集團同意出售本集團於一間附屬公司Rise Up之100%股權，及按代價214,000,000港元向獨立第三方出售股東貸款。出售Rise Up已於二零一八年七月二十日完成。Rise Up於出售日期之資產淨值如下：

		Notes 附註	20 July 2018 二零一八年 七月二十日 HK\$'000 千港元
Net assets disposed of:	已出售之資產淨值：		
Interest in an associate	於一間聯營公司之權益	14	241,231
Cash and cash equivalents	現金及現金等價物		57
Amount due to immediate holding company	應付直接控股公司款項		(69,000)
Deferred tax liabilities	遞延稅項負債	29	(11,043)
			161,245
Translation reserve	換算儲備		(17,265)
Investment revaluation reserve	投資重估儲備		(4)
			143,976
			HK\$'000 千港元
Consideration	代價		214,000
Less: net assets disposed of	減：已出售之資產淨值		(143,976)
Less: amount due to immediate holding company	減：應付直接控股公司款項		(69,000)
Gain on disposal	出售收益	6	1,024
			HK\$'000 千港元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：		
Cash consideration	現金代價		214,000
Cash and cash equivalents disposed of	已出售之現金及現金等價物		(57)
			213,943

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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

35. 綜合現金流量表附註

融資活動產生之負債對賬：

		Amount due to a shareholder 應付一名股東款項 (note 26) (附註26) HK\$'000 千港元	Interest payables included in other payables 計入其他應付款項之應付利息 HK\$'000 千港元	Interest-bearing borrowings 計息借款 (note 27) (附註27) HK\$'000 千港元	Amounts due to non-controlling interests 應付非控股權益款項 (note 26) (附註26) HK\$'000 千港元	Lease liabilities 租賃負債 (note 28) (附註28) HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	9,500	207	3,021	1,801	—
Changes from cash flows:	現金流量變動：					
Proceeds from interest bearing borrowings	計息借款所得款項	—	—	461,120	—	—
Repayments of interest bearing borrowings	償還計息借款	—	—	(25,227)	—	—
Repayment to a shareholder	償還股東之款項	(10,548)	—	—	—	—
Advance from non-controlling interests	非控股權益墊款	—	—	—	1,138	—
Interest paid on interest-bearing borrowings	計息借款之已付利息	—	(26,881)	—	—	—
Total changes from financing cash flows:	融資現金流量變動總額：	(10,548)	(26,881)	435,893	1,138	—
Exchange adjustments	匯兌調整	—	—	(1)	(96)	—
Other changes:	其他變動：					
Interest on bank borrowings and overdrafts and other liabilities	銀行借款及透支以及其他負債之利息	—	26,941	—	—	—
Acquisition of subsidiaries	收購附屬公司	—	—	356	—	—
Acquisition of an associate	收購聯營公司	1,200	—	—	—	—
At 31 December 2018	於二零一八年十二月三十一日	152	267	439,269	2,843	—
Effect of adoption of HKFRS 16 (note 2(a))	採納香港財務報告準則第16號的影響 (附註2(a))	—	—	—	—	24,894
At 1 January 2019	於二零一九年一月一日	152	267	439,269	2,843	24,894
Changes from cash flows:	現金流量變動：					
Proceeds from interest-bearing borrowings	計息借款所得款項	—	—	90,335	—	—
Repayments of interest-bearing borrowings	償還計息借款	—	—	(27,054)	—	—
Advance from a shareholder	股東之墊款	977	—	—	—	—
Advance from non-controlling interests	非控股權益墊款	—	—	—	107	—
Interest paid on interest-bearing borrowings	計息借款之已付利息	—	(27,163)	—	—	—
Repayments of principal portion of lease liabilities	償還租賃負債之本金部分	—	—	—	—	(1,208)
Payment of interest portion of lease liabilities	支付租賃負債之利息部分	—	—	—	—	(3,433)
Total changes from financing cash flows:	融資現金流量變動總額：	1,129	(26,896)	502,550	2,950	20,253
Exchange adjustments	匯兌調整	—	—	(1)	56	(429)
Other changes:	其他變動：					
Interest on bank borrowings and overdrafts and other liabilities	銀行借款及透支以及其他負債之利息	—	27,784	—	—	3,433
Disposal of subsidiaries	出售附屬公司	—	—	—	—	(3,080)
Increase in lease liabilities	租賃負債增加	—	—	—	—	2,820
At 31 December 2019	於二零一九年十二月三十一日	1,129	888	502,549	3,006	22,997

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36. CONTINGENT LIABILITIES

As at 31 December 2019 and 2018, the Group did not have any significant contingent liabilities.

37. COMMITMENTS

Operating commitments

As Lessee

At 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2018 二零一八年 HK\$'000 千港元
Operating leases which expire:	於下列期間屆滿之經營租賃：	
Within one year	一年內	5,177
		5,177

Operating lease payments represent rentals payable by the Group for certain of its office properties and factories. The leases run for an initial period of 1 to 20 years, with an option to renew the leases and renegotiate the terms at the expiry date or dates as mutually agreed between the Group and the respective landlords. None of the leases contain contingent rentals.

36. 或然負債

於二零一九年及二零一八年十二月三十一日，本集團並無任何重大或然負債。

37. 承擔

經營承擔

作為承租人

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃就租賃物業之未來最低租賃款項之承擔到期情況如下：

經營租賃款項乃指本集團就其若干辦公室物業及廠房租約應付之租金。租約之初步年期為1至20年，附帶選擇權可於屆滿日期或本集團與各業主相互協定之日期續訂租約及重新協定條款。概無租約含有或然租金。

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37. COMMITMENTS (Continued)

Operating commitments (Continued)

The Group is the lessee in respect of a number of properties and factories held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (note 2(a)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the consolidated statement of financial position in accordance with the policies set out in Note 3 Leasing, and the details regarding the Group's future lease payments are disclosed in note 28.

As Lessor

The minimum rent receivables under non-cancellable operating leases are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	不超過一年	8,816	11,956
Later than one year and not later than two years	超過一年但不超過兩年	1,888	1,707
Later than two years and not later than five years	超過兩年但不超過五年	821	509
		11,525	14,172

Operating lease payments represent rentals receivable by the Group for certain of its shop premises (2018: office properties and shop premises). The leases run for an initial period of 1-2 years (2018: 1-2 years). Office premises were used as own office upon expiry of tenancy agreement in March 2019. The shop premises would be sold when potential buyers are located. None of the leases contain contingent rentals.

37. 承擔(續)

經營承擔(續)

本集團為先前根據香港會計準則第17號分類為經營租賃之租賃項下持有之若干物業及廠房之承租人。本集團初次應用香港財務報告準則第16號時使用經修訂追溯法。根據此方法，本集團調整於二零一九年一月一日的期初結餘，以確認與該等租賃有關的租賃負債(附註2(a))。自二零一九年一月一日起，未來租賃付款根據附註3租賃所載政策於綜合財務狀況表確認為租賃負債，有關本集團未來租賃付款的詳情於附註28披露。

作為出租人

不可撤銷經營租賃項下的最低應收租金如下：

經營租賃款項乃指本集團就其若干商店(二零一八年：辦公室物業及商店)租約應收之租金。租約之初步年期為1至2年(二零一八年：1至2年)。於二零一九年三月租賃協議屆滿後，辦公室物業用作自有辦公室。而商店則於覓得潛在買家時出售。概無租約含有或然租金。

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37. COMMITMENTS (Continued)

Capital commitments

At the reporting date, the Group had capital commitments in respect of property development and property, plant and equipment as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted but not provided for	已訂約惟未撥備	15,619	2,130

38. RELATED PARTY TRANSACTIONS

The remuneration of the key management during the year is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries and allowances, bonuses and benefits in kind (note 9)	基本薪金及津貼、花紅及實物利益(附註9)	662	9,233
Mandatory provident fund contributions (note 9)	強制性公積金供款(附註9)	—	60
		662	9,293

Other than the disclosures above, the Group has not entered into any other related party transactions.

37. 承擔(續)

資本承擔

於報告日期，本集團就物業開發及物業、廠房及設備之資本承擔如下：

38. 關連人士交易

本年度主要管理層之酬金如下：

除以上披露者外，本集團未有訂立任何其他關連人士交易。

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39. CAPITAL MANAGEMENT POLICIES AND RISK

The Group's objectives are: to provide returns for shareholders; to safeguard the Group's ability to continue as a going concern so that it continues to provide returns and benefits for its stakeholders; to support the Group's stability and growth; and to provide capital for the purpose of strengthening the Group's risk management capability.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders and issue new shares to reduce its debt level.

Consistent with other industries, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest-bearing borrowings less cash and cash equivalents. Total capital represents total equity, as shown in the consolidated statement of financial position.

The gearing ratio at the end of reporting period was as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total net debt	淨債務總額	474,121	410,805
Total capital	資本總值	616,964	722,238
Gearing ratio	資本負債比率	76.85%	56.88%

39. 資本管理政策及風險

本集團之目標為：向股東提供回報；保證本集團之持續經營能力，以繼續為持份者提供回報及利益；支持本集團之穩定性及增長；及提供資金以增強本集團風險管理能力。

為維持或調整資本架構，本集團或會調整支付予股東之股息金額、歸還資本予股東及發行新股以降低其債務水平。

與其他行業一致，本集團基於資本負債比率監控資本。該比率按債務淨額除以資本總額計算。債務淨額按計息借款總額減現金及現金等價物計算。誠如綜合財務狀況表所列示，資本總值指權益總值。

於報告期末之資本負債比率如下：

40. FINANCIAL RISK MANAGEMENT AND POLICIES

The Group is exposed to a variety of financial risks: including foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by key management under the policies approved by the Board. The Group does not have written risk management policies. However, the Board meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

The Group's financial assets are primarily denominated in HK\$, RMB and USD. The currencies to which the Group had significant exposure on its monetary financial assets and liabilities included RMB and USD. At 31 December 2019 and 2018, in view of the fact that HK\$ is pegged to USD, the Company's exposure to USD is considered to be minimal. The net exposure expressed in HK\$ is as follows:

		Assets 資產	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	23	226

40. 財務風險管理及政策

本集團須承受不同種類之財務風險，包括外幣風險、利率風險、信貸風險及流動資金風險。本集團之整體風險管理集中於金融市場之未能預計因素，並尋求盡量減低對本集團財務表現之潛在不利影響。風險管理由主要管理層根據董事會批准之政策執行。本集團並無書面風險管理政策。然而，董事會與主要管理層定期會面並緊密合作以識別及評估風險，並制定管理財務風險之策略。

外幣風險

外幣風險為金融工具之公允值或未來現金流量因外幣匯率變動而波動之風險。本集團所承擔外幣匯率變動之風險主要關乎本集團之經營活動。

本集團之金融資產主要以港元、人民幣及美元計值。本集團涉及貨幣性金融資產及負債的重大風險之有關貨幣包括人民幣及美元。於二零一九年及二零一八年十二月三十一日，有見於港元與美元掛鈎，本公司承擔的美元風險被視為微不足道。以港元表示之外幣淨風險如下：

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Foreign currency risk (Continued)

The following table indicates the approximate change in the Group's loss for the year ended 31 December 2019 and 2018 in response to reasonably possible change in foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates a decrease in loss where the relevant currencies strengthen 5% against the HK\$. For a 5% weakening of the relevant currencies against the HK\$, there would be an equal and opposite impact on the loss and the balances below would be negative.

		2019 二零一九年		2018 二零一八年	
		Increase in exchange rate 匯率增加 %	Effect on loss for the year 對年內虧損 的影響 HK\$'000 千港元	Increase in exchange rate 匯率增加 %	Effect on loss for the year 對年內虧損 的影響 HK\$'000 千港元
RMB	人民幣	5	1	5	11

40. 財務風險管理及政策 (續)

外幣風險(續)

下表顯示本集團因應本集團於報告期末承受重大風險之外幣匯率合理可能變動而作出之截至二零一九年及二零一八年十二月三十一日止年度虧損之概約變動。敏感度分析包括尚未處理之外幣計值貨幣項目，並會按外幣匯率之5%變動對其於年末之換算作出調整。下表中之正數顯示倘相關貨幣兌港元升值5%時虧損之減少數額。倘相關貨幣兌港元貶值5%，虧損將會出現相反方向之等額變動，而下列之結餘將為負數。

40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Interest rate risk

The Group's interest rate risk arises primarily from bank borrowings. Bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

At 31 December 2019, it is estimated that a general increase/decrease of 100 basis points in interest rates for variable rate bank borrowings, with all other variables held constant, would increase/decrease the Group's loss after tax (and accumulated loss) by approximately HK\$2,422,000 (2018: approximately HK\$1,277,000).

The analysis is prepared assuming these financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

40. 財務風險管理及政策 (續)

利率風險

本集團的利率風險主要來自銀行借款。按浮息發行的銀行借款使本集團承受現金流利率風險。本集團並未設有利率對沖政策。然而，管理層監控利率風險，並將於有需要時考慮對沖重大利率風險。

於二零一九年十二月三十一日，倘浮息銀利借款的利率整體上升／下降100個基點，而其他所有變數保持不變，估計本集團的除稅後虧損(及累計虧損)將上升／下降約2,422,000港元(二零一八年：約1,277,000港元)。

分析假設該等於報告期末尚未償還的金融工具於全年均未償還。利率上升或下降100個基點用於向主要管理層人員內部匯報利率風險，代表管理層對利率合理可能變動的評估。

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk

The Group's credit risk is primarily attributable to trade receivables and loan receivables. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Group is exposed to concentration risk as a significant portion of its business is derived from its largest customers. As at 31 December 2019, trade and bills receivables of 85.8% (2018: 75.1%) and loan receivables of 61.1% (2018: 59.1%) were contributed by the top five customers. In order to minimise any credit risk, the management of the Group has delegated a team to be responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt on a regular basis to ensure that adequate impairment loss are made for irrecoverable amounts. Management does not expect any significant losses of trade receivables that have not been provided for by way of an allowance.

In respect of loan receivables, all borrowers who obtain loans from the Group are subject to management review. The Group also demands certain borrowers to place collateral at the time the agreement is entered into as securities of loans.

The credit risk on liquid funds is limited because the counterparts are banks with high credit ratings assigned by international credit rating agencies.

40. 財務風險管理及政策 (續)

信貸風險

本集團之信貸風險主要歸因於應收貿易賬款及應收貸款。本集團已制定信貸政策，且信貸風險持續受到監控。

本集團存在過度集中風險，乃因其業務之主要部份來自其最大客戶所致。於二零一九年十二月三十一日，來自五大客戶之應收貿易賬款及應收票據的85.8%（二零一八年：75.1%）及應收貸款的61.1%（二零一八年：59.1%）。為盡量減低任何信貸風險，本集團管理層已委派團隊負責釐定信貸限額、信貸審批及其他監控程序以確保採取跟進行動收回過期債務。此外，本集團定期審閱各項應收貿易債務之可收回金額，以確保就不可收回金額作出足額減值虧損。管理層並不預期應收貿易賬款中有任何重大虧損而仍未有作出撥備。

就應收貸款而言，所有向本集團取得貸款之借款人均需經管理層審閱。本集團亦要求若干借款人於訂立協議時提供抵押品，以作為貸款之擔保。

流動資金之信貸風險有限，乃因交易對手為國際信貸評級機構賦予高信貸評級之銀行。

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40. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

Credit risk (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade and bills receivables:

40. 財務風險管理及政策 (續)

信貸風險 (續)

下表載列本集團就應收貿易賬款及應收票據之信貸風險及預期信貸虧損之資料：

		Lifetime ECL rate 全期預期 信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Lifetime ECL 全期預期 信貸虧損 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日				
Collective assessment	共同評估				
Current	即期	0.1%	13,430	13	13,417
1 – 60 days past due	逾期 1 - 60 日	0.5%	4,524	22	4,502
61 – 90 days past due	逾期 61 - 90 日	5%	1,360	68	1,292
91 – 120 days past due	逾期 91 - 120 日	25%	676	169	507
Over 120 days past due	逾期 120 日以上	50%	7,223	3,611	3,612
Total	總計		27,213	3,883	23,330
At 31 December 2018	於二零一八年 十二月三十一日				
Collective assessment	共同評估				
Current	即期	0.1%	34,951	35	34,916
1 – 60 days past due	逾期 1 - 60 日	0.5%	17,021	85	16,936
61 – 90 days past due	逾期 61 - 90 日	5%	4,376	219	4,157
91 – 120 days past due	逾期 91 - 120 日	25%	1,950	488	1,462
Over 120 days past due	逾期 120 日以上	53%	1,210	642	568
Individual assessment	獨立評估		1,700	1,700	—
Total	總計		61,208	3,169	58,039

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Credit risk (Continued)

ECL rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movements in the provision for impairment of trade receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	3,169	896
Impairment loss recognised	已確認減值虧損	2,554	2,273
Impairment loss reversed	已撥回減值虧損	(386)	—
Disposal of subsidiaries	出售附屬公司	(1,410)	—
Currency realignment	貨幣調整	(44)	—
At 31 December	於十二月三十一日	3,883	3,169

40. 財務風險管理及政策 (續)

信貸風險(續)

預期虧損率基於過去3年之實際虧損經驗。該等比率經已調整以反映歷史數據收集期間之經濟狀況差異、目前狀況以及本集團對應收款項預計年期之經濟狀況的意見。

應收貿易賬款減值撥備之變動如下：

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40. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

Credit risk (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for loan receivables:

		Non-credit impaired 非信貸減值		Total 總計
		Stage 1 12-month ECL 第一階段 12個月預期 信貸虧損 HK\$'000 千港元	Stage 2 Lifetime ECL 第二階段 全期預期 信貸虧損 HK\$'000 千港元	
At 31 December 2019	於二零一九年十二月三十一日			
Loan receivables	應收貸款	169,254	105,753	275,007
Impairment allowance	減值撥備	(16,681)	(12,104)	(28,785)
Net of impairment allowance	扣除減值撥備	152,573	93,649	246,222
At 31 December 2018	於二零一八年十二月三十一日			
Loan receivables	應收貸款	238,593	—	238,593
Impairment allowance	減值撥備	(11,929)	—	(11,929)
Net of impairment allowance	扣除減值撥備	226,664	—	226,664

All loan receivables are not considered as credit-impaired as at 31 December 2018 and 2019.

The Group has provided in full against those receivables where evidence suggests that the amounts outstanding are not recoverable.

Liquidity risk

The Group's objective is to ensure that adequate funds are available to meet commitments associated with its financial liabilities.

40. 財務風險管理及政策 (續)

信貸風險 (續)

下表提供有關本集團應收貸款之信貸風險及預期信貸虧損之資料：

所有應收貸款於二零一八年及二零一九年十二月三十一日並無被視為信貸減值。

本集團已就有證據顯示不可收回之未償還應收款項之金額作出全數撥備。

流動資金風險

本集團之目標為確保有足夠資金可供動用以償付與其金融負債有關之承擔。

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Liquidity risk (Continued)

The Group manages its liquidity needs by carefully monitoring short term and long term cash outflows on a regular basis. The Group mainly utilises cash to meet its liquidity requirements for periods up to 30 days. Funding for long term liquidity needs will be considered when liquidity requirements in the long term are identified.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

2019

		Within one year or on demand 一年內或 按要求時 HK\$'000 千港元	More than one year but less than two years 超過一年 但少於兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年 但少於五年 HK\$'000 千港元	More than five years 超過五年 HK\$'000 千港元	Total undiscounted amount 未貼現總金額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities:	非衍生金融負債：						
Trade and other payables (note 24)	應付貿易賬款及其他 應付款項(附註24)	166,167	—	—	—	166,167	166,167
Amount due to an associate	應付一間聯營公司款項	63,757	—	—	—	63,757	63,757
Amount due to a shareholder	應付一名股東款項	1,129	—	—	—	1,129	1,129
Amounts due to non-controlling interests (note 32)	應付非控股權益 款項(附註32)	3,006	—	—	—	3,006	3,006
Interest-bearing borrowings (note 27)	計息借款(附註27)	284,313	18,658	228,217	—	531,188	502,549
Lease liabilities (note)	租賃負債(附註)	3,919	3,432	10,797	37,791	55,939	22,997
		522,291	22,090	239,014	37,791	821,186	759,605

Note: 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. Lease liabilities include amounts recognised at the date of transition to HKFRS 16 in respect of leases previously classified as operating leases under HKAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated.

40. 財務風險管理及政策(續)

流動資金風險(續)

本集團透過定期嚴密監控短期及長期現金流出以管理其流動資金需求。本集團主要利用現金滿足其於最多30日期間內之流動資金所需。當確定長期流動資金所需時，長期流動資金需求的所需資金將予以考慮。

下表為本集團按淨額基準結算相關到期組別在報告日期直至合約到期日為止之剩餘期限之金融負債之分析。以下為根據金融負債之未貼現現金流量作出之合約到期日分析。

二零一九年

附註：本集團首次應用香港財務報告準則第16號時使用經修訂追溯法，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有關的租賃負債。租賃負債包括就先前根據香港會計準則第17號分類為經營租賃的租賃於過渡至香港財務報告準則第16號當日確認的金額及與年內訂立的新租賃有關的金額。根據此方法，比較資料不予重列。

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40. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

Liquidity risk (Continued)

2018

	Within one year or on demand 一年內或 按要求時 HK\$'000 千港元	More than one year but less than two years 超過一年 但少於兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年 但少於五年 HK\$'000 千港元	Total undiscounted amount 未貼現總金額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities:					
Trade and other payables					
應付貿易賬款及 其他應付款項	240,752	—	—	240,752	240,752
Amount due to an associate	61,900	—	—	61,900	61,900
Amount due to a shareholder	152	—	—	152	152
Amounts due to non-controlling interests	2,843	—	—	2,843	2,843
Interest-bearing borrowings	291,402	11,089	155,386	457,877	439,269
	597,049	11,089	155,386	763,524	744,916

40. 財務風險管理及政策 (續)

流動資金風險 (續)

二零一八年

Summary of financial assets and liabilities by
category

The carrying amounts of financial assets and liabilities presented in the consolidated statement of financial position relates to the following categories:

Financial assets:

金融資產及負債分類概要

於綜合財務狀況表中呈列之金融資產及負債賬面值與以下類別有關：

金融資產：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets		
At amortised cost:		
Cash and cash equivalents	26,088	28,464
Restricted bank deposits	2,340	—
Trade and bills receivables	23,330	58,039
Loan receivables	246,222	226,664
Deposits and other receivables	32,504	39,702
At fair value through profit or loss	22,624	26,086
	353,108	378,955

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

Financial liabilities:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial liabilities measured at amortised cost:	按攤銷成本計量之金融負債：		
Trade and other payables	應付貿易賬款及其他應付款項	166,167	240,752
Amount due to an associate	應付一間聯營公司款項	63,757	61,900
Amount due to a shareholder	應付一名股東款項	1,129	152
Amount due to non-controlling interests	應付非控股權益款項	3,006	2,843
Interest-bearing borrowings	計息借款	502,549	439,269
Lease liabilities	租賃負債	22,997	—
		759,605	744,916

The carrying values of the financial assets included above approximate their fair values due to their short term nature.

The carrying values of the financial liabilities (including current portion of interest-bearing borrowings) included above approximate their fair values due to their short term nature.

The fair values of the non-current portion of interest-bearing borrowings have been calculated by discounting the expected future cash flows using rates currently available for borrowings with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings as at 31 December 2019 and 2018 was assessed to be insignificant. The carrying values of the non-current portion of interest-bearing borrowings also approximate their fair values as at 31 December 2019 and 2018.

40. 財務風險管理及政策 (續)

金融資產及負債分類概要 (續)

金融負債：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial liabilities measured at amortised cost:	按攤銷成本計量之金融負債：		
Trade and other payables	應付貿易賬款及其他應付款項	166,167	240,752
Amount due to an associate	應付一間聯營公司款項	63,757	61,900
Amount due to a shareholder	應付一名股東款項	1,129	152
Amount due to non-controlling interests	應付非控股權益款項	3,006	2,843
Interest-bearing borrowings	計息借款	502,549	439,269
Lease liabilities	租賃負債	22,997	—
		759,605	744,916

由於金融資產於短期內到期，其賬面值與其公允值相若。

由於金融負債於短期內到期，其(包括計息借款的流動部分)賬面值與其公允值相若。

計息借款的非流動部分的公允值以目前可取得且具類似條款、信貸風險及餘下年期的借款的利率貼現預期未來現金流量計算。本集團於二零一九年及二零一八年十二月三十一日的計息借款違約風險獲評為輕微。計息借款非流動部分的賬面值與其於二零一九年及二零一八年十二月三十一日的公允值相若。

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

40. 財務風險管理及政策 (續)

金融資產及負債分類概要(續)

下表載列根據公允值等級按公允值列賬的金融工具之分析：

- 第1級：相同資產或負債於活躍市場之報價(未經調整)；
- 第2級：除計入第1級之報價外，可就資產或負債直接(即價格)或間接(即源自價格)觀察所得之輸入值；及
- 第3級：並非根據可觀察市場數據的資產或負債之輸入值(不可觀察輸入值)。

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40. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

Summary of financial assets and liabilities by
category (Continued)

40. 財務風險管理及政策 (續)

金融資產及負債分類概要 (續)

	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value	Fair value	
					2019	2018
	公允值層級	估值技術	重大不可觀察輸入值	不可觀察輸入值與公允值的關係	二零一九年 千港元	二零一八年 千港元
Financial assets at fair value through profit or loss – Unlisted equity instruments (note 15)	按公允值於損益列賬之金融資產 – 非上市股本工具 (附註15)	Discounted cash flows	Discount rate at 28.47%	The higher the discount rate, the lower the fair value	22,624	N/A
			Long term revenue growth rate ranged from 129.52% to 284.43%	The higher the long term revenue growth rate, the higher the fair value		
		第3級 貼現現金流量	貼現率為 28.47%	貼現率越高，公允值越低	22,624	不適用
			長期收益增長率為 129.52%至 284.43%	長期收益增長率越高，公允值越高		
		Level 3	Adjusted net assets value of the investment	N/A	N/A	N/A
		第3級	投資的經調整資產淨值	不適用	不適用	26,086

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40. FINANCIAL RISK MANAGEMENT AND
POLICIES (Continued)

Summary of financial assets and liabilities by
category (Continued)

The unlisted equity investment was acquired in 2018 with no operation. With the commencement of business in 2019, the valuation technique is changed from adjusted net assets value of the investment to discounted cash flows based on the future development plan and forecast of this unlisted company.

As at 31 December 2019, the fair values of unlisted equity instrument has been determined by an independent firm of professional valuer which holds a recognised and relevant professional qualification.

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) is as follows:

Unlisted equity investments

		Financial assets at FVTPL 按公允值於損益列賬之 金融資產	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	26,086	25,010
Purchases	購買	—	27,000
Disposal	出售	—	(25,010)
Total gains or losses:	收益或虧損總額：		
Fair value change during the year	年內公允值變動	(3,462)	(914)
At 31 December	於十二月三十一日	22,624	26,086

40. 財務風險管理及政策 (續)

金融資產及負債分類概要(續)

非上市股本投資於二零一八年被收購，沒有任何業務。隨著業務於二零一九年開展，基於該非上市公司的未來發展計劃及預測，估值技術由經調整投資資產淨值改為貼現現金流量。

於二零一九年十二月三十一日，非上市股本工具之公允值已由一間持有認可及相關專業資格之獨立專業估值師行釐定。

按公允值列賬之金融工具根據重大不可觀察輸入值(第3級)之對賬載列如下：

非上市股本投資

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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

Summary of financial assets and liabilities by category (Continued)

Sensitivity analysis

For the purpose of valuation of the unlisted equity investment, discounted cash flows method has been adopted. As at 31 December 2019, the key unobservable input used was the expected revenue growth rate of the unlisted equity investment. The expected revenue growth rate adopted ranged from 129.52% to 284.43%. A reasonably possible 5% decrease/increase in the expected revenue growth rate would result in increase/decrease in loss for the year ended 31 December 2019 and decrease/increase in equity of the Group by HK\$3,159,000 as at 31 December 2019.

40. 財務風險管理及政策 (續)

金融資產及負債分類概要 (續)

敏感度分析

就非上市股本投資之估值而言，已採納貼現現金流量法。於二零一九年十二月三十一日，所使用的主要不可觀察輸入值為非上市股本投資的預期收益增長率。所採用的預期收益增長率介乎129.52%至284.43%。預期收益增長率可能合理減少／增加5%將導致截至二零一九年十二月三十一日止年度之虧損增加／減少及本集團於二零一九年十二月三十一日之權益減少／增加3,159,000港元。

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41. STATEMENT OF FINANCIAL POSITION AND
RESERVE MOVEMENT OF THE COMPANY

41. 本公司財務狀況表及儲備變動

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	15	107
Investments in subsidiaries	於附屬公司之投資	21,629	21,631
		21,644	21,738
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	233	20,554
Amounts due from subsidiaries	應收附屬公司款項	917,233	963,858
Restricted bank deposits	受限制銀行存款	2,340	—
Cash and bank balances	現金及銀行結餘	18,409	108
		938,215	984,520
CURRENT LIABILITIES	流動負債		
Accruals and other payables	應計費用及其他應付款項	5,322	5,934
Amount due to a shareholder	應付一名股東款項	1,118	152
Interest-bearing borrowings	計息借款	263,500	280,000
		269,940	286,086
NET CURRENT ASSETS	流動資產淨值	668,275	698,434
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	689,919	720,172
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing borrowings	計息借款	86,010	—
		86,010	—
NET ASSETS	資產淨值	603,909	720,172
CAPITAL AND RESERVES	股本及儲備		
Share capital	股本	203,257	203,257
Reserves	儲備	400,652	516,915
TOTAL EQUITY	權益總額	603,909	720,172

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 5 May 2020 and are signed on its behalf by:

本公司的財務狀況表已於二零二零年五月五日獲董事會批准及授權刊發，並由以下人士代表簽署：

YEUNG SO LAI
楊素麗
DIRECTOR
董事

LEE CHI SHING CAESAR
李志成
DIRECTOR
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

41. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

41. 本公司財務狀況表及儲備變動 (續)

		Share premium	Other reserve	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	其他儲備	贖回儲備	繳入盈餘	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元 (note) (附註)	千港元	千港元
At 1 January 2018	於二零一八年一月一日	476,989	54	1,442	70,911	(49,507)	499,889
Profit and total comprehensive income for the year	年內溢利及全面收益總額	—	—	—	—	17,026	17,026
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	476,989	54	1,442	70,911	(32,481)	516,915
Loss and total comprehensive income for the year	年內虧損及全面收益總額	—	—	—	—	(116,263)	(116,263)
At 31 December 2019	於二零一九年十二月三十一日	476,989	54	1,442	70,911	(148,744)	400,652

Note:

The contributed surplus represents the difference between the book values of the underlying assets of the Company's former subsidiaries, Pantronics Holdings Limited and its subsidiaries, at the date on which the shares of these companies were acquired, and the nominal amount of the share capital issued by the Company under a Group reorganisation in 1994.

In addition to retained profits, under the Companies Act 1981 of Bermuda, the contributed surplus account of a company is also available for distribution. However, the Company cannot pay or declare a dividend, or make a distribution out of contributed surplus if: it is, or would after the payment be, unable to pay its liabilities as they become due; or the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

附註：

繳入盈餘指本公司前附屬公司Pantronics Holdings Limited及其附屬公司之相關資產於該等公司之股份獲收購之日之賬面值與本公司根據本集團於一九九四年進行重組時發行之股本面值之差額。

除未分配溢利外，根據百慕達一九八一年公司法，一家公司之繳入盈餘賬亦可供分派。然而，倘本公司無法或於付款後無法償還其到期負債，或其資產之可變現價值因此將低於其負債與已發行股本及股份溢價賬之總和，則本公司不可派付或宣派股息或自繳入盈餘作出分派。

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42. PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

42. 主要附屬公司

主要附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation or registration/operation 註冊成立或註冊/經營地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/註冊資本	Proportion of ownership interest held by the Company 本公司所持 擁有權益之百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Superactive Financial Group Company Limited 先機金融集團有限公司	Hong Kong/Hong Kong 香港/香港	Ordinary HK\$12,500,000 普通股 12,500,000 港元	-	100%	Provision of regulated financial services activities 提供受規管金融服務活動
Lijiang Hua Ou Real Estate Company Limited (note) 麗江華歐房地產置業有限公司(附註)	PRC*/PRC 中國*/中國	Registered capital RMB5,000,000 註冊資本人民幣 5,000,000 元	-	100%	Property development 物業開發
Lijiang Shunjing Business Administration and Management Limited (note) 麗江順境商業經營管理有限公司(附註)	PRC*/PRC 中國*/中國	Registered capital RMB5,000,000 註冊資本人民幣 5,000,000 元	-	100%	Property management 物業管理
Superactive Finance Company Limited 先機財務有限公司	Hong Kong/Hong Kong 香港/香港	Ordinary HK\$15,000 普通股 15,000 港元	-	100%	Money lending 放債
Chengdu Tianfu New Area One Two Three Nursery School (note) 成都市天府新區壹貳叁澳中幼兒園(附註)	PRC**/PRC 中國**/中國	Registered capital RMB500,000 註冊資本人民幣 500,000 元	-	64%	Nursery education 幼兒教育
Shenzhen Dowis Electronic Company Limited (note) 深圳市德維斯電子有限公司(附註)	PRC*/PRC 中國*/中國	Registered capital RMB1,000,000 註冊資本人民幣 1,000,000 元	-	60%	Manufacturing of electronic products 製造電子產品

* These are companies with limited liabilities in the PRC

* 該等為於中國的有限責任公司

** This is a privately run non-enterprise institution in the PRC

** 該為於中國的民辦非企業單位

Note: The English name of the subsidiary represents the best effort by the Company's management to translate from its Chinese name as this subsidiary has no official English name.

附註：由於該附屬公司並無正式英文名稱，附屬公司的英文名稱為本公司管理層盡力翻譯該公司的中文名稱。

The above list includes the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the assets and liabilities of the Group. To give details of all the other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

根據董事之意見，上述所列本公司之附屬公司均為主要影響本集團於本年度之業績或佔本集團大部份資產及負債的公司。根據董事之意見，提供所有其他附屬公司之詳情可能導致篇幅過於冗長。

None of the subsidiaries had any debt securities subsisting at 31 December 2019 or at any time during the year (year ended 31 December 2018: nil).

於二零一九年十二月三十一日或本年度任何時間，概無附屬公司擁有任何債務證券(截至二零一八年十二月三十一日止年度：無)。

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43. SUBSEQUENT EVENT

The outbreak of Novel Coronavirus (Coronavirus COVID-19) after it was first detected in Wuhan, Mainland China in December 2019 has impact on the business and operations of the Group as the Group's operations were located in China. As required by the local government authorities in which the Group's operations are located, no resumption of operations were allowed until February 2020. The Group's factory resumed its operations in February 2020, and the Group's major suppliers have also resumed their operations. As at the date of this report, the Coronavirus COVJD-19 has not resulted in material impact to the Group. Depending on the development and spread of Coronavirus COVID-19 subsequent to the date of this report, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of this report.

44. COMPARATIVE FIGURES

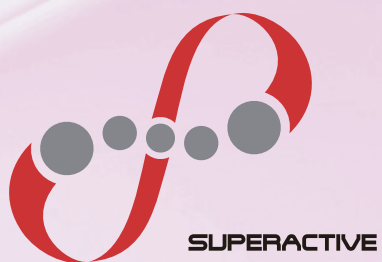
Certain comparative figures have been reclassified to conform to the current year's presentation.

43. 期後事項

新型冠狀病毒(2019冠狀病毒病)於二零一九年十二月在中國大陸武漢首次爆發，由於本集團的業務位於中國，疫情對本集團的業務及營運造成影響。因應本集團經營所在當地政府機關要求，直至二零二零年二月，並無批准恢復營運。本集團的工廠已於二零二零年二月復工，而本集團的主要供應商亦已恢復營運。於本報告日期，2019冠狀病毒病並未對本集團造成重大影響。視乎本報告日期後2019冠狀病毒病的發展及傳播情況，本集團的經濟狀況因而出現的更多變動或會影響本集團的財務業績，且其嚴重程度無法於本報告日期估計。

44. 比較數字

若干比較數字已重新分類，以符合本年度的列報方式。



Superactive Group Company Limited
先機企業集團有限公司