



賽伯樂國際控股

賽伯樂國際控股有限公司 Cybernaut International Holdings Company Limited

(incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1020

The background features a futuristic, blue-toned digital landscape with glowing lines and icons. A hand is shown interacting with a glowing sphere containing various icons: a cloud with a document, a gear with a dollar sign, a graduation cap with a globe, two smartphones with charts and a dollar sign, a stack of money, and a server rack. The overall aesthetic is high-tech and data-driven.

2019

Annual Report

年報

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Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. Zhu Min (*Chairman*)
Dr. Chen Huabei
Mr. Lu Yongchao
Ms. Yip Sum Yu

NON-EXECUTIVE DIRECTOR

Mr. Chow Chi Wa

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tong Yiu On
Mr. Li Yik Sang
Mr. Cao Ke

CHIEF EXECUTIVE OFFICER

Dr. Wang Matthew Yang

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. Sin Kwok Wai Ronald

AUTHORISED REPRESENTATIVES

Mr. Sin Kwok Wai Ronald
Ms. Yip Sum Yu

AUDIT COMMITTEE

Mr. Tong Yiu On (*Chairman*)
Mr. Li Yik Sang
Mr. Cao Ke

REMUNERATION COMMITTEE

Mr. Cao Ke (*Chairman*)
Mr. Lu Yongchao
Mr. Tong Yiu On
Mr. Li Yik Sang

NOMINATION COMMITTEE

Mr. Tong Yiu On (*Chairman*)
Mr. Li Yik Sang
Mr. Cao Ke
Mr. Lu Yongchao

REGISTERED OFFICE

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

執行董事

朱敏先生 (*主席*)
陳化北博士
呂永超先生
葉芯瑜女士

非執行董事

周志華先生

獨立非執行董事

唐耀安先生
李奕生先生
曹克先生

行政總裁

王陽博士

財務總監及公司秘書

冼國威先生

授權代表

冼國威先生
葉芯瑜女士

審核委員會

唐耀安先生 (*主席*)
李奕生先生
曹克先生

薪酬委員會

曹克先生 (*主席*)
呂永超先生
唐耀安先生
李奕生先生

提名委員會

唐耀安先生 (*主席*)
李奕生先生
曹克先生
呂永超先生

註冊辦事處

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

Corporate Information 公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1002, Capital Centre,
151 Gloucester Road,
Wanchai, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN CHINA

3201, Huishang Center,
Jiahui New City,
Shennan Mid Road, Fu Tian District,
Shenzhen, China
Postal Code: 518000

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Elite Partners CPA Limited

LEGAL ADVISERS

Tang Tso & Lau

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
China Citic Bank International Limited
Hang Seng Bank

COMPANY WEBSITE

www.cybernaut.com.hk

STOCK CODE

Stock Exchange of Hong Kong: 1020

總辦事處及香港主要營業地點

香港灣仔
告士打道151號
資本中心1002室

中國主要營業地點

中國深圳市
福田區深南中路
嘉匯新城滙商中心3201室
郵編518000

開曼群島股份過戶登記總處

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

核數師

開元信德會計師事務所有限公司

法律顧問

鄧曹劉律師行

主要往來銀行

香港上海滙豐銀行有限公司
中信銀行(國際)有限公司
恒生銀行

公司網址

www.cybernaut.com.hk

股份代號

香港聯交所：1020

Chairman's Statement

主席報告書

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of Cybernaut International Holdings Company Limited ("Cybernaut" or the "Company", together with its subsidiaries, collectively as the "Group"), I am pleased to present the annual report of the Group for the year ended 31 December 2019.

In early 2019 at the World Economic Forum in Davos, Switzerland, the International Monetary Fund (IMF) managing director Christine Lagarde commented on the new world economy forecast that Britain's messy divorce from the European Union (Brexit) and Italy's ongoing financial struggles posed threats to the growth in Europe. Besides, she had great concerns on the escalating trade tensions to the wider world economy under U.S. President Donald Trump's Administration and the prolonged trade war between United States and China would result into higher trade uncertainty that dampened investment and disrupted global supply chains during the year. The trade war between the two countries has already involved various stages of import restrictions and huge trade tariffs on hundreds of billions of dollars from torpedoing the U.S.-China relationship to shaking the global financial markets. Though China policy makers have stressed the need for "investment to play a key role" in upgrading manufacturing, 5G technology, artificial intelligence and industrial internet capacities in recent years, they now see the Chinese economy facing huge downward pressures and hardship from the increasingly challenging external environmental situations, which are badly devastated by the novel coronavirus outbreak in China and different countries over the globe.

各位股東：

本人謹代表賽伯樂國際控股有限公司（「賽伯樂」或「本公司」，連同其附屬公司統稱「本集團」）董事會（「董事會」），欣然提呈本集團截至二零一九年十二月三十一日止年度之年報。

於二零一九年初在瑞士達沃斯舉行的世界經濟論壇上，國際貨幣基金組織(IMF)總裁克里斯蒂娜·拉加德對新世界經濟預測發表意見：英國脫歐（英國脫歐）及意大利持續的財政問題對歐洲發展造成威脅。此外，其極度擔憂美國唐納德·特朗普政府的領導對更廣範圍內的世界經濟帶來的日益緊張的貿易局勢，以及曠日持久的中美貿易戰會導致較高的貿易不確定性，從而抑制年內的投資並破壞全球供應鏈。中美兩國之間的貿易戰已涉及多個階段的進口限制及對數千億美元產品的巨額貿易關稅，嚴重破壞中美關係並撼動全球金融市場。雖然中國政策制定者近年來強調在製造業、5G技術、人工智能及工業互聯網能力升級過程中，需要「投資扮演重要角色」，但其目前洞察到中國經濟正面臨由日益嚴峻的外部環境狀況所帶來的巨大下行壓力及困境，而中國及世界各國爆發的新型冠狀病毒令該種狀況雪上加霜。

Because of the novel coronavirus outbreak and lockdowns in China, the economy of the country has gone backwards for the first time since its official records began in 1992, shrinking by 6.8 per cent from January to March 2020, compared to that of the same quarter last year. During January and February 2020, retail sales plunged 20.5 per cent, while industrial output was down 13.5 per cent, and fixed asset investment fell by nearly 25 per cent over the same period in 2019, according to the National Bureau of Statistics (NBS) of China. The figures from the NBS also show that China's gross domestic product (GDP) declined by 9.8 per cent in the first quarter 2020, when compared to the previous quarter. The historic slump comes after the country virtually shut down its economy to contain the spread of the virus. All of this means that the Chinese economy is still weak and that will mean a longer, harder slog than Wall Street first assumed for its recovery. A month ago, Wall Street thought the coronavirus outbreak would mainly just be a short, sharp shock to China only. But now with Trump's Administration measures to deal with the Coronavirus COVID-19 outbreak in U.S.A. by shutting down the U.S. economy and so tipping the global economy into recession.

Virtually the Company had four reporting segments in 2019 excluding the disposed subsidiary group of steel flow product with settlement in early April 2019. The four reporting segments are separately managed as each business offers different products and services and requires different business strategies; and amongst them that the eCommerce and internet education segments had contributed significant revenue for the Group during 2019.

由於中國爆發新型冠狀病毒及實行封鎖措施，中國經濟自一九九二年開始正式記錄以來首次出現衰退，於二零二零年一月至三月期間的經濟較去年同一季度萎縮6.8%。根據中國國家統計局(NBS)統計，與二零一九年同期相比，於二零二零年一月至二月期間，零售額大幅下滑20.5%，而工業增加值下降13.5%，固定資產投資下降近25%。NBS的數據亦表明，與上一季度相比，中國於二零二零年第一季度的國內生產總值(GDP)下降9.8%。該歷史性低迷乃因中國近乎暫停經濟活動以遏制病毒蔓延所致。該等情況意味著中國經濟仍然較弱，且將需要較華爾街最初設想更長的時間及更艱苦的努力方可恢復。一個月前，華爾街認為冠狀病毒爆發將僅僅主要對中國一個國家造成短期、猛烈的衝擊。然而，如今特朗普政府透過暫停美國經濟活動應對冠狀病毒COVID-19於美國的爆發之措施因而導致全球經濟出現衰退。

實際上，於二零一九年，除已出售而於二零一九年四月初結算的鋼水控流產品附屬公司集團外，本公司有四個報告分部。由於各項業務提供不同的產品和服務，並且需要不同的業務策略，因此四個報告分部單獨管理；其中，電子商務及互聯網教育分部於二零一九年為本集團帶來重大收益。

Chairman's Statement 主席報告書

According to the Federal Reserve System of the United States (Fed), growth in unsecured consumer loans held by U.S. banks have slowed in 2019; and U.S. banks' portfolios of business loans all but stopped growing in the second half of 2019, as an industrial slowdown cramped loan demand. The Fed data has shown that even for the smaller banks in U.S., whose clients are less likely to turn to the bond markets, are now seeing a slowdown in loan demand. In China, new bank lending hit a record of RMB16.81 trillion yuan in 2019 as the central bank of China eased its policy to support the world's second-largest economy hobbled by weak global demand and the U.S.-China trade war. The central bank has also cut borrowing costs to shore up business activity and more monetary easing and fiscal stimulus is expected to spur growth in 2020. The growth of outstanding total social financing (TSF), a broad measure of credit and liquidity in the Chinese economy, was up 10.7 per cent in December 2019 from a year earlier. The Chinese government has implemented new rules and tight measures to regulate the TSF and online financial services, with particular attention on P2P lending to reduce the financial risks associated with those P2P platforms. The lending business model in of P2P lending in China is simple and easy to establish, whereas there are very different regulations governing the lending business in Hong Kong. Hong Kong and China are of two very distinctive markets in the financial and lending business. The timely regulations together with the well-developed fraud detection system for loan credit in Hong Kong make lending a profitable business to grow steadily in the Hong Kong market. Despite the social unrest of Hong Kong in the second half year of 2019 and increasing market competition of the money lending industry in Hong Kong, the loan demand in Hong Kong and the room for market growth are still robust. During 2019, our money lending subsidiary maintained stable business in alliance with business partners on sub-mortgage loans and by adopting market penetration strategy on high net worth customers.

根據美國聯邦儲備系統（美聯儲）統計，二零一九年美國銀行持有的無抵押消費借貸增長放緩；且由於工業增速放緩抑制借貸需求，二零一九年下半年美國銀行的商業借貸組合近乎停止增長。美聯儲數據表明，即便是美國的小型銀行（其客戶不大可能轉向債券市場），其目前的借貸需求增長亦有所放緩。由於中國央行放鬆政策以支持全球需求減弱及中美貿易戰對中國作為全球第二大經濟體造成的困境，中國於二零一九年的新銀行借貸達到創記錄的人民幣16.81萬億元。央行亦已降低借貸成本以支持業務活動，且預期二零二零年將推出更多貨幣寬鬆及財政刺激政策刺激增長。於二零一九年十二月發放的社會融資總量（TSF，為中國經濟信貸及流動性的一個廣泛指標）增長較去年上升10.7%。中國政府已實施新規則及嚴格措施以規管TSF及線上金融服務（重點關注P2P借貸），以降低與該等P2P平台有關的金融風險。於中國建立P2P借貸的借貸業務模式並非難事，但香港規管借貸業務的法規截然不同。就金融及借貸業務而言，香港及中國為兩個截然不同的市場。香港擁有及時的法規連同完善的借貸信貸詐欺偵測系統，使借貸在香港市場成為穩健增長及有利可圖的業務。儘管香港於二零一九年下半年出現社會動盪及香港放債行業的市場競爭日趨激烈，但香港的借貸需求及市場增長空間仍然強勁。於二零一九年，我們從事放債業務的附屬公司與次級按揭貸款方面的業務夥伴合作，透過對高淨值客戶採取市場滲透策略，維持穩定的業務。

Chairman's Statement 主席報告書

In 2019, the top online marketplaces in the world sold U.S.\$2.03 trillion and the top five global ones ranked by the gross merchandise value (GMV) were Taobao, Tmall, Amazon, JD.com and eBay. China has emerged on the world stage with a host of global tech companies that are innovative and competitive; and their successes are increasingly being studied and replicated in other markets. Alibaba and Tencent are among the top ten most-valued public tech companies in the world with online business models evolved in the highly competitive electronic commerce (eCommerce) business. According to the analysis of Digital Commerce 360, sales on marketplace sites, like those operated by Alibaba, Amazon, eBay and others, accounted for 58 per cent of the global web sales in 2019. The growth of marketplace eCommerce sales is a reason why many large retailers, including Target Corp., are launching their own marketplaces. During 2019, our eCommerce subsidiary group had a market shift with more sales in European countries and continued working with established overseas strategic business networks to maintain steady revenue growth of eCommerce to avoid losses from the U.S. trade embargo and threats under the U.S.-China trade war.

On June 2019, there were 10.31 million students taking the National Higher Education Entrance Examination (Gao Kao) in China. In fact, China has the largest education system in the world and investment in education accounts for about 4 per cent of total GDP in China. There are growing needs of information technology (IT) online education to establish a healthy and knowledge economy in China. During 2019, our wholly-owned subsidiary of IT online education business of the Company in China, 湖州公司Huzhou Company had the VIE Agreements arrangement fulfilled with 京師沃學(北京)教育科技有限公司Capital Wowxue(Beijing) Education Technology Limited (沃學“Wowxue”), was quite well-performed to achieve its expected guaranteed profit to the Company. Currently Wowxue has provided high quality IT online education to customers and students through internet platforms of online

於二零一九年，全球最大的線上市場銷售量達2.03萬億美元，而按商品交易總額排名的全球五大市場為淘寶、天貓、亞馬遜、京東及eBay。中國在世界舞台上嶄露頭角，涌現出一批具有創新精神及競爭力的全球科技公司；彼等的成功在其他市場中不斷被研究及模仿。阿里巴巴及騰訊躋身全球估值最高的十家上市科技公司之列，線上商業模式在競爭激烈的電子商務領域中不斷演變。根據Digital Commerce 360的分析，市場上網站（如由阿里巴巴、亞馬遜、eBay等運營的網站）的銷售額佔二零一九年全球網絡銷售額的58%。市場電子商務銷售額的增長乃眾多大型零售商（包括Target Corp.）建立其本身市場的原因。於二零一九年，我們電子商務附屬公司集團的市場發生轉變，其在歐洲國家的銷售額增加，並繼續與完善的海外策略業務網絡進行合作，以保持電子商務收入穩步增長並避免因美國貿易禁運及中美貿易戰的威脅而蒙受損失。

於二零一九年六月，中國有1,031萬學生參加普通高等學校招生全國統一考試（高考）。實際上，中國擁有世界上最大的教育系統，教育投資約佔中國國內生產總值(GDP)的約4%。為建立穩健的知識經濟，中國對線上資訊科技教育的需求日益增加。於二零一九年，本公司一間於中國從事線上資訊科技教育業務的全資附屬公司湖州公司已與京師沃學（北京）教育科技有限公司（「沃學」）完成可變利益實體協議安排，該安排的執行情況相當不錯，將達到對本公司的預期保證溢利。沃學目前通過線上教育資源及教育軟件的互聯網平台，為客戶及學員提供高品質的線上資訊科技教育；藉著二零一九年線上教育市場

Chairman's Statement 主席報告書

education resources and education softwares; and the business performance from the Huzhou subsidiary expanded in a steady growth pace in the online education market in 2019. The coronavirus outbreak has been hitting Chinese economy hard as many businesses have had to temporarily shut down their operations amid tight quarantine rules. But measures to stop the spread of the illness have also become an unexpected boon for at least one industry: the online education. It is like a natural marketing campaign for the IT online education companies, parents not knowing much about online education before can now see how it works and how classes are being streamed online.

During 2019, the Group committed great efforts to develop our products and services with generic growth of segment businesses in order to broaden our income sources despite the global economic fluctuation and social unrest in Hong Kong. In 2020, the outbreak of coronavirus COVID-19 is causing temporary shock to the Chinese economy as a whole. Industries closely related with offline activities are more vulnerable and market consolidation is expected to speed up, while industries featuring digitalization are more resilient and even see some upside, which all lead to potential investment opportunities.

Moving forward to face all challenges ahead in due care, the Group management team will continue to explore any potential business investments and seize good opportunities for developments from time to time, so as to diversify revenue stream sources and business expansion. We will make use of our strength in different segment business markets to reward shareholders with better business results and profitable outcome. Here I would like to thank all our staff for their dedication in today's challenging environment to meet the global market fluctuations, and also our business partners and shareholders for their ongoing support and trust over the years. Most of all, we are always aiming at well-positioned all our businesses to deliver further growth on our shareholder's value.

Zhu Min
Chairman

的穩步增長，湖州附屬公司的經營業績有所增長。冠狀病毒的爆發對中國經濟造成了沉重打擊，因為根據嚴格的檢疫規定，眾多企業須暫時停工停產。然而，阻止疾病傳播的措施亦已成為不止一個行業的意外收穫：線上教育。正如針對線上資訊科技教育公司的自然營銷活動，以往對線上教育知之甚少的父母現可了解線上教育的運作方式以及上課方式。

於二零一九年，儘管香港面臨全球經濟波動和社會動盪，但本集團仍致力發展我們的產品及服務，令分部業務普遍增長，以擴大我們的收入來源。於二零二零年，冠狀病毒COVID-19的爆發給整個中國的經濟造成暫時性衝擊。與線下活動密切相關的行業更加疲弱，預計市場整合將會加速，而具有數字化特徵的行業則更具彈性，甚至仍有部分上升空間，這些都帶來了潛在的投資機會。

展望未來，本集團將審慎面對所有挑戰，管理團隊將繼續不時物色任何潛在的商機，把握良好的發展機遇，以使收入來源及業務擴張多元化。我們將妥善利用在不同分部業務市場的優勢，以較佳業績及正面盈利回報股東。本人謹此對在現今充滿挑戰的環境下忠誠投入以應對全球市場波動的員工表示衷心感謝，同時感激我們的業務夥伴及股東多年以來的不斷支持和信任。最重要的是，我們始終致力於為所有業務提供良好的定位，以實現股東價值的進一步增長。

朱敏
主席

Management Discussion and Analysis

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MARKET REVIEW

The global economy today becomes more volatile and distorted in the financial market worldwide, under the current threatening economic measures of U.S. President Donald Trump's political administration on trade affairs. Amidst the intensifying tariff battle with the United States and efforts to deleverage debt and financial risks, the Chinese economy had the gross domestic product (GDP) of 6.1 percent over the previous year according to the estimation of the National Bureau of Statistics of China.

In 2019, the year-on-year growth rate of total value added of the industrial enterprises above the designated size was 5.7 percent; the Index of Services Production increased by 6.9 percent year-on-year; the fixed-asset investment of China increased by 5.4 percent year-on-year; the producer prices for industrial products went down by 0.3 percent year-on-year, and the purchasing prices for industrial producers went down by 0.7 percent over the previous year.

During the year 2019, the industrial production including the steel sector in China made considerable reduction of excess industrial capacity and the industrial capacity utilization rate nationwide was approximately 76.6 percent, 0.1 percent point higher than 2018. The China National Development and Reform Commission had urged cut on any substandard industrial production capacity and gone for a better growth in the keen competing global market with high-quality products.

市場回顧

在美國總統唐納德•特朗普對貿易事務的政治管理採取的當前威脅經濟措施下，全球經濟如今在全球金融市場變得更加動盪和扭曲。在與美國日益激烈的關稅鬥爭及去槓桿化債務和金融風險的努力中，中國經濟根據中國國家統計局估計將較上一年度錄得國內生產總值(GDP)增長6.1%。

於二零一九年，規模以上工業企業增加總值同比增長率為5.7%；服務業生產指數同比增長6.9%；中國固定資產投資同比增長5.4%；工業品生產者價格同比下降0.3%，工業生產者採購價格較上年下降0.7%。

於二零一九年，中國鋼鐵行業等工業生產大幅削減了過剩工業產能，及全國工業產能利用率約為76.6%，較二零一八年高出0.1個百分點。中國國家發展和改革委員會已催促淘汰落後行業產能，以在競爭激烈的全球市場以優質的產品實現更好的增長。

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In China, the operations of peer-to-peer (P2P) virtual lending platforms has established P2P lending or online lending, which also known as social lending, is a popular fintech application under which intermediaries gather funds from retail investors and lending the money to small and medium-sized enterprises (SMEs) and individual borrowers. The P2P lending is also a way for some investors to diversify their investments; but with higher returns in P2P lending comes with the higher risk, there is a possibility of the borrower defaulting, and being unable to return the promised returns or even the investors' capital. In China the massive collapse of these platforms in recent years has spread panic among investors; and the investors are losing confidence at their stakes and pulling their funds, diminishing operators' liquidity, so many of these platforms are facing insolvency. In lieu of the trend of collapse, China's P2P lending industry had gotten much more strictly regulated during 2019. Moreover, a slew of Chinese fintech and P2P lending platforms are looking to more lenient markets in Southeast Asia (SEA), following a prolonged industry crackdown in China that has left the sector reeling.

Although China has huge potential market growth in the lending business, there are higher risks for the lending business operation there, while Hong Kong market are very distinctive to it. Besides, the Hong Kong government has repeatedly reminded borrowers to be aware of the risks when borrowing, and request all moneylenders to operate business in compliance with Money Lenders Ordinance and licence restrictions. Despite the drastic demonstration and protest devastation in Hong Kong together with the effects from the trade war between U.S. and China during 2019, the low interest rate of borrowing, still boosted the Hong Kong property market growth both in terms of property price and transaction volume.

在中國，個人對個人(P2P)虛擬借貸平台業務開創的P2P借貸或在線借貸（亦稱為社交借貸）是一種流行的金融科技應用程式，在該應用程式中，中間商從散戶投資者籌集資金並將資金借給中小型企業和個人借款人。P2P貸款也是部分投資者實現投資多元化的一種方式，但P2P借貸的回報越高，風險越高，借款人有可能違約，無法歸還承諾的回報甚至無法返還投資者的資本。在中國，這些平台近年來的大規模崩潰在投資者中引發恐慌；投資者對所持股份失去信心，撤出資金，運營商的流動性不斷下降，因此許多此類平台面臨破產。於二零一九年，中國P2P借貸行業受到更為嚴格的監管，取代了崩潰的趨勢。此外，在中國長期的行業打壓行動後，該行業陷入困境，一大批中國金融科技和P2P借貸平台正尋求政策更加寬鬆的東南亞市場。

雖然中國的借貸業務市場增長潛力巨大，但中國的借貸業務運營風險較高，而香港市場則非常有特色。此外，香港政府一再提醒借款人在借款時要注意風險，並要求所有放債人按照放債人條例及牌照限制經營業務。儘管二零一九年香港有大規模的示威抗議破壞活動，亦受到中美貿易戰的影響，但無論從房價還是交易量來看，較低的借貸利率仍推動了香港房地產市場增長。

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Electronic commerce (eCommerce) has been growing rapidly worldwide with comparatively a greater extent in Asia Pacific region and particularly in PRC. But the trade war between U.S. and China together with the Brexit situations posed unpredictable concerns on the worldwide economy, and been greatly affecting the eCommerce and online shopping interest in 2019. With world market fluctuated financially on both the political and economic grounds, online shopping was more accessible than ever, but customers became harder to please, and of higher buyers' expectations during the year. By having an online version of a physical store in retail was not enough anymore, as consumers did not merely want to grab and go; and they wanted their shopping to be an experience of involvement and of itself: interactive, immersive and enjoyable. The traditional business model continued to lose ground and eCommerce continued its expansion from such shift. This was further fueled by consumers' desires and tastes, so shaping eCommerce with different trends and changes became more well-operated in 2019. The consumers today are getting accustomed to use internet and mobile apps for online shopping where, they can have the most practical innovation being adopted by eCommerce sites in social payment options through trusted, secure digital wallets like Apple Pay, Alipay, WeChat Pay, and PayPal etc. In 2019, when compared in mobile payments between China and United States, the internet usage gap was much wider than expected in the market, as more people paid with their phones in China than the entire population of the United States.

The China Ministry of Education has continuously promoted the application of information technology (IT) to advance education reforms and ensure equitable access to education. As reflected in the 2019 announcement of China Online Education Group ("51Talk" or the "Company") (NYSE: COE), a leading online education platform in China, with core expertise in English education that the Company would continue to streamline their business to focus their resources on providing high-quality programs for the growing K-12 market. And with COE's solid

電子商務（電子商務）在全球範圍內迅速發展，在亞太地區尤其是中國地區的發展程度相對較高。但是，中美之間的貿易戰和英國脫歐對全球經濟構成了不可預測的擔憂，並於二零一九年極大地影響了電子商務和網絡購物的興趣。隨著全球市場經濟因政治及經濟原因波動，年內網上購物變得比以往更容易，但客戶變得越來越難以取悅，且購物者預期不斷提高。僅僅通過在零售店中建立實體店的線上版本是不夠的，因為消費者不僅僅想要搶購，還希望購物是一種參與其中、互動、身臨其境和愉快的體驗。傳統商業模式繼續失勢，而電子商務於該轉變推動下繼續擴張。消費者的意欲及品味進一步推動該趨勢，使呈現不同趨勢和變化的電子商務的營運於二零一九年更趨完善。如今的消費者已經習慣於使用用於線上購物的互聯網和移動應用程式，通過Apple Pay、支付寶、微信支付及PayPal等可靠、安全的數字錢包，他們可以在社交支付選項中的電子商務網站採用最實用的創新。二零一九年，將中美移動支付進行比較，互聯網使用差距遠超市場預期，中國使用手機支付的人數超過美國總人口。

中國教育部不斷推進資訊技術應用，推進教育改革，確保教育公平。中國網絡教育集團（「51Talk」或「該公司」）（紐約證券交易所代號：COE），中國領先的在線教育平台，擁有英語教育的核心專長）二零一九年公佈反映，該公司將繼續精簡其業務將資源集中用於為不斷增長的K-12市場提供優質項目。由於COE在基本飽和的中國一線城市有著穩固的業務，其非常注重

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presence in the largely saturated tier-one cities of China, it was keen to focus on bringing its programs to China's large and underserved markets in the non-tier-one cities and compete with other online education business there. It is well noted that China's internet penetration rate is only 60 percent, but its sheer scale means almost three times the number of internet users as the United States. Despite the influence from the market instability in the outside world, the market growth of online education business in China steadily exceeds more than 20 percent yearly, and during 2019 the online education investors in China were rational; and their business operation was expanded more healthily with modern technology and knowledge.

BUSINESS REVIEW

In 2019, the Cybernaut Group might still be regarded comprising five segments of subsidiary groups, namely those engaged in the manufacture and sale of advanced steel flow control products; in the manufacture and sales of paper converting equipments; money lending business; eCommerce business and internet online education services.

During the year under review, the manufacturing businesses were adversely affected by the escalating trade war between China and U.S., and the steel market was still in the fierce competition among the steel manufacturers in China. Factually, our subsidiary group of steel flow product manufacturing business strived painstakingly at big losses in the drastic cutthroat market competition in recent years, and the subsidiary was disposed in late 2018 with the completion settled and announced on 12 April 2019. During the year of 2019, the subsidiary segment business of manufacturing paper converting equipment of Cybernaut Group, operating in China also suffered from the harsh competition resulted from the U.S.-China trade war, with reduced order size and market demand in the volatile situations of the world market.

將其項目推廣到非一線城市的中國大型和服務不足市場及與該等市場內的其他線上教育公司進行競爭。值得注意的是，中國互聯網的普及率僅為60%，但其龐大的規模意味著其互聯網用戶數量幾乎是美國的三倍。儘管受到外界市場不穩定的影響，中國在線教育業務的市場增長率仍每年穩超20%，而在二零一九年，中國的在線教育投資者是理性的，利用現代技術和知識，他們的業務經營得到更健康的發展。

業務回顧

二零一九年，賽伯樂集團可能仍被視為包括五個附屬集團，即從事高端鋼水控流產品製造及銷售、紙張加工設備製造及銷售、放貸業務、電子商務業務和互聯網在線教育服務的附屬集團。

回顧年內，製造業受到中美貿易戰升級的不利影響，中國鋼鐵企業仍在激烈競爭鋼鐵市場。近年來，公司下屬鋼水控流產品製造業務集團在激烈殘酷的市場競爭中苦苦掙扎，遭受巨大損失，於二零一八年底進行出售，並於二零一九年四月十二日宣佈完成結算。於二零一九年，在中國經營的賽伯樂集團紙張加工設備製造下屬公司在全球市場動蕩不安的環境下，也因中美貿易戰而面臨著訂單規模和市場需求下降的激烈競爭。

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The subsidiary of Cybernaut Group engaged in money lending business in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), Time Credit Limited (TCL) prudently maintained business operation with existing market strategy in 2019. Moreover, The Hong Kong government authority periodically advises borrowers to be aware of the risks of increased interest rate and the implication of the unstable and uncertain economic environment. During the year under review, the subsidiary generated revenue mainly from the first mortgage property loans to customers for their long and short term financial needs. And with the high net worth customer base and partnership alliance on sub-mortgage arrangements, the TCL loan portfolio continued to contribute a steady income stream to the Cybernaut Group.

In 2019, our eCommerce business subsidiary with the trade name of “VTZero” met the overseas market demands despite the global political unrest and economic fluctuation, the subsidiary had recognized good revenues in the product sales trends and product-mix for prominent sales of the second-handed and refurbished mobile phones of good brand names. Nowadays, local online marketplaces are booming and are launched mostly by traditional local retail enterprise and since they have years of reputation that people are preferred to shop there instead. As a result, VTZero as a cross-border eCommerce trading company, has to evaluate the internet shopping habit country by country and explore more online marketplace platforms to sustain the business growth. With prior years’ experience on sourcing used smartphones from America and Japan, the business management branched out more on the reverse logistic chain through internet to contribute additional value to the eCommerce business during 2019. Other than selling mainly through eBay and Amazon, VTZero also had established good sales through different selling channels and online marketplaces like Rakuten in Germany, cDiscount, Fnac and Darty in France etc. Through the established different business strategic alliances with the local agents in different countries including Europe and North America, the subsidiary could barely manage to reduce its market risks resulted from the Hong Kong protest devastation and the U.S.-China trade war in 2019.

根據香港法例第163章《放債人條例》在香港從事放債業務的賽伯樂集團附屬公司，友邦信貸有限公司(TCL)於二零一九年以現有市場策略審慎維持業務營運。此外，香港政府當局定期建議借款人注意加息風險以及不穩定和不確定的經濟環境所帶來的影響。於回顧年內，該附屬公司產生的收入主要來自為客戶提供滿足其長短期財務需求的首次按揭物業貸款。TCL高淨值的客戶基礎及次級抵押貸款合作夥伴關係持續為賽伯樂集團帶來穩定的收入來源。

二零一九年，儘管全球政治動蕩及經濟波動，但我們以「VTZero」命名的電子商務附屬公司仍舊滿足海外市場需求，附屬公司認可產品銷售趨勢和產品組合的收入可觀，突出銷售優質品牌的二手和翻新手機。如今，本地在線市場正在蓬勃發展，它們主要由傳統的本地零售企業推出，且因其多年的聲譽，人們更喜歡在那裡購物。因此，VTZero作為跨境電子商務貿易公司，必須對各國的網絡購物習慣進行評估，並探索更多的在線市場平台，以維持業務增長。憑藉多年從美國和日本採購二手智能手機的經驗，於二零一九年，公司管理層通過互聯網將更多的業務拓展到反向物流鏈，為電子商務業務貢獻額外價值。除主要通過eBay和亞馬遜銷售外，VTZero還通過不同的銷售渠道與德國樂天、法國cDiscount、Fnac和Darty等在線市場建立了良好的銷售業績。通過與歐洲和北美等不同國家的當地代理商建立不同的業務戰略聯盟，該附屬公司幾乎無法降低因二零一九年香港暴力抗議及中美貿易戰帶來的市場風險。

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During 2019, the subsidiary segment of Cybernaut Group engaged in the online education business with continued great momentum of demands of last year, expanded with good returns and increased market developments in the online education industry in China. Further, the subsidiary management through the VIE arrangements had closely monitored the online business to provide users with the updated information and software accessible through the education platform and packages, so as to enhance the segment business growth strengthened with good resource allocated for market expansion.

Risk management on financial instruments

The Group's major financial instruments are trade receivables, loan receivables, other receivables, restricted bank deposits, bank balances and cash, trade and bill payables, other payables, lease liabilities, promissory notes and bank and other borrowings. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The management monitors the exposure of these financial risks to ensure appropriate measures are implemented on a timely and effective manner.

Our Group's exposure to the risks of changes in market interest rates related primarily to the its loan receivables with the floating interest rates; and the credit risk of the Group is primarily attributable to trade and other receivables, loans receivable and bank balances during 2019. The Group has no significant concentrations of credit risk and the carrying amounts of trade and other receivables, cash and cash equivalents has represented the Group's maximum exposure to credit risk in relation to the financial assets. Besides, the management has good financial policies in place to ensure that the outstanding trade receivables are collected on a timely basis. Trade receivables are subject to the expected credit loss (ECL) model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from the initial recognition.

於二零一九年，賽伯樂集團從事在線教育業務的下屬公司持續去年的需求勢頭，在中國在線教育行業取得了良好的回報和市場發展。此外，附屬公司管理層透過VIE安排監控在線業務，為用戶提供通過教育平台及套餐訪問的更新信息及軟體，從而促進細分業務增長，並為市場擴張配置良好資源。

金融工具之風險管理

本集團的主要金融工具為貿易應收款項、應收貸款、其他應收款項、受限制銀行存款、銀行結餘及現金、貿易應付款項及應付票據、其他應付款項、租賃負債、承兌票據以及銀行及其他借貸。此等金融工具所附帶之風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。管理層確保適時及有效地採取適當措施以監控此等金融風險。

本集團面對市場利率變動的風險主要與其浮動利率應收貸款有關；及於二零一九年，本集團的信貸風險主要來自貿易及其他應收款項、應收貸款及銀行結餘。本集團並無重大集中的信貸風險，且貿易及其他應收款項、現金及現金等值物的賬面值為本集團金融資產的最高信貸風險。此外，管理層已制訂良好的金融政策確保及時追收未償還的貿易應收款項。貿易應收款項須應用預期信貸虧損（預期信貸虧損）模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，自初步確認起為所有貿易應收款項使用整個存續期內的預期虧損撥備。

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The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on the factors affecting the customers' abilities to settle the receivables.

In the money lending business, the credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management has also closely monitored all outstanding debts and reviewed the collectability of loans receivable periodically. The Group has adopted a loan risk classification approach to manage its loans and advances to customers portfolio risk, and the loans and advances to customers have had a significant increase in credit risk since their origination and so impairment are recognized on the basis of lifetime expected credit losses (ECLs). The Group applies the new ECL model to measure the impairment loss of the loans and advances to the customers and has assessed that there is significant loss allowance recognised in accordance with HKFRS 9 as at 31 December 2019.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. At 31 December 2019 and 2018, the financial liabilities measured at fair value in the consolidated statement of financial position are grouped into different fair value hierarchy. The fair value of contingent consideration payable was determined by an independent professional valuer using Binomial Option Pricing Model, based on volatility of 12% (2018: 13%). An increase in the volatility used in isolation would result in an increase in the fair value measurement of the contingent consideration payable, and vice versa.

預期虧損率基於銷售的歷史付款情況及出現的相應過往信貸虧損。本集團對過往虧損率作出調整以反映有關影響客戶結算應收款項能力的因素的當前及前瞻性資料。

就放債業務而言，延長授予借款人的信貸期的信貸政策包括評估及評價借款人的信譽度以及財務狀況。管理層亦已密切監控所有未償還債務並定期審閱應收貸款的可收回性。本集團已採用貸款風險分類方法管理向客戶提供的貸款及墊款組合風險，且向客戶提供的貸款及墊款自批授起信貸風險顯著增加，因此按整個存續期預期信貸虧損（預期信貸虧損）基準確認減值。本集團應用新預期信貸虧損模型計量向客戶提供的貸款及墊款的減值虧損，且評估於二零一九年十二月三十一日根據香港財務報告準則第9號確認重大虧損撥備。

就管理流動資金風險而言，本集團監察及維持管理層認為足夠撥付本集團營運之現金及現金等值物水平，以及減低現金流量波動的影響。於二零一九年及二零一八年十二月三十一日，於綜合財務狀況表內按公平值計量之金融負債分為不同的公平值層級。應付或然代價之公平值乃由獨立專業估值師使用二項式期權定價模式按12%（二零一八年：13%）之波幅釐定。僅所使用之波幅增加將會導致應付或然代價之公平值計量增加，反之亦然。

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Impairment on Goodwill and Intangible Assets

For the purposes of impairment testing, goodwill and intangible assets have been allocated to three cash generating units (“CGUs”), comprising money lending segment, eCommerce segment and internet education services segment as follows:

Money lending

The recoverable amount of the money lending CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets with a discount rate of 14% (2018: 16%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash flows is based on the money lending CGU's past performance and management's expectations of the market development. During the year ended 31 December 2019 and 2018, management determines that there is no impairment on the money lending CGU. Management believes that any reasonably possible changes in any of these assumptions would not cause the carrying amount of the money lending CGU to exceed the recoverable amount of the money lending CGU.

商譽及無形資產之減值

就減值測試而言，商譽及無形資產已分配至以下三個現金產生單位（「現金產生單位」），包括放債分部、電子商務分部及互聯網教育服務分部：

放債

放債現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於財政預算及折現率每年14%（二零一八年：16%）的五年期間（二零一八年：五年期間）內現金流量預測。五年期間（二零一八年：五年期間）後之現金流量乃根據3%（二零一八年：3%）的增長率推算。使用價值計算的其他重要假設與現金流量的估計有關，乃基於放債現金產生單位的過往表現及管理層對市場發展的預期得出。於截至二零一九年及二零一八年十二月三十一日止年度，管理層釐定放債現金產生單位概無減值。管理層認為，倘任何該等假設出現任何合理可能變動，均不會導致放債現金產生單位之賬面值超出其可收回金額。

Management Discussion and Analysis

管理層討論與分析

eCommerce

The recoverable amount of the eCommerce CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets with a discount rate of 13% (2018: 16%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 2.5%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash flows is based on the unit's past performance and management's expectations of the market development. During the year ended 31 December 2019, management has consequently determined impairment of goodwill directly related to the eCommerce CGU amounting to RMB61,225,000 (2018: Nil).

Internet education services

The recoverable amount of the internet education services CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets with a discount rate of 14% (2018: 17%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash flows is based on the internet education services CGU's past performance and management's expectations of the market development. During the year ended 31 December 2019 and 2018, management determines that there is no impairment on the internet education services CGU. Management believes that any reasonably possible changes in any of these assumptions would not cause the carrying amount of the internet education services CGU to exceed the recoverable amount the internet education services CGU.

電子商務

電子商務現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於財政預算及折現率每年13%（二零一八年：16%）的五年期間（二零一八年：五年期間）內現金流量預測。五年期間（二零一八年：五年期間）後之現金流量乃根據3%（二零一八年：2.5%）的增長率推算。使用價值計算的其他重要假設與現金流量的估計有關，乃基於單位的過往表現及管理層對市場發展的預期得出。於截至二零一九年十二月三十一日止年度，管理層隨後釐定與電子商務現金產生單位直接相關之商譽減值人民幣61,225,000元（二零一八年：零）。

互聯網教育服務

互聯網教育服務現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於財政預算及折現率每年14%（二零一八年：17%）的五年期間（二零一八年：五年期間）內現金流量預測。五年期間（二零一八年：五年期間）後之現金流量乃根據3%（二零一八年：3%）的增長率推算。使用價值計算的其他重要假設與現金流量的估計有關，乃基於互聯網教育服務現金產生單位的過往表現及管理層對市場發展的預期得出。於截至二零一九年及二零一八年十二月三十一日止年度，管理層釐定互聯網教育服務現金產生單位概無減值。管理層認為，倘任何該等假設出現任何合理可能變動，均不會導致互聯網教育服務現金產生單位之賬面值超出其可收回金額。

Management Discussion and Analysis

管理層討論與分析

On 5 July 2019, the Company announced that it had a connected transaction establishment of and subscription for the interest in a fund, such that the Company entered into: (1) the Limited Partnership Agreement with the General Partner, the Initial Limited Partner and Hana Financial Investment Co., Limited, and (2) the Subscription Agreement with the General Partner.

The General Partner is owned as to 81% by Cybernaut Capital Management, which is owned as to 99% by Mr. Zhu Min, an executive Director of the Company. The General Partner is an associate of Mr. Zhu Min and hence a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. As at the date of the announcement, the applicable percentage ratios as defined under the Listing Rules in respect of the Transaction is expected to be exceeding 0.1% but less than 5%, the Transaction is therefore subject to the reporting and announcement requirement, but exempted from dispatch of circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

於二零一九年七月五日，本公司宣佈成立一項基金並認購其中權益的關聯交易，因此本公司：(1)與普通合夥人、初始有限合夥人及Hana Financial Investment Co., Limited訂立有限合夥協議，及(2)與普通合夥人訂立認購協議。

普通合夥人由Cybernaut Capital Management擁有81%權益，而Cybernaut Capital Management由本公司執行董事朱敏先生擁有99%權益。就上市規則第十四A章而言，普通合夥人為朱敏先生的聯繫人，並因而為本公司的關連人士。於公佈日期，有關交易事項的適用百分比率（定義見上市規則）預期將高於0.1%但低於5%，故根據上市規則第十四A章，交易事項須遵守申報及公佈規定，但獲豁免遵守寄發通函及獨立股東批准規定。

Management Discussion and Analysis 管理層討論與分析

The Company announced that it had a connected transaction in relation to the financial assistance by connected persons on 9 July 2019, where at the date of the announcement, Mr. Ng Hang Fai Calvin and Mr. Lee Yim, the respective sole shareholder of Win All Management Limited (Win All) and Wide Select Investments Limited (Wide Select), are directors of VT Zero Limited, the subsidiary of the Company and therefore the Noteholders (Win All and Wide Select) are connected persons of the Company at the subsidiary level under Rule 14A.06(9) of the Listing Rules. As (i) the Noteholders are connected persons of the Company at the subsidiary level; (ii) the granting of the financial assistance to the Company by Mr. Ng and Mr. Lee under the New Promissory Notes which are secured by the assets of the Company under the Share Charges are on normal commercial terms; and (iii) the Board (including all the independent non-executive Directors) has approved the Deeds of Amendment and the grant of the Share Charges and confirmed the terms therein are fair and reasonable, and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Deeds of Amendment and the transactions contemplated are subject to the reporting and announcement requirements, but are exempt from the circular, independent financial advice and Shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

None of the Directors had any material interest in the Deeds of Amendment and the Share Charges and the transactions contemplated thereunder and had abstained from voting at the relevant Board resolutions. Therefore, on 9 July 2019 after the trading hours, the Company announced that it entered into the Deeds of Amendment with the Noteholders, pursuant to which the Company and the Noteholders agreed to amend the terms and conditions of the Existing Promissory Notes and to issue the New Promissory Notes with a principal amount of HK\$113,208,000.00 each to the Noteholders in replacement of the Existing Promissory Notes. Save for the amendments mentioned above and disclosed in the announcement, the principal terms of the Existing Promissory Notes remain unchanged.

於二零一九年七月九日，本公司宣佈有關關連人士提供的財務資助之關連交易，於公佈日期，吳恒輝先生及李儼先生各自為 Win All Management Limited (Win All) 及 Wide Select Investments Limited (Wide Select) 的唯一股東，彼等為本公司附屬公司 VT Zero Limited 之董事，故票據持有人 (Win All 及 Wide Select) 根據上市規則第 14A.06(9) 條為本公司附屬公司層面的關連人士。由於 (i) 票據持有人為本公司附屬公司層面的關連人士；(ii) 由吳先生及李先生根據新承兌票據授予本公司財務資助 (其根據股份質押以本公司資產作抵押) 乃按一般商業條款進行；及 (iii) 董事會 (包括所有獨立非執行董事) 已批准修訂契據及授予股份質押，並確認其所載條款屬公平合理，且按一般商業條款訂立，並符合本公司及股東的整體利益，修訂契據及擬進行之交易須遵守上市規則第 14A.101 條下之申報及公佈規定，惟獲豁免遵守通函、獨立財務意見以及股東批准規定。

概無董事於修訂契據及股份質押以及其項下擬進行之交易中擁有任何重大權益，亦無就相關董事會決議案放棄投票。因此，本公司宣佈於二零一九年七月九日 (交易時段後)，本公司與票據持有人訂立修訂契據，據此，本公司及票據持有人同意修訂現有承兌票據之條款及條件並向票據持有人發行本金額各為 113,208,000.00 港元之新承兌票據，以取代現有承兌票據。除上述修訂及該公佈披露者外，現有承兌票據的主要條款仍維持不變。

Management Discussion and Analysis 管理層討論與分析

On 16 July 2019, Ellipsiz Communications Ltd. (“EC”), a Canada based company listed on the Toronto TSX Venture Exchange (TSXV code : ECT), primarily engaged in providing communications services and solutions for the communications industry announced that it had completed a further non-brokered working capital unit private placement raising the proceeds of C\$375,000 and the subscriber for the private placement was Cybernaut International Holdings Company Limited (“Cybernaut International”). In that private placement, EC placed 2,500,000 units (each a “Unit”) at a price of C\$0.15 per Unit; and each Unit consists of one common share of EC and its one (1) common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire an additional common share at C\$0.15 per share until two (2) years from the closing of the that Offering. Cybernaut International has agreed not to exercise any Warrants if it would result in holding more than 10 per cent of the EC’s outstanding common shares.

EC generates revenue mainly from Taiwan through the solutions it offers; and the solutions offered are provided through a range of delivery models, from the supply of hardware and software products with associated consultancy, design, deployment and system support, to fully-managed services. EC provides clients an operational support systems (OSS), being systems which control and monitor network activities for many telecommunication service providers; and Cybernaut International has viewed such private placement as a first step in developing a strategic relationship with EC.

於二零一九年七月十六日，Ellipsiz Communications Ltd. (「EC」，一間於多倫多TSX創業交易所上市的加拿大公司 (TSXV代號：ECT)，主要從事提供通訊業的通訊服務及解決方案) 宣佈其已完成進一步的非經紀運營資本單位私募配售，籌集所得款項375,000加元，及私募配售認購人為賽伯樂國際控股有限公司 (「賽伯樂國際」)。於該次私募配售中，EC已按每個單位0.15加元的價格配售2,500,000個單位 (各為一個「單位」)，及各個單位包括EC的一股普通股及一(1)份普通股認股權證 (一份「權證」)。每份權證賦予持有人於該發售結束起兩(2)年內按每股0.15加元的價格購買額外普通股，Cybernaut International已同意，倘行使任何權證將導致持有EC超過10%的流通在外普通股，則其不會如此行事。

EC主要透過其提供的解決方案自台灣產生收入；及所提供的解決方案乃透過多種交付模式提供，從提供相關諮詢、設計、部署及系統支持的硬件及軟件產品到全面管理服務。EC向客戶提供營運支援系統 (OSS) (即為許多電信服務提供商控制及監視網絡活動的系統)；及賽伯樂國際將該私募配售視為與EC發展戰略關係的第一步。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Revenue

Paper Converting Equipment and Other Relating Equipment

The revenue generated from paper converting equipment business contributed approximately RMB40.1 million for the year ended 2019, representing a decrease of approximately 4.1% as compared with the same period in 2018 (for the year ended 2018: RMB41.8 million). The slight decrease is mainly due to the escalating trade war between China and U.S..

Money Lending

The revenue contributed by this business was approximately RMB16.2 million for the year ended 2019 (for the year ended 2018: RMB18.9 million). The revenue decreased by approximately 14.3% when comparing to previous year is mainly due to the keen market competition, property market fluctuation and the continuous social unrest in Hong Kong.

ECommerce

The revenue contributed by this business was approximately RMB241.7 million for the year ended 2019 (for the year ended 2018: RMB152.5 million). The revenue increased by approximately 58.5% is mainly due to the switch to used and refurbished device market (such as phones, tablets and smart watches). Also, we entered into more valuable online marketplace in different countries, such as Carrefour in Spain, Eprice in Italy and Fnac Darty in France.

Internet Education Services

The revenue contributed by this business which was acquired in November 2017 was approximately RMB29.0 million for the year ended 2019. (for the year ended 2018: RMB24.6 million). The revenue increased by approximately 17.9% is mainly due to the popularity of online education and the increase of the loyalty of our users in China.

財務回顧

收入

紙張加工設備及其他相關設備

截至二零一九年止年度，紙張加工設備業務產生的收入約為人民幣40,100,000元，較二零一八年同期減少約4.1%（截至二零一八年止年度：人民幣41,800,000元）。該小幅減少主要由於中美貿易戰升級。

放債

截至二零一九年止年度，此業務貢獻的收入約為人民幣16,200,000元（截至二零一八年止年度：人民幣18,900,000元）。收入較去年減少約14.3%，主要由於市場競爭激烈、物業市場波動及香港社會動盪持續。

電子商務

截至二零一九年止年度，此業務貢獻的收入約為人民幣241,700,000元（截至二零一八年止年度：人民幣152,500,000元）。收入增加約58.5%，主要由於轉攻二手及翻新設備市場（如手機、平板電腦及智能手錶）。而且，我們已進軍不同國家的更多有價值的在線市場（如西班牙的家樂福、意大利的Eprice及法國的Fnac Darty）。

互聯網教育服務

該業務於二零一七年十一月獲收購，截至二零一九年止年度，其所貢獻的收入約為人民幣29,000,000元（截至二零一八年止年度：人民幣24,600,000元）。收入增加約17.9%乃主要由於中國線上教育普及與用戶忠誠度提高。

Management Discussion and Analysis

管理層討論與分析

Cost of Sales/Service Rendered

The Group's cost of sales mainly comprised costs of raw materials, labour and other direct costs of sales and services rendered. During the year, the Group's cost of sales increased by approximately 46.7% from RMB167.4 million in 2018 to approximately RMB245.6 million in 2019. The increase is mainly due to the increase of revenue of ECommerce business.

Gross Profit

The Group experienced a gross profit of approximately RMB81.3 million for the year ended 31 December 2019. For the year ended 31 December 2018, the Group recorded a gross profit of approximately RMB70.4 million. The gross profit was mainly resulted from the effective cost control in money lending and internet education services business.

Impairments Loss

During the year under review, the Group had incurred the following major impairments:

- (a) Impairment losses were recognised on trade and loan receivables of approximately RMB47.6 million. Several loan borrowers in money lending business who have a prolonged delay in repayment of loan interest/principal and the Group considers that the default risk of these borrowers is high and thus impairment on loan receivables is considered necessary;
- (b) Impairment loss was recognised on goodwill of ECommerce business of approximately RMB61.2 million is mainly due to some unsatisfactory performance in the ECommerce business.

銷售／所提供之服務成本

本集團的銷售成本主要包括原材料成本、勞工成本及銷售和所提供之服務的其他直接成本。於本年度，本集團的銷售成本自二零一八年的人民幣167,400,000元增加約46.7%至二零一九年的約人民幣245,600,000元。該增加乃主要由於電子商務業務收入增加。

毛利

本集團於截至二零一九年十二月三十一日止年度，錄得毛利約人民幣81,300,000元。截至二零一八年十二月三十一日止年度，本集團錄得毛利約人民幣70,400,000元。毛利主要由於放債及互聯網教育服務業務的有效成本控制。

減值虧損

於回顧年度內，本集團已產生以下重大減值：

- (a) 就貿易應收款項及應收貸款確認之減值虧損約人民幣47,600,000元。放債業務數名貸款借款人長期拖欠償還本集團貸款利息／本金，而本集團認為該等借款人的違約風險高，因此有必要就應收貸款作出減值；
- (b) 電子商務業務確認商譽減值虧損約人民幣61,200,000元，乃主要由於電子商務業務的部分表現不盡人意。

Management Discussion and Analysis

管理層討論與分析

Selling and Distribution Costs

The Group's selling and distribution costs comprised sales commissions, sales staff costs and transportation costs. During the year under review, the cost increased by approximately 45.9% from approximately RMB3.7 million for the year ended 31 December 2018 to approximately RMB5.4 million for the year ended 31 December 2019. The increase is mainly due to the increase of advertising and promotion expenses of ECommerce business.

Administrative Expenses and Other Expenses

The Group's administrative expenses and other expenses decreased by approximately 49.0% from approximately RMB102.9 million for year ended 31 December 2018 to approximately RMB81.0 million for the year ended 31 December 2019. The decrease is mainly due to the amortization of intangible assets of internet online education business and ECommerce business and discontinued operation of steel flow control product business in April 2019.

Finance Costs

The Group's finance costs composed of bank loans and promissory notes were approximately RMB16.9 million for the year ended 31 December 2019 (2018: RMB4.7 million). The interest rate for bank loans were at a fixed interest rate of 3.25% and 5.22% per annum (2018: 5.22% per annum).

Taxation

The PRC subsidiary of the Company engaged in internet online education service provider successfully qualified the China's High and New-Technology Enterprise (HNTE) program and obtained the Chinese High-tech Enterprise Certification (中國高新技術企業認證) in 2017. Consequently, the subsidiary is entitled to the PRC Enterprise Income Tax ("EIT") rate of 15% until 24 October 2020.

銷售及分銷成本

本集團的銷售及分銷成本包括銷售佣金、銷售員工成本及運輸成本。於回顧年度內，該成本由截至二零一八年十二月三十一日止年度的約人民幣3,700,000元增加約45.9%至截至二零一九年十二月三十一日止年度的約人民幣5,400,000元。該增加主要由於電子商務業務的廣告及推廣開支增加。

行政開支及其他開支

本集團的行政開支及其他開支自截至二零一八年十二月三十一日止年度的約人民幣102,900,000元減少約49.0%至截至二零一九年十二月三十一日止年度的約人民幣81,000,000元。減少主要是由於互聯網在線教育業務及電子商務業務的無形資產攤銷以及鋼水控流產品業務已於二零一九年四月終止經營。

財務成本

截至二零一九年十二月三十一日止年度，本集團的財務成本（包括銀行貸款及承兌票據）約為人民幣16,900,000元（二零一八年：人民幣4,700,000元）。銀行貸款利率為固定年利率3.25%及5.22%（二零一八年：年利率5.22%）。

稅項

本公司的中國附屬公司從事互聯網線上教育服務供應商，成功具備中國高新技術企業項目資格，並已於二零一七年取得中國高新技術企業認證。因此，該附屬公司須按15%的稅率繳納中國企業所得稅（「企業所得稅」），直至二零二零年十月二十四日止。

Management Discussion and Analysis

管理層討論與分析

Loss for the Year

As a result of the challenging conditions, the Group's loss (included the discontinued operation) for the year ended 31 December 2019 was approximately RMB105.0 million, compared to approximately RMB81.0 million for the previous year. The loss increased was mainly due to the impairment of various assets. The Group's loss per share from continuing and discontinued operation increased from RMB2.02 cents for the year ended 31 December 2018 to RMB2.48 cents in 2019.

Final Dividends

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

Capital Structure, Liquidity and Financial Resources

As at 31 December 2019, the Group's bank balances and cash was approximately RMB158.3 million (2018: RMB138.6 million).

Total equity of the Group as at 31 December 2019 was approximately RMB400.2 million (2018: RMB495.4 million). The Group has an outstanding bank and other loan and promissory notes of approximately RMB27.0 million and RMB335.6 million, respectively as at 31 December 2019 (2018: RMB86.5 million and RMB237.1 million).

年度虧損

基於情況具挑戰性，本集團截至二零一九年十二月三十一日止年度的虧損（包括已終止經營業務）約為人民幣105,000,000元，而上一年度錄得約人民幣81,000,000元。虧損增加乃主要由於多項資產出現減值。本集團持續經營及已終止經營業務的每股虧損自截至二零一八年十二月三十一日止年度的人民幣2.02分增加至二零一九年度的人民幣2.48分。

末期股息

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的末期股息（二零一八年：無）。

資本架構、流動資金及財務資源

於二零一九年十二月三十一日，本集團的銀行結餘及現金約為人民幣158,300,000元（二零一八年：人民幣138,600,000元）。

本集團於二零一九年十二月三十一日的權益總額約為人民幣400,200,000元（二零一八年：人民幣495,400,000元）。於二零一九年十二月三十一日，本集團的未償還銀行及其他貸款及承兌票據分別約為人民幣27,000,000元及人民幣335,600,000元（二零一八年：人民幣86,500,000元及人民幣237,100,000元）。

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Material Acquisitions and Disposals of Subsidiaries and Associated Companies

Material Disposal of Subsidiary

Following the Memorandum of Understanding (MOU) announcement in relation to the potential disposal of the Disposal Company by the Company made on 28 May 2018, a major transaction disposal of 100% equity interest in a subsidiary was announced on 1 August 2018.

References are made to the announcement of Cybernaut International Holdings Company Limited (the “Company”) dated 1 August 2018; and the circular of the Company dated 7 November 2018 (the “Circular”) in relation to the major transaction regarding the disposal of 100% equity interest in Sinoref (BVI) Limited. The Completion took place on 12 April 2019 in accordance with the terms and conditions of the Agreement and an announcement was then made. Accordingly, the Company has ceased to have any interests in the Disposal Group and the Disposal Group is no longer subsidiaries of the Company as of the date of the announcement.

During the year under review, except for investments in its subsidiaries and save as disclosed, the Company did not hold any significant investment of equity interest in any other company.

Pledge of Assets

As at 31 December 2019, the Group pledged certain of its buildings and leasehold land with aggregate net carrying value of approximately RMB0.10 million (2018: RMB0.10 million) as collaterals for the bank loan granted to the Group. Gearing ratio is calculated based on total debt at the end of the year divided by total assets at the end of the year multiplied by 100%. As at 31 December 2019, the gearing ratio of the Group was 36% (2018: 25%).

重大收購及出售附屬公司及聯營公司

重大出售附屬公司

繼二零一八年五月二十八日刊發有關本公司可能出售出售公司之諒解備忘錄公佈後，出售附屬公司之100%股權之主要交易已於二零一八年八月一日公佈。

茲提述賽伯樂國際控股有限公司（「本公司」）日期為二零一八年八月一日之公佈及本公司日期為二零一八年十一月七日之通函（「該通函」），內容有關出售Sinoref (BVI) Limited之100%股權之主要交易。完成已於二零一九年四月十二日根據協議之條款及條件得以落實並於隨後發佈公佈。因此，於該公佈日期，本公司不再擁有出售集團任何權益，而出售集團不再為本公司之附屬公司。

於回顧年度內，除投資其附屬公司及所披露者外，本公司概無於任何其他公司持有任何重大股權投資。

資產抵押

於二零一九年十二月三十一日，本集團已將若干賬面淨值總額約為人民幣100,000元（二零一八年：人民幣100,000元）的樓宇及租賃土地抵押，以作為本集團獲授銀行貸款之抵押品。資產負債比率乃按年末負債總額除以年末資產總值乘以100%計算。於二零一九年十二月三十一日，本集團資產負債比率為36%（二零一八年：25%）。

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Contingent Liabilities

As at 31 December 2019, the Group had not provided any form of guarantee to any company outside of the Group. The Group is not involved in any current material legal proceedings, nor is it aware of any pending or potential material legal proceedings involving the Group.

Currency Exchange Exposures

The Group's purchases and sales are mainly denominated in US dollars, Renminbi and Hong Kong dollars. The operating expenses of the Group are mainly in Hong Kong dollars and Renminbi. The Group has well monitored and managed its exposure to fluctuation in currency exchange rates.

CONTINGENT CONSIDERATION AND LIABILITIES

On 26 July 2017, the Company entered into the Share Purchase Agreement (the "SPA") with Cybernaut Education Limited, a company which is owned as to 90% by Mr. Zhu Ming, an executive director and a substantial shareholder of the Company, (the "Vendor"). Pursuant to the SPA, the consideration will be subject to adjust based on the net profit after tax generating from operating activities (the "Net Profit") of the Cybernaut Technology International Limited and its subsidiaries as shown in the audited consolidated financial statements for:

- (i) the Net Profit for the six-month period ending 30 June 2018 shall not be less than HK\$7.5 million;
- (ii) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$7.5 million;

或然負債

於二零一九年十二月三十一日，本集團並無為本集團以外任何公司提供任何形式的擔保。本集團現時並無涉及任何重大法律訴訟，且並不知悉有任何涉及本集團的未解決或潛在的重大法律訴訟。

貨幣兌換風險

本集團之採購及銷售主要以美元、人民幣及港元結算。本集團經營開支則主要以港元及人民幣計值。本集團已完善監察及管理所面對的貨幣兌換率變動風險。

或然代價及負債

於二零一七年七月二十六日，本公司與 Cybernaut Education Limited（一家由本公司執行董事及主要股東朱敏先生持有90%之公司）（「賣方」）訂立購股協議（「購股協議」）。根據購股協議，代價須基於Cybernaut Technology International Limited及其附屬公司之經審核綜合財務報表所示之來自經營活動之稅後淨溢利（「淨溢利」）予以調整：

- (i) 於截至二零一八年六月三十日止六個月期間之淨溢利不得少於7,500,000港元；
- (ii) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於7,500,000港元；

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(iii) the Net Profit for the six-month period ending 30 June 2019 shall not be less than HK\$9 million; and

(iv) the Net Profit for the six-month period ending 31 December 2019 shall not be less than HK\$9 million.

The fair value of the contingent consideration was determined by an independent professional valuer not connected with the Group based on Binomial Option Pricing Model. The fair value as at 31 December 2019 was RMB39.1 million (2018: RMB108.4 million).

As at 31 December 2019, saved as disclosed in above, the Group had not provided any form of guarantee for any company outside the Group. The Group is not involved in any current material legal proceedings, nor is the Group aware of any pending or potential material legal proceedings involving the Group.

CONTRACTUAL AGREEMENTS

During the year ended 31 December 2017, certain business activities of the Group which were/are categorised as “restricted” business under the PRC laws and regulations have been carried out by the Group through a series of contractual arrangements (the “VIE Agreements”), and that happened at the acquisition of Cybernaut Technology International Limited (the “Project Company”) on 22 November 2017. The VIE agreements are a series of agreements, including but not limited to the Management Services Agreement, the Equity Pledge Agreement, the Loan Agreement, the Irrevocable Option Agreement, the Power of Attorney, the Undertaking Letters and the Declaration Letters, executed for the purpose of establishing the variable interest entity arrangement between Huzhou Company and Wowxue, through which the financial results of Wowxue are consolidated with the financial results of Huzhou Company as “variable interest entity” (as defined in Hong Kong and International Financial Reporting Standards). The VIE business and VIE Agreements are disclosed in the circular dated 17 October 2017 and as below.

(iii) 於截至二零一九年六月三十日止六個月期間之淨溢利不得少於9,000,000港元；及

(iv) 於截至二零一九年十二月三十一日止六個月期間之淨溢利不得少於9,000,000港元。

或然代價公平值乃由與本集團無關連之獨立專業估值師按二項式期權定價模式所釐定。於二零一九年十二月三十一日之公平值為人民幣39,100,000元（二零一八年：人民幣108,400,000元）。

於二零一九年十二月三十一日，除上文所披露者外，本集團並無向本集團以外的任何公司提供任何形式的擔保。本集團目前並無涉及任何重大法律訴訟，亦不知悉有任何涉及本集團的未決或潛在的重大法律訴訟。

合約協議

截至二零一七年十二月三十一日止年度，本集團透過一系列合約安排（「可變利益實體協議」）從事本集團根據中國法律及法規分類為「受限制」業務的若干業務活動，並於二零一七年十一月二十二日收購Cybernaut Technology International Limited（「項目公司」）時進行。可變利益實體協議為湖州公司與沃學就確定可變利益實體安排而簽立的一系列協議（包括但不限於管理服務合同、股權質押協議、貸款協議、不可撤回的購股權協議、授權委託書、承諾函以及聲明函），據此，沃學之財務業績綜合入賬至湖州公司財務業績作為「可變利益實體」（定義見香港及國際財務報告準則）。可變利益實體業務及可變利益實體協議披露於日期為二零一七年十月十七日的通函並載列如下。

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REASON FOR ENTERING INTO THE VIE AGREEMENTS

Investing in the PRC by foreign investors is primarily regulated by “外商投資產業指導目錄（2017年修訂）（the Guidance Catalogue of Industries for Foreign Investment (2017 Revision)*” (the “Catalogue”), which was promulgated and is amended from time to time jointly by the Ministry of Commerce of the PRC and the National Development and Reform Commission. Pursuant to the Catalogue, the value-added telecommunication services related business of Wowxue is considered as “restricted” under the categories of value-added telecommunication services. Therefore, foreign investors can only operate value-added telecommunication business in the PRC under joint ventures with the foreign portion of the total investment and hence shareholding below 50%. As Hong Kong Cybernaut, the subsidiary of the Target Company, is the foreign investor of Huzhou Company, it is not allowed to indirectly hold more than 50% equity interest in Wowxue through Huzhou Company or directly hold more than 50% equity interest in Wowxue under the PRC laws.

In light of the above, Huzhou Company, Wowxue and the Registered Shareholders have entered into the VIE Agreements on 31 August 2017 (as amended by supplemental agreements dated 25 September 2017) for the Reorganisation in order to enable the financial results, the entire economic benefits and the risks of the businesses of Wowxue to flow into Huzhou Company and to enable the Project Company to have indirect control over Wowxue as contemplated under the Sale and Purchase Agreement.

The Company agrees that it would unwind the VIE Agreements as soon as the relevant laws and regulations allow the value-added telecommunications business in the PRC to be operated by foreign investors without adopting a VIE structure. However, it is uncertain at this stage when the restrictions on foreign ownership in value-added telecommunications businesses will be lifted in the PRC. Under the Irrevocable Option Agreement, the Registered Shareholders must return to Huzhou Company or its nominee any consideration the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue.

訂立可變利益實體協議之理由

外國投資者於中國的投資活動主要受《外商投資產業指導目錄（二零一七年修訂）》（「目錄」）所規管，該目錄由中國商務部及國家發展和改革委員會共同頒佈及不時修訂。根據目錄，沃學之增值電信服務相關業務被視為增值電信服務類別下的「受限制」業務。因此，外國投資者僅可透過外商投資總額及股權低於50%的合資企業於中國經營增值電信業務。由於目標公司之附屬公司香港賽伯樂為湖州公司之外國投資者，故根據中國法律其不得透過湖州公司間接持有沃學超過50%股權或直接持有沃學超過50%股權。

鑒於上文所述，湖州公司、沃學及登記股東已於二零一七年八月三十一日就重組訂立可變利益實體協議（經日期為二零一七年九月二十五日之補充協議修訂），以令沃學的財務業績、全部經濟利益及業務風險併入湖州公司，並助力項目公司根據買賣協議間接控制沃學。

本公司同意，當相關法律及法規容許外國投資者不透過採用可變利益實體架構於中國開展增值電信業務，即會盡快解除可變利益實體協議。然而，現階段增值電信業務外商擁有權限制何時於中國解除仍屬未知之數。根據不可撤回的購股權協議，登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人。

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Up to 31 December 2019 of this report and 30 March 2020 for approval of the unaudited annual financial results, the Group has not encountered any interference or encumbrance from any governing bodies in operating its business through Wowxue under the VIE Agreements.

The PRC Legal Adviser has confirmed, among others, that (i) the use of the VIE structure and the VIE Agreements do not violate the relevant prevailing laws and regulations in the PRC; (ii) the VIE Agreements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC contract law; and (iii) save for the clause providing that the arbitration tribunal may award injunctive relief or winding up orders and that the courts in Hong Kong, the Cayman Islands and the PRC may grant temporary injunctive relief or other temporary remedies, which may not be enforceable under PRC law, the VIE Agreements are enforceable under the laws of the PRC. Based on the above, the Directors believe that the VIE Agreements conferring significant control and economic benefits from Wowxue to the Target Company are enforceable under the relevant laws and regulations.

INFORMATION OF THE VIE AGREEMENTS

The VIE Agreements

(1) Management Services Agreement

Date : 31 August 2017

Parties : (1) Wowxue;

(2) Huzhou Company; and

(3) The Registered Shareholders.

截至本報告日期（二零一九年十二月三十一日）及批准未經審核全年財務業績（二零二零年三月三十日），本集團於根據可變利益實體協議透過沃學經營其業務時並無遭遇任何來自政府部門之干涉或妨礙。

中國法律顧問已確認（其中包括）(i)使用可變利益實體架構及可變利益實體協議不抵觸相關中國現行法律及法規；(ii)可變利益實體協議將不被視為中國合同法項下以合法形式掩蓋非法目的而被認定為無效；及(iii)除規定仲裁庭可頒佈禁令救濟或清盤令及香港、開曼群島及中國法院可授出臨時禁令救濟或其他臨時補救辦法之條文根據中國法律或會無法強制執行外，可變利益實體協議根據中國法律可強制執行。基於上述，董事認為可變利益實體協議賦予沃學就目標公司之重大控制權及經濟利益根據相關法律及法規可強制執行。

可變利益實體協議之資料

可變利益實體協議

(1) 管理服務合同

日期 : 二零一七年八月三十一日

訂約方 : (1) 沃學；

(2) 湖州公司；及

(3) 登記股東。

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Scope of services : Huzhou Company shall provide investment advice, planning and other business advice on the operation and technical services of Wowxue in accordance with the requirements of Wowxue. Huzhou Company shall participate and assist in the management of the project operation and complete the management consulting service in time and submit the relevant management consulting report within the time limit required by Wowxue, and provide the required technical services. Such services include but not limited to the following:

- (i) to select and facilitate the employment of qualified persons and experts in respect of the businesses of Wowxue in internet education information services and teacher qualifications, and to provide the required or appropriate training to the managers, department heads, administration staff and accounting staff and all other employees of Wowxue;
- (ii) provide strategic advice, from time to time, on the negotiation and signing of contract(s) which is/are required or in connection with the daily operation and business of Wowxue;
- (iii) formulate rules, regulations, internal control policies, risk control management systems, standards administration, accounting, budget, marketing, human resources and operating policies, as well as the practices which are relevant to or affecting the business of Wowxue, and assist Wowxue in the effective implementation of relevant policies and practices;

服務範圍 : 湖州公司須根據沃學的要求，為沃學的經營及技術服務提供投資建議、規劃及其他商業建議。湖州公司須參與及協助項目運作管理，及時提供管理諮詢服務，並在沃學要求的期限內遞交相關管理諮詢報告，以及提供必要的技術服務。該等服務包括但不限於以下服務：

- (i) 選擇及協助僱用熟悉沃學之互聯網教育信息服務業務且具備教師資格的合資格人士及專家，以及為沃學的經理、部門主管、行政人員、會計人員及所有其他僱員提供必要或適當的培訓；
- (ii) 不時就沃學的日常經營及業務所需或與之相關的合同的談判及簽訂提供戰略性意見；
- (iii) 制定規則、規例、內部控制政策、風險控制管理制度、標準管理辦法、會計、預算、營銷、人力資源及經營政策，以及與沃學之業務相關或影響其業務之規範，並協助沃學有效落實相關政策及規範；

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| (iv) to plan, prepare, as well as provide public relations services and promote activities for Wowxue and to assist Wowxue to enter into contract(s) with third parties for businesses such as internet education information services and certification of teachers' qualification; | (iv) 規劃、籌備及提供公關服務及提升沃學的業務量，以及協助沃學與第三方就相關業務(如互聯網教育信息服務及教師資格認定)訂立合同； |
| (v) from time to time or at the request of Wowxue to review and improve the operation of Wowxue; | (v) 不時或應沃學之要求審查及改善沃學的經營狀況； |
| (vi) in general, to perform all reasonable and necessary actions in relation to Wowxue's business operations in an effective and appropriate manner; | (vi) 一般而言，以有效及適當的方式採取與沃學之業務經營有關的所有合理及必要行動； |
| (vii) on behalf of Wowxue, to make investments related to its business scope, establish branches, subsidiaries and make decisions on merger and acquisitions; | (vii) 代表沃學作出與其業務範圍相關的投資、設立分公司及附屬公司以及作出併購決策； |
| (viii) to provide Wowxue with the global market information, market research data and analysis on internet education information services and certification of teachers' qualification; and | (viii) 向沃學提供全球市場信息、市場調查數據及就互聯網教育信息服務及教師資格認定業務作出分析；及 |
| (ix) to provide investment advice, planning and other business advice on the operation and project investment of Wowxue, and to participate and assist in the management of project operations in accordance with the requirements of Wowxue. | (ix) 為沃學的經營及項目投資提供投資建議、規劃及其他商業建議，以及根據沃學的要求參與及協助項目運作管理。 |

Management Discussion and Analysis

管理層討論與分析

Fee	: Wowxue shall make provisions for and pay management and consultancy fees to Huzhou Company on an annual basis, which shall be equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue. If there is a loss in a given year, then no provisions for the said management and consultancy fees would be required for the year until Wowxue records a surplus.	費用	: 沃學須每年向湖州公司計提及支付管理及顧問費，費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。倘沃學於某個年度錄得虧損，則於該年度毋須就上述管理及顧問費計提撥備，直至沃學產生盈餘為止。
Guarantee	: The Registered Shareholders have pledged their holding of 100% of the equity interest in Wowxue to guarantee Wowxue to fulfill its obligations under the Management Services Agreement.	擔保	: 登記股東已抵押彼等於沃學持有之100%股權，旨在為沃學履行其於管理服務合同項下之責任提供擔保。
Term	: A term of ten years from the date of signing of the Management Services Agreement. Upon the expiry of each term, Huzhou Company is entitled at its sole and absolute discretion to renew the Management Services Agreement for a further term of ten years for each renewal. Wowxue and the Registered Shareholders are not entitled to terminate the Management Services Agreement during the term of such agreement. Huzhou Company is entitled to terminate the Management Services Agreement by giving thirty days of prior notice in writing to Wowxue.	期限	: 自簽訂管理服務合同日期起計為期十年。每次屆滿後，湖州公司有權全權酌情決定將管理服務合同續期十年。沃學及登記股東在相關協議期限內無權終止管理服務合同。湖州公司有權向沃學發出三十天的事先書面通知終止管理服務合同。

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(2) Irrevocable Option Agreement

Date : 31 August 2017 (as amended by a supplemental agreement dated 25 September 2017)

Parties : (1) Wowxue;
(2) Huzhou Company; and
(3) The Registered Shareholders.

Subject Term : (i) Wowxue and the Registered Shareholders irrevocably grant the right to Huzhou Company to purchase the entire equity interest in Wowxue for no consideration or, if nil consideration for purchasing the entire equity interest in Wowxue by Huzhou Company is unacceptable by relevant local regulations or government departments, at such consideration will be determined by Huzhou Company. The Registered Shareholders must return to Huzhou Company or its nominee any consideration that the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue;

(2) 不可撤回的購股權協議

日期 : 二零一七年八月三十一日
(經日期為二零一七年九月二十五日之補充協議修訂)

訂約方 : (1) 沃學;
(2) 湖州公司; 及
(3) 登記股東。

主要事項 : (i) 沃學及登記股東不可撤銷地向湖州公司授予一項權利，以按零代價或倘湖州公司按零代價購買沃學全部股權不被有關當地法規或政府部門所准許，則按湖州公司將予釐定之有關代價購買沃學之全部股權。登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人；

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- (ii) Huzhou Company shall also have the right at its discretion to direct Wowxue and the Registered Shareholders to transfer the equity interest in Wowxue to a third party designated or arranged by Huzhou Company at no consideration or, if nil consideration for purchasing the entire equity interest in Wowxue by a third party designated or arranged by Huzhou Company is unacceptable by relevant local regulations or government departments, at such consideration will be determined by Huzhou Company. The Registered Shareholders must return to Huzhou Company or its nominee any consideration that the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue;
- (iii) Huzhou Company may at any time by way of serving a notice of purchase (including by telephone, e-mail, telegraph) to Wowxue and the Registered Shareholders in order to exercise the option to purchase the equity interest in Wowxue;
- (iv) Wowxue and the Registered Shareholders shall notify Huzhou Company by way of written notice in the event of a divorce, major diseases, insolvency (including but not limited to being prosecuted), bankruptcy, dissolution or deregistration, etc., which may potentially affect their holding of equity interest in Wowxue;
- (ii) 湖州公司亦有權酌情指示沃學及登記股東按零代價轉讓沃學股權予湖州公司指定或安排之第三方或倘湖州公司指定或安排之第三方按零代價購買沃學全部股權不被有關當地法規或政府部門所准許，則按湖州公司將予釐定之有關代價向湖州公司指定或安排之第三方轉讓沃學全部股權。登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人；
- (iii) 湖州公司可隨時向沃學及登記股東發出購買通知(包括以電話、電子郵件或電報形式)，以行使購買沃學股權之購股權；
- (iv) 倘發生離婚、重大疾病、無償債能力(包括但不限於被起訴)、破產、解散或註銷登記等情況而可能對彼等於沃學所持股權產生潛在影響，沃學及登記股東須以書面通知形式告知湖州公司；

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- (v) If any Registered Shareholders by reason of divorce, insolvency, death, bankruptcy, dissolution, deregistration, etc, may lead to their equity interest in Wowxue being inherited or transferred to other third party(ies) (including but not limited to their spouse, heir, creditor, etc.), and in the event that Huzhou Company decided not to exercise the option set out in paragraphs (i) and (ii) above, the other Registered Shareholders shall exercise their right of first refusal to acquire the relevant equity interest in Wowxue such that the party who had exercised the right of first of refusal shall be subject to the obligations under the Management Services Agreement, the Irrevocable Option Agreement, the Loan Agreement and the Equity Pledge Agreement; and
- (v) 倘任何登記股東因離婚、無償債能力、死亡、破產、解散或註銷登記等原因而可能導致其於沃學之股權被繼承或轉讓予其他第三方(包括但不限於其配偶、繼承人及債權人等), 以及倘湖州公司決定不行使上文第(i)段及第(ii)段載列的購股權, 則其他登記股東須行使其購買沃學相關股權之優先購買權, 而行使優先購買權的一方須受管理服務合同、不可撤回的購股權協議、貸款協議及股權質押協議項下之責任所規限; 及
- (vi) Wowxue and the Registered Shareholders have covenanted, among others, that:
- (vi) 沃學及登記股東已契諾(其中包括):
- (a) without the prior written consent of Huzhou Company, they shall not sell, transfer, mortgage, dispose of by way of gift or dispose of in any other manner any equity interest in Wowxue or create any security interest in such equity interest;
- (a) 未經湖州公司事先書面同意, 不會以任何方式出售、轉讓、抵押、以饋贈方式處置或以任何其他方式處置於沃學之任何股權或就該等股權設立任何抵押權益;

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(b) without the prior written consent of Huzhou Company, Wowxue shall not enter into any transaction (except in the ordinary course of business) that may cause any material changes to its assets, liabilities, operations, shareholders' interests or other legal interests; and

(c) they shall not in any manner supplement or amend the articles of association of Wowxue to the extent that it may cause any material changes to the assets, liabilities, operations, shareholders' interests or other legal interests of Wowxue.

(b) 未經湖州公司事先書面同意，沃學不會進行可能導致其資產、負債、經營、股東權益或其他合法利益出現任何重大變動之任何交易（於日常業務過程中進行者除外）；及

(c) 彼等不會以任何方式補充或修訂沃學之組織章程細則，以致可能導致沃學之資產、負債、經營、股東權益或其他合法利益出現任何重大變動。

Term : The exercise period of the option shall remain in effect indefinitely as permitted by the law and/or until Huzhou Company having exercised such option.

期限 : 購股權的行使期在法律允許的期限內無限期有效及／或直至湖州公司行使相關購股權為止。

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(3) Loan Agreement

Date : 31 August 2017 (as amended by a supplemental agreement dated 25 September 2017)

Parties : (1) Huzhou Company; and
(2) The Registered Shareholders.

Subject : (i) Subject to the operational needs of Wowxue, Huzhou Company may at its discretion, from time to time, provide an interest free loan to the Registered Shareholders by way of entrusted bank loans or by other legal ways. The amount and conditions of the loan, if provided, shall be determined by Huzhou Company at its sole discretion, and such loan shall be used as the paid in capital of Wowxue.

(ii) Formal loan agreement(s), entrusted loan agreement(s) or other relevant agreement(s) shall be entered into between Huzhou Company, the Registered Shareholders, and other relevant parties according to the actual situation.

(3) 貸款協議

日期 : 二零一七年八月三十一日
(經日期為二零一七年九月二十五日之補充協議修訂)

訂約方 : (1) 湖州公司；及
(2) 登記股東。

主要事項 : (i) 根據沃學的業務需要，湖州公司可酌情以委託銀行貸款方式或以其他合法方式不時向登記股東提供免息貸款。貸款額度及條件(如有)由湖州公司全權酌情決定，且相關貸款須用作沃學之實收資本金。

(ii) 正式貸款協議、委託貸款協議或其他相關協議須由湖州公司、登記股東及其他相關訂約方根據實際情況訂立。

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Interest : Non-interest bearing

利息 : 不計息

Term : In the event of any of the following circumstances, the loan will expire and the Registered Shareholders shall repay the loan at the request of Huzhou Company:

期限 : 倘發生下列任何情況，貸款將到期，登記股東須按照湖州公司之要求償還貸款：

(i) Wowxue having filed for or having been subject to bankruptcy petition, bankruptcy reorganization, bankruptcy liquidation or winding up petition; and

(i) 沃學已提交或接受破產呈請、破產重組、破產清盤或清盤呈請；及

(ii) Huzhou Company having fully exercised its right to purchase the entire equity interest in Wowxue in accordance with the Irrevocable Option Agreement.

(ii) 湖州公司根據不可撤回的購股權協議充分行使購買沃學全部股權之權利。

(4) Equity Pledge Agreement

(4) 股權質押協議

Date : 31 August 2017

日期 : 二零一七年八月三十一日

Parties : (1) Wowxue;
(2) Huzhou Company; and
(3) The Registered Shareholders.

訂約方 : (1) 沃學；
(2) 湖州公司；及
(3) 登記股東。

Subject : The Registered Shareholders unconditionally and irrevocably agreed to pledge all the equity interest in Wowxue that they own (including any interest or dividend paid for such shares) to Huzhou Company as a security for the performance of the obligations by Wowxue and the Registered Shareholders under the Management Services Agreement.

主要事項 : 登記股東無條件及不可撤銷地同意將彼等於沃學擁有之全部股權（包括就該等股份支付的任何利息或股息）質押予湖州公司，作為沃學及登記股東履行於管理服務合同項下之責任之抵押品。

Term : The pledge shall remain valid until Wowxue and the Registered Shareholders unconditionally and irrevocably fulfilled all the obligations (including, but not limited to, the settlement and/or the payment of the service charge, liquidated damages (if any), etc.) under the Management Services Agreement.

期限 : 質押將一直有效，直至沃學及登記股東無條件及不可撤銷地履行於管理服務合同項下之所有責任（包括但不限於結算及／或支付服務費、違約賠償金（如有）等）為止。

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(5) Power of Attorney

Date : 31 August 2017

Parties : (1) Huzhou Company; and
(2) The directors of Wowxue, the Registered Shareholders or the legal representative of Wowxue

Subject : Pursuant to the Power of Attorney, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue have irrevocably appointed Huzhou Company as its/their attorney-in-fact to (i) exercise all the directors' rights, shareholders' rights and legal representative's rights (as the case may be) including but not limited to passing of board resolutions and shareholders' resolutions as well as the right to appoint or remove the directors, legal representative, general manager and other senior management of Wowxue; (ii) sign on their behalf all the documents necessary to give effect to the VIE Agreements; (iii) exercise all the rights and powers under the Equity Pledge Agreement and the right to deal with the assets of Wowxue; and (iv) submit documents to the competent company registration authorities of Wowxue or other relevant authorities for filing purpose. As confirmed by Huzhou Company, the authorizations under the Power of Attorney will be granted to the relevant officers/management of Huzhou Company who are third parties independent to the Registered Shareholders and their associates.

Term : From the date of the Power of Attorney to the earlier of the revocation or termination of each of the Management Services Agreement, Irrevocable Option Agreement, Loan Agreement and Equity Pledge Agreement

(5) 授權委託書

日期 : 二零一七年八月三十一日

訂約方 : (1) 湖州公司；及
(2) 沃學董事、登記股東或沃學法定代表人

主要事項 : 根據授權委託書，沃學董事、登記股東及沃學法定代表人已不可撤銷地委任湖州公司為其授權代理人，(i)行使一切董事權利、股東權利及法定代表人權利(視情況而定)，包括但不限於，通過董事會決議案、股東決議案及委任或免除沃學董事、法定代表人、總經理及其他高級經理之權利；(ii)代其簽署使可變利益實體協議生效之所有必要文件；(iii)行使股權質押協議項下之所有權利及權力以及處理沃學資產之權利；及(iv)向沃學之主管公司登記機關或其他有關機關提交文件以存檔。誠如湖州公司所確認，根據授權委託書，授權將授予湖州公司相關高級職員／管理層，彼等為獨立於登記股東及其聯繫人之第三方。

期限 : 自授權委託書日期起至管理服務合同、不可撤銷的購股權協議、貸款協議及股權質押協議各項協議被撤銷或終止之較早日期

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(6) Undertaking Letters

Date : 31 August 2017 (as amended by a supplemental letter dated 25 September 2017)

Parties : (1) Huzhou Company; and
(2) The directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue

Subject : Pursuant to the Undertaking Letters, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue, irrevocably undertake that: (i) they will act in accordance with the instructions of Huzhou Company upon the exercise of the powers of the directors of Wowxue, the power of the shareholders of Wowxue and the power of the legal representative of Wowxue respectively; and (ii) each of the directors of Wowxue, each of the Registered Shareholders of Wowxue and the legal representative of Wowxue has also undertaken not to compete with the business operating by Wowxue.

(6) 承諾函

日期 : 二零一七年八月三十一日
(經日期為二零一七年九月二十五日之補充函件修訂)

訂約方 : (1) 湖州公司; 及
(2) 沃學董事、登記股東及沃學法定代表人

主要事項 : 根據承諾函, 沃學董事、登記股東及沃學法定代表人不可撤銷地承諾: (i) 彼等於分別行使沃學董事權力、沃學股東權力及沃學法定代表人權力時將依據湖州公司之指示行事; 及 (ii) 各沃學董事、各沃學登記股東及沃學法定代表人亦已承諾不會與沃學經營之業務競爭。

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(7) Declaration Letters

Date : 31 August 2017

Parties : (1) Zhao Yingming “YM Zhao” and his spouse; and
(2) Zhao Yingyong “YY Zhao” and his spouse

Subject : pursuant to the Declaration Letters, YM Zhao and his spouse, and YY Zhao and his spouse irrevocably declare that, among other things, (i) acknowledge that all the equity interests held by YM Zhao and YY Zhao in the Wowxue do not form part of their matrimonial property and YM Zhao and YY Zhao are entitled to sign and fulfill the VIE Agreements personally; and (ii) the spouse of YM Zhao and YY Zhao undertake that if they get a divorce, they will not claim the relevant equity in the Wowxue by any way, including but not limited to the equity of distribution of profits, acquiring residual properties upon liquidation of Wowxue, investment and incorporation of branch offices and subsidiaries.

(7) 聲明函

日期 : 二零一七年八月三十一日

訂約方 : (1) 趙映明「趙映明」及其配偶；及
(2) 趙英勇「趙英勇」及其配偶

主要事項 : 根據聲明函，趙映明及其配偶以及趙英勇及其配偶不可撤銷地宣佈（其中包括）：(i)承認趙映明及趙英勇所持有之沃學全部股權並不構成彼等婚姻財產之一部分以及趙映明及趙英勇有權親自簽署及履行可變利益實體協議；及(ii)趙映明之配偶及趙英勇承諾，倘彼等離婚，彼等將不會以任何方式索要沃學相關股權，包括但不限於溢利分配之股權、沃學清盤後收購剩餘財產、投資及註冊成立分支機構及附屬公司。

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Protection of the interest and assets of Wowxue

The Management Services Agreement, Irrevocable Option Agreement, Loan Agreement, Equity Pledge Agreement, and the Undertaking Letters include a provision that each agreement is binding on the successors and permitted assignees of the respective parties. In the event of death, bankruptcy or divorce of any party of the Registered Shareholders, Huzhou Company may exercise its option under the Irrevocable Option Agreement to replace the relevant party of the Registered Shareholders, thus protecting the interest of the Group and allowing Huzhou Company to enforce its rights under the VIE Agreements against the successors and permitted assignees of the shareholders of Wowxue.

In order to have effective control over and to safeguard the assets of Wowxue, the VIE Agreements provide that, without the prior written consent of Huzhou Company, Wowxue shall not, in any form, dispose of significant assets (including but not limited to any significant customer resources, fixed assets, trademarks, technical knowhow or other intellectual property rights and/or other equity interests or similar interests held by Wowxue), operating rights and/or dispose of all or part of its business (including sale, replacement, mortgage or disposal in any other ways), with respect to it and/or its subsidiaries (if any).

The VIE Agreements also provide that, without the prior written consent of Huzhou Company, (i) Wowxue shall not increase or decrease the registered capital or accept any investment or capital increase from the Registered Shareholders or any third parties to Wowxue or change the form of the company or make any major adjustments regarding carrying out liquidation or dissolution; or the business scope, mode, profit model, marketing strategy, business policy or customer relationship; (ii) Wowxue and/or its subsidiaries shall not enter into any partnership or joint venture or profit sharing arrangement with any third parties, or any other arrangements for the transfer of benefits or profit sharing in the form of royalties, service fees or consultancy fees; and (iii) Wowxue shall not declare or distribute dividends, dividends or any other interests to its shareholders, including the after-tax profits that Wowxue has not yet allocated before the commencement of the VIE Agreements.

保護沃學之利益及資產

管理服務合同、不可撤回的購股權協議、貸款協議、股權質押協議以及承諾函均載有一項條文，規定各協議對各自訂約方之繼承人及獲准受讓人具有約束力。在任何登記股東死亡、破產或離婚之情況下，湖州公司可行使其於不可撤回的購股權協議項下之購股權以取代相關登記股東，從而保護本集團之利益，並允許湖州公司針對沃學股東之繼承人及獲准受讓人執行其於可變利益實體協議項下之權利。

為有效控制及保護沃學之資產，可變利益實體協議規定，未經湖州公司事先書面同意，沃學不得以任何形式處置與沃學及／或其附屬公司（如有）有關之重大資產（包括但不限於沃學持有之任何重要客戶資源、固定資產、商標、技術知識或其他知識產權及／或其他股權或類似權益）、經營權及／或處置全部或部分業務（包括出售、更換、抵押或以任何其他方式處置）。

可變利益實體協議亦規定，未經湖州公司事先書面同意，(i)沃學不得增加或減少註冊資本，或允許登記股東或任何第三方向沃學增加任何投資或資本，或更改公司形式或作出任何重大調整以進行清算或解散；或對業務範圍、模式、盈利模式、營銷策略、業務政策或客戶關係作出任何重大調整；(ii)沃學及／或其附屬公司不得與任何第三方訂立任何合夥或合營或溢利攤分安排，或以特許權使用費、服務費或顧問費形式轉讓利益或攤分溢利的任何其他安排；及(iii)沃學不得向其股東宣派或派發股息、紅利或其他利益，包括沃學在訂立可變利益實體協議前尚未分配之除稅後溢利。

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Since the completion to acquire the Project Company on 22 November 2017, there were no changes in the VIE structure up to 31 December 2019. The Board will review the VIE structure regularly and determine if the Group encounters any issues in safeguarding its assets held through the VIE Agreements. If any major issues or difficulties arise in doing so, the Board will engage legal advisers and/or other professionals to assist the Group to tackle such issues or difficulties.

Financial information of Wowxue

Under the VIE Agreements, Wowxue is accounted for as a consolidated structured entity that as a subsidiary of the Group. For the year ended 31 December 2019, Wowxue recognised total revenue of RMB28,962,000; profit of RMB18,039,000 and Total assets of RMB53,931,000.

VIE Agreements confer economic benefits on Huzhou Company from Wowxue

The VIE Agreements confer upon the Group the right to enjoy all the economic benefit of Wowxue by the Management Services Agreement under which Wowxue will pay Huzhou Company the management and consultancy fees equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue.

自於二零一七年十一月二十二日完成收購項目公司後，截至二零一九年十二月三十一日止，可變利益實體架構並無變動。董事會將定期審查可變利益實體架構，並確定本集團在透過可變利益實體協議保護其資產方面是否遇到任何問題。倘出現任何重大問題或困難，董事會將聘請法律顧問及／或其他專業人士協助本集團處理相關問題或困難。

沃學之財務資料

於可變利益實體協議下，沃學以綜合結構性實體作為本集團之附屬公司入賬。截至二零一九年十二月三十一日止年度，沃學確認總收入人民幣28,962,000元；溢利人民幣18,039,000元及資產總值人民幣53,931,000元。

可變利益實體協議向湖州公司賦予沃學之經濟利益

可變利益實體協議透過管理服務合同賦予本集團享有沃學所有經濟利益之權利，據此，沃學將向湖州公司支付管理及顧問費，費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。

Management Discussion and Analysis 管理層討論與分析

VIE Agreements confer control from Wowxue to Huzhou Company

The VIE Agreements confer upon the Group sufficient control over the board and daily operations of Wowxue. The appointment of directors of Wowxue is subject to Huzhou Company being satisfied of the director 's qualification and requires the explicit consent of Huzhou Company. If Huzhou Company is dissatisfied with the performance of the director(s) of Wowxue and proposes to remove such director(s), Wowxue shall remove such person(s) as director(s) upon Huzhou Company's proposal. Also, Wowxue agreed with Huzhou Company that Wowxue will, and its shareholders will cause Wowxue to, accept proposals put forward by Huzhou Company relating to the daily operations of Wowxue and employment of staff, operate all business of Wowxue in the ordinary course of business and refrain from any action or omission that may adversely affect the business of Wowxue.

Moreover, under the Management Services Agreement, Huzhou Company will formulate rules, regulations, internal control policies, risk control management systems, standards administration, accounting, budget, marketing, human resources and operating policies, as well as the practices which relevant to or affecting the business of Wowxue, and assist Wowxue in the effective implementation of relevant policies and practices.

Furthermore, as a general housekeeping rule, Huzhou Company will have the custody of the constitutional items of Wowxue, including the company chop and seal. At the request of Huzhou Company, Wowxue will provide it with the relevant legal documents and other information on Wowxue's business operation.

可變利益實體協議向湖州公司賦予沃學之控制權

可變利益實體協議向本集團授予沃學董事會及日常經營的充分控制權。沃學董事的委任須受湖州公司信納董事資歷規限及湖州公司的明確同意。倘湖州公司不滿意沃學董事的表現並建議罷免有關董事，沃學須於湖州公司提出建議後罷免有關人士的董事職務。同時，沃學向湖州公司表示同意，沃學及其股東將促使沃學接受湖州公司就沃學日常運營及僱用員工提出的建議、於日常業務過程中營運沃學的所有業務以及避免任何可能對沃學業務造成不利影響的行為或遺漏。

此外，根據管理服務合同，湖州公司將制定規則、規例、內部控制政策、風險控制管理制度、標準管理條例、會計、預算、營銷、人力資源及營運政策，以及與沃學業務有關或對其產生影響的慣例，且將協助沃學有效落實相關政策及慣例。

再者，作為一般管理規定，湖州公司將有權保管沃學的章程用品，包括公司印鑑及印章。沃學將應湖州公司要求向其提供沃學業務營運的相關法律文件及其他資料。

Management Discussion and Analysis

管理層討論與分析

RISKS AND LIMITATIONS RELATING TO THE VIE AGREEMENTS

1. Economic risks of the Company

Huzhou Company, as the primary beneficiary of Wowxue, is not obligated under any of the VIE Agreements to share the losses of Wowxue or provide financial support to Wowxue. Moreover, as a limited liability company, Wowxue is solely liable for its own debts and losses. As advised by the PRC Legal Adviser, the PRC laws and regulations do not expressly require Huzhou Company to share the losses of Wowxue or provide financial support to Wowxue.

2. Limitations in exercising the option to acquire ownership in Wowxue

In the case that Huzhou Company exercises its options to acquire all or part of the equity interest in Wowxue under the Irrevocable Option Agreement, the acquisition of the entire equity interests in Wowxue may only be conducted to the extent as permitted by the applicable PRC laws and may be subject to necessary approvals and relevant procedures under applicable PRC laws.

Further, a substantial amount of other costs (if any), expenses and time may be involved in transferring the ownership of Wowxue, which may have a material adverse impact on Huzhou Company's businesses, prospects and results of operation.

Huzhou Company may need to pay a substantial amount of enterprise income tax for the income from the ownership transfer according to the Irrevocable Option Agreement.

有關可變利益實體協議的風險及限制

1. 本公司的經濟風險

根據任何可變利益實體協議，作為沃學的主要受益人，湖州公司無義務分擔沃學的虧損或向沃學提供財務支持。此外，作為一家有限公司，沃學對其自身債務及虧損全權負責。經中國法律顧問告知，中國法律法規並未明確規定湖州公司須分擔沃學的虧損或向沃學提供財務支持。

2. 行使購股權以收購沃學擁有權的限制

倘湖州公司根據不可撤回的購股權協議行使其購股權以收購沃學的全部或部分股權，收購沃學全部股權僅可在適用中國法律准許的情況下進行，且或須根據適用中國法律規定獲得必要的批准及經由相關程序。

此外，轉讓沃學擁有權時或會涉及較大數額的其他費用（如有）、開支及時間，可能對湖州公司的業務、前景及經營業績產生重大不利影響。

根據不可撤回的購股權協議，湖州公司或需就來自擁有權轉讓的收入繳納巨額企業所得稅。

Management Discussion and Analysis

管理層討論與分析

3. Arrangements when potential conflicts of interest arise

Huzhou Company shall rely on the VIE Agreements to exercise control over and to draw the economic benefits from Wowxue. Huzhou Company may not be able to provide sufficient incentives to the Registered Shareholders for the purpose of encouraging it/them to act in the best interests of Wowxue, other than stipulating the relevant obligations in the VIE Agreements. The Registered Shareholders may breach the VIE Agreements in the event of conflicts of interest or deterioration of its/their relationship with Huzhou Company, the results of which may have a material adverse impact on Huzhou Company's business, prospects and results of operation.

It is not assured that if conflicts arise, the Registered Shareholders will act in the best interests of Huzhou Company or that the conflicts will be resolved in favour of Huzhou Company. If any of the Registered Shareholders fail to perform its obligations under the respective VIE Agreements, Huzhou Company may have to rely on legal remedies under the PRC laws through legal proceedings, which may be expensive, time-consuming and disruptive to Huzhou Company's operations and will be subject to uncertainties as discussed above.

4. Other risks relating to the VIE Agreements

Firstly, despite (i) there is currently no indication that the VIE Agreements will be interfered or objected by any PRC regulatory authorities; and (ii) the PRC Legal Adviser is of the view that the VIE Agreements do not violate any prevailing PRC laws or regulations, uncertainties still exist regarding the interpretation and application of the PRC laws and regulations especially in the area of value-added telecommunications business. For instance, the PRC regulatory authorities may issue further guidelines that impose stricter foreign ownership requirements in that area of business. Given the uncertain legal and business environment in the PRC, it is difficult to foresee whether the PRC regulatory authorities will take the same view regarding the VIE Agreements as the PRC Legal Adviser in the future.

3. 出現潛在利益衝突時之安排

湖州公司將倚賴可變利益實體協議行使控制權及自沃學抽取經濟利益。除可變利益實體協議所訂明之有關責任外，湖州公司可能無法就鼓勵登記股東以沃學之最佳利益行事而向登記股東提供足夠激勵。登記股東可能於出現利益衝突事件或其與湖州公司之關係惡化時違反可變利益實體協議，其結果可能對湖州公司之業務、前景及經營業績產生重大不利影響。

概不保證當發生衝突時，登記股東將以湖州公司之最佳利益行事或衝突將以對湖州公司有利之方式解決。倘任何登記股東未能履行其於各可變利益實體協議項下之責任，湖州公司可能須透過法律訴訟依賴中國法律下之法律補救，此可能屬昂貴、耗時及中斷湖州公司之營運，且可能面臨上文所討論之不明朗因素。

4. 有關可變利益實體協議的其他風險

首先，儘管(i)現時並無跡象顯示，任何中國監管機關將干預或反對可變利益實體協議；及(ii)中國法律顧問認為，可變利益實體協議並不違反任何現行的中國法律或法規，中國法律法規的詮釋及應用仍存在不確定性，特別是於增值電信業務領域。例如，中國監管機構可能進一步頒佈指引，對此業務範圍實施更為嚴格的外資擁有權規定。鑒於中國的法律及經營環境存在不明朗因素，難以預計中國監管機構未來會否就可變利益實體協議與中國法律顧問持有相同意見。

Management Discussion and Analysis 管理層討論與分析

On 19 January 2015, the Ministry of Commerce of the PRC published the draft PRC Foreign Investment Law (中華人民共和國外國投資法(草案徵求意見稿)) and the Explanation on the draft PRC Foreign Investment Law (關於《中華人民共和國外國投資法(草案徵求意見稿)》的說明) (collectively the “Draft Law”) pursuant to which foreign companies gaining control over domestic companies via contractual arrangements such as the VIE Agreements will be regarded as foreign investments and will be governed by the Draft Law when it is adopted and becomes law. The PRC Legal Adviser is of the view that the Draft Law is currently in consultation stage and has not yet been effective or legally binding. As there are uncertainties on the final content and interpretations of the Draft Law, there is no assurance that the VIE Agreements will comply with the Draft Law when it is adopted and becomes law.

Secondly, the VIE Agreements may not provide control as effective as direct ownership. Huzhou Company does not have any direct equity ownership in Wowxue and has relied on the VIE Agreements to effect changes in the management of Wowxue and make an impact on its business decision making, as opposed to exercising its rights directly as a shareholder. If Wowxue or its shareholders refuse to cooperate, the Company will face difficulties in effecting control over Wowxue’s operation of business through the VIE structure, which may adversely affect the Company’s business efficiency.

於二零一五年一月十九日，中國商務部頒佈《中華人民共和國外國投資法(草案徵求意見稿)》及關於《中華人民共和國外國投資法(草案徵求意見稿)》的說明(統稱「法律草案」)，據此，透過合約安排(如可變利益實體協議)取得內資公司控制權之外資公司將被視為外國投資，並將於法律草案獲採納及成為法律時受其規管。中國法律顧問認為，法律草案現時僅供諮詢用途，尚未生效或具有法律約束力。由於法律草案之最終內容及詮釋存在不確定因素，故無法保證可變利益實體協議將符合法律草案(倘其獲採納及成為法律)。

第二，可變利益實體協議賦予的控制權未必如直接擁有同樣有效。湖州公司並未直接擁有任何沃學股權，且倚賴可變利益實體協議以對沃學管理層實施變動及對其業務決策作出影響，而非作為股東直接行使其權利。倘沃學或其股東拒絕合作，本公司將難以透過可變利益實體架構對沃學的業務營運實施控制權，從而對本公司的業務效益造成不利影響。

Management Discussion and Analysis

管理層討論與分析

Thirdly, according to the Regulations on the Administration of Foreign-invested Telecommunication Enterprises (2016 Revision) (外商投資電信企業管理規定 (2016 修訂)) (the “FITE Regulations”), which were promulgated by the State Council of the PRC on 11 December 2001, and amended on 10 September 2008 and 6 February 2016, it requires a foreign investor who invests in a value-added telecommunications business in the PRC must possess prior experience in operating value-added telecommunications businesses and a proven track record of business operations overseas (the “Qualification Requirement”). Currently, none of the applicable PRC laws, regulations or rules provides clear guidance or interpretation on the Qualification Requirement. Despite the lack of clear guidance or interpretation on the Qualification Requirements, the Company intends to acquire the entire equity interests in the Wowxue when the PRC laws allow foreign investors to invest in value-added telecommunications business in the PRC. The Group plans to take steps to build up its track record of overseas value-added telecommunications business operations in an attempt to comply with the Qualifications Requirements, i.e., to establish overseas office in Hong Kong and to register a certain number of domain names outside of the PRC for conducting operation of websites and other businesses in relation to value-added telecommunication services in Hong Kong in coming one to three years, so as to be qualified to acquire the entire equity interests in the Wowxue when the relevant PRC laws allow foreign investors to invest and to hold a majority interest in value-added telecommunications enterprises in PRC. However, there is a risk that when the restrictions on foreign ownership in value-added telecommunications businesses are lifted in the PRC, Huzhou Company may still be required to unwind the VIE Agreements before Huzhou Company’s foreign investor Hong Kong Cybernaut is in a position to fully comply with the Qualification Requirement. Therefore, there is no guarantee that the steps taken will be sufficient to enable Huzhou Company to ultimately acquire the ownership in Wowxue.

第三，根據中國國務院於二零零一年十二月十一日頒佈且於二零零八年九月十日及二零一六年二月六日修訂的《外商投資電信企業管理規定 (二零一六年修訂)》(《外商投資電信企業管理規定》)，投資中國增值電信業務的外國投資者必須擁有經營增值電信業務的經驗，且海外營業過往記錄良好(「資質規定」)。目前，概無適用中國法律、法規或規則就資質規定作出明確指引或詮釋。儘管資格規定欠缺清晰指引或詮釋，本公司擬於中國法律允許外國投資者在中國投資增值電信業務時收購沃學之全部股權。本集團計劃採取措施建立海外增值電信業務經營之往績記錄，力圖符合資格規定，即於未來一至三年就香港增值電信服務在香港設立海外辦事處及在中國境外註冊多個域名，以經營網站及開展其他業務，從而於相關中國法律允許外國投資者在中國投資增值電信企業及持有其大部分權益時合資格收購沃學之全部股權。然而，倘中國就增值電信業務的外資擁有權作出限制，湖州公司可能仍須解除可變利益實體協議，除非湖州公司的外國投資者香港賽伯樂完全符合資質規定。因此，概不保證所採取的措施可令湖州公司最終獲得沃學的擁有權。

Management Discussion and Analysis 管理層討論與分析

Fourthly, the VIE Agreements may be subject to scrutiny by the tax authorities and additional tax may be imposed. Under the Management Services Agreement, Wowxue is required to pay Huzhou Company management and consultancy fees for the services rendered by Huzhou Company. Such service fee payments between related parties may be subject to scrutiny or challenge by the PRC tax authorities within ten years after the taxable year when such transactions are conducted.

Fifthly, the VIE Agreements are governed by the PRC laws. When a dispute arises under any of the VIE Agreements, the parties to the dispute may have to rely on legal remedies under the PRC laws. The VIE Agreements provide that dispute will be submitted to the South China International Economic and Trade Arbitration Commission (華南國際經濟貿易仲裁委員會) for arbitration to be conducted in Shenzhen. The decision of such arbitration is final and binding on the parties to the dispute.

Since the legal environment in the PRC is different from that in Hong Kong and other jurisdictions, the uncertainties in the PRC legal system could limit the ability of Huzhou Company to enforce the VIE Agreements. There is no assurance that such arbitration result will be in favour of Huzhou Company and/or that there will not be any difficulties in enforcing any arbitral awards granted, including specific performance or injunctive relief and claiming damages by Huzhou Company. As Huzhou Company may not be able to obtain sufficient remedies in a timely manner, its ability to exert effective control over Wowxue and the conduct of the value-added telecommunication business could be materially and adversely affected, and may disrupt the business of Huzhou Company and have a material adverse impact on Huzhou Company's business, prospects and results of operation.

第四，可變利益實體協議或會受稅務機構的審查及可能被徵收額外稅項。根據管理服務合同，沃學須就湖州公司提供的服務向其支付管理及諮詢費。關連方之間的相關服務費款項或會於相關交易進行的稅務年度後十年內受到中國稅務機構的審查或質疑。

第五，可變利益實體協議受中國法律規管。倘任何可變利益實體協議出現爭議，爭議各方可能須倚賴中國法律項下的法律補救措施。可變利益實體協議規定，爭議將提呈予華南國際經濟貿易仲裁委員會，以於深圳進行仲裁。就爭議各方而言，相關仲裁決定屬最終且具約束力。

由於中國法律環境與香港及其他司法權區不同，故此，中國法律制度的不明朗性將限制湖州公司強制執行可變利益實體協議的能力。概不保證相關仲裁結果將有利於湖州公司及／或於強制執行授出的任何仲裁裁決時（包括湖州公司的特定表現或禁令救濟及損害賠償申索）將無任何困難。由於湖州公司未必能夠及時獲得充分補救，其有效控制沃學及開展增值電信業務的能力將受到重大不利影響，且可能中斷湖州公司的業務，並對湖州公司的業務、前景及經營業績造成重大不利影響。

Management Discussion and Analysis 管理層討論與分析

Lastly, the VIE Agreements provide that the arbitration tribunal may award remedies over the equity interests or assets of Wowxue or injunctive relief (e.g. for the conduct of business or to compel the transfer of assets) or order the winding up of Wowxue. The VIE Agreements also include a clause in relation to dispute resolution among the parties where, when awaiting the formation of the arbitration tribunal or otherwise under appropriate conditions, the parties thereto may seek temporary injunctive relief or other temporary remedies from the courts in Hong Kong, Cayman Islands, the PRC and the location where the principal assets of the Company and Wowxue are located.

However, the PRC Legal Adviser is of the view that pursuant to the PRC laws, the arbitration tribunal may have no power to grant the aforementioned remedies or injunctive relief or to order the winding up of Wowxue. In addition, even though the VIE Agreements provide that overseas courts (e.g. courts in Hong Kong and Cayman Islands) shall have the power to grant certain relief or remedies, such relief or remedies may not be recognised or enforced under the PRC laws. As a result, in the event that Wowxue or the Registered Shareholders breaches the terms of the VIE Agreements, the Company may not be able to obtain sufficient remedies in a timely manner, and its ability to exert effective control over Wowxue could be materially and adversely affected. Huzhou Company does not maintain any insurance to cover the risks relating to the VIE Agreements.

The Board will continue to review the VIE Structure regularly and determine if the Group encounters any issues in safeguarding its assets held through the VIE Agreements. If any major issues or difficulties arise in doing so, the Board will continue to engage legal advisers and/or other professionals to assist the Group to tackle such issues or difficulties. Up to 31 December 2019, the Group does not maintain any insurance to cover the risks relating to the VIE Agreements.

最後，可變利益實體協議規定，仲裁庭可就沃學之股權或資產頒佈補救措施或禁令濟助（如就經營業務或強制轉讓資產）或頒令沃學清盤。可變利益實體協議亦載有解決訂約方之間爭議之條文，據此，當等候仲裁庭成立或在其他適當情況下，相關訂約方可向香港、開曼群島、中國及本公司及沃學主要資產所在地之法院尋求臨時禁令濟助或其他臨時補救措施。

然而，中國法律顧問認為，根據中國法律，仲裁庭可能無權授出上述補救措施或禁令濟助或頒令沃學清盤。此外，即使可變利益實體協議規定海外法院（如香港及開曼群島法院）須有權授出若干濟助或補救措施，該等濟助或補救措施未必可根據中國法律予以承認或強制執行。因此，倘沃學或登記股東違反可變利益實體協議之條款，本公司未必能夠及時獲授足夠補救措施，而其對沃學施加有效控制之能力可能受到重大不利影響。湖州公司並未就有關可變利益實體協議的風險購買任何保險。

董事會將繼續定期審查可變利益實體架構，並確定本集團在透過可變利益實體協議保護其資產方面是否遇到任何問題。倘出現任何重大問題或困難，董事會將繼續聘請法律顧問及／或其他專業人士協助本集團處理相關問題或困難。截至二零一九年十二月三十一日，本集團並未就有關可變利益實體協議的風險購買任何保險。

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Despite the above, as advised by the PRC legal advisers to the Company, the VIE Structure is in compliance with and, to the extent governed by the PRC laws currently in force, are enforceable under, the current PRC laws. The Company will continue to monitor the relevant PRC laws and regulations relevant to the VIE Structure and will take all necessary actions to protect the Company's interest in the Structured Entity.

UNWINDING OF THE VIE AGREEMENT

Up to 31 December 2019, none of the VIE Agreements has been unwound as none of the restrictions that led to the adoption of VIE Agreements has been removed.

HUMAN RESOURCES AND STAFF REMUNERATION

As at 31 December 2019, the Group had about 211 staff members employed in mainland China and Hong Kong (2018: 445). Total staff costs for the year were approximately RMB24.6 million (2018: RMB30.7 million). During the year, the Group continued to reinforce the training to its staff by providing training and study opportunities for management staff and professional technicians. In addition, the Group has provided a timely update to all staff about the latest government policies of the industry to continuously enhance the professional standard and quality of the staff.

Meanwhile, the Group has provided competitive remuneration for staff which encourages them to commit themselves and serve customers wholeheartedly. The Group operates share option scheme for the purpose to provide incentives and rewards to eligible directors and employees of the Group who contribute to the success of the Group's operations. The Group granted 120 million share options to its eligible employees during the financial year as announced on 7 May 2019. The remuneration payable to the senior management of the Company (excluding Directors and Chief Executive Officer) for the year ended 31 December 2019 was determined with reference to their position, responsibilities and experience and prevailing market condition.

儘管上文所述，據本公司中國法律顧問建議，就現行有效的中國法律所規管而言，可變利益實體架構符合現行中國法律並可根據該等法律強制執行。本公司將繼續監測與可變利益實體架構有關的相關中國法律及法規，並將採取所有必要措施保障本公司於結構性實體的權益。

解除可變利益實體協議

截至二零一九年十二月三十一日，由於使可變利益實體協議獲採納的限制並無取消，故概無解除任何可變利益實體協議。

人力資源及員工薪酬

於二零一九年十二月三十一日，本集團於中國大陸及香港合共聘用約211名員工（二零一八年：445名）。本年度的員工成本總額約為人民幣24,600,000元（二零一八年：人民幣30,700,000元）。年內，本集團繼續加強員工培訓工作，向管理人員和專業技術人員提供培訓及學習的機會。此外，本集團亦即時向所有員工傳達政府的最新行業政策方面的資訊，不斷提高員工的專業水平及質素。

同時，本集團還向其員工提供有競爭力之薪酬，鼓勵彼等全心全意為客戶服務。本集團設有一項購股權計劃，目的是向對本集團營運的成功作出貢獻之本集團合資格董事及僱員提供獎勵及報酬。如二零一九年五月七日公佈，於本財政年度，本集團向其合資格僱員授出120,000,000份購股權。截至二零一九年十二月三十一日止年度，應付本公司高級管理層（不包括董事及行政總裁）薪酬乃參照彼等之職位、職責及經驗以及現行市況所釐定。

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FUTURE PROSPECTS

The China economy is presently facing strong headwinds and decelerating. China's trading partners and investors are closely watching the health of the world's second-largest economy as the year-long trade war between U.S. and China takes a heavier toll on businesses and investment, fueling worries of a global recession. Embroiled in the trade wars with U.S., China is saving stimulus for the Trade War Winter as China yuan weakens. Chinese policy makers are holding back from rolling out the big guns of monetary stimulus, keeping options in reserve as the trade standoff with the U.S. risks morphing into a global currency war. The People's Bank of China called for a "rational" view on current headwinds in August 2019, signaling that the targeted approach to shoring up output would continue. Retail sales, investment and credit data are expected to confirm the ongoing slowdown in the world's second-largest economy. China officials are sticking to a cautious monetary strategy even after tensions with the U.S. worsened, with U.S. President Donald Trump's accusations of Beijing's currency manipulation adding sensitivity to any stimulus measures that would depress the China yuan. Further, the Trump's own continuous threat of tariff increase on billions dollars' worth of Chinese goods since September 2019, coupled with the anti-government activism in Hong Kong, has been sending global markets into a frenzy that is unlikely to calm down any time soon.

In regard to the lending business segment of the Cybernaut Group, TCL will continue granting mortgage loan to clients in a prudent manner, so the lending subsidiary business can well meet the needs for the Hong Kong property market and the environmental changes accordingly. TCL will adopt tight credit policy to grant mortgage loans or for loan renewals, and might restrict loans only to customers of good and healthy reference check.

展望

中國經濟目前面臨強勁的逆風和減速。中國交易夥伴和投資者正密切關注世界第二大經濟體的健康狀況，因為中美之間長達一年的貿易戰對企業和投資造成了沉重的打擊，加劇了對全球經濟衰退的擔憂。捲入與美國的貿易戰，隨著中國人民幣走弱，中國正為貿易戰冬季籌備刺激計劃。由於中美貿易僵局有可能演變成一場全球貨幣戰爭，中國政策制定者不願推出大規模的貨幣刺激措施，保留儲備選擇。中國人民銀行於二零一九年八月呼籲對當前的逆風持「理性」看法，這表明提振產出的定向措施將繼續存在。預計零售、投資及信貸數據將證實全球第二大經濟體在持續放緩。即使在與美國的緊張局勢惡化之後，中國官員也堅持採取謹慎的貨幣策略，美國總統唐納德·特朗普指責北京的匯率操縱增加了對任何會壓低人民幣匯率的刺激措施的敏感性。此外，自二零一九年九月以來，特朗普持續威脅要對價值數十億美元的中國商品上調關稅，加上香港的反政府活動，已經讓全球市場陷入瘋狂，不太可能很快平息下來。

對於賽伯樂集團的放貸業務部門，TCL將繼續審慎地向客戶提供抵押貸款，從而有關業務可以很好地滿足香港房地產市場的需求和相應的環境變化。TCL將採取緊縮信貸政策授予抵押貸款或貸款續期，並可能僅對有良好健康參考往績的客戶提供貸款。

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Our subsidiary engaged in eCommerce business, has majority of business specialized on B2C retailing through the platforms including eBay and Amazon will increase its product-mix and expand market developments. Besides, selling through other different marketplaces in different countries, for examples: Rakuten in Germany. cDiscount, Fnac and Darty in France, and ePrice in Italy; VTZero in eCommerce can diversify market risks and expand with more business, as these European marketplaces are growing rapidly and are mostly welcomed by their local people. The eCommerce industry of today is highly competitive, online retailers are moving beyond competing on price to competing also on logistics. To enhance greater market penetration overseas, the subsidiary management has also liaise with different local partners through the existing logistic network, and by selling more new eCommerce products to overseas consumers.

In 2019, the online education markets in China was more vibrant and growing competitively. In July 2019, Chinese insurance giant Ping An Insurance (Ping An) announced plans to expand into the “smart education” sector with an investment in a leading online education platform valued at over USD\$1 billion; i.e. the iTutorGroup – an online education platform founded in 1998 that provides language and mathematics tutorials via the internet. Ping An also said that it would work with iTutorGroup, the online education unicorn in China, on the application of artificial intelligence (AI) technology to the education sector and for the development of the online education. Realized the current market situations and to face the keen competition, our subsidiary management would engage highly qualified education expertise and supportive staff through the VIE arrangements to provide high-quality updated education packages and online platform for customers, and closely monitor the trends and market needs of the online education industry in China.

我們從事電子商務業務、透過包括eBay及亞馬遜在內的平台主要經營B2C零售業務的附屬公司，將豐富其產品組合並擴大市場發展。此外，透過德國樂天、法國cDiscount、Fnac及Darty以及意大利ePrice等不同國家的其他不同市場銷售，電子商務中的VTZero可以使市場風險多元化並隨更多業務而擴展，因為該等歐洲市場正在快速增長，並受到當地人民的歡迎。當今的電子商務行業競爭異常激烈，在線零售商的競爭重點已不在價格，而是在物流方面。為加強海外市場滲透，附屬公司管理層亦通過現有的物流網絡與不同的本地合作夥伴聯絡，並向海外消費者銷售更多新的電子商務產品。

二零一九年，中國在線教育市場更具活力且競爭日益激烈。二零一九年七月，中國保險巨頭平安保險（平安）宣佈計劃向「智能教育」領域擴張，投資價值超過10億美元的領先在線教育平台，即iTutorGroup——一個於一九九八年成立、通過互聯網提供語言和數學教程的在線教育平台。平安還表示，它將與中國在線教育獨角獸iTutorGroup合作，將人工智能技術應用於教育領域和發展在線教育。意識到當前的市場形勢，面對激烈的競爭，我們的附屬公司管理層將通過VIE安排聘請高素質的教育專業人員和支援人員，為客戶提供優質教育計劃和在線平台更新，並密切關注中國在線教育產業的趨勢和市場需求。

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Money lending business

On 4 December 2019, an International Monetary Fund (IMF) Staff Mission notes that Hong Kong's economic activity weakened significantly in 2019 and fell into a technical recession in the third quarter. Hong Kong's real Gross Domestic Product is expected to contract by 1.2 per cent in 2019 and return to positive growth of 1 per cent in 2020, led by a recovery of private consumption. Near- and medium-term risks to the growth outlook are tilted to the downside against the backdrop of US-China trade tensions and the sociopolitical situation in Hong Kong, but the development of the Greater Bay Area is expected to improve growth prospects in the medium term. Our money lending subsidiary, TCL will continue its tight credit policy when granting mortgage loans or loan renewals, and will restrict only to customers of good reference check or in referral business with strategic partnership via sub-mortgage arrangements, so as to maintain steady business in an effective manner. TCL will continue to adopt its existing lending policy with prudent and flexible business strategies to meet the environmental changes and property market trends in Hong Kong accordingly. It will focus and continue to seize business opportunities on the increasing demand for first-mortgage property loans with interest income as its revenue source from its clients.

放債業務

於二零一九年十二月四日，國際貨幣基金組織(IMF)工作組團隊注意到，香港經濟活動於二零一九年大幅減弱，並於第三季度陷入技術性衰退。預期香港實質本地生產總值將於二零一九年收縮1.2%，並於二零二零年在個人消費恢復帶動下回歸正增長1%。在中美貿易關係緊張及香港社會政治局勢的背景下，短中期增長前景存在下行風險，惟預期大灣區的發展將改善中期增長前景。我們的放債附屬公司TCL將於授出按揭貸款或貸款續期時繼續收緊信貸政策，並將僅向紀錄良好的客戶授出貸款及貸款續期，或透過二次按揭安排，與戰略夥伴進行轉介業務，以有效的方式維持業務穩定。TCL將繼續採用其現有借貸政策以及審慎及具靈活性的業務策略，以因應香港環境轉變及物業市場趨勢作出調整。其將專注及持續抓住具利息收入之首次按揭物業貸款需求增加的商機，作為來自其客戶的收入來源。

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ECommerce business

The growth momentum for the Group's ECommerce business continued in 2020 as a result of the increased "home" time and less desire of the people to go to crowded areas under the COVID-19 outbreak. The outbreak is an unprecedented challenge which is still difficult for everyone to estimate how long it will remain, but the Group observes that the consumers now have a higher tendency and frequency to shop for their needs online than before. The Group expects some of our customers may change their shopping behavior from offline to online. Our subsidiary engaged in eCommerce business, has specialized on B2C retailing through the platforms including Amazon and eBay will increase its product-mix and expand market developments. Besides, in regard to B2B segment sales, it has been selling second-handed mobile phones and accessories to Europe while the sales turnover in B2B is growing month by month. The eCommerce subsidiary management has found the turnover from the B2B sales fruitful and will continue with current strategy to seek greater market penetration overseas with more involvement from different local partners through the existing logistic network. Besides, the subsidiary has also enhanced brand awareness in its self-hosted websites on search engine marketing and after sales services. It has expanded more eCommerce business transactions through sales channels and platforms like Rakuten, Newegg, Walmart and Cdiscount marketplaces etc., with an aim at higher business growth in the non-English speaking markets. The subsidiary management realizes that the easy access to its own website and the eCommerce sales platforms can enable customers to choose their products conveniently worldwide, and adopting its current marketing strategy will continue to generate increasing revenue return for the Group.

電子商務業務

在COVID-19疫情下，人們留在家中時間增加且對前往人多擠迫地點的意欲減弱，令本集團於二零二零年的電子商務業務增長動力持續。此疫情帶來前所未有的挑戰，亦無人能夠估計會維持多久，但就本集團觀察所得，消費者現時較以前更傾向及更頻密地於線上購物。本集團預期部分客戶可能會將購物行為由線下轉為線上。我們的附屬公司從事電子商務業務，並透過亞馬遜及eBay等平台專注於B2C零售，其將增加其產品組合及擴大市場發展。此外，就B2B業務銷售，該公司已銷售二手手機及配件至歐洲且B2B業務每月銷售營業額均取得增長。電子商務附屬公司管理層認為B2B業務的銷售營業額豐碩，其將透過現有物流網絡讓更多不同的當地夥伴參與其中，憑藉當前策略繼續提高海外市場滲透率。此外，附屬公司亦已就搜尋引擎市場及售後服務加強自營網站的品牌知名度。其已透過銷售渠道及平台如樂天、新蛋、沃爾瑪及Cdiscount等市場增加更多電子商務交易，旨在專注於非英語市場業務增長。附屬公司管理層意識到提供輕鬆訪問其網站及電子商務銷售平台的渠道可讓客戶方便從世界各地選擇產品，及採用其目前營銷策略將繼續為本集團帶來不斷增長的收入回報。

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Internet online education business

Online education industry in China has grown rapidly in the past few years, but research analysts believe that more business opportunities will surface as technology advances and capital pours in. To achieve this, we will continue to invest more in recruiting, retaining, training and promoting high calibre teaching, course research and marketing staff. Along with the development of 5G technology and increasing penetration in the online education market, the competition in the online education industry is intensifying. We will continue to optimise our product portfolio in response to the fast-changing industry landscape and customers' booming demand for new technology and new content.

China will become one of the world's most vibrant online education markets in future, as there are growing household spending power, an undersupply of education resources, and the introduction of the two-child policy in the country. Through working for the online learning service, the teachers can publish schedules online based on their own time arrangements and teach classes from wherever there is internet accessible. The Group will allocate more resources from its pool of education experts in China to manage the subsidiary business growth and development of the online education in 2020.

Looking forward, the global economy is unstable and the spread of COVID-19 worldwide, so the Group will allocate sufficient resources for market expansion in the profit-generating subsidiaries, namely the money lending business, eCommerce business and the online education business. Moreover, the management is still prudently optimistic about the operating environments of these profitable segment business and will devote more corporate efforts to restructure the underperformed or phase out the non-contributing ones.

互聯網線上教育業務

中國線上教育行業過去幾年來增長快速，但研究分析師相信隨著科技進步及資金投入，更多商機將會浮現。為此，我們將繼續在招聘、挽留、培訓和晉升優秀教學、課程研究與推廣人員方面投入更多資源。隨著5G技術的發展及在線教育市場滲透率的不斷提升，在線教育行業的競爭日益激烈。我們將繼續優化我們的產品組合，以應對瞬息萬變的行業格局以及客戶對新技術及新內容的旺盛需求。

因家庭消費力增長及教育資源供應不足，以及中國引入二胎化政策，未來中國會成為全球最活躍的線上教育市場。藉由從事線上學習服務，教師可依其時間安排在線上發佈課程表，並於任何可連接至互聯網的地方授課。於二零二零年，本集團將會從其中國教育專家之人才庫分配更多資源，以管理附屬公司業務增長及線上教育發展。

展望未來，全球經濟不穩定而COVID-19全球擴散，因此本集團將為可獲利附屬公司擴展市場（即放債業務、電子商務業務及線上教育業務）分配充足資源。此外，管理層對該等可獲利分部業務的營運環境仍保持審慎樂觀態度，並將投入更多企業努力以重整表現不佳分部或淘汰並無貢獻的分部。

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COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company had complied with all the code provisions (the “Code Provisions”) as set out in the Corporate Governance Code and Corporate Governance Report, contained in Appendix 14 to the Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the year ended 31 December 2019, except for Code Provision A.6.7 in respect of the attendance of non-executive directors and independent non-executive directors in the general meetings.

According to Code Provision A.6.7, non-executive directors and independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagements, two non-executive Directors and one independent non-executive Director could not attend the 2018 annual general meeting held on 6 June 2019. However, at the 2018 annual general meeting, there were executive and independent non-executive Directors present to enable the Board to develop a balanced understanding of the views of the shareholders of the Company.

遵守企業管治常規守則

本公司於截至二零一九年十二月三十一日止年度一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四所載之企業管治守則及企業管治報告之所有守則條文（「守則條文」），惟並無遵守守則條文第A.6.7條有關非執行董事及獨立非執行董事出席股東大會的規定。

根據守則條文第A.6.7條，非執行董事及獨立非執行董事應出席股東大會及對股東的意見有公正的瞭解。由於其他公務事宜，兩名非執行董事及一名獨立非執行董事未能出席於二零一九年六月六日舉行之二零一八年股東週年大會。然而，於二零一八年股東週年大會上，執行及獨立非執行董事之出席足以使董事會對本公司股東的意見有公正的瞭解。

Management Discussion and Analysis

管理層討論與分析

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a code of conduct (the “Code of Conduct”) regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they had complied with the required standard set out in the Code of Conduct during the year ended 31 December 2019.

Relevant employees who are likely to be in possession of unpublished price-sensitive information regarding the Group are subject to compliance with the Company’s Code for Securities Transactions by Relevant Employees (the “RE Code”) in respect of their dealings in the securities of the Company. The terms of the RE Code are likewise no less exacting than the required standards set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Board (the “Audit Committee”) comprises three independent non-executive Directors, namely Mr. Tong Yiu On (Committee Chairman), Mr. Li Yik Sang and Mr. Cao Ke.

The Audit Committee has reviewed together with the management and the external auditor the accounting principles and practices adopted by the Group and has also reviewed auditing, risk management and internal control and financial reporting matters, including the review of the annual results for the year ended 31 December 2019.

遵守上市發行人董事進行證券交易的標準守則

本公司已採納有關董事進行證券交易的操守守則（「操守守則」），其條款的嚴格程度不下於上市規則附錄十所載上市發行人董事進行證券交易的標準守則所載的規定標準。經向全體董事作出具體查詢後，全體董事已確認彼等於截至二零一九年十二月三十一日止年度內一直遵守操守守則所載的規定標準。

可能擁有有關本集團未公佈價格敏感資料之有關僱員須遵守本公司有關僱員進行證券交易的守則（「有關僱員守則」）。有關僱員守則條款的嚴格程度不下於標準守則所載的規定標準。

審核委員會

董事會審核委員會（「審核委員會」）由三名獨立非執行董事組成，即唐耀安先生（委員會主席）、李奕生先生及曹克先生。

審核委員會已與管理層及外聘核數師共同檢討本集團所採納的會計原則及慣例，並檢討審核、風險管理及內部控制及財務報告事項，包括審閱截至二零一九年十二月三十一日止年度的全年業績。

Management Discussion and Analysis 管理層討論與分析

Following the completion of the auditing process, the Company will issue further announcement(s) in relation to (i) the audited results for the year ended 31 December 2019 as agreed by the Company's auditors and the material differences (if any) as compared with the unaudited annual results contained herein, (ii) the confirmed proposed final dividend for the year ended 31 December 2019, (iii) the payment date of such proposed final dividend, (iv) the proposed date on which the forthcoming annual general meeting will be held, (v) the period during which the register of members holding ordinary shares will be closed in order to ascertain shareholders' eligibility to attend and vote at the said meeting, and (vi) the period during which the registers of members holding ordinary shares and convertible preference shares of the Company respectively will be closed in order to determine entitlement to receive the proposed final dividend. In addition, the Company will issue further announcement as and when necessary if there are other material development in the completion of the auditing process.

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

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

於審核程序完成後，本公司將會刊發進一步公佈，內容有關(i)經本公司核數師同意之截至二零一九年十二月三十一日止年度之經審核業績及較本報告所載未經審核全年業績存在的重大相異之處(如有)、(ii)截至二零一九年十二月三十一日止年度之已確認建議末期股息、(iii)該建議末期股息的派付日期、(iv)即將召開的應屆股東週年大會的建議日期、(v)為確定股東出席上述會議並於會上投票的資格而暫停辦理普通股過戶登記手續的期間及(vi)為確定有權收取建議末期股息而分別暫停本公司普通股及可換股優先股過戶登記手續的期間。此外，如在完成審核程序過程中有其他重大進展，本公司將在必要時刊發進一步公佈。

購買、出售或贖回本公司上市證券

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

Corporate Governance Report

企業管治報告

The Board hereby presents this Corporate Governance Report in the Group's annual report for the year ended 31 December 2019.

The Board is committed to maintaining a high standard of corporate governance and endeavours in following the code provisions ("Code Provisions") as set out in the Corporate Governance Code ("CG Code") and Corporate Governance Report, contained in Appendix 14 to the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Board considers such commitment is essential for the growth of the Group and for maximising the interest of the shareholders ("Shareholders") of the Company. The Company regularly reviews its corporate governance practices to ensure that the latest development in corporate governance can be followed and observed.

CORPORATE GOVERNANCE PRACTICES

During the financial year under review, the Company had complied with all the code provisions (the "Code Provisions") as set out in the Corporate Governance Code and Corporate Governance Report, contained in Appendix 14 to the Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the year ended 31 December 2019, except for Code Provision A.6.7 in respect of the attendance of independent non-executive directors and other non-executive directors in the general meetings.

According to Code Provision A.6.7, non-executive directors and independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagements, two non-executive directors and one independent non-executive director could not attend the 2018 annual general meeting held on 6 June 2019. However, at the 2018 annual general meeting, there were executive and independent non-executive directors present to enable the Board to develop a balanced understanding of the views of the shareholders of the Company.

董事會謹此在本集團截至二零一九年十二月三十一日止年度之年報中呈列本企業管治報告。

董事會致力維持高水準之企業管治，並竭盡所能遵行香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）及企業管治報告的守則條文（「守則條文」）。董事會認為，此項承諾對本集團之發展及使本公司股東（「股東」）的利益最大化等至關重要。本公司定期檢討其企業管治常規，以確保遵行及遵守企業管治之最新發展。

企業管治常規

於回顧財政年度，本公司於截至二零一九年十二月三十一日止年度一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四所載之企業管治守則及企業管治報告之所有守則條文（「守則條文」），惟並無遵守守則條文第A.6.7條有關獨立非執行董事及其他非執行董事出席股東大會的規定。

根據守則條文第A.6.7條，非執行董事及獨立非執行董事應出席股東大會及對股東的意見有公正的瞭解。由於其他公務事宜，兩名非執行董事及一名獨立非執行董事未能出席於二零一九年六月六日舉行之二零一八年股東週年大會。然而，於二零一八年股東週年大會上，執行及獨立非執行董事之出席足以使董事會對本公司股東的意見有公正的瞭解。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted on 7 June 2010 its securities dealing code (“Code”) regarding the dealings of securities of the Company by the Directors and senior management of the Group, on terms no less exacting than the required standard under the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

The Company, having made specific enquiry of all Directors and senior management of the Group, all the Directors and senior management of the Group have confirmed that they have complied with the required standard as set out in the Code and Appendix 10 to the Listing Rules regarding securities transactions by Directors and senior management of the Group throughout the financial year ended 31 December 2019.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group’s overall strategic policies. The management is delegated with the authority and responsibility by the Board for the management of the Group.

During the year, the Board composed of five executive Directors namely Mr. Zhu Min, Dr. Chen Huabei, Mr. Lu Yongchao, Mr. Sin Kwok Wai Ronald and Mr. Xu Yejun (resigned on 10 October 2019); two non-executive Directors, namely Mr. Chow Chi Wa and Ms. Yip Sum Yu; and three independent non-executive Directors, namely Mr. Tong Yiu On, Mr. Li Yik Sang and Mr. Cao Ke and the Chief Executive Officer of the Company, Dr. Wang Matthew Yang. The biographical details of the Directors and the Chief Executive Officers are set out under “Directors and senior management” on pages 109 to 119 of this annual report of the Company for the year ended 31 December 2019.

證券交易之標準守則

本公司於二零一零年六月七日就董事及本集團高級管理層進行本公司之證券交易採納一套證券交易守則（「守則」），其條款不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則所載的要求標準。

經本公司向所有董事及本集團高級管理層個別作出查詢後，所有董事及本集團高級管理層已確認，於截至二零一九年十二月三十一日止財政年度已就董事及本集團高級管理層進行證券交易遵守守則及上市規則附錄十所載的要求標準。

董事會

董事會負責本公司的領導及控制權，並監察本集團的整體策略性政策。管理層履行董事會委託的權力及責任，藉以管理本集團。

於年內，董事會包括五名執行董事，即朱敏先生、陳化北博士、呂永超先生、冼國威先生及徐葉君先生（於二零一九年十月十日辭任）；兩名非執行董事，即周志華先生及葉芯瑜女士；及三名獨立非執行董事，即唐耀安先生、李奕生先生及曹克先生，以及本公司行政總裁王陽博士。董事及行政總裁之履歷詳情載於本公司截至二零一九年十二月三十一日止年度之年報第109至119頁「董事及高級管理層」內。

Corporate Governance Report

企業管治報告

Pursuant to the articles of association of the Company, Mr. Zhu Min (appointed as an executive Director on 16 February 2017), Dr. Chen Huabei (appointed as an executive Director on 11 June 2019) and Ms. Yip Sum Yu (resigned as non-executive Director and appointed as an executive Director on 13 March 2020) shall retire at the 2019 general meeting of the Company and, being eligible, offer themselves for re-election.

The non-executive Directors were appointed for a term of one year, renewable automatically every year and eligible for re-election at the annual general meeting of the Company.

The Board meets regularly to review and determine the corporate strategies and overall strategic policies. Each of the members of the Board has full access to relevant information at the meetings. During the financial year ended 31 December 2019, the Board convened four regular meetings at which, among other things, the following activities were conducted at such regular meetings:

- (1) approved the annual results and annual report for the financial year ended 31 December 2018 and matters to be considered at the annual general meeting of the Company;
- (2) approved the interim results and interim report for the six months ended 30 June 2019;
- (3) reviewed and approved corporate strategies of the Group for the financial year ending 31 December 2020; and
- (4) reviewed the performance and financial position of the Group.

根據本公司組織章程細則，朱敏先生（於二零一七年二月十六日獲委任為執行董事）、陳化北博士（於二零一九年六月十一日獲委任為執行董事）及葉芯瑜女士（於二零二零年三月十三日辭任非執行董事並獲委任為執行董事）將於本公司二零一九年股東大會上退任，惟符合資格並願意膺選連任。

非執行董事獲委任的任期為一年，每年自動續期並符合資格於本公司股東週年大會上膺選連任。

董事會定期召開會議，以檢討及制定企業策略及整體策略性政策。董事會每位成員均有權取閱會議之相關資料。於截至二零一九年十二月三十一日止財政年度，董事會召開四次定期會議，並在該等定期會議上處理（其中包括）以下事務：

- (1) 批准截至二零一八年十二月三十一日止財政年度之年度業績及年報以及於本公司股東週年大會上審議之事宜；
- (2) 批准截至二零一九年六月三十日止六個月之中期業績及中期報告；
- (3) 審閱及批准本集團於截至二零二零年十二月三十一日止財政年度之企業策略；及
- (4) 檢討本集團之表現及財務狀況。

Corporate Governance Report

企業管治報告

The Board is also responsible for determining the Company's corporate governance policies and performing corporate governance duties set out under the CG Code. Its corporate governance duties include, among others, (i) to develop and review the Company's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal or regulatory requirements; (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) to review the Company's disclosure in its corporate governance report.

Apart from the regular board meetings, the Board met on other occasions when a board-level decision on a particular matter was required.

Details of the Directors' attendance records at the board meetings and general meeting during the financial year ended 31 December 2019 are as follows:

Directors	Board Meetings	General Meeting
Meetings attended/held		
Executive Directors		
Mr. Zhu Min	14/16	-/1
Dr. Chen Huabei	9/16	1/1
Mr. Lu Yongchao	16/16	1/1
Mr. Sin Kwok Wai Ronald ¹	16/16	1/1
Mr. Xu Yejun ²	10/16	-/1
Non-executive Directors		
Mr. Chow Chi Wa	14/16	-/1
Ms. Yip Sum Yu	15/16	-/1
Independent non-executive Directors		
Mr. Tong Yiu On	14/16	1/1
Mr. Li Yik Sang	14/16	1/1
Mr. Cao Ke	14/16	-/1

¹ Resigned on 13 March 2020

² Resigned on 10 October 2019

董事會亦負責釐定本公司的企業管治政策及履行載於企業管治守則的企業管治職責。其企業管治職責包括(其中包括)(i)制定及檢討本公司的企業管治政策及常規；(ii)檢討及監察董事及高級管理層的培訓及持續專業發展；(iii)檢討及監察本公司在遵守法律或監管規定方面的政策及常規；(iv)制定、檢討及監察僱員及董事適用的操守準則及合規手冊(如有)；及(v)檢討本公司在其企業管治報告內的披露。

除董事會定期會議外，董事會亦在須對特定事宜作出董事會決策時召開會議。

於截至二零一九年十二月三十一日止財政年度內，董事出席董事會會議及股東大會之記錄詳情如下：

Directors	Board Meetings	General Meeting
Meetings attended/held		
Executive Directors		
Mr. Zhu Min	14/16	-/1
Dr. Chen Huabei	9/16	1/1
Mr. Lu Yongchao	16/16	1/1
Mr. Sin Kwok Wai Ronald ¹	16/16	1/1
Mr. Xu Yejun ²	10/16	-/1
Non-executive Directors		
Mr. Chow Chi Wa	14/16	-/1
Ms. Yip Sum Yu	15/16	-/1
Independent non-executive Directors		
Mr. Tong Yiu On	14/16	1/1
Mr. Li Yik Sang	14/16	1/1
Mr. Cao Ke	14/16	-/1

¹ 於二零二零年三月十三日辭任

² 於二零一九年十月十日辭任

Corporate Governance Report

企業管治報告

Whilst the Board as a whole is to determine the corporate strategies and overall strategy policies, the executive Directors and senior management of the Company, as delegated by the Board, are responsible for implementing the determined strategies and policies and the day-to-day management of the Group's business.

Save as disclosed under the section headed "Directors and senior management" of this annual report, there is no other relationship (whether financial, business, family or other material/relevant relationships) among the members of the Board.

The Company has received from each of the independent non-executive Directors a written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors to be independent.

DIRECTORS' TRAINING

Pursuant to Code Provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the board remains informed and relevant. The Company shall be responsible for arranging suitable training for all Directors at the Company's expense.

During the year ended 31 December 2019, the Directors participated in the following trainings:

Directors	Type of training	董事	培訓類型
Executive Directors		執行董事	
Mr. Zhu Min	A, B	朱敏先生	A類、B類
Dr. Chen Huabei	A, B	陳化北博士	A類、B類
Mr. Lu Yongchao	A, B	呂永超先生	A類、B類
Mr. Sin Kwok Wai Ronald ¹	A, B	冼國威先生 ¹	A類、B類
Mr. Xu Yejun ²	B	徐葉君先生 ²	B類

董事會全體負責制定企業策略及整體策略性政策，而執行董事及本公司高級管理層則獲董事會委派負責執行既定的策略及政策以及本集團業務的日常管理。

除本年報「董事及高級管理層」一節所披露外，董事會各成員之間並無任何其他關係（不論財務、業務、家族或其他重大／有關利益之關係）。

根據上市規則第3.13條，本公司已收到各獨立非執行董事有關其獨立性的書面確認。本公司認為所有獨立非執行董事均屬獨立身份。

董事培訓

根據企業管治守則的守則條文第A.6.5條，所有董事應持續參加專業的培訓計劃，增加和更新其知識和技能，以確保彼等向董事會作出知情及相關貢獻。本公司須向所有董事安排合適的培訓，費用由本公司承擔。

於截至二零一九年十二月三十一日止年度，董事參加了以下培訓：

Corporate Governance Report

企業管治報告

Non-executive Directors

Mr. Chow Chi Wa

A, B

Ms. Yip Sum Yu

B

非執行董事

周志華先生

A類、B類

葉芯瑜女士

B類

Independent non-executive Directors

Mr. Tong Yiu On

A, B

Mr. Li Yik Sang

A, B

Mr. Cao Ke

B

獨立非執行董事

唐耀安先生

A類、B類

李奕生先生

A類、B類

曹克先生

B類

¹ Resigned on 13 March 2020

² Resigned on 10 October 2019

¹ 於二零二零年三月十三日辭任

² 於二零一九年十月十日辭任

A: attending seminars and/or conferences and/or forums

B: reading newspapers, journals, Company newsletters and updates relating to the economy, general business, IT, eCommerce and steel industry or Directors' duties and responsibilities, etc.

A類：參加研討會及／或會議及／或論壇

B類：閱讀與經濟、一般業務、資訊科技、電子商務及鋼鐵行業或董事之職責有關的報紙、雜誌、公司新聞稿及最新資訊等

BOARD DIVERSITY POLICY

During the year under review, the Board adopted a board diversity policy setting out the approach to achieve diversity on the Board. The Company considered diversity of Board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

董事會成員多元化政策

回顧年度內，董事會採用董事會成員多元化政策，該政策載列實現董事會成員多元化的方法。本公司認為董事會成員的多元化可通過考慮（包括但不限於）性別、年齡、文化及教育背景、專業經驗、技能及知識等多個方面來實現。董事會所有委任均將以任人唯賢為原則，並且在考慮候選人時以客觀條件充分估計董事會成員多元化的裨益。

甄選候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終決定將按候選人的長處及可為董事會提供的貢獻而作出。

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NOMINATION COMMITTEE

The nomination committee of the Company (“Nomination Committee”) is currently consisted of four members, comprising three independent non-executive Directors, namely Mr. Tong Yiu On (Chairman), Mr. Li Yik Sang and Mr. Cao Ke and one executive Director, Mr. Lu Yongchao. It was established by the Board with effect from 27 March 2012 and its duties are clearly defined in its terms of reference which have been prepared and adopted according to the CG Code.

The Nomination Committee held two meetings during the year under review and conducted the following activities:

- (1) reviewed the structure, size and diversity of the Board; and
- (2) reviewed the retirement of Directors by rotation and the re-appointment of the retiring Directors at the 2018 annual general meeting of the Company.

Details of attendance of each member of the Nomination Committee during the financial year ended 31 December 2019 are as follows:

	Attendance		出席率
Executive Director		執行董事	
Mr. Lu Yongchao	2/2	呂永超先生	2/2
Independent non-executive Directors		獨立非執行董事	
Mr. Tong Yiu On (<i>Chairman</i>)	2/2	唐耀安先生 (<i>主席</i>)	2/2
Mr. Li Yik Sang	2/2	李奕生先生	2/2
Mr. Cao Ke	2/2	曹克先生	2/2

提名委員會

本公司提名委員會（「提名委員會」）目前由四名成員組成，包括三名獨立非執行董事，即唐耀安先生（主席）、李奕生先生及曹克先生以及一名執行董事呂永超先生。提名委員會由董事會於二零一二年三月二十七日成立，其職責已在按照企業管治守則編製及採納之職權範圍中清楚界定。

提名委員會於回顧年度內舉行了兩次會議並處理以下事項：

- (1) 審查董事會結構、人數及多元化；及
- (2) 審閱於本公司二零一八年股東週年大會上輪流退任董事及重新委任退任董事。

於截至二零一九年十二月三十一日止財政年度，提名委員會每名成員之出席詳情載列如下：

REMUNERATION COMMITTEE

The remuneration committee of the Company (“Remuneration Committee”) currently comprises four members, including three independent non-executive Directors, namely Mr. Cao Ke (Chairman), Mr. Tong Yiu On and Mr. Li Yik Sang, and one executive Director, Mr. Lu Yongchao. The Remuneration Committee was established by the Board on 7 June 2010 and its duties are clearly defined in its written terms of reference which have been prepared and adopted according to the Code Provisions.

Generally, the Remuneration Committee meets annually except to special situations, to review the remuneration policies and packages for Directors and senior management of the Company and to make recommendations to the Board on such remuneration policies and packages. No Director takes part in any discussions and decisions about his own remuneration.

Details of attendance of each member of the Remuneration Committee during the financial year ended 31 December 2019 are as follows:

	Attendance		出席率
Executive Director		執行董事	
Mr. Lu Yongchao	2/2	呂永超先生	2/2
Independent non-executive Directors		獨立非執行董事	
Mr. Cao Ke (<i>Chairman</i>)	2/2	曹克先生 (<i>主席</i>)	2/2
Mr. Tong Yiu On	2/2	唐耀安先生	2/2
Mr. Li Yik Sang	2/2	李奕生先生	2/2

薪酬委員會

本公司之薪酬委員會（「薪酬委員會」）目前由四名成員組成，包括三名獨立非執行董事，即曹克先生（主席）、唐耀安先生及李奕生先生以及一名執行董事呂永超先生。薪酬委員會由董事會於二零一零年六月七日成立，其職責已在按照守則條文編製及採納之書面職權範圍中清楚界定。

薪酬委員通常會每年舉行會議（特殊情況除外），以檢討本公司董事及高級管理層之薪酬政策及待遇，並就該等薪酬政策及待遇向董事會提出建議。各董事不會參與有關其本身薪酬之討論及決定。

於截至二零一九年十二月三十一日止財政年度，薪酬委員會每名成員之出席詳情載列如下：

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During the financial year ended 31 December 2019, the Remuneration Committee had convened two meetings with full attendance by its members and conducted the following activities:

- (1) reviewed and approved the remuneration packages of the Directors and senior management of the Company; and
- (2) reviewed the terms of the service contracts of all the executive Directors by reference to their performance.

AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Tong Yiu On (Chairman), Mr. Li Yik Sang and Mr. Cao Ke. The Audit Committee was established by the Board on 7 June 2010 and its duties are clearly defined in its written terms of reference which have been prepared and adopted according to the Code Provisions.

The Audit Committee provides an important link between the Board and the Company’s auditor in matters coming within the scope of the Group’s audit. It also reviews the annual and interim reports of the Company prior to their approval by the Board, the effectiveness of the external and internal audit and of internal controls and risk evaluation.

During the financial year under review, the Audit Committee has convened two meetings and conducted the following activities:

- (1) reviewed the annual and interim reports of the Company;
- (2) reviewed the report of internal audit department, internal controls system and financial matters of the Group in pursuance of the written terms of reference;
- (3) reviewed the audit plans and findings of the external auditor of the Company; and
- (4) made recommendation to the Board on the appointment of the external auditor.

於截至二零一九年十二月三十一日止財政年度，薪酬委員會曾召開兩次會議，全體成員均有出席，並處理以下事務：

- (1) 檢討及批准本公司董事及高級管理層之薪酬待遇；及
- (2) 參考執行董事之表現，以檢討全體執行董事之服務合約條款。

審核委員會

本公司之審核委員會（「審核委員會」）目前由三名獨立非執行董事組成，即唐耀安先生（主席）、李奕生先生及曹克先生。審核委員會由董事會於二零一零年六月七日成立，其職責已在按照守則條文編製及採納之書面職權範圍中清楚界定。

審核委員會在董事會及本公司核數師之間就本集團有關審核範圍內之事宜擔當重要聯繫。審核委員會亦在董事會批准年報及中期報告前審閱年報及中期報告、檢討外部和內部審核之有效性以及檢討內部控制及風險評估。

於回顧財政年度，審核委員會曾召開兩次會議並處理以下事務：

- (1) 審閱本公司之年報及中期報告；
- (2) 根據書面職權範圍審閱本集團內部審核部門之報告、內部控制系統及財務事宜；
- (3) 審閱本公司外聘核數師之審核計劃及結果；及
- (4) 就外聘核數師之委任事宜向董事會提出建議。

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Details of attendance of each member of the Audit Committee during the financial year ended 31 December 2019 are as follows:

於截至二零一九年十二月三十一日止財政年度，審核委員會每名成員之出席詳情如下：

	Attendance		出席率
Independent non-executive Directors		獨立非執行董事	
Mr. Tong Yiu On (<i>Chairman</i>)	2/2	唐耀安先生 (<i>主席</i>)	2/2
Mr. Li Yik Sang	2/2	李奕生先生	2/2
Mr. Cao Ke	2/2	曹克先生	2/2

There was no disagreement between the Board's and the Audit Committee's view on the selection, appointment of the external auditor.

董事會與審核委員會在外聘核數師之選擇及委任上並無意見分歧。

AUDITOR'S REMUNERATION

核數師酬金

During the financial year ended 31 December 2019, the nature of the audit and non-audit services provided by Elite Partners CPA Limited, the auditor of the Company, and the relevant fees paid/payable by the Company for such services are as follows:

於截至二零一九年十二月三十一日止財政年度，本公司核數師開元信德會計師事務所有限公司提供之審計及非審計服務之性質，以及本公司就該等服務已付／應付之有關費用如下：

Services rendered	Fee paid/payable HK\$	所提供之服務	已付／應付費用 港元
Annual audit	900,000	年度審計	900,000
Interim review	320,000	中期審閱	320,000

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RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements for each financial period which gives a true and fair view of the state of affairs of the Group. In preparing the financial statements for the financial year ended 31 December 2019, the Directors have selected appropriate accounting policies and applied them consistently, and have prepared the financial statements on a historical cost basis.

The statement of the external auditor about their reporting responsibilities on the financial statements are set out in the Independent Auditor's Report on pages 141 to 151 of this annual report of the Company.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

就財務報表承擔之責任

董事負責編製正確及公平反映每一財政期間本集團事務狀況之財務報表。在編製截至二零一九年十二月三十一日止財政年度之財務報表時，董事已選擇適當之會計政策及貫徹應用，並按歷史成本基準編製財務報表。

外聘核數師有關彼等就財務報表之申報責任之聲明已載於本公司之年報第141至151頁之獨立核數師報告內。

風險管理及內部控制

董事會全面負責評估及釐定為實現本集團戰略目標而擬採取的措施的風險性質及程度，並確保本集團建立及維護適當有效的風險管理及內部控制系統。

審核委員會持續檢討對本集團屬重大的風險管理及內部控制。審核委員會考量本集團會計、內部審核及財務匯報職能方面的資源、資歷及經驗是否充足以及對員工與外聘顧問的培訓情況。

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The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

The management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritized based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market;

本集團管理層負責風險管理及內部控制系統的設計、維護、實施及監控，確保實行充分的控制，維護本集團資產及股權持有人的利益。

本集團已制訂風險管理程序，解決及處理與本集團業務有關的所有重大風險。董事會每年對業務環境出現的任何重大變化進行檢討，並制定程序以應對業務環境的重大變化帶來的風險。風險管理及內部控制系統旨在減少業務的潛在虧損。

管理層將通過考慮政治、經濟、技術、環境、社會及員工等內外因素及事件以識別與本集團業務有關的風險。各種風險均已根據其相關影響及發生機率進行評估及優先排序。根據評估結果，相關風險管理策略將適用於各類風險，風險管理策略的類型如下：

- 風險抑制及減少：本集團接受風險的影響或採取行動以減少風險的影響；
- 風險規避：改變業務流程或目標以規避風險；
- 風險分擔及多樣化：將風險的影響多元化或分配至不同位置或產品或市場；

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- Risk transfer: transfer ownership and liability to a third party. The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 31 December 2019, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 December 2019.

The Board considered that, for the year ended 31 December 2019, the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Group has internal procedures which strictly prohibit unauthorised use of inside information and has communicated to all staff.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene an extraordinary general meeting

The following procedures for the Shareholders to convene an extraordinary general meeting (“EGM”) of the Company are prepared in accordance with Article 64 of the articles of association of the Company:

- 風險轉移：將所有權及責任轉移至第三方。設計和實施內部控制系統旨在減少與本集團接受的業務相關的風險，並盡量減少風險的不利影響。設計風險管理及內部控制系統乃為管理而非消除未能實現業務目標的風險，僅能提供合理而非絕對的保證，防止出現重大錯誤陳述或損失。

截至二零一九年十二月三十一日止年度，本集團聘請外部諮詢公司履行內部審核職能，確保本集團風險管理及內部控制系統的有效性及效率。外部諮詢公司釐定，截至二零一九年十二月三十一日止年度，內部控制系統並不存在重大缺陷與不足。

董事會認為，截至二零一九年十二月三十一日止年度，涵蓋財務、經營及合規控制以及風險管理職能所有重要控制的本集團風險管理及內部控制系統及程序屬合理有效及充分。

關於處理及發佈內幕消息的程序和內部監控措施，本集團設有內部程序嚴禁未經授權使用內幕消息，並已傳遞給所有員工。

股東權利

股東召開股東特別大會之程序

下列股東召開本公司股東特別大會（「股東特別大會」）之程序乃根據本公司組織章程細則第64條所編製：

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(a) one or more Shareholders (“Requisitionist(s)”) holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written notice, to require an EGM to be called by the Directors for the transaction of any business specified in such requisition.

(b) Such requisition shall be made in writing to the Board or the company secretary of the Company at the following:

Principal place of business of the Company in Hong Kong

Address: Unit 1002, Capital Centre,
151 Gloucester Road,
Wanchai, Hong Kong

Email: ir@cybernaut.com.hk

Attention: the Board of Directors/Company Secretary

Registered office of the Company

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

Attention: the Board of Directors/Company Secretary

(c) The EGM shall be held within two months after the deposit of such requisition.

(d) If the Directors fail to proceed to convene such meeting within twenty-one (21) days of such deposit, the Requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the Requisitionist(s) by the Company.

(a) 於遞呈要求日期持有不少於本公司繳足股本十分之一的任何一名或多名有權於股東大會上投票的股東（「呈請人」）有權通過書面通知要求董事召開股東特別大會，以處理有關要求中指明的任何事項。

(b) 有關要求須以書面形式按以下方式向董事會或本公司之公司秘書提出：

本公司之香港主要營業地點

地址：香港灣仔
告士打道151號
資本中心1002室

郵件：ir@cybernaut.com.hk

收件人：董事會／公司秘書

本公司之註冊辦事處

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

收件人：董事會／公司秘書

(c) 股東特別大會將於遞呈請求後兩個月內舉行。

(d) 倘董事未能在請求遞交後二十一（21）天內召開股東特別大會，則呈請人可以同樣方式自行召開股東特別大會，而因董事未能召開該大會令呈請人產生的所有合理費用由本公司向呈請人進行償付。

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Procedures for shareholders to direct enquiries to the Company

For matters in relation to the Board, the Shareholders can contact the Company at the following:

Address: Unit 1002, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong

Email: ir@cybernaut.com.hk

Tel: (852) 3549 6353

Fax: (852) 3549 6354

Attention: the Board of Directors/Company Secretary

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the registered Shareholders can contact:

Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited

Address: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong

Email: is-enquiries@hk.tricorglobal.com

Tel: (852) 2980 1333

Fax: (852) 2810 8185

股東向本公司直接查詢的程序

凡有關董事會的事宜，股東可按以下方式聯繫本公司：

地址：香港灣仔告士打道151號
資本中心1002室

郵件：ir@cybernaut.com.hk

電話：(852) 3549 6353

傳真：(852) 3549 6354

收件人：董事會／公司秘書

凡有關股份登記相關事宜，如股份過戶登記、更改名稱或地址、丟失股票或股息單，登記股東可按以下方式聯繫本公司：

香港股份過戶登記分處

卓佳證券登記有限公司

地址：香港皇后大道東183號合和中心54樓

郵件：is-enquiries@hk.tricorglobal.com

電話：(852) 2980 1333

傳真：(852) 2810 8185

Procedures for shareholders to put forward proposals at shareholders' meetings

To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written notice of his/her proposal ("Proposal") with his/her detailed contact information at the Company's principal place of business at Unit 1002, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong.

The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the board of directors of the Company will be asked to include the Proposal in the agenda for the general meeting.

The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

- (a) Notice in writing of not less than 14 clear days and not less than 10 clear business days if the Proposal requires approval by way of an ordinary resolution of the Company in an extraordinary general meeting.
- (b) Notice in writing of not less than 21 clear days and not less than 10 clear business days if the Proposal requires approval by way of a special resolution of the Company in an extraordinary general meeting of the Company.
- (c) Notice in writing of not less than 21 clear days and not less than 20 clear business days if the Proposal requires approval by way of a special resolution or an ordinary resolution of the Company in an annual general meeting of the Company.

INVESTOR RELATIONS

There was no significant change in the Company's constitutional documents during the year ended 31 December 2019.

股東於股東大會提呈建議的程序

為於本公司股東大會上提呈建議，股東須以書面提交建議（「建議」）通知，連同詳細聯絡資料，送至本公司主要營業地點，地址為香港灣仔告士打道151號資本中心1002室。

本公司會向本公司之香港股份過戶登記分處核實該要求，於獲得股份過戶登記分處確認該要求為恰當及合乎程序後，將要求本公司董事會在股東大會的議程內加入建議。

就上述股東提出於股東大會上考慮之建議而向全體股東發出通告之通知期因建議之性質有所不同，詳情如下：

- (a) 倘建議需要通過本公司於股東特別大會上以一項普通決議案的方式批准，則該書面通知為不少於足14天及不少於足10個營業日。
- (b) 倘建議需要通過本公司於本公司股東特別大會上以一項特別決議案的方式批准，則該書面通知為不少於足21天及不少於足10個營業日。
- (c) 倘建議需要通過本公司於本公司股東週年大會上以一項特別決議案或一項普通決議案的方式批准，則該書面通知為不少於足21天及不少於足20個營業日。

投資者關係

截至二零一九年十二月三十一日止年度，本公司組織章程文件並無重大變動。

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION

Cybernaut International Holdings Company Limited (the “Company”, together with its subsidiaries, “the Group”) adopts a diversified business development strategy and has established its firm footing in four business segments, namely (i) money lending business, (ii) eCommerce business, (iii) manufacture and sales of paper converting equipment and (iv) internet online education services.

This Environmental, Social and Governance Report (the “ESG Report”) summarises the environmental, social and governance (“ESG”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

The ESG Governance Structure

The Group has established the ESG working taskforce (the “Taskforce”). The Taskforce composes of full-time staff from relevant departments and is responsible for collecting relevant information on the ESG aspects for compiling the ESG Report. The Taskforce periodically reports to the Board of Directors (the “Board”), assists in identifying and assessing the Group’s ESG risks and the effectiveness of the internal control mechanisms. The Taskforce also examines and evaluates the Group’s performances in different aspects, such as environmental protection, labour practices, and other ESG aspects. The Board sets the general direction for the Group’s ESG strategies, ensuring the effectiveness of risks management and internal control mechanisms.

序言

賽伯樂國際控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）採納多元化的業務發展策略，於四個業務分部（即(i)放債業務、(ii)電子商務業務、(iii)製造及銷售紙張加工設備及(iv)互聯網線上教育服務）奠定了堅實的基礎。

本環境、社會及管治報告（「環境、社會及管治報告」）總結本集團在環境、社會及管治（「環境、社會及管治」）上的倡議、計劃及績效，並展示其在可持續發展方面的承諾。

環境、社會及管治治理結構

本集團已成立環境、社會及管治工作小組（「工作小組」）。工作小組由相關部門的全職員工組成，負責搜集在環境、社會及管治方面的相關資料以編製環境、社會及管治報告。工作小組會定期向董事會（「董事會」）彙報，協助辨識和評估本集團的環境、社會及管治風險以及內部控制機制的有效性。工作小組亦會檢查和評估本集團在環境保護、勞工常規以及環境、社會及管治其他方面等不同方面的表現。董事會則會設定本集團環境、社會及管治策略上的大方向，並確保風險管理及內部控制機制的有效性。

Environmental, Social and Governance Report

環境、社會及管治報告

SCOPE OF REPORTING

The scope of disclosure differs in Aspect A – Environmental and Aspect B – Social in this Report. Aspect A – Environmental covers the money lending and eCommerce business segments, whereas Aspect B – Social covers all business segments of the Group.

The scope of disclosure, and hence the environmental and social data, of this Report differ from the last Report. This is due to the disposal of the manufacture and sale of advanced steel flow control products business segment in late 2018, the completion was settled and announced on 12 April 2019. Environmental and social data of this current Report do not cover the said disposed segment.

The Group considers the reporting scope to be adequate for this financial year for two reasons, i) these two business segments generate the largest percentage of revenue for the Group and ii) the environmental data collection systems of these two business segments are more developed and thus better documented. The Group will extend the scope of disclosures when and where applicable.

The ESG key performance indicator (“KPI”) data is gathered and includes companies and subsidiaries that are under the Group’s direct operational control. The KPIs are shown in the Report and are supplemented by explanatory notes to establish benchmarks.

報告範圍

本報告的披露範圍中層面A – 環境與層面B – 社會有所不同。層面A – 環境涵蓋放債及電子商務業務分部，而層面B – 社會涵蓋本集團的所有業務分部。

本報告的披露範圍、環境及社會數據與上一份報告不同，因為於二零一八年底出售高端鋼水控流產品製造及銷售業務分部，並於二零一九年四月十二日完成結算及公告。本報告的環境及社會數據並不涵蓋上述已出售分部。

本集團認為本財政年度的報告範圍充足，原因有兩個：i) 這兩個業務分部為本集團帶來的收入佔比最大及ii) 這兩個業務分部的環境數據收集系統更加完善，因而能更好地登記在案。本集團將於適當時候擴大披露範圍。

環境、社會及管治關鍵績效指標（「關鍵績效指標」）數據已被收集，有關數據涵蓋本集團直接經營控制的附屬公司。關鍵績效指標載於本報告，並以說明附註補充以建立基準。

Environmental, Social and Governance Report

環境、社會及管治報告

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited.

Information relating to the Group’s corporate governance practices can be found in the Corporate Governance Report on p.60 to p.75 of the Annual Report 2019.

REPORTING PERIOD

The ESG Report specifies the ESG activities, challenges and measures taken by the Group during the financial year ended 31 December 2019 (“FY2019”).

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG aspects. The Group maintains close communication with our key stakeholders, including but not limited to, the government and its regulatory authorities, shareholders and investors, employees, customers, suppliers, banks, media and the public.

報告框架

環境、社會及管治報告乃根據香港聯合交易所有限公司主板證券上市規則附錄二十七所載《環境、社會及管治報告指引》（「環境、社會及管治報告指引」）編製。

有關本集團企業管治常規的資料載於二零一九年年報第60至75頁之企業管治報告。

報告期間

環境、社會及管治報告詳述本集團於截至二零一九年十二月三十一日止財政年度（「二零一九財年」）在環境、社會及管治層面的活動、挑戰及所採取的措施。

持份者參與

本集團重視持份者及其在業務及環境、社會及管治層面的意見回饋。本集團與主要持份者（包括但不限於政府及監管機關、股東及投資者、僱員、客戶、供應商、銀行、媒體及公眾人士）保持密切溝通。

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環境、社會及管治報告

In formulating operational and ESG strategies, the Group takes stakeholders' expectations into consideration by utilising diversified engagement methods and communication channels, as shown below.

於制定經營及環境、社會及管治策略時，本集團利用下列多元化的參與方式及溝通渠道顧及持份者期望。

Stakeholders 持份者	Communication Channel 溝通渠道	Expectations 期望
Government and regulatory authorities 政府及監管機關	<ul style="list-style-type: none"> Routine reports Written or electronic correspondences 	<ul style="list-style-type: none"> Compliance with local laws and regulations Stability in business operations 遵守當地法律及法規 業務經營穩定
Shareholders and investors 股東及投資者	<ul style="list-style-type: none"> General meeting and other shareholder meetings Annual and interim reports Announcements and circulars Investor meetings Company website 股東大會及其他股東會議 年報及中期報告 公告及通函 投資者會議 公司網站 	<ul style="list-style-type: none"> Sustainable profitability Shareholder return Corporate governance Legal compliance 可持續盈利能力 股東回報 企業管治 法律合規
Employees 僱員	<ul style="list-style-type: none"> Training, seminars and briefing Performance reviews Intranet Regular general meetings 培訓、研討會及簡報會 績效考核 內聯網 定期股東大會 	<ul style="list-style-type: none"> Remuneration, compensation and benefits Fair and competitive employment Safe working environment 薪金、薪酬及福利 公平及具競爭力的僱傭 安全的工作環境

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Stakeholders 持份者	Communication Channel 溝通渠道	Expectations 期望
Customers 客戶	<ul style="list-style-type: none"> Customer service hotline and email 客戶服務熱線及電郵 	<ul style="list-style-type: none"> Rapid response and customer satisfaction High-quality services 快速響應及客戶滿意度 優質服務
Suppliers 供應商	<ul style="list-style-type: none"> Suppliers' satisfactory assessment Face-to-face meetings 供應商滿意度評估 面對面會議 	<ul style="list-style-type: none"> Fair and open procurement Sustainable relationship 公平公開採購 可持續發展的關係
Banks 銀行	<ul style="list-style-type: none"> Post-loan tracking On-site visits 貸後追蹤 現場訪問 	<ul style="list-style-type: none"> Repay loans on time Operate in an honest and credible manner 準時還貸 以誠實可信的方式運作
Media and the public 媒體及公眾人士	<ul style="list-style-type: none"> ESG Report Company website Regular reports and announcements 環境、社會及管治報告 公司網站 定期報告及公告 	<ul style="list-style-type: none"> Transparency of ESG issues and financial disclosure Legal compliance 具透明度的環境、社會及管治事宜及財務披露 法律合規

The Group aims to actively listen to and collaborate with its stakeholders to ensure that their opinions can be voiced out through a proper communication channel. In the long run, the stakeholders' contribution will aid the Group in improving potentially overlooked ESG performances.

本集團旨在積極聆聽持份者，並與其合作，以確保其意見可通過適當的溝通渠道表達出來。從長遠來看，持份者所作貢獻將有助於本集團改善可能被忽視的環境、社會及管治表現。

Environmental, Social and Governance Report

環境、社會及管治報告

MATERIALITY ASSESSMENT

The Group attaches great importance to the opinions of its diverse group of stakeholders. Therefore, the respective management and employees responsible for key functions of the Group have been asked to participate in the materiality assessment and the preparation of the ESG Report. They have assisted the Group in reviewing its operations, identified key ESG issues and its importance to its businesses and stakeholders.

The following table summarises the Group's material ESG issues, said material issues will be discussed in detail in the Report:

重要範疇評估

本集團重視各組持份者的意見。因此，負責本集團主要職能的相關管理層及僱員均有參與環境、社會及管治報告的重要範疇評估及編製，協助本集團檢討其經營、識別關鍵環境、社會及管治事宜及對其業務及持份者的重要性。

下表概述本集團的重大環境、社會及管治事宜，且本報告將會詳盡地討論上述重大事宜：

The ESG Reporting Guide 環境、社會及管治報告指引

A. Environmental 環境

A1. Emissions
排放物

A2. Use of Resources
資源使用

A3. The Environment and Natural Resources
環境及天然資源

Material ESG Aspects of the Group 本集團環境、社會及管治重要範疇

Greenhouse Gas ("GHG") Emissions

溫室氣體「溫室氣體」排放

Waste Management

廢棄物管理

Energy Efficiency

能源效益

Water Consumption

水源消耗

Indoor Air Quality

室內空氣質素

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環境、社會及管治報告

The ESG Reporting Guide 環境、社會及管治報告指引

B. Social 社會

B1. Employment
僱傭

B2. Health and Safety
健康與安全

B3. Development and Training
發展及培訓

B4. Labour Standards
勞工準則

B5. Supply Chain Management
供應鏈管理

B6. Product Responsibility
產品責任

B7. Anti-corruption
反貪污

B8. Community Investment
社區投資

Material ESG Aspects of the Group 本集團環境、社會及管治重要範疇

Recruitment, Promotion and Remuneration

招聘、晉升與薪酬

Equal Opportunities, Diversity and Anti-discrimination

平等機會、多元化與反歧視

Provision of Safe Environment to Employees

向僱員提供安全環境

Training and Development

培訓及發展

Prevention of Child and Forced Labour

防止童工及強制勞工

Fair and Open Tendering

公平公開招標

Customer Privacy Protection

客戶私隱保護

Anti-money Laundering and Counter-financing of Terrorism

反洗錢及反恐怖分子融資

Community Participation

社區參與

For FY2019, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents were in compliance with the requirements of the ESG Reporting Guide.

就二零一九財年，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及內部控制系統，並確認所披露內容符合環境、社會及管治報告指引的要求。

CONTACT US

The Group welcomes stakeholders to provide their opinions and suggestions. You can provide valuable advice in respect of the ESG report or the Group's performances in sustainable development by emailing to: ir@cybernaut.com.hk

與我們聯絡

本集團歡迎持份者提供意見及建議。閣下可就環境、社會及管治報告或本集團在可持續發展方面的表現提供寶貴意見，並電郵至：ir@cybernaut.com.hk

Environmental, Social and Governance Report

環境、社會及管治報告

A. ENVIRONMENTAL

A1. Emissions

General Disclosure and KPIs

The Group realises that environmental protection relies on both collective and individual efforts and is also concerned whether its fund might be diverted to enterprises that cause serious environmental impacts or have little concern over sustainability. Thus, the Group continuously improves existing policies and incorporates new policies with the intention of mitigating potential direct and indirect negative environmental impacts arising from its business operations and makes a conscious effort to avoid diverting funds to non-environmentally conscious enterprises.

The Group was not aware of any material non-compliance with laws and regulations, including but not limited to, Waste Disposal Ordinance of Hong Kong, Environmental Protection Law of the People's Republic of China (the "PRC"), Prevention and Control of Environmental Pollution by Solid Waste of the PRC, Water Pollution Prevention and Control Law of the PRC and Prevention and Control of Atmospheric Pollution of the PRC that would have a significant impact on the Group during FY2019.

A. 環境

A1. 排放物

一般披露及關鍵績效指標

本集團意識到環境保護有賴於集體和個人的共同努力，亦擔憂其資金是否可能轉移至造成嚴重環境影響或不注重可持續發展的企業。因此，本集團持續完善現有政策及引入新政策，旨在降低其業務營運可能對環境造成的直接及間接負面影響，並致力避免將資金轉移至無環保意識的企業。

於二零一九財年，本集團並不知悉任何會對本集團造成重大影響的重大違法違規情況，該等法律法規包括但不限於香港《廢物處置條例》、《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國水污染防治法》及《中華人民共和國大氣污染防治法》。

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The major types of emissions produced by the Group's operations include:

- Greenhouse gas ("GHG") emissions (will be covered in KPI A1.2)
- Non-hazardous wastes (will be covered in KPI A1.4)

Air Emissions

Due to the Group's business nature, the Group considers that air emissions generated are of an insignificant level.

GHG Emissions

The principal GHG emissions of the Group were generated from purchased electricity (Scope 2) and paper waste disposal and business air travels (Scope 3).

Scope 1 – Direct GHG emissions

The Group did not possess any company vehicles that would consume fuel borne by the Group.

Scope 2 – Indirect GHG Emissions

Electricity consumption accounted for the largest percentage of GHG emissions within the Group. The Group has implemented measures to reduce energy consumption, the measures are mentioned in "Aspect A2 Use of Resources".

本集團營運所產生排放物的主要類型包括：

- 溫室氣體（「溫室氣體」）排放（將涵蓋於關鍵績效指標A1.2）
- 無害廢棄物（將涵蓋於關鍵績效指標A1.4）

廢氣排放

鑒於本集團的業務性質，本集團認為所產生的廢氣排放量極低。

溫室氣體排放

本集團的主要溫室氣體排放產生於購買電力（範圍2）以及廢紙處理及乘坐飛機出外公幹（範圍3）。

範圍1 – 直接溫室氣體排放

本集團並無擁有任何消耗由本集團報銷的燃料的公司車輛。

範圍2 – 間接溫室氣體排放

耗電量所佔本集團溫室氣體排放量的比例最大。本集團已實施措施降低能源消耗，該等措施載於「層面A2資源使用」。

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Scope 3 – Other Indirect GHG Emissions

Paper waste disposal and business air travels by employees accounted for the other indirect GHG emissions. Measures implemented to reduce disposal and air travels can be found in “Aspect A2 Use of Resources”.

Through the implementation of such measures, the employees’ awareness of reducing GHG emissions has been increased.

Discharges into Water and Land

Due to the Group’s business nature, the discharges into land is insignificant. Similarly, there has not been a significant and unreasonable amount of water discharged in all the Group’s offices through business activities.

Summary of GHG emissions performances:

Indicator¹ 指標¹

Scope 1 – Direct GHG emissions

範圍1 – 直接溫室氣體排放

Scope 2 – Indirect GHG emissions

範圍2 – 間接溫室氣體排放

- Purchased electricity
- 購買電力

Scope 3 – Other indirect GHG emissions

範圍3 – 其他間接溫室氣體排放

- Paper waste disposed at landfills
- 堆填區廢紙處理
- Business air travels by employees
- 僱員乘坐飛機出外公幹

Total GHG emissions

溫室氣體排放總量

Total GHG emissions intensity³

溫室氣體排放總量密度³

Unit 單位

tCO₂e²

噸二氧化碳當量²

tCO₂e

噸二氧化碳當量

tCO₂e

噸二氧化碳當量

tCO₂e

噸二氧化碳當量

tCO₂e/employee

噸二氧化碳當量／僱員

FY2019

二零一九財年

–

83.57

11.67

95.24

0.75

範圍3 – 其他間接溫室氣體排放

其他間接溫室氣體排放產生於廢紙處理及僱員乘坐飛機出外公幹。為減少處理量及飛機出行次數而實施的措施載於「層面A2資源使用」。

透過實施該等措施，僱員減少溫室氣體排放的意識已有所提高。

向水及土地的排污

由於本集團的業務性質，向土地的排污量極低。同樣，本集團所有辦公室於開展業務活動過程中亦無大量及不合理向水排污的情況。

溫室氣體排放績效概要：

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Note:

1. GHG emissions data is presented in terms of carbon dioxide equivalent and is based on, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to prepare an ESG report – Appendix II: Reporting Guidance on Environmental KPIs” issued by the Hong Kong Stock Exchange, the “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2015 (AR5), the latest published Baseline Emission Factors for Regional Power Grids in China, Sustainability Report 2019 published by the CLP Power Hong Kong Limited and the HK Electric Investments Sustainability Report 2019 published by the HK Electric.
2. tCO₂e is defined as tonnes of carbon dioxide equivalent.
3. As at 31 December 2019, the Group had 127 full-time employees pertaining to the reported segments, namely the money lending business and eCommerce business segments. The data is also used for calculating other environmental intensity data.

附註：

1. 溫室氣體排放數據乃按二氧化碳當量呈列，並參照包括但不限於世界資源研究所及世界可持續發展工商理事會刊發的「溫室氣體盤查議定書：企業會計與報告標準」、香港聯交所發佈的「如何準備環境、社會及管治報告－附錄二：環境關鍵績效指標匯報指引」、IPCC第五次評估報告（二零一五年）（AR5）「全球變暖潛能值」、最新發佈的中國區域電網基線排放因數、中華電力有限公司刊發的「2019可持續發展報告」及港燈刊發的「2019年港燈電力投資可持續發展報告」。
2. tCO₂e界定為噸二氧化碳當量。
3. 於二零一九年十二月三十一日，本集團於報告分部，即放債業務及電子商務業務分部有127名全職僱員。該數據亦用於計算其他環境密度數據。

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Waste Management

Hazardous Waste Handling Method

Due to the Group's business nature, no material hazardous waste was generated by the Group during FY2019.

Non-hazardous Waste Handling Method

The majority of non-hazardous waste generated by the Group was general waste. Though there has not been a disproportional amount of waste produced, the Group places great effort in encouraging the employees to reduce waste production by adopting the following environmentally friendly initiatives.

Green measures include, but not limited to, the following:

- Recycle used single-sided office paper;
- Double-sided printing or photocopying;
- Print electronic correspondences only when necessary;
- Procure office paper with Forest Stewardship Council Recycled Label; and
- Recycle office and electronic equipment after their life cycle.

As a result, the employees' awareness of waste management has been increased through these implementations.

Summary of major non-hazardous waste discharge performance:

廢棄物管理

有害廢棄物處理方法

由於本集團的業務性質，本集團於二零一九財年並無產生重大有害廢棄物。

無害廢棄物處理方法

本集團產生的大部分無害廢棄物為一般垃圾。儘管未產生過多的廢棄物，本集團仍致力鼓勵僱員透過採取下列環保舉措減少廢棄物產生。

環保措施包括但不限於以下各項：

- 循環使用用過的單面辦公用紙；
- 雙面打印或複印；
- 僅於必要時打印電子信函；
- 購買帶有森林管理委員會回收標誌的辦公用紙；及
- 於辦公及電子設備的生命週期後對其進行循環使用。

因此，透過實施該等措施，僱員的廢棄物管理意識已有所提高。

主要無害廢棄物排放績效概要：

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Category of waste 廢棄物類型	Unit 單位	FY2019 二零一九財年
Office paper ⁴ 辦公用紙 ⁴	Tonnes 噸	1.27
Total non-hazardous waste 無害廢棄物總量	Tonnes 噸	1.27
Total non-hazardous waste intensity 無害廢棄物總量密度	Tonnes/employee 噸／僱員	0.01
Note:	附註：	
4. The consumption of 80gsm A4 paper was approximately 255,000 sheets.	4. 80gsm A4紙的消耗量為約255,000張。	

A2. Use of Resources

General Disclosure and KPIs

The Group takes the initiative to introduce green measures to reduce environmental impact arising from its business operations. Measures on reducing office paper waste have been mentioned in the preceding "Waste Management" section. Other initiatives include maintaining indoor temperature at a suitable level in the offices and promote the use of teleconferences or video conferences to replace the need for constant business air travels.

A2. 資源使用

一般披露及關鍵績效指標

本集團主動推出環保措施以降低其業務營運造成的環境影響。減少辦公廢紙的措施已於前文「廢棄物管理」一節闡述。其他舉措包括將辦公室的室內溫度維持在合適的水平，並提倡採用電話會議或視頻會議形式，以代替需要經常性乘坐飛機出外公幹。

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Energy Efficiency

The Group has implemented policies to better govern the use of resources. However, given the Group's office-based business nature, the variety of green measures applicable and possible to be implemented into the Group's policy is limited. Nevertheless, the Group strives to further reduce energy consumption by adopting energy-saving measures such as the following:

- Switch off unnecessary lightings and electrical appliances when not in use;
- Purchase energy-efficient equipment on replacement of old equipment;
- Set all computer screens and printers to standby mode after a certain period; and
- Post eye-catching stickers on energy efficiency as a reminder for employees.

Unexpected high consumption of electricity will be investigated to find out the root cause and take preventive measures. Through these energy-saving measures, employees' awareness of energy conservation has been increased.

Summary of energy consumption performance:

Type of energy 能源類型

Electricity
電力

Total Energy Consumption
總能源用量

Total Energy Consumption Intensity
總能源用量密度

能源效益

本集團已實施政策以更好地管理資源使用。然而，鑒於本集團於辦公室經營業務，適用於本集團政策及可能獲實施的環保措施類型有限。儘管如此，本集團仍致力透過採取節能措施以進一步降低能源消耗，例如以下各項：

- 不使用時關閉不必要的照明設備及電器；
- 購買節能設備以替換陳舊設備；
- 將所有電腦屏幕及打印機設置為於特定時間後轉為待機模式；及
- 張貼有關節能的醒目貼紙以提醒僱員。

如出現意外的高電耗，本集團將進行調查以查明根本原因並採取預防措施。透過該等節能措施，僱員的節能意識已有所提高。

能源消耗績效概要：

Type of energy 能源類型	Unit 單位	FY2019 二零一九財年
Electricity 電力	kWh 千瓦時	125,079.00
Total Energy Consumption 總能源用量	kWh 千瓦時	125,079.00
Total Energy Consumption Intensity 總能源用量密度	kWh/employee 千瓦時／僱員	984.87

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Water Consumption

Due to the Group's business nature, the usage of water only confined to water used by employees at the office. The Group did not consider the amount of water used to be disproportionate.

The Group actively promotes the importance of water conservation to its employees. Apart from posting banners around the office, the Group also regularly inspects water taps to prevent leakage, installs dual flush water cistern in toilets and water-saving thimble in sinks in washrooms where possible. Through the implementation of such water-saving measures, the employees' awareness of water conservation has been increased.

Due to the Group's business nature, the Group did not encounter any problem in sourcing water that is fit for purpose.

Summary of water consumption performance:

Indicator 指標	Unit 單位	FY2019 二零一九財年
Water consumption ⁵ 耗水量 ⁵	m ³ 立方米	907.00
Intensity 密度	m ³ /employee 立方米／僱員	7.14

Note:

5. Water consumption data excluded that of the Hong Kong headquarter, since the water consumption was covered in the monthly management fee.

水源消耗

由於本集團的業務性質，用水僅限於僱員於辦公室用水。本集團認為用水量屬合理。

本集團積極向其僱員推廣節約用水的重要性。除於辦公室內張貼標語外，本集團亦定期檢查水龍頭以免出現漏水情況，於可行的情況下在衛生間安裝雙沖水水箱並為洗手間的鋅盆加裝節水頂針。透過實施該等節水措施，僱員的節約用水意識已有所提高。

由於本集團的業務性質，本集團於獲取適用水源方面並無遇到任何問題。

用水績效概要：

附註：

5. 耗水量數據不包括香港總部的數據，因為有關耗水量包括在每月管理費內。

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Use of Packaging Material

Due to the Group's business nature, the use of packaging material is not considered as a material ESG aspect to the Group.

A3. The Environment and Natural Resources

General Disclosure and KPIs

Although the core business of the Group only has a remote impact on the environment and natural resources, the Group nevertheless commits itself to good corporate social responsibility. The Group regularly assesses the environmental risks of its business, adopts preventive measures to reduce risks and ensures compliance with relevant laws and regulations. The Group will continue to seek alternative eco-friendly resources and materials to further reduce its environmental impact.

Indoor Air Quality

Poor indoor air quality poses both short- and long-term threat to the employees. Therefore, the Group remains vigilant in ensuring that the workplace has good indoor air quality, indoor air quality is regularly monitored and measured. During FY2019, the indoor air quality of the Group's offices has been satisfactory. To improve indoor air quality, air purifying equipment is used in offices and the air conditioning system is cleaned periodically. These measures resulted in achieving a satisfactory indoor air quality level.

包裝材料使用

由於本集團的業務性質，本集團認為包裝材料使用不屬於本集團的重大環境、社會及管治層面。

A3. 環境及天然資源

一般披露及關鍵績效指標

儘管本集團的核心業務僅對環境及天然資源造成輕微影響，本集團仍致力於良好的企業社會責任。本集團定期評估其業務的環境風險，採取預防措施以降低風險及確保遵守相關法律法規。本集團將繼續尋求另類環保資源及材料，以進一步降低其環境影響。

室內空氣質素

室內空氣質素不佳會對僱員造成短期及長期威脅。因此，本集團時刻注意確保工作場所保持良好的室內空氣質素，並定期監察及測量室內空氣質素。於二零一九財年，本集團辦公室的室內空氣質素良好。為改善室內空氣質素，我們於辦公室內使用空氣淨化設備，並定期清理空調系統。該等措施令我們得以實現良好的室內空氣質素水平。

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B. SOCIAL

B1. Employment

General Disclosure

Human resources are the cornerstone of the Group. The Group recognises that sustainable growth of the Group relies on good employment practices. Relevant employment policies are formally documented in the Employee Handbook, covering recruitment and remuneration, compensations, working hours and rest periods, diversity and equal opportunities, etc. The Group periodically reviews these employment policies to ensure continuous improvement of its employment standards and competitiveness against companies of the similar industry.

As at 31 December 2019, the Group had about 211 full-time employees. Breakdown by gender, age group, employment category and region are as follows:

B. 社會

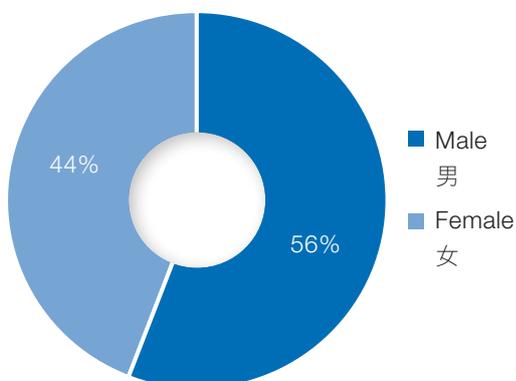
B1. 僱傭

一般披露

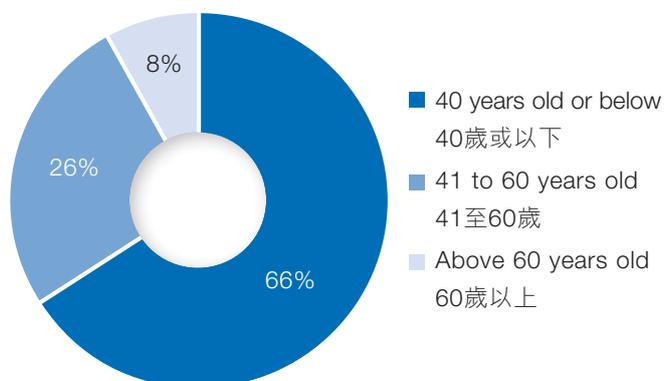
人力資源是本集團的基石。本集團確認，本集團的可持續增長取決於良好的僱傭慣例。相關僱傭政策已經正式納入員工手冊，涵蓋招聘與薪酬、賠償、工作時數與休息時間、多元化及平等機會等方面。本集團定期審閱該等僱傭政策，確保其僱傭標準及競爭力較同行业公司有持續改善。

於二零一九年十二月三十一日，本集團共約有211名全職僱員。按性別、年齡組別、僱員類別及地區分佈如下：

Employee Gender Distribution
按性別劃分的僱員



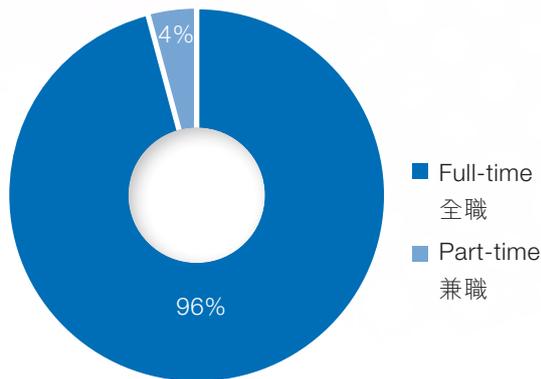
Employee by Age
按年齡劃分的僱員



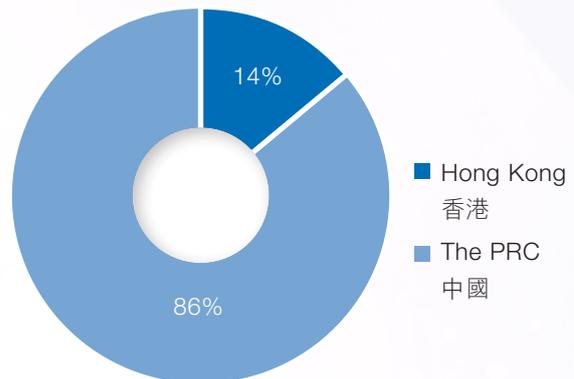
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Employee by Category
按類別劃分的僱員



Employee by Region
按地區劃分的僱員



During FY2019, the Group was not aware of any material non-compliance with employment-related laws and regulations that would have a significant impact on the Group, including but not limited to Employment Ordinance of Hong Kong, Labour Law of the PRC, Social Insurance Law of the PRC, Company Law of the PRC and Labour Contract Law of the PRC.

Recruitment, Promotion and Remuneration

Talent acquisition is vital to the sustainable development of the Group's business. The Group is committed to promoting equal opportunities and diversity in recruitment. Our employees are recruited via a robust, transparent and fair recruitment process based on their merits and their potential to fulfil the Group's current and future needs.

Remuneration and promotion are based on job-related skills, qualifications and performances. The Group will conduct annual performance and salary review to determine any salary adjustments and/or promotion opportunities. Remuneration packages include variable bonuses, annual leave, maternity leave, etc.

於二零一九財年，本集團並不知悉會對本集團造成重大影響的任何嚴重違反僱傭相關法律法規的行為，包括但不限於香港《僱傭條例》、《中華人民共和國勞動法》、《中華人民共和國社會保險法》、《中華人民共和國公司法》及《中華人民共和國勞動合同法》。

招聘、晉升與薪酬

人才引進對本集團業務的可持續發展至關重要。本集團致力於在招聘中促進平等機會及多元化。我們會根據僱員的優點及潛力，通過健全、透明及公平的招聘流程招聘僱員，以滿足本集團當前與未來的需求。

薪酬及晉升乃基於工作相關的技能、資質及表現。本集團將進行年度表現及薪金檢討，以確定任何薪金調整及／或晉升機會。薪酬待遇包括可變花紅、年假、產假等。

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Working Hours and Rest Periods

The Group has formulated policies in determining the working hours and rest periods for employees following local employment laws.

Compensation and Dismissal

The Group offers fair compensation packages for employees based on employees' personal capability and benchmarks. In addition, the Group complies with the Employees' Compensation Ordinance of Hong Kong and Labour Law of the PRC, which cover employees who sustain personal injury by accident or disease arising out of the course of employment.

Unreasonable dismissal under any circumstances is prohibited, dismissal would be based on reasonable and lawful grounds supported by internal policies. Verbal or written warnings will be issued before the official dismissal to provide the staff with an opportunity for improvement. If no improvement is noted, the Group shall then consider dismissal only upon receiving dismissal instruction from the relevant department.

Equal Opportunities, Diversity and Anti-discrimination

Sustainable growth of the Group relies on the diversity of talents. The Group is committed to creating and maintaining an inclusive and collaborative workplace culture. Furthermore, the Group is dedicated to providing equal opportunities in all aspects of employment and protecting its employees from discrimination, physical or verbal harassment based on race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation. The Group does not tolerate sexual harassment or abuse in the workplace in any form. The Group also strives to ensure that complaints, grievances and concerns, including whistle-blowing, are being dealt with promptly, confidentially and impartially.

工作時數與休息時間

本集團已根據當地勞動法制定政策，以確定僱員的工作時數及休息時間。

賠償與解聘

本集團根據僱員的個人能力及基準為僱員提供公平的薪酬待遇。此外，本集團遵守香港《僱員補償條例》及《中華人民共和國勞動法》，其涵蓋於僱傭過程中因意外事故或疾病而遭受人身傷害的僱員。

不得在任何情況下無理解聘，解聘將基於內部政策支持的合理及合法依據。在正式解聘前，將發出口頭或書面警告，為員工提供改進機會。倘未見有任何改進，則本集團之後僅應在收到有關部門的解聘指示後才考慮解聘。

平等機會、多元化與反歧視

本集團的可持續增長取決於人才的多元化。本集團致力於創造並維持包容協作的工作環境文化。此外，本集團致力於在僱傭各方面提供平等機會，並保護其僱員免受基於種族、宗教、膚色、性別、身體或精神殘疾、年齡、原籍地、婚姻狀況及性取向的歧視、身體或語言騷擾。本集團不容忍工作環境內任何形式的性騷擾或性虐待。本集團還努力確保及時、保密並公正地處理投訴、申訴及疑慮，包括舉報。

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Other Benefits and Welfare

The Group understands that good benefits and welfare encourages retention and fosters a sense of belonging, therefore the Group actively seeks to introduce additional benefits and welfare where possible.

B2. Health and Safety

General Disclosure

Provision of Safe Environment to Employees

The Group places high priority in providing employees with a safe and healthy working environment. Local laws and regulations are being complied with and occupational health and safety guidelines recommended by the Labour Department and Occupational Safety and Health Council have been adopted.

During FY2019, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group, including but not limited to the Occupational Safety and Health Ordinance of Hong Kong, Labour Law of the PRC, Production Safety Law of the PRC, Prevention and Treatment of Occupational Diseases of the PRC and Fire Protection Law of the PRC.

As mentioned, applying relevant health and safety measures are limited in an office-based business. The Group stresses the importance of keeping the corridor clean, classifying and recycling wastes where possible, cleaning air-conditioning equipment and carpet on a regular basis and participating in regular health and safety seminars. Fire extinguishers are strategically placed and fire exits are free from obstruction.

其他福利與待遇

本集團明白，良好的福利與待遇會鼓勵留任並培養歸屬感，因此，本集團積極尋求盡量引入更多的福利與待遇。

B2. 健康與安全

一般披露

向僱員提供安全環境

本集團高度重視為僱員提供安全健康的工作環境。本集團遵守當地法律法規，並採用勞工處及職業安全健康局推薦的職業健康與安全指引。

於二零一九財年，本集團並不知悉任何對本集團造成重大影響的任何嚴重違反健康及安全相關法律法規的行為，包括但不限於香港《職業安全及健康條例》、《中華人民共和國勞動法》、《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》及《中華人民共和國消防法》。

如上所述，在基於辦公室的業務中，採用相關健康與安全措施受到限制。本集團強調保持走廊清潔、盡量分類及回收廢物、定期清潔空調設備及地毯並定期參加健康與安全研討會的重要性。滅火器要有策略地置放及消防出口不得堵塞。

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B3. Development and Training

General Disclosure

Training and Development

Training and continuous development are indispensable to the Group's employees to keep abreast of the rapidly changing trend in the industry.

Employees are encouraged to apply for internal and external training courses to refresh prior knowledge. The Group encourages employees to familiarise themselves with newly updated guidelines, maintain their competitiveness within the industry and ensure legal compliance in dealing with sensitive matters and data.

Internally, the Group holds work-related talks and seminars, such as anti-corruption training and anti-money laundering training. Training contents are regularly updated to be in line with the industrial standard, the Group's business nature and provide maximum benefit to the employees.

B3. 發展及培訓

一般披露

培訓及發展

為跟上行業瞬息萬變的趨勢，培訓及不斷發展對本集團的僱員而言是必不可少的。

鼓勵僱員申請內部及外部培訓課程，以更新先前的知識。本集團鼓勵僱員熟悉最新準則，保持其在行業中的競爭力，並確保在處理敏感事項及資料時遵守法律。

內部而言，本集團舉行工作相關的講座及研討會，例如反貪污培訓及反洗錢培訓。培訓內容會定期更新，以符合行業標準、本集團的業務性質並為僱員帶來最大利益。

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B4. Labour Standards

General Disclosure

Prevention of Child and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by laws and regulations. Personal data is collected during the process to assist the selection of suitable candidates and to verify candidates' personal data and that they have reached the minimum legal age to work in respective jurisdictions. The Human Resources Department also ensures identity documents are thoroughly checked.

The Human Resources Department has established a reporting mechanism to monitor ensure compliance with all relevant laws and regulations. If violation is involved, it will be dealt with in the light of the circumstances promptly. Upon discovery of child labour or forced labour, the said person will be discharged immediately. The Board will discuss preventive measures to avoid a similar event from happening again.

During FY2019, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group, including but not limited to Employment Ordinance of Hong Kong, Labour Law of the PRC and Labour Contract Law of the PRC.

B4. 勞工準則

一般披露

防止童工及強制勞工

法律法規規定，招聘過程中嚴禁童工及強制勞工。在此過程中將收集個人資料，以幫助選擇合適的候選人並驗證候選人的個人資料及他們已達到在各司法權區工作的最低法定年齡。人力資源部還確保對身份證明文件進行徹查。

人力資源部建立了報告機制，以監督確保遵守所有相關法律法規。倘涉及違規行為，將根據情況立即予以處理。一旦發現童工或強制勞工，將立即解聘該名人士。董事會將討論預防措施，以避免再次發生類似事件。

於二零一九財年，本集團並不知悉會對本集團造成重大影響的任何嚴重違反童工及強制勞工相關法律法規的行為，包括但不限於香港《僱傭條例》、《中華人民共和國勞動法》及《中華人民共和國勞動合同法》。

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B5. Supply Chain Management

General Disclosure

Fair and Open Tendering

The engagement with service providers takes place under a fair and open tendering process, it takes suppliers' experience, reputation, prevailing market, price and reputation into account. The Group has established procedures for procurement and logistics management to ensure that the products procured are of satisfactory quality, thereby reducing procurement cost. The Group strives not to over-rely on a specific supplier in order to ensure stability of the supply chain. At the same time, the Group aims to strengthen collaborative relationships with existing suppliers. Should the performance of the supplier fall below contractual expectations, the contract may be terminated.

Employees are reminded to avoid situations that may lead to or involve potential conflict of interest. Any discrimination against certain vendors without reasonable grounds and any types of business bribery are strictly prohibited. To minimise carbon footprints, the Group endeavours to support local procurement where possible and give priority to purchase recycled and environmentally friendly products.

B5. 供應鏈管理

一般披露

公平公開招標

通過公平公開的招標程序委聘服務提供商，該程序考慮供應商的經驗、聲譽、現行市場、價格及聲譽。本集團已建立採購及物流管理程序，以確保採購的產品質量令人滿意，從而降低採購成本。本集團努力不過度依賴特定供應商以確保供應鏈的穩定性。同時，本集團旨在加強與現有供應商的合作關係。倘供應商的表現低於合同預期，則可能會終止合同。

提醒僱員避免可能導致或涉及潛在利益衝突的情況。嚴禁在無合理根據的情況下歧視若干供應商及嚴禁任何類型的商業賄賂。為最大程度地減少碳足跡，本集團盡量支持當地採購，並優先購買可回收及環保產品。

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B6. Product Responsibility

General Disclosure

Solid corporate governance and risk management are essential to the Group's long-term development and sustainable growth. The Group periodically revises existing corporate rules and regulations and ensures strict compliance with local laws and regulations.

During FY2019, the Group was not aware of any material non-compliance with laws and regulations that would have a significant impact on the Group, concerning advertising, labelling and privacy matters relating to products and services provided and methods of redress, including but not limited to, Money Lenders Ordinance, Personal Data (Privacy) Ordinance, Securities and Futures Ordinance of Hong Kong and Protection of Consumer Rights of the PRC.

Money-lending Assurance

As a licenced money lender in Hong Kong, the Group holds an active Money Lenders Licence. In addition, the Group abides by the Money Licensing Conditions of the said Licence. As a result of a more stringent additional licensing conditions on money lender licences, a risk-warning message must be present in all advertisements in relation to their money lending business. The guideline stipulates that advertisement, whether in textual, audio or visual form, must contain the relevant subsidiary's telephone hotline for handling complaints and a well-established risk warning statement. The said risk warning statement must also be clearly audible in the audio part of the advertisement.

B6. 產品責任

一般披露

扎實的公司治理及風險管理對本集團的長期發展及可持續增長至關重要。本集團定期修訂現有的公司規章制度，並確保嚴格遵守當地法律法規。

於二零一九財年，本集團並不知悉會對本集團造成重大影響並涉及與所提供產品及服務以及補救方法有關的廣告、標籤及私隱事項的任何重大違法違規行為，包括但不限於《放債人條例》、《個人資料(私隱)條例》、香港《證券及期貨條例》及《中華人民共和國消費者權益保護法》。

放債保證

作為香港持牌放債人，本集團持有有效的放債人牌照。此外，本集團遵守上述牌照的發牌條件。由於放債人牌照的附加發牌條件更為嚴格，因此所有放貸業務相關的廣告均須有風險警告信息。該指引規定，廣告（無論是以文字、音頻或視覺形式）均須包含相關附屬公司的電話熱線以處理投訴及完善的風險警告聲明。所述風險警告聲明還須在廣告的音頻部分中清晰可聞。

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Customer Privacy Protection

The Group protects legitimate rights and interests of its customers, respects the rights of customers' information assets and strictly complies with the customers' information security management systems and standards. The Group has formulated a set of privacy guidelines in regard to the collection, retention and accessibility of information to ensure that the lessee's sensitive information is only used for its intended purposes and to prevent information leakage. All employees are trained to respect the confidentiality of customers' information, while only certain employees can access sensitive customer data. Moreover, employees are required to sign a confidentiality agreement to hold them accountable for should there be any unlawful information leakage.

Customer Service Quality

The Group strives to provide excellent services in response to customers' enquiries. A customer services team has been established, standard procedures have been established to handle customers' opinions and comments. To further enhance and better the Group' services, customers are encouraged to provide feedback on their experience. Feedbacks are recorded in detail and appropriate follow-up actions will be taken should it be deemed necessary.

Procurement Quality Control

The Group has a dedicated quality control team to ensure the products procured are of satisfactory quality and would not pose any significant health threat to its consumers. Standard procedures are established to govern the procurement, quality assurance and storage of these products.

Due to the Group's business nature, the Group has an insignificant amount of business dealing regarding labelling matters.

客戶私隱保護

本集團保護客戶的合法權益，尊重客戶信息資產的權利，並嚴格遵守客戶的信息安全管理體系及標準。本集團就信息收集、保留及可訪問性制定一套私隱指引，以確保承租人的敏感信息僅用於其預定目的並防止信息洩露。所有僱員均經過培訓，以尊重客戶信息的機密性，而只有部分僱員可訪問客戶敏感信息。此外，僱員須簽署保密協議，如有非法洩露信息的行為，將追究其責任。

客戶服務質量

本集團致力提供優質的服務以回應客戶問詢。本集團建立了客戶服務團隊及處理客戶意見及評價的標準程序。為進一步增強及改善本集團的服務，我們鼓勵客戶就其體驗提供反饋意見。我們詳細記錄反饋意見，並在認為必要時採取適當的後續行動。

採購質量控制

本集團擁有專門的質量控制團隊，以確保所採購的產品質量令人滿意，並且不會對消費者構成任何重大健康威脅。本集團建立了管理該等產品的採購、質量保證及存儲的標準程序。

由於本集團的業務性質，本集團在標籤事項上的業務往來微不足道。

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B7. Anti-corruption

General Disclosure

The Group values and upholds integrity, honesty and fairness in how the Group conducts business. The Group emphatically asserts its zero-tolerance stance regarding any behaviours that not only violate local laws and regulations but also severely damage the Group's reputation.

During FY2019, the Group was not aware of any material non-compliance with laws and regulations of bribery, extortion, fraud and money laundering that would have a significant impact on the Group, including but not limited to Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, Money Lenders Ordinance, Personal Data (Privacy) Ordinance, Securities and Futures Ordinance in Hong Kong, Anti-Unfair Competition Law of the PRC and the Criminal Law of the PRC. During FY2019, there was no concluded legal cases regarding corrupt practices brought against the issuer nor its employees.

Anti-money laundering and Counter-financing of Terrorism

As a professional financial services provider, the Group is particularly sensitive to the signs of money laundering and financial crimes. Apart from complying with local laws and guidelines established by regulatory authorities, the Group recognises that the responsibility to help protect the integrity of the financial system lies within us. The "Anti-Money Laundering and Counter-Terrorist Financing Policy" is in place to safeguard the interests of the Group. It states the roles and responsibilities of compliance officers and details procedures such as conducting a customer due diligence process before beginning business dealings with customers and reporting suspicious transactions.

B7. 反貪污

一般披露

本集團重視並堅持本集團業務運作中的正直、誠實及公平。對於任何不僅違反當地法律法規，而且嚴重損害本集團聲譽的行為，本集團始終堅持零容忍態度。

於二零一九財年，本集團並不知悉會對本集團造成重大影響的任何嚴重違反賄賂、敲詐、欺詐及洗錢相關法律法規的行為，包括但不限於香港《打擊洗錢及恐怖分子資金籌集（金融機構）條例》、《放債人條例》、《個人資料（私隱）條例》、《證券及期貨條例》、《中華人民共和國反不正當競爭法》及《中華人民共和國刑法》。於二零一九財年，並無針對發行人或其僱員提出並已審結的貪污訴訟案件。

反洗錢及反恐怖分子融資

作為專業的金融服務供應商，本集團對洗錢及金融犯罪的跡象尤為敏感。除遵守監管機構制定的當地法律及指引外，本集團還認為幫助保護金融體系完整性的責任有賴我們。為維護本集團利益制定了《反洗錢及反恐怖分子融資政策》。該政策列明合規負責人的角色與職責，並詳細說明了程序，例如在開始與客戶進行業務往來前開展客戶盡職調查並報告可疑交易之程序。

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Prevention of Money Laundering, Fraud and Bribery Practices

The Group is sensitive to the prevention of poor money laundering, potential fraud and bribery practices. Therefore, the Group provides guidelines on such policies to employees to remind them of good practices to prevent unnecessary legal complications.

B8. Community Investment

General Disclosure

Community Participation

The Group is committed to providing career opportunities to local residents and considers the development of the community's economy as part of the Group's sustainable development strategy. The Group has future plans to give back to the society through a more active participation in community programmes, which not only benefits the society but also nurture a good corporate culture.

反洗錢、反欺詐及賄賂行為

本集團對防止不良洗錢、潛在欺詐及賄賂行為較為敏感。因此，本集團向僱員提供有關該等政策的指引，以提醒他們採取良好做法，以防止不必要的法律糾紛。

B8. 社區投資

一般披露

社區參與

本集團致力於為當地居民提供就業機會，並將社區經濟發展視為本集團可持續發展戰略的一部分。本集團制定了未來計劃，通過更積極地參與社區計劃來回饋社會，這不僅使社會受益，還培育了良好的企業文化。

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THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

香港聯合交易所有限公司的《環 境、社會及管治報告指引》內容索 引表

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect A1: Emissions 層面A1：排放物		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
一般披露	有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	排放物
KPI A1.1 ("comply or explain") 關鍵績效指標A1.1 (「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions – GHG Emissions, Waste Management 排放物 – 溫室氣體排放、廢棄物管理
KPI A1.2 ("comply or explain") 關鍵績效指標A1.2 (「不遵守就解釋」)	GHG emissions in total (in tonnes) and intensity. 溫室氣體總排放量（以噸計算）及密度。	Emissions – GHG Emissions 排放物 – 溫室氣體排放
KPI A1.3 ("comply or explain") 關鍵績效指標A1.3 (「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量（以噸計算）及密度。	Emissions – Waste Management Not applicable – Explained 排放物 – 廢棄物管理 不適用 – 已解釋
KPI A1.4 ("comply or explain") 關鍵績效指標A1.4 (「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量（以噸計算）及密度。	Emissions – Waste Management 排放物 – 廢棄物管理

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Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
KPI A1.5 ("comply or explain") 關鍵績效指標A1.5 (「不遵守就解釋」)	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	Emissions – GHG Emissions, Waste Management 排放物 – 溫室氣體排放、廢棄物 管理
KPI A1.6 ("comply or explain") 關鍵績效指標A1.6 (「不遵守就解釋」)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低排放量的措施及所得成果。	Emissions – Waste Management 排放物 – 廢棄物管理
Aspect A2: Use of Resources		
層面A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。	Use of Resources 資源使用
KPI A2.1 ("comply or explain") 關鍵績效指標A2.1 (「不遵守就解釋」)	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	Use of Resources – Energy Efficiency 資源使用 – 能源效益
KPI A2.2 ("comply or explain") 關鍵績效指標A2.2 (「不遵守就解釋」)	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources – Water Consumption 資源使用 – 水源消耗
KPI A2.3 ("comply or explain") 關鍵績效指標A2.3 (「不遵守就解釋」)	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Use of Resources – Energy Efficiency 資源使用 – 能源效益
KPI A2.4 ("comply or explain") 關鍵績效指標A2.4 (「不遵守就解釋」)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及用水效益計劃及所得成果。	Use of Resources – Water Consumption 資源使用 – 水源消耗
KPI A2.5 ("comply or explain") 關鍵績效指標A2.5 (「不遵守就解釋」)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced. 製成品所用包裝材料的總量（以噸計算）及每生產單位估量。	Use of Resources – Use of Packaging Material Not applicable – Explained 資源使用 – 使用包裝材料 不適用 – 已解釋

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Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect A3: The Environment and Natural Resources		
層面A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	The Environment and Natural Resources 環境及天然資源
KPI A3.1 ("comply or explain") 關鍵績效指標A3.1 (「不遵守就解釋」)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	The Environment and Natural Resources – Indoor Air Quality 環境及天然資源 – 室內空氣質素
Aspect B1: Employment		
層面B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：	Employment 僱傭
KPI B1.1 (Recommended Disclosures) 關鍵績效指標B1.1 (建議披露)	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	Employment 僱傭

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Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B2: Health and Safety		
層面B2：健康與安全		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
一般披露	有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	健康與安全
Aspect B3: Development and Training		
層面B3：發展及培訓		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
一般披露	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	發展及培訓

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Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B4: Labour Standards		
層面B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Standards 勞工準則
Aspect B5: Supply Chain Management		
層面B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
Aspect B6: Product Responsibility		
層面B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任

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Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B7: Anti-corruption		
層面B7：反貪污		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
一般披露	有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	反貪污
KPI B7.1 (Recommended Disclosures)	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
關鍵績效指標B7.1（建議披露）	於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	反貪污
Aspect B8: Community Investment		
層面B8：社區投資		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
一般披露	有關以社區參與來瞭解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	社區投資

Directors and Senior Management 董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Zhu Min, aged 71, graduated from Zhejiang University with a master's degree in Industrial Management and received a MS degree in Engineering Economics from Stanford University. He co-founded Future Labs Inc. in 1991 which was later acquired by Quarterdeck Corp.. In 1996, he co-founded WebEx Communications Inc. which was successfully listed on NASDAQ in 2000 and then acquired by Cisco Systems Inc. for US\$3.2 billion in 2007.

In 2003, Mr. Zhu became the sole investment partner in China of New Enterprise Associates (NEA), a renowned U.S. based venture capital fund focusing on early- and middle-stage companies, assisting NEA to successfully invest in a group of independent innovation enterprises in China. In 2005, Mr. Zhu founded Cybnaut Investment Group, one of China's best venture capital houses in 2015 selected by Forbes. It is one of the leading private equity and venture capital fund in China.

In 2007, Mr. Zhu donated US\$10 million to set up Zhejiang University International Innovation Institute (ZII) with Zhejiang University in a drive to promote domestic technological and industrial innovations.

Mr. Zhu has many years of experience in computer, network communications and services. He is a well-known scientist in the field in the United States. In 2002, he was named by Business Week as one of the 25 most influential people in global e-commerce. In 2008 and 2009, Mr. Zhu was selected by Forbes as one of China's best venture capital investors. At the first China Public Entrepreneurship and Innovation Conference held in 2016, he was granted the title of China's Pioneer in Innovation and Entrepreneurship by virtue of his reputation in the international investment community.

Mr. Zhu is the founder and chairman of the board of Cybnaut Investment Group Limited, the Vice president of China Society for the Promotion of Science and Technology Commercialization, the founder and dean of the Zhejiang University International Innovation Institute (ZII).

At the date of this annual report, Mr. Zhu directly and indirectly held 990,284,000 shares of the Company.

執行董事

朱敏先生，71歲，畢業於浙江大學，持有浙江大學工業管理系碩士學位並獲得斯坦福大學工程經濟系統碩士學位。彼於一九九一年共同創辦Future Labs Inc.及後由Quarterdeck Corp.收購。彼於一九九六年共同創辦了WebEx Communications Inc. (美國網訊) 並於二零零零年成功於納斯達克上市，於二零零七年由思科系統公司以32億美金收購。

朱先生於二零零三年成為NEA (一間美國知名早中期創業投資基金公司) 在中國之唯一投資合夥人，幫助NEA在中國成功投資了一批自主創新型企業。於二零零五年，朱先生創立了賽伯樂(中國)投資集團，賽伯樂為二零一五年《福布斯》中國最佳創業投資機構之一，為中國私募股權創投基金的領導者之一。

朱先生於二零零七年捐資1,000萬美金與浙江大學創建浙江大學國際創新研究院，致力推動國內科技與產業創新。

朱先生於電腦、網絡通訊及服務領域擁有多年經驗。彼為美國該領域上著名之科學家，於二零零二年被《商業週刊》列為全球電子商務25位最具影響力的人物之一。朱先生於二零零八年及二零零九年被《福布斯》選為中國最佳創業投資人之一。彼於國際投資界享有盛名，故於二零一六年首屆中國眾創大會上，獲得中國創新創業先鋒稱號。

朱先生為賽伯樂投資集團有限公司創始人兼董事長、中國科技產業化促進會副理事長，以及浙江大學國際創新研究院創始人兼院長。

於本年報日期，朱先生於990,284,000股本公司股份中直接及間接擁有權益。

Directors and Senior Management 董事及高級管理層

Dr. Chen Huabei, aged 54, holds a bachelor's degree from Shandong University, China a master's degrees from Aichi University of Education, Japan and a doctor's degree from Northeast Normal University, China. He currently serves as the president of Seadragon Innovation Institute of International Education. Dr. Chen had served as a deputy director of the education, science, culture and public health department and a director general of the information center of State Administration of Foreign Experts Affairs (SAFEA). He had also served as a commissioner general of China Association for International Exchange of Personnel Overseas office of Japan. Dr. Chen's major research interests are Japanese philosophy history and internationalization of education and talents.

Mr. Lu Yongchao, aged 40, obtained a diploma in Business Administration for Real Estate Entrepreneurs in China at Sun Yat-sen University and a diploma in English at Guangdong University of Foreign Studies. Mr. Lu was a team member of Ample Luck International Capital Group Limited, a domestic well known fund management group. Mr. Lu has extensive experience in business development, market development, media management, finance and Information Technology industry and years of investment, financing and fund management history. He has rich experience in the enterprise strategic management, internet strategy, brand management, investment and financing management. He was the founder of Enjoymedia Holdings Company Limited, which was listed on the OTCBB in 2006 and was named one of the hundred most Chinese Concept corporation listed in United States. Prior to that Mr. Lu had been the Chief Executive of the online websites YESITE and ITNOW, as well as the Whirlpool Kit Department Head in China. Mr. Lu had assisted listing and financing of different enterprises while working in an investment company in China, and had served as the director of Taiwan listed corporation China Mobile Digital Group. He also had served as a director of a well-known German outdoor brand VAUDE.

陳化北博士，54歲，持有中國山東大學學士學位、日本國立愛知教育大學碩士學位以及中國東北師範大學博士學位。彼現時擔任海龍國際教育創新研究院院長。陳博士曾任國家外國專家局(SAFEA)教科文衛司副司長及信息中心主任。彼亦曾擔任中國國際人才交流協會駐日代表處總代表。陳博士的主要研究領域有日本哲學思想史、教育國際化、人才國際化等。

呂永超先生，40歲，持有中山大學中國房地產企業家工商管理課程結業證書，並於廣東外語外貿大學英語專科畢業。呂先生曾是豐祥國際資本集團有限公司（一間國內知名基金管理集團）的團隊成員。呂先生不但在商務開發、市場拓展、媒體管理、財務及資訊科技行業方面有多樣化的表現，亦累積了多年投融資及基金管理經驗。彼於企業戰略管理、互聯網策略、品牌管理、投融資管理等方面擁有十分豐富的經驗。呂先生始創Enjoymedia Holdings Company Limited，而該公司曾在二零零六年於美國場外電子交易板市場上市，曾被評選為美國一百個最有中國概念的上市公司之一。在此之前，呂先生先後在YESITE及ITNOW網站出任網站總裁，並於中國出任惠而浦套件部部門主管。後期，呂先生任職一所中國投資公司，除協助多家企業上市及融資，及出任台灣上市公司中國移動數碼集團董事外，彼亦曾出任德國知名戶外品牌沃德董事。

Directors and Senior Management 董事及高級管理層

Mr. Lu resigned as the directors of its subsidiaries, namely Eagle Pioneer Limited, Accurate Trade International Limited, China Safety Holdings Limited, Happy Way Technology Limited, Total Tycoon Limited and Great Select Global Limited with effect from 13 March 2020. Also, he has been an independent non-executive Director of Pa Shun International Holdings Limited (stock code: 574) and Glory Mark Hi-Tech (Holdings) Limited (stock code: 8159) since 14 September 2018 and 28 March 2019 respectively. At the date of this annual report, Mr. Lu held 6,100,000 shares of the Company.

Ms. Yip Sum Yu, aged 30, was appointed as our non-executive Director on 10 November 2014. She is currently a consultant of an investment company. Ms. Yip has gained valuable experience in investments and investors relations in connection with both listed and private investments. She did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Ms. Yip is also the directors of its subsidiaries, namely Great Select Global Limited, Accurate Trade International Limited, China Safety Holdings Limited, Happy Way Technology Limited and Eagle Pioneer Limited with effect from 13 March 2020.

Ms. Yip Sum Yu re-designated from non-executive Director to executive Director of the Company with effect from 13 March 2020.

呂先生自二零二零年三月十三日起已辭任本集團附屬公司Eagle Pioneer Limited、Accurate Trade International Limited、中國安產控股有限公司、創欣科技有限公司、Total Tycoon Limited及境裕環球有限公司之董事。此外，彼自二零一八年九月十四日及二零一九年三月二十八日起分別擔任百信國際控股有限公司（股份代號：574）及輝煌科技（控股）有限公司（股份代號：8159）之獨立非執行董事。於本年報日期，呂先生於本公司6,100,000股股份中擁有權益。

葉芯瑜女士，30歲，於二零一四年十一月十日獲委任為本公司非執行董事。彼現時為一家投資公司的顧問。葉女士於有關上市及私人投資的投資及投資者關係方面累積寶貴經驗。彼於過去三年並無於其證券於香港或海外任何證券市場上市之上市公司擔任任何其他董事職位。自二零二零年三月十三日起，葉女士亦為本集團附屬公司境裕環球有限公司、Accurate Trade International Limited、中國安產控股有限公司、創欣科技有限公司及Eagle Pioneer Limited之董事。

葉芯瑜女士已自二零二零年三月十三日起由本公司非執行董事調任執行董事。

Directors and Senior Management 董事及高級管理層

Mr. Sin Kwok Wai Ronald, aged 63, was the Executive Director of the Company since his appointment as an executive director on 10 October 2014. Mr. Sin received his bachelor's degree with extended major in accountancy from Queensland University of Technology, Australia in 1994. Then he pursued his postgraduate studies with research and coursework at Griffith University, Australia in 1994. He obtained his master degree in business administration from the University of Southern Queensland, Australia in 2006. Furthermore, Mr. Sin pursued his doctorate studies at University of Wales Trinity Saint David in 2017. He is currently an associate member of HKICPA and a fellow member of the CPA Australia. Prior to joining the Company, Mr. Sin has served companies in different industries in Hong Kong, including those listed in Hong Kong and overseas. He possesses over 20 years of management experience in areas of accounting, business strategy and corporate restructuring. At the date of this annual report, Mr. Sin held 17,452,000 shares of the Company.

Mr. Sin Kwok Wai Ronald resigned as an executive Director and appointed as Chief Financial Officer of the Company with effect from 13 March 2020.

Mr. Xu Yejun, aged 55, was the Executive Director of the Company and appointed as our Chairman and Executive Director on 4 February 2010. He was also our Group's Chief Executive Officer from its establishment until 2 January 2015 until he resigned from such position, and he was responsible for the overall strategic planning and management of our Group at that time. Mr. Xu has extensive experience in the advanced steel flow control products industry, and has been engaging in such business for over 25 years. He is also the director of Sinoref (Hong Kong) Limited.

冼國威先生，63歲，於二零一四年十月十日獲委任為本公司執行董事。冼先生於一九九四年獲授澳洲昆士蘭科技大學會計專業學士學位。隨後彼於一九九四年於澳洲格里菲斯大學研讀碩士研究課程。彼於二零零六年獲授澳洲南昆士蘭大學工商管理學碩士學位。此外，冼先生於二零一七年於威爾斯三一聖大衛大學攻讀博士學位。彼目前為香港會計師公會會員及澳洲會計師公會之資深會員。加入本公司前，冼先生已於香港不同行業之公司（包括該等於香港及海外上市之公司）任職。彼擁有超過20年會計、業務策略及企業重組方面之管理經驗。於本年報日期，冼先生持有本公司17,452,000股股份。

冼國威先生自二零二零年三月十三日起已辭任執行董事並已獲委任為本公司財務總監。

徐葉君先生，55歲，曾任本公司執行董事，並於二零一零年二月四日獲委任為主席及執行董事。彼亦由本集團成立以來一直擔任其行政總裁，直至於二零一五年一月二日辭任該職務止，彼當時負責本集團整體策略規劃及管理。徐先生於先進鋼水控流產品行業擁有豐富經驗，從事有關業務逾25年。彼亦為華耐科技（香港）有限公司之董事。

Directors and Senior Management 董事及高級管理層

Mr. Xu studied in 宜興縣大浦中學 (Yixing Dapu Secondary School*) from 1979 to 1981. Mr. Xu had been trained in 洛陽耐火材料研究院 (Luoyang Institute of Refractories Research*) from 1984 to 1986. He had worked in 宜興市鎂質耐火材料廠 (Yixing Magnesa Refractory Materials Factory*) from 1981 to 1983 and from 1987 to 1989, in 宜興威爾發非金屬材料有限公司 (Yixing Wellfire Nonmetal Materials Co., Ltd.) from 1990 to 1995 and in 宜興中村窯業有限公司 (Yixing Zhongcun Kiln Products Co., Ltd.*) from 1996 till the establishment of Sinoref (Yixing) in 2005.

For his research item 玻璃熔窯蓄熱室系列配套優質耐火材料新產品研製 (The research and manufacture of new high quality refractory accessory materials in glass melting furnace regenerative chamber series*), Mr. Xu was awarded 中國輕工業科技進步獎 (China Light Industry Technological Advancement Award*) by 中國輕工總會 (China Light Industry Association*) in 1991, 上海市科學技術進步獎 (Science and Technology Progress Awards of Shanghai) by 上海市科學技術進步獎評審委員會 (Science and Technology Progress Awards Jury, Shanghai Municipality) in 1995 and 上海市科技成果完成者證書 (Certificate for Accomplisher of Technological Advancement in Shanghai*) by 上海市科學技術委員會 (Science and Technology Commission of Shanghai Municipality) in 1996. Mr. Xu was also awarded 上海市科學技術進步獎 (Science and Technology Progress Awards of Shanghai) by 上海市科學技術進步獎評審委員會 (Science and Technology Progress Awards Jury, Shanghai Municipality) in 1996 in respect of 優質特異型蓄熱室格子磚系列配套產品研製 (The research and manufacture of high quality specific regenerative chambers checkers series accessory products*).

Mr. Xu Yejun resigned as an executive Director of the Company with effect from 10 October 2019.

徐先生自一九七九年至一九八一年於宜興縣大浦中學就讀，自一九八四年至一九八六年於洛陽耐火材料研究院接受訓練，彼於一九八一年至一九八三年及一九八七年至一九八九年在宜興市鎂質耐火材料廠工作，之後於一九九零年至一九九五年在宜興威爾發非金屬材料有限公司工作，自一九九六年起在宜興中村窯業有限公司工作，直至彼於二零零五年創立華耐（宜興）為止。

徐先生憑著他的研究項目「玻璃熔窯蓄熱室系列配套優質耐火材料新產品研製」於一九九一年獲中國輕工總會頒發中國輕工業科技進步獎，於一九九五年獲上海市科學技術進步獎評審委員會頒發上海市科學技術進步獎，又於一九九六年獲上海市科學技術委員會出具上海市科技成果完成者證書。徐先生亦於一九九六年獲上海市科學技術進步獎評審委員會頒發上海市科學技術進步獎，以表彰他對「優質特異型蓄熱室格子磚系列配套產品研製」進行的工作。

徐葉君先生自二零一九年十月十日起已辭任本公司執行董事。

Directors and Senior Management 董事及高級管理層

NON-EXECUTIVE DIRECTOR

Mr. Chow Chi Wa, aged 51, was appointed as our non-executive Director on 27 November 2013. He holds a master degree in Corporate Governance from the Open University of Hong Kong, a master degree in Corporate Finance and a master degree in Finance (Investment Management) from the Hong Kong Polytechnic University. He has been an executive Director of Sino Splendid Holdings Limited (stock code: 8006) since November 2013. Mr. Chow is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He is an associate of the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators. He possesses extensive experience in finance and accounting.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tong Yiu On, aged 53, was appointed as our independent non-executive Director on 10 October 2014. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Tong is currently the company secretary of China Ocean Industry Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 651). He served as the chief financial officer of Infinity Development Holdings Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 640) and concurrently acted as its executive director and company secretary from July 2011 to May 2018. From September 2000 to November 2008, he served as the chief financial officer and company secretary of Sinotronics Holdings Limited (currently known as Kingwell Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1195)) and he concurrently acted as its executive director from December 2002 to November 2008. Prior to joining such company, he had nine years of financial management, accounting and auditing experience from various companies listed in Hong Kong and overseas and an international accounting firm.

非執行董事

周志華先生，51歲，於二零一三年十一月二十七日獲委任為本公司非執行董事。彼持有香港公開大學企業管治碩士學位及香港理工大學企業金融碩士學位及金融（投資管理）碩士學位。彼自二零一三年十一月起出任華泰瑞銀控股有限公司（股份代號：8006）之執行董事。彼現為香港會計師公會之註冊會計師及英國特許會計師公會資深會員。彼亦為香港特許秘書公會及特許秘書及行政人員公會會員。周先生於財務及會計方面擁有豐富經驗。

獨立非執行董事

唐耀安先生，53歲，於二零一四年十月十日獲委任為本公司獨立非執行董事。彼為香港會計師公會（「香港會計師公會」）之執業會計師。唐先生現任中海重工集團有限公司（一家於聯交所主板上市之公司（股份代號：651））之公司秘書。彼於二零一一年七月至二零一八年五月擔任星謙發展控股有限公司（一家於聯交所主板上市之公司（股份代號：640））之財務總監以及同時擔任執行董事兼公司秘書。彼於二零零零年九月至二零零八年十一月於華翔微電子控股有限公司（現稱京維集團有限公司，一家於聯交所主板上市之公司（股份代號：1195））擔任財務總監兼公司秘書，並於二零零二年十二月至二零零八年十一月期間同時擔任執行董事。加入該公司前，彼於香港及海外多家上市公司及一家國際會計師事務所累積9年財務管理、會計及審計經驗。

Directors and Senior Management 董事及高級管理層

Mr. Li Yik Sang, aged 45, was appointed as our independent non-executive Director on 10 October 2014. He has over 19 years of experience in auditing, finance and accounting. He has served as the chief financial officer, authorised representative and company secretary of Meike International Holdings Limited (a company listed on the Main Board of the Stock Exchange (stock code: 953)) from August 2009 to January 2016. Mr. Li served as an audit assistant and a semi-senior auditor in Grant Thornton from November 2000 to December 2002. He later worked as a staff accountant, senior accountant and manager in Ernst & Young from January 2003 to January 2007. He acted as the chief financial officer of China Packaging Group Company Limited (a company listed on the Main Board of the Stock Exchange (stock code: 572)) from January 2007 to July 2009. He also served as an independent non-executive director of China Agrotech Holdings Limited (a company listed on the Main Board of the Stock Exchange (stock code: 1073)) from December 2011 to June 2014. He received his bachelor's degree in commerce from the University of Queensland, Australia in December 1998. He received his master's degree in commerce (information systems) from the University of Queensland, Australia in August 2000. Mr. Li has been a member of CPA Australia since April 1999 and was granted a certificate of certified practicing accountant of CPA Australia in November 2006 and he has been a member of HKICPA since February 2007.

Mr. Cao Ke, aged 45, was appointed as our independent non-executive Director on 10 June 2015. He received his bachelor's degree in economics from Nankai University in China in 1995 and a master's degree in business administration from the University of Hawaii in USA in 2001. He possesses over 10 years of experience in financial management and over 8 years of experience in financial investment and project management. He served as Chief Financial Officer in Guangdong Esquel Textile Enterprise Co., Ltd., Jiemi Int'l Trade (shanghai) Co., Ltd. and Guangdong Qide Education Service Ltd.. From January 2010 to March 2020, he served as Chief Investment Officer in Youngy Investment Holding Group Co., Limited which is a reputable investment company in the PRC. From October 2015 to March 2020, Mr. Cao served as the Vice Chairman of the Board of Directors for Gefeng Environmental Protection Technology Co., Ltd. Since December 2012, he served as Supervisor in AnHua Agricultural Insurance Company Ltd and Shenzhen Huaxunark Technology Co., Limited. Since March 2020, Mr. Cao is the CFO of Zhuhai Chang Cheng Investment Management Company Limited.

李奕生先生，45歲，於二零一四年十月十日獲委任為本公司獨立非執行董事。彼擁有超過19年之審計、財務及會計經驗。彼自二零零九年八月至二零一六年一月擔任美克國際控股有限公司（一家於聯交所主板上市之公司（股份代號：953））之首席財務官、授權代表兼公司秘書。李先生自二零零零年十一月至二零零二年十二月擔任均富會計師行核數助理及副高級核數主任。彼隨後於二零零三年一月至二零零七年一月任安永會計師事務所之會計師、高級會計師及經理。於二零零七年一月至二零零九年七月任中國包裝集團有限公司（一家於聯交所主板上市之公司（股份代號：572））之首席財務官。彼亦於二零一一年十二月至二零一四年六月任浩倫農業科技集團有限公司（一家於聯交所主板上市之公司（股份代號：1073））任職獨立非執行董事。彼於一九九八年十二月獲澳洲昆士蘭大學頒授商學學士學位，二零零零年八月獲澳洲昆士蘭大學頒授商學（信息系統）碩士學位。李先生自一九九九年四月起為澳洲會計師公會會員，於二零零六年十一月獲授澳洲會計師公會註冊會計師證書，以及自二零零七年二月起為香港會計師公會會員。

曹克先生，45歲，於二零一五年六月十日獲委任為本公司獨立非執行董事。彼於一九九五年獲得中國南開大學經濟學學士學位並於二零零一年獲得美國夏威夷大學工商管理碩士學位。彼於金融管理方面擁有逾10年經驗並於金融投資及項目管理方面擁有逾8年經驗。彼曾擔任廣東溢達紡織有限公司、傑米國際貿易（上海）有限公司及廣東啓德教育服務有限公司之財務總監。於二零一零年一月至二零二零年三月，彼擔任融捷投資控股集團有限公司（一家中國知名投資公司）之投資總監。於二零一五年十月至二零二零年三月，曹先生擔任格豐環保科技有限公司之董事會副主席。自二零一二年十二月起，彼擔任安華農業保險股份有限公司及深圳市華訊方舟科技有限公司之監事。自二零二零年三月起，曹先生擔任珠海長成投資管理有限公司之財務總監。

Directors and Senior Management 董事及高級管理層

SENIOR MANAGEMENT

Dr. Wang Matthew Yang (“**Dr. Wang**”), aged 52, joined Cybernaut International Holdings Company Limited on 12 May 2017 as Co-Chief Executive Officer of the Company. He currently serves as the President of Cybernaut Investment Group and Chief Scientist of 杭州賽智. He has been serving as senior director of IBM Global Technology Committee (one of 18 people worldwide), member of IBM American Innovation Leadership Committee, vice chairman of Center for China and Globalization (CCG), deputy director of China Big Data Expert Committee, deputy director of China National Committee of Cloud Computing Experts, council member of Council 2005 of Western Returned Scholars Association (WRSA), director of China Entrepreneurs Association, executive director of Zhejiang University Innovation Institute International (ZIII), visiting professor of Zhejiang University, Tsinghua University, China Europe International Business School and Cheung Kong Business School. He has served as IBM global vice president and general manager of China Development Laboratories (CDL). He is a holder of a doctorate degree in computer science from Vanderbilt University (范德堡大學) and a MBA degree from George Washington University (喬治華盛頓大學).

Dr. Wang joined IBM since 1998 and he was first appointed as the chief architect of IBM's global supply chain for personal computers. After that, he was subsequently appointed as the senior project director of IBM's global services department, being in charge of some projects in the aspects of electronics, automobile, petroleum and others, with the funds involved reaching several billion US Dollars. He also helped IBM to establish the outsourcing center in India.

高級管理層

王陽博士 (「**王陽博士**」), 52歲, 於二零一七年五月十二日加入賽伯樂國際控股有限公司擔任聯席行政總裁, 現任賽伯樂投資集團總裁及杭州賽智首席科學家。彼曾任IBM全球技術委員會資深董事(全球18人之一), IBM美國創新領導委員會委員, 中國與全球化智庫CCG副主席, 中國國家大數據專家委員會副主任委員, 中國國家雲端計算專家委員會副主任, 歐美同學會2005理事會理事, 中國企業家協會理事, 浙江大學國際創新研究院執行院長, 浙江大學、清華大學、中歐商學院和長江商學院客座教授。彼曾任IBM全球副總裁兼中國開發中心總經理。彼擁有美國范德堡大學電腦科學博士學位及喬治華盛頓大學工商管理學碩士學位。

自一九九八年加入IBM後, 王陽博士首先擔任IBM個人電腦全球供應鏈總架構師, 隨後又成為IBM全球服務部高級項目總監。擔任總監期間, 其負責的專案包括電子、汽車、石油等多個領域, 而涉及的資金高達數十億美元。彼亦協助IBM建立了在印度的外包中心。

Directors and Senior Management 董事及高級管理層

In 2002, Dr. Wang joined the Research and Development Department in his capacity being the executive assistant to the president of IBM's Global Research and Development Center. His main job duties were to develop research in respect of technological development and strategic direction. Innovation Frontier Engineering, led by him, was a part of the national innovation plan of the U.S. and was directly initiated by the U.S. President. Since 2006, Dr. Wang was seconded to station at the headquarters of Asia Pacific region and was appointed as the general manager of IBM's Software Technical Sales. His duties were to lead more than 2000 professionals in respect of technical sales and services distributed in the Greater China, Japan, Korea, Australia, New Zealand, India and some Southeast Asia countries, being dedicated to provide the customers with various software and industrial solutions.

In 2008, Dr. Wang served as IBM global vice president and general manager of the China Development Laboratories (CDL), promoting the implementation of IBM's cooperation with the Chinese government and universities, including participation in the Seattle China-US Internet Forum, leading more than 5,000 people in Beijing, Shanghai, Taipei, Guangzhou and Shenzhen. On 1 March 2016, Dr. Wang announced its accession to Cybernaut Investment Group, which manages more than RMB60 billion M&A funds for investments in overseas assets, especially equity, and connects domestic industries. It uses technology, capital, and international methods to enhance domestic investment, industrial transformation, upgrading and development.

二零零二年，王陽博士又以IBM全球研發中心總經理行政助理的身份加入了研發部，主要負責針對科技發展戰略方向的研究。其領導的創新前沿工程，是美國國家創新計劃的一部分，並由美國總統直接發起。自二零零六年起王陽博士被公司派駐亞太總部，擔任IBM軟體技術銷售總經理，領導分佈在大中華、日本、韓國、澳大利亞、紐西蘭、印度及其他東南亞國家等的2,000多名技術銷售及服務人員，致力為客戶提供各種軟件和行業的解決方案。

二零零八年，王陽博士出任IBM全球副總裁兼中國開發實驗室總經理，帶領北京、上海、臺北、廣州和深圳的5,000多人的研發團隊，推動落實IBM與中國政府、高校的合作，並包括參加在西雅圖的中美互聯網論壇。二零一六年三月一日，王陽博士宣佈加入賽伯樂投資集團，管理其人民幣600億元的收購合併基金，投資海外資產，特別是與本地工業連繫的股權投資；以科技、資本及國際化的手段提升國內產業轉型，升級及發展。

Directors and Senior Management 董事及高級管理層

Mr. Lee Yim Stephen, aged 44, is currently the director of Soaring International Limited (Soaring), which holds 100% owns equity interest of VT Zero Limited. As the director of the Soaring enterprise, he oversees the eCommerce division of the group companies, and also acts as the CEO of VT Zero Limited. Mr. Lee was graduated with a BA (Hons) Finance from Hong Kong University in 1998. With his enthusiasm in information technology field, he joined Innaworks Ltd as development specialist from 1999 to 2001. And from 2002 to 2005, he held the position as senior developer in Tai Fook Securities Limited and Emperor Capital Group. With his years of past experience in IT sector and as software developer in the finance industry, Mr. Lee founded the eBusiness startup named VT Zero Limited in 2007. Prior to his startup business, he was a Project Manager in UBS business group. With his strong experience in software development and insight on internet shopping, Mr. Lee managed the business of VT Zero Limited to achieve an yearly turnover of HK\$10 million within the first two years. Soaring International Limited enterprise is now the wholly-owned subsidiary of Cybernaut International Holdings Company Limited, with business majoring on eCommerce of branded electronic products and second hand mobile devices.

Mr. Ng Hang Fai Calvin, aged 43, is currently the business development director of Soaring International Limited, that was founded with his partner Mr. Lee Yim Stephen in 2007. Mr. Ng was graduated with a BA (Hons) Information Systems from City University of Hong Kong in 1998. Upon graduation, he joined Hong Kong International Terminals, IT Infrastructure division and Hutchison Ports and Portals.com until he served as development specialist in Innaworks Ltd. from 2000 to 2001. He also participated the development of online securities trading platform in TaiFook Securities during the period of 2002 to 2005. Then with his years of past experience in internet application on research and development in shipping and finance industry, Mr. Ng worked as a system analyst in CCASS division of HKEx until he joined Mr. Lee Yim Stephen to start the eBusiness venture in 2007. Mr. Ng has expertise on internet marketing and always aims at exploring more online sales channels for the Soaring International Limited enterprise, in a view to reach fast growing online shoppers all over the world.

李儼先生，44歲，現為Soaring International Limited (Soaring)董事，該公司擁有VT Zero Limited之100%股權。作為Soaring企業之董事，彼負責監督集團公司的電子商務部門，亦擔任VT Zero Limited之首席執行官。李先生於一九九八年畢業於香港大學，獲得金融學（榮譽）文學士學位。於一九九九年至二零零一年，彼懷著對資訊科技領域的熱情，加入無間科技有限公司並擔任發展專家。且自二零零二年至二零零五年，彼於大福證券有限公司及英皇證券集團擔任高級開發人員一職。憑藉著過去幾年於金融業的資訊科技及軟體開發經驗，李先生於二零零七年創立電子商務初創公司（即VT Zero Limited）。於創立初創公司業務前，彼為瑞士銀行業務集團之項目經理。李先生憑藉著其對軟件開發的豐富經驗及對互聯網購物的洞察，彼管理之VT Zero Limited業務於首兩年內的年度營業額即達到10,000,000港元。Soaring International Limited現為賽伯樂國際控股有限公司之全資附屬公司，其業務主要為品牌電子產品及二手移動裝置之電子商務。

吳恒輝先生，43歲，現為Soaring International Limited業務拓展總監，該公司為吳先生與李儼先生於二零零七年共同創立。吳先生於一九九八年畢業於香港城市大學，獲得信息系統（榮譽）文學士學位。於畢業後，在彼於二零零零年至二零零一年加入無間科技有限公司並擔任發展專家前，彼曾加入香港國際貨櫃碼頭、資訊科技基礎建設部門及Hutchison Ports and Portals.com。彼亦於二零零二年至二零零五年期間，參與大福證券之網上證券交易平台開發。其後在彼與李儼先生於二零零七年共同創辦電子商務公司前，吳先生憑藉著過去幾年於航運業及金融業之研發的互聯網應用經驗，擔任香港交易所中央結算及交收系統部門之系統分析師。吳先生擁有互聯網行銷專材，為接觸全球快速增長的網上消費者，彼持續致力為Soaring International Limited開發更多網上銷售渠道。

Directors and Senior Management 董事及高級管理層

Mr. Cheung Wing Lok Tommy, aged 38, joined the Company in 2014. He is currently the directors of its subsidiaries, namely 湖州賽樂弘教育科技有限公司 Huzhou Sai Le Hong Education Technology Limited (“湖州公司”, “Huzhou Company”), Time Credit Limited, Total Tycoon Limited, China Safety Holdings Limited and Happy Way Technology Limited of the Group. Mr. Cheung received his bachelor's degree in accountancy from Curtin University of Technology, Australia in 2006 and associate degree of Business Administration from HKU SPACE in 2004. He is currently an associate member of HKICPA and the full member of the CPA Australia. Prior to joining the Company, Mr. Cheung was an auditor and possessed over 7 years of experience in areas of auditing and accounting. Other than serving as subsidiaries' director, Mr. Cheung also involved in daily executive duties in the subsidiaries of the Group.

For the purpose of this section, “” denotes unofficial English translation.*

張永樂先生，38歲，於二零一四年加入本公司。為本集團附屬公司湖州賽樂弘教育科技有限公司（「湖州公司」）、友邦信貸有限公司、Total Tycoon Limited、中國安產控股有限公司及創欣科技有限公司之董事。張先生於二零零六年獲授澳洲科廷科技大學會計學專業學士學位及於二零零四年獲授香港大學專業進修學院工商管理學副學士學位。張先生目前為香港會計師公會會員及澳洲會計師公會正式會員。加入本集團之前，張先生是一位核數師及於核數及會計範疇擁有超過七年的經驗。除了作為附屬公司董事外，張先生職責亦包括本集團各附屬公司的行政工作。

Report of the Directors

董事會報告

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

PRINCIPAL ACTIVITIES

The Group is primarily engaged in the manufacturing and selling of paper converting equipment and other relating equipment, eCommerce, eCommerce solutions and related support services and selling of information technology products, money lending, as well as, provision of internet education services.

The Group's turnover is mainly derived from business activities in Mainland China. An analysis of the Group's income for the year is set out in note 9 to the financial statements.

Particulars of the Company's major subsidiaries as at 31 December 2019 are set out in note 45 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 153 and 154 of this report.

The state of the Group's affairs at 31 December 2019 is set out in the consolidated statement of financial position on pages 155 to 156 of this report.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2019.

The Company is not aware of any arrangement under which a shareholder of the Company has waived or agreed to waive any dividends.

董事謹此呈列本集團截至二零一九年十二月三十一日止年度之報告及經審核財務報表。

主要業務

本集團主要從事製造及銷售紙張加工設備及其他相關設備、電子商務、電子商務解決方案及相關支援服務及銷售資訊科技產品、放債以及提供互聯網教育服務。

本集團之營業額主要來自中國大陸之業務活動。本集團年內之收入分析載於財務報表附註9。

本公司於二零一九年十二月三十一日之主要附屬公司詳情載於財務報表附註45。

業績及股息

本集團截至二零一九年十二月三十一日止年度之業績載於本報告第153及154頁之綜合損益及其他全面收益表。

本集團於二零一九年十二月三十一日之財務狀況載於本報告第155至156頁之綜合財務狀況表。

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。

本公司並不知悉本公司股東已放棄或同意放棄任何股息之任何安排。

FIVE YEAR FINANCIAL SUMMARY

The result, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, are summarised on page 284 of this report.

PROPERTY, PLANT AND EQUIPMENT

Details of property, plant and equipment of the Group as at 31 December 2019 are set out in note 20 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 38 to the financial statements.

PUBLIC FLOAT

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

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

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

RESERVES AND DISTRIBUTABLE RESERVES

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

The Company's reserves available for distribution to its shareholders as at 31 December 2019 were nil (31 December 2018: nil).

五年財務概要

摘錄自經審核財務報表之本集團於過去五個財政年度之業績、資產及負債概要載於本報告第284頁。

物業、廠房及設備

本集團於二零一九年十二月三十一日之物業、廠房及設備詳情載於財務報表附註20。

股本

本公司股本變動詳情載於財務報表附註38。

公眾持股量

根據本公司於緊接本年報刊發前的最後實際可行日期獲得的公開資料及據董事所知，本公司證券的公眾持股量一直充足，符合上市規則的規定水平。

購買、出售或贖回本公司上市證券

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

儲備及可分派儲備

本集團儲備於年內之變動詳情載於綜合權益變動表。

於二零一九年十二月三十一日，本公司可分派予股東之儲備為零（二零一八年十二月三十一日：零）。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales and purchases for the year attributable to the Group's major customers and suppliers are as follows:

	Percentage of the total purchases/ sales accounted for
Purchases	
– the largest supplier	9%
– five largest suppliers combined	17%
Sales	
– the largest customer	3%
– five largest customers combined	10%

None of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in the five largest suppliers or customers of the Group noted above.

At no time during the year under review, none of the Directors, their associates or shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) has any interest in the customers or suppliers disclosed above.

主要客戶及供應商

本集團主要客戶及供應商所佔本年度之銷售及採購額百分比如下：

	佔採購／ 銷售總額 百分比
採購	
– 最大供應商	9%
– 五大供應商合計	17%
銷售	
– 最大客戶	3%
– 五大客戶合計	10%

概無本公司董事、彼等之聯繫人或任何股東（就董事所知擁有本公司已發行股本5%以上者）在上述本集團五大供應商或客戶中擁有權益。

於回顧年度內任何時間，董事、彼等之聯繫人或股東（就董事所知擁有本公司已發行股本5%以上者）概無於上述披露之客戶或供應商中擁有任何權益。

ENVIRONMENTAL POLICIES

The Group has always kept our sustainable development that aligns with the harmonious relationship to the environment and committed to pay close attention to conserving natural resources. The Group strives to minimize our environmental impact by water-recycling initiatives, sewage treatment implementation, energy saving and wastage reduction, and encouraging recycle of office supplies and other materials. On gas emission, advanced equipments have been employed in various production procedures to recover part of the wastage particulates generated during production process and minimize the emission to the fullest extent. The Group dedicates to improving equipment efficiency and quality management in order to reduce power consumption. It also requires our factories to operate in strict compliance with the relevant environmental regulations and rules and possess all necessary permission and approval from the relevant PRC regulators.

The Group always insist on the ideology on issues of environmental protection, being conventional, safe and clean. To enhance environmental awareness and encourage daily participation among staff in the continuous improvement of environmental protection, the Group implements green office practices, such as implementing paperless practice whenever possible and engaging staff regularly on low carbon office measures.

環境政策

本集團向來維持與環境和諧共存的可持續發展，並密切注視保護天然資源。本集團透過水資源循環再用措施、落實污水處理、節能及減廢以及鼓勵循環再用辦公室用品及其他物料，致力將對環境的影響減至最低。就氣體排放而言，我們已在數個生產程序使用高端設備，以收回部分於生產工序產生的廢氣微粒及在最大範圍內減低廢氣排放。本集團致力改善設備效率及品質管理以減低能源消耗，亦要求工廠在嚴格遵守相關環保法規及規則的情況下營運，並須具備一切由相關中國監管機構所發出的必要許可及批准。

本集團一向秉持常規化、安全及潔淨等環境保護意識形態。為提升環保意識及鼓勵員工日常持續參與環保改進，本集團落實綠色辦公室措施，如在可行情況下實施無紙化作業，以及促成員工恆常地實行低碳辦公室措施。

Report of the Directors

董事會報告

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Board recognizes that employees, customers and business partners are the keys to the sustainable development of the Group. The Group is committed to building a close and caring relationship with its employees and business partners and improving the quality of services to the customers. Employees are regarded as the most important and valuable assets of the Group. The Group ensures all staff is reasonably remunerated and its workers are provided with regular training courses on operation of different types of machinery, as well as work safety. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. It is committed to maintain a high standard of corporate social governance essential for creating a framework for motivating staff, and contributes to the community in which we conduct our businesses and creates a sustainable return. It also stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group has compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing obligation to monitor adherence and compliance with all significant legal and regulatory requirements. Our Audit Committee is delegated by the Board to monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time. Since the Group has subsidiaries in China and Hong Kong, the establishments and operations shall comply with relevant laws and regulations in the PRC and Hong Kong. During the year ended 31 December 2018 and up to the date of this annual report, the Group's operation has complied with all the relevant laws and regulations in the PRC and Hong Kong in all material respects.

與僱員、客戶及供應商的主要關係

董事會深明僱員、客戶及業務夥伴乃本集團達致可持續發展的要素。本集團致力與其僱員及業務夥伴建立緊密及關懷的關係，並提升向客戶提供的服務質素。僱員乃本集團最重要及最寶貴的資產。本集團確保所有員工均得到合理報酬，而工人亦定期接受操作不同類型機器及工作安全的培訓課程。本集團致力透過清晰的晉升階梯及提供提升及改善員工技能的機會激勵僱員，亦致力保持對建構激勵員工的框架至為重要的高水平企業社會管治，並對我們經營業務所在的社區作出貢獻以及創造可持續回報。本集團亦與其客戶及供應商保持聯繫，並透過電話、電子郵件及面對面會議等不同渠道保持持續溝通，以獲得彼等的反饋及建議。

遵守法律及法規

本集團設有合規及風險管理政策及程序，而高級管理層成員已獲委派監控遵從及遵守所有重大法律及監管規定的持續責任。審核委員會已獲董事會委派監控本集團遵守法律及監管規定的政策及常規之責任，而有關政策乃獲定期檢討。相關僱員及相關營運單位將不時留意適用法律、規則及法規的任何變動。由於本集團在中國及香港均設有附屬公司，故該等機構及營運均須遵守中國及香港的相關法律及法規。於截至二零一八年十二月三十一日止年度及直至本年報日期，本集團的營運已在所有重大方面遵守中國及香港的一切相關法律及法規。

DIRECTORS, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

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

Executive Directors

Mr. Zhu Min (*Chairman*)
Dr. Chen Huabei
Mr. Lu Yongchao
Ms. Yip Sum Yu¹
Mr. Sin Kwok Wai Ronald²
Mr. Xu Yejun³

Non-executive Directors

Mr. Chow Chi Wa
Ms. Yip Sum Yu²

Independent Non-executive Directors

Mr. Tong Yiu On
Mr. Li Yik Sang
Mr. Cao Ke

Chief Executive Officer

Mr. Wang Matthew Yang

Chief Financial Officer

Mr. Sin Kwok Wai Ronald¹

- ¹ Appointed on 13 March 2020
² Resigned on 13 March 2020
³ Resigned on 10 October 2019

DIRECTORS' PROFILES

Directors' profiles are set out on pages 109 to 115 of this report.

董事、行政總裁及財務總監

於年內直至本報告日期之董事如下：

執行董事

朱敏先生 (*主席*)
陳化北博士
呂永超先生
葉芯瑜女士¹
冼國威先生²
徐葉君先生³

非執行董事

周志華先生
葉芯瑜女士²

獨立非執行董事

唐耀安先生
李奕生先生
曹克先生

行政總裁

王陽先生

財務總監

冼國威先生¹

- ¹ 於二零二零年三月十三日獲委任
² 於二零二零年三月十三日辭任
³ 於二零一九年十月十日辭任

董事履歷

董事履歷載於本報告第109至115頁。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Zhu Min's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive director and chairman of the Company will be determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

Dr. Chen Huabei's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive director of the Company will be determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

Mr. Lu Yongchao's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive director of the Company will be determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

Mr. Sin Kwok Wai Ronald was appointed for an initial term of three years commencing from 10 October 2014 renewable automatically for a successive term of three year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Sin or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

董事服務合約

朱敏先生之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事兼主席之薪酬將由本公司薪酬委員會及董事會參考朱先生於本公司之職責及責任及現行市況後釐定。

陳化北博士之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事之薪酬將由本公司薪酬委員及董事會參考陳博士於本公司之職責及責任及現行市況而釐定。

呂永超先生之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事之薪酬將由本公司薪酬委員及董事會參考呂先生於本公司之職責及責任及現行市況而釐定。

冼國威先生之任期由二零一四年十月十日起計，初步為三年，於當時委任期屆滿後翌日起將自動更新及延長三年任期，直至由冼先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

Report of the Directors 董事會報告

Mr. Xu Yejun, entered into a service contract with our Company pursuant to which he agreed to act as an executive Director for an initial term of three years with effect from 7 June 2010. The term of service shall be renewed and extended automatically by one year on the expiry of such initial term and on the expiry of every successive period of one year thereafter, unless either party has given at least three months' written notice of non-renewal before the expiry of the then existing term.

Mr. Chow Chi Wa, our non-executive Director was appointed for an initial term of one year commencing from 27 November 2013 renewable automatically for successive term of one year each commencing from the next day after the expiry of then current term of appointment, unless terminated by either party has given at least three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Ms. Yip Sum Yu has entered into a service contract with the Company. Her appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. Ms. Yip is initially entitled to a remuneration of HK\$144,000 per annum which has been reviewed by the remuneration committee and determined by the Board with reference to her duties and responsibilities with the Company and the prevailing market situation.

徐葉君先生已與本公司訂立服務合約，據此彼同意自二零一零年六月七日起擔任執行董事，初步為期三年。任期將於初步任期屆滿或之後每年任期屆滿時自動續期一年，直至任何一方於現行任期屆滿前向另一方發出不少於三個月之書面通知不予續期為止。

周志華先生獲委任為本公司非執行董事，彼初步委任期自二零一三年十一月二十七日起計為期一年，於當時委任期屆滿後翌日起將自動續期一年，直至由任何一方在初步任期屆滿時或其後任何時間發出至少三個月之書面通知終止為止。

葉芯瑜女士已與本公司訂立服務合約。其委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。葉女士初步有權收取薪酬每年144,000港元，該薪酬已經薪酬委員會審閱，並經董事會參考其於本公司之職責及責任及現行市況後釐定。

Report of the Directors 董事會報告

Mr. Tong Yiu On was appointed for an initial term of one year commencing from 10 October 2014 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Tong or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Mr. Li Yik Sang was appointed for an initial term of one year commencing from 10 October 2014 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Li or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Mr. Cao Ke, our independent non-executive Director was appointed for an initial term of three years, subject to retirement by rotation at the annual general meeting of the Company in accordance with the Company's articles of association. Mr. Cao will be entitled to a director's fee to be determined by the Board based on his anticipated effort and expertise to be exercised on the Company's affairs.

No Director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group to protect the Directors and officers of the Group against any potential liability arising from the Group's activities which such Directors and officers may be held liable.

唐耀安先生之任期由二零一四年十月十日起計，初步為一年，於當時委任期屆滿後翌日起將自動更新及延長一年任期，直至由唐先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

李奕生先生之任期由二零一四年十月十日起計，初步為一年，於當時委任期屆滿後翌日起將自動更新及延長一年任期，直至由李先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

本公司獨立非執行董事曹克先生獲委任之初始年期為三年，須根據本公司之組織章程細則於本公司股東週年大會上輪值退任。曹先生將有權享有董事袍金。董事袍金由董事會根據曹先生預期對本公司事務付出之努力及提供之專業服務而釐定。

在應屆股東週年大會上建議重選之董事概無訂有本公司不可於一年內免付賠償（一般法定賠償除外）而終止之未屆滿服務合約。

為保障本集團董事及高級職員免於負上因本集團業務活動而產生的潛在責任，本公司已為本集團董事及高級職員安排適當之董事及高級職員責任保險。

DIRECTORS' INTERESTS IN CONTRACTS

Apart from the particulars disclosed in note 42 under the heading "Related party transactions" to the financial statements, there were no other transaction, arrangement or contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party nor there were any other transaction, arrangement or contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries subsisting at the end of the year or at any time during the year in which a Director or an entity connected with a Director had, whether directly or indirectly, a material interest.

No contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into.

DIRECTORS' INTEREST IN SHARES

As at 31 December 2019, so far as was known to the Directors of the Company, our Chief Executive Officer of the Company had an interest or short position in the shares and underlying shares of the Company, which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

董事於合約之權益

除財務報表附註42「關連方交易」所披露之詳情外，於年終時或年內任何時間，本公司或其附屬公司並無訂有與本公司業務有關而董事或董事之關連實體直接或間接擁有重大權益之任何其他重大交易、安排或合約，而本公司與其附屬公司之間亦無訂有與本公司業務有關而董事或董事之關連實體直接或間接擁有重大權益之任何其他重大交易、安排或合約。

本公司或其任何附屬公司與本公司或其任何附屬公司之控股股東（定義見上市規則）之間概無訂立任何重大合約。

概無訂立本公司或其任何附屬公司之控股股東向本公司或其任何附屬公司提供服務之重大合約。

董事於股份之權益

於二零一九年十二月三十一日，就本公司董事所知，本公司行政總裁於本公司股份及相關股份中擁有須根據證券及期貨條例第336條登記於本公司存置的登記冊之權益或淡倉如下：

Report of the Directors

董事會報告

Long and short positions in the Shares and underlying Shares

於股份及相關股份之好倉及淡倉

Name of Shareholder	Nature of interest	Number of securities held (Note 1)	Interest in underlying Shares of share option (Note 1)	Approximate percentage of shareholding (%)
股東姓名／名稱	權益性質	所持證券數目 (附註1)	購股權之 相關股份權益 (附註1)	概約股權 百分比 (%)
Mr. Zhu Min 朱敏先生	Interest in a controlled corporation 受控制法團權益	356,000,000 Shares (L) 356,000,000股股份(L)	–	8.96%
Mr. Sin Kwok Wai Ronald 冼國威先生	Interest in a controlled corporation 受控制法團權益	17,452,000 Shares (L) 17,452,000 股股份(L)	–	0.44%
Mr. Lu Yongchao 呂永超先生	Interest in a controlled corporation 受控制法團權益	6,100,000 Shares (L) 6,100,000股股份(L)	–	0.15%
Cybernaut International Limited 賽伯樂國際有限公司	Beneficial owner 實益擁有人	634,284,000 Shares (L) 634,284,000股股份(L)	–	15.95%

Notes:

附註：

- The letter "L" denotes the person's long position in our Shares.
- Cybernaut International Limited is the legal and beneficial owner of approximately 15.95% of the entire issued share capital of the Company. Cybernaut International Limited is wholly owned by Mr. Zhu Min.

- 「L」代表該人士於本公司股份之好倉。
- 賽伯樂國際有限公司為本公司全部已發行股本約15.95%的合法及實益擁有人。賽伯樂國際有限公司由朱敏先生全資擁有。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

The Directors and the chief executive officer of the Company are not aware that there is any party who, as at 31 December 2019, had interests or short positions in the shares and underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SHARE OPTION SCHEME

The Company operates a share option scheme (the “**Share Option Scheme**”), which was adopted on 7 June 2010 (the “**Adoption Date**”), for the purpose of providing incentives or rewards to selected eligible participants for their contribution to the Group. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for ten years from the Adoption Date.

Eligible participants of the Share Option Scheme include the following:

- (i) any employee (whether full time or part time) of the Group or any entity (the “**Invested Entity**”) in which any member of the Group holds any equity interest (including any executive director but excluding any non-executive director of the Group or any Invested Entity);

主要股東之權益

就本公司董事及行政總裁所知，於二零一九年十二月三十一日，並無任何人士在本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有可於任何情況下在本公司或按本公司須根據證券及期貨條例第336條存置的登記冊所記錄的主要股東的股東大會上投票之任何類別股本的面值5%或以上之權益。

購股權計劃

本公司設有一項購股權計劃（「**購股權計劃**」），該計劃於二零一零年六月七日（「**採納日期**」）採納，目的是向經甄選合資格參與者提供獎勵或報酬，以表揚彼等對本集團作出之貢獻。除非另行取消或修訂，否則購股權計劃將由採納日期起一直有效，為期十年。

購股權計劃之合資格參與者包括以下人士：

- (i) 本集團或本集團任何成員公司持有股權之任何實體（「**被投資實體**」）之任何僱員（不論全職或兼職）（包括本集團或任何被投資實體的任何執行董事但不包括其任何非執行董事）；

Report of the Directors

董事會報告

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| (ii) any non-executive directors (including independent non-executive directors) of the Group or any Invested Entity; | (ii) 本集團或任何被投資實體之任何非執行董事（包括獨立非執行董事）； |
| (iii) any supplier of goods or services to any member of the Group or any Invested Entity; | (iii) 向本集團任何成員公司或任何被投資實體提供貨品或服務之任何供應商； |
| (iv) any customer of the Group or any Invested Entity; | (iv) 本集團或任何被投資實體之任何客戶； |
| (v) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; | (v) 向本集團或任何被投資實體提供研究、開發或其他技術支持之任何人士或實體； |
| (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; | (vi) 本集團任何成員公司或任何被投資實體之任何股東或本集團任何成員公司或任何被投資實體所發行任何證券之持有人； |
| (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and | (vii) 就本集團或任何被投資實體的業務或業務發展之任何範疇提供意見之任何顧問（專業或其他方面）或諮詢人；及 |
| (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliances or other business arrangement to the development and growth of the Group. | (viii) 透過合作經營、業務聯盟或其他業務安排，對本集團的發展及增長作出貢獻或可能作出貢獻之任何組別或類別之參與者。 |

The maximum number of Shares issuable upon exercise of the options which may be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

於任何12個月期間內，每名參與者因行使根據購股權計劃及本集團任何其他購股權計劃可授出的購股權（包括已行使及尚未行使的購股權）而可獲發行之股份最高數目，不得超過本公司當時之已發行股本之1%。任何進一步授出超出該上限之購股權，須經股東在股東大會上批准。

Report of the Directors 董事會報告

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the options). In addition, where any grant of share options to a substantial shareholder or an independent non-executive Director, or to any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in excess of 0.1% of the Shares in issue and with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, in a 12-month period up to and including the date of grant, such grant of share options are subject to Shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, whose period may commence from the date of acceptance of the offer for the grant of share options but shall end in any event not later than 10 years from the date of the grant of the option subject to the provisions for early termination under the Share Option Scheme.

The subscription price for Shares under the Share Option Scheme shall be a price determined by the Board, but shall not be less than the highest of:

- (i) the closing price of Shares as stated in the daily quotations sheet of the Stock Exchange on the date of the offer of the grant, which must be a trading day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and
- (iii) the nominal value of a Share.

向本公司董事、行政總裁或主要股東或向任何彼等各自之聯繫人（定義見上市規則）授出購股權，須事先經獨立非執行董事（不包括身為購股權承授人之獨立非執行董事）批准。此外，倘若向主要股東或獨立非執行董事或彼等各自之聯繫人授出任何購股權，將導致於截至授出日期（包括該日）止12個月期間內，有關人士因行使所有已獲授及將獲授之購股權（包括已行使、註銷及尚未行使之購股權）而獲發行及將獲發行之股份，超出已發行股份的0.1%，且總值（根據授出日期之股份收市價計算）超出500萬港元，則上述授出購股權須經股東在股東大會上批准。

授出的購股權可於授出日期起計21日內，由承授人支付象徵式代價1港元而接納。所授出購股權之行使期由董事會釐定，而該期間由所授出購股權獲接納日期開始，而無論如何不得遲於授出購股權日期後第10年屆滿，惟可根據購股權計劃的有關條文而提早終止。

根據購股權計劃認購股份之認購價將由董事會釐定，惟不得低於下列最高者：

- (i) 於授出日期（須為交易日）聯交所每日報價表所示之股份收市價；
- (ii) 於緊接授出日期前五個交易日在聯交所每日報價表所示之股份平均收市價；及
- (iii) 每股面值。

Report of the Directors

董事會報告

Since the Adoption Date and up to 31 December 2019, 120,000,000 share options has been granted by the Company, representing 3.02% of the issued share capital of the Company as at 31 December 2019.

由採納日期直至二零一九年十二月三十一日，本公司已授出120,000,000份購股權，相等於本公司於二零一九年十二月三十一日之已發行股本3.02%。

MOVEMENT OF THE SHARE OPTIONS

購股權變動

Movements of the share options which were granted under the Share Option Scheme, during the year under review were listed below in accordance with Rule 17.07 of the Listing Rules:

根據上市規則第17.07條，於回顧年間根據購股權計劃授出之購股權變動如下：

Grantee 承授人	Date of grant 授出日期	Exercise price (HK\$) 行使價 (港元)	Outstanding as at 1 January 2019 於二零一九年 一月一日 尚未行使		Number of share option 購股權數目			Outstanding as at 31 December 2019 於二零一九年 十二月三十一日 尚未行使
			Granted 已授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效		
Employees								
僱員								
Employees	13 January 2016	0.315	80,000,000	-	-	-	(80,000,000)	-
								(Note 1)
僱員	二零一六年一月十三日							(附註1)
	7 May 2019	0.198	-	120,000,000	-	-	-	120,000,000
								(Note 2)
	二零一九年五月七日							(附註2)
Total			80,000,000	120,000,000	-	-	(80,000,000)	120,000,000
總計								

Report of the Directors 董事會報告

Notes:

1. These options should be valid for a term of three years commencing from 13 January 2016. The closing price of the Company's shares on 13 January 2016 (the trading day immediately before the date on which these options were granted) was HK\$0.30.
2. These options should be valid for a term of three years commencing from 7 May 2019. The closing price of the Company's shares on 7 May 2019 (the trading day immediately before the date on which these options were granted) was HK\$0.196.

The fair value of equity-settled share options granted during the year ended 31 December 2019 was estimated as at the date of grant, using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	0.00
Expected volatility (%)	40
Risk-free interest rate (%)	1.638
Expected life of options (year)	1.50
Closing share price at grant date (HK\$)	0.198

The expected life of the options is based on management expectation and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The fair value of equity-settled share options granted during the year was approximately RMB6,040,000 (2018: Nil) of which the Group recognised a share option expense of approximately RMB5,956,000 (2018: Nil) during the year ended 31 December 2019.

附註：

1. 該等購股權有效期為三年，自二零一六年一月十三日起生效。本公司股份於二零一六年一月十三日（緊接該等購股權授出日期前的交易日）的收市價為0.30港元。
2. 該等購股權有效期為三年，自二零一九年五月七日起生效。本公司股份於二零一九年五月七日（緊接該等購股權授出日期前的交易日）的收市價為0.196港元。

於截至二零一九年十二月三十一日止年度，授出之股本結算購股權之公平值乃於授出購股權日期以「柏力克－舒爾斯」期權定價模式作出估計，並經計及所授購股權之條款及條件。下表載列所採用模式之參數：

派息率(%)	0.00
預期波幅(%)	40
無風險利率(%)	1.638
購股權之估計年期(年)	1.50
於授出日期之收市價(港元)	0.198

購股權之估計年期乃根據管理層預期釐定，並不一定標示可能出現之行使規律。預期波幅反映歷史波幅可標示未來趨勢之假設，但未必為實際結果。

年內授出之股本結算購股權之公平值為約人民幣6,040,000元（二零一八年：零），其中本集團於截至二零一九年十二月三十一日止年度確認一項購股權開支約人民幣5,956,000元（二零一八年：零）。

Report of the Directors

董事會報告

EMPLOYEES' INTEREST IN SHARE OPTION SCHEME

At no time during the year ended 31 December 2019 was the Company or any of its subsidiaries a party to any arrangement to enable the employees or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Option Scheme" and "Directors' Interest in Shares" above, at no time during the year under review was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

PLACING OF SHARES

Reference is made to the announcement made by the Company, relating to the placing under general mandate completed on 2 February 2017. The net proceeds from the Placing of approximately HK\$176.6 million (the "Placing Proceeds") had been fully utilized during year 2019.

MATERIAL TRANSACTION

Reference is made to the announcement made by the Company on 1 August 2018, relating to the disposal of the subsidiary ("Disposal") of the Company, where the Sale Shares represents 100% of the issued share capital of the Disposal Company ("Sinoref (BVI) Limited"). The discontinued operation are re-represented as set out in note 43 to the financial statements. The material transaction of Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

僱員於購股權計劃之權益

於截至二零一九年十二月三十一日止年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使僱員或彼等之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份而獲益。

購買本公司證券之權利

除上文「購股權計劃」及「董事於股份之權益」兩節所披露者外，於回顧年度內任何時間，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使本公司之董事或行政總裁或彼等各自之聯繫人（定義見上市規則）有任何權利認購本公司或其相聯法團（定義見證券及期貨條例）之證券，或可藉購入本公司或任何其他法人團體之股份或債券而獲益。

股份配售

茲提述本公司有關於二零一七年二月二日完成根據一般授權進行配售的公佈。配售事項的所得款項淨額約176,600,000港元（「配售事項所得款項」）已於二零一九年全數動用。

重大交易

茲提述本公司於二零一八年八月一日刊發之公佈，內容有關出售本公司附屬公司（「出售事項」），其中銷售股份即出售公司（「Sinoref (BVI) Limited」）之100%已發行股本。已終止經營業務按財務報表附註43所載重新呈列。根據上市規則第十四章，出售事項之重大交易構成本公司之主要交易。

CONNECTED TRANSACTION

The Company received the Auditor's Certificate confirming that the 2nd and 3rd guaranteed profit for the 2nd and 3rd guaranteed period had been fulfilled in the business and set out in note 37. Accordingly, the Company issued the 2nd and 3rd Promissory Note in the principal amount of HK\$110 million to the Vendor or its nominee(s) during the year ended 31 December 2019 as set out in note 37, for the partial settlement of the Consideration pursuant to the Sale and Purchase Agreement dated 26 July 2017 which constitutes a discloseable connected transaction as defined under the Listing Rules.

COMPETING INTERESTS

None of the Directors or the substantial shareholders of the Company and their respective associates (as defined under the Listing Rules) had any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group during the year and up to the date of this report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

MANAGEMENT CONTRACTS

No contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year, other than those are disclosed in this report.

關連交易

本公司接獲核數師證明書，證明第二及第三個保證期間的第二及第三保證溢利已於業務過程中獲達成，詳情載於附註37。因此，誠如附註37所載，本公司於截至二零一九年十二月三十一日止年度根據日期為二零一七年七月二十六日之買賣協議向賣方或其提名人發行本金額110,000,000港元之第二及第三批承兌票據，用於支付部分代價，其構成上市規則項下所定義之須予披露關連交易。

競爭權益

於年內及直至本報告日期，本公司董事或主要股東及彼等各自之聯繫人（定義見上市規則）概無在與本集團業務競爭或可能構成競爭的業務中擁有任何權益，或與本集團有任何其他利益衝突。

優先購買權

本公司組織章程細則或開曼群島法例並無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

管理合約

除於本報告所披露者外，年內並無訂立或存在有關本公司全部業務或其中任何重要部份的管理及行政之重大合約。

Report of the Directors

董事會報告

DIRECTORS' INTEREST IN COMPETING BUSINESS

Save as disclosed in this report, as of 31 December 2019, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

EMOLUMENT POLICY

The emolument policy of the employees and senior management of the Group is set by the remuneration committee of the Company on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to market competitiveness, individual performance and achievement.

The Company has adopted a share option scheme as an incentive to among other Directors and other eligible employees of the Group. Details of the scheme are set out in note 39 to the financial statements.

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

CHARITABLE DONATIONS

The Group had no charitable donations during the year ended 31 December 2019.

董事於競爭業務中擁有的權益

除於本報告所披露者外，截至二零一九年十二月三十一日，董事及彼等各自的聯繫人概無於與本集團從事的業務競爭或可能與之競爭的任何業務中擁有權益。

酬金政策

本集團僱員及高級管理層之酬金政策乃由本公司薪酬委員會根據有關人士之專長、資歷及能力而制訂。

董事之酬金乃由本公司薪酬委員會經考慮市場競爭力、個人表現及績效而決定。

本公司已採納購股權計劃，作為（其中包括）本集團董事及其他合資格僱員之獎勵，有關該計劃之詳情載於財務報表附註39。

企業管治

本公司企業管治常規詳情載於本年報「企業管治報告」一節。

慈善捐款

本集團於截至二零一九年十二月三十一日止年度並無慈善捐款。

Report of the Directors

董事會報告

BUSINESS REVIEW

Please refer to the section headed “Management discussion and analysis” in this annual report for a business review and the future prospects of the Company. Please refer to the notes to the financial statements in this annual report for the principal financial risks faced by the Company. Please refer to Note 44 to the financial statements in this annual report for the important events of the Company after the financial year ended 31 December 2019.

DIVIDEND POLICY

The Board may declare dividends in the future after taking into account the Group’s operations, earnings, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to the Company’s constitutional documents and the Companies Law, including the approval of the Shareholders. Future declarations of dividends may or may not be reflected from the Company’s historical declarations of dividends and will be at the absolute discretion of the Board.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the requirements as set out in the Listing Rules for the purposes of reviewing and supervising the financial reporting process and internal controls of the Group.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tong Yiu On (Chairman), Mr. Li Yik Sang and Mr. Cao Ke. The Audit Committee has reviewed and discussed with the management and the external auditor for the financial reporting matters including the annual results for the year ended 31 December 2019.

業務回顧

有關本公司業務回顧及未來前景，請參閱本年報「管理層討論與分析」一節。有關本公司面對的主要財務風險，請參閱本年報內財務報表附註。有關本公司於截至二零一九年十二月三十一日止財政年度後之重要事項，請參閱本年報內財務報表附註44。

股息政策

董事會日後可考慮本集團的營運、盈利、財務狀況、現金需求及可用性以及其他當時認為適切的其他因素而宣派股息。任何宣派及派付以及股息金額將受到本公司組織章程文件的規限，包括股東的批准。日後宣派股息未必一定從本公司過往股息宣派中得到反映，且將由董事會絕對酌情決定。

審核委員會

本公司已成立審核委員會，並已遵照上市規則所載規定制訂書面職權範圍，目的是檢討及監察本集團之財務申報程序及內部監控。

審核委員會成員現時包括三名獨立非執行董事，即唐耀安先生（主席）、李奕生先生及曹克先生。審核委員會已與管理層及外聘核數師一同審閱及討論財務申報事宜，包括截至二零一九年十二月三十一日止年度之全年業績。

Report of the Directors

董事會報告

AUDITOR

With effect from 29 January 2016, as Deloitte Touche Tohmatsu (“Deloitte”) and the Company could not reach a consensus on the audit fee for the financial year ended 31 December 2015, the Board appointed Elite Partners CPA Limited (“Elite”) as the new auditor of the Group to fill the vacancy occasioned by the resignation of Deloitte.

A resolution to re-appoint the retiring auditor, Elite Partners CPA Limited, will be proposed at the forthcoming annual general meeting.

By order of the Board

Cybernaut International Holdings Company Limited

Zhu Min

Director

Hong Kong, 14 May 2020

核數師

自二零一六年一月二十九日起，由於德勤•關黃陳方會計師行（「德勤」）與本公司未能就截至二零一五年十二月三十一日止財政年度的審計費達成共識，董事會委任開元信德會計師事務所有限公司（「開元信德」）為本集團的新任核數師，以填補德勤辭任所產生的空缺。

在應屆股東週年大會上將提呈決議案，續聘退任的開元信德會計師事務所有限公司為本公司核數師。

承董事會命

賽伯樂國際控股有限公司

董事

朱敏

香港，二零二零年五月十四日

Independent Auditor's Report 獨立核數師報告



TO THE MEMBERS OF CYBERNAUT INTERNATIONAL HOLDINGS COMPANY LIMITED

(incorporated in the Cayman Islands with limited liabilities)

OPINION

We have audited the consolidated financial statements of Cybernaut International Holdings Company Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 153 to 283, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards 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.

致賽伯樂國際控股有限公司列位股東

(於開曼群島註冊成立之有限公司)

意見

本核數師（以下簡稱「我們」）已審計列載於第153至283頁賽伯樂國際控股有限公司（「貴公司」）及其附屬公司（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及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，其中包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的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其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

意見基礎

我們已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。我們在該等準則下的職責於本報告中「核數師就審核綜合財務報表須承擔的責任」一節中有進一步闡述。根據香港會計師公會頒佈之《國際職業會計師道德守則》（「該守則」），我們獨立於貴集團，並已履行該守則中其他道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對我們審計本期綜合財務報表最為重要的事項。這些事項在我們審計整體綜合財務報表及達成我們對其的意見時處理，而我們不會對這些事項提供個別的意見。

Key audit matters

關鍵審計事項

Impairment assessment of goodwill and intangible assets

商譽及無形資產減值評估

As at 31 December 2019, the Group had goodwill and intangible assets of approximately RMB386 million and RMB72 million respectively, which were allocated to three cash generating units, namely Money lending, eCommerce and Internet education services (the "CGUs"). For the purpose of assessing impairment, the Group appointed an independent external valuer to assess the recoverable amount of the CGUs, which were determined by management based on the higher of value-in-use and fair value less costs of disposal. The valuation requires significant judgement made by management in determining the CGUs.

We had identified impairment assessment of goodwill and intangible assets as a key audit matter because significant management judgement was used to appropriately identify the CGUs and to determine the key assumptions including estimated future income, operating margins and discount rates. After the management assessment, management has concluded that there is an impairment loss of goodwill of approximately RMB61,225,000 during the year ended 31 December 2019.

於二零一九年十二月三十一日，貴集團之商譽及無形資產分別約人民幣386,000,000元及人民幣72,000,000元，其獲分配至三個現金產生單位，即放債、電子商務及互聯網教育服務（「現金產生單位」）。為評估減值，貴集團委任一名獨立外聘估值師評估現金產生單位之可收回金額，其乃由管理層根據使用價值和公平值減出售成本之較高者釐定。現金產生單位之釐定須由管理層作出重大判斷，方可完成。

由於管理層的重大判斷用於適當地識別現金產生單位及釐定關鍵假設（包括估計未來收益、經營利潤及折現率），故我們將商譽及無形資產減值評估識別為關鍵審計事項。經管理層評估後，管理層總結截至二零一九年十二月三十一日止年度之商譽減值虧損約為人民幣61,225,000元。

How the matter was addressed in our audit

我們的審計如何處理關鍵審計事項

Our audit procedures to address the impairment assessment of goodwill and intangible assets included the following:

我們處理商譽及無形資產減值評估的審計程序包括以下：

- Assessing the management's identification of CGUs based on our understanding of the Group's operations. 根據我們對貴集團經營的瞭解評估管理層對現金產生單位的識別。
- Assessing the reasonableness of the underlying cash flow projections prepared by management, used for the determination of the value-in-use of the CGUs, including but not limited to calculation methodology, assumptions, growth rate, operating margins and discount rates. 評估管理層編製的用於釐定現金產生單位使用價值的相關現金流量預測是否合理，包括但不限於計算方法、假設、成長率、經營利潤及折現率。
- Comparing the current year actual cash flows with the prior year cash flow projections to consider if the projections included assumptions that were overly optimistic. 將本年度的實際現金流量與上年的現金流量預測進行比較，以考慮預測所包含的假設是否過於樂觀。
- Testing on the accuracy and reliance of the input data used for the preparation of the cash flow projection on a sample basis. 按樣本基準測試用於編製現金流量預測的輸入數據是否準確及可靠。
- Assessing the sensitivity analysis on key assumptions being used in the cash flow project (e.g. using a range of higher discount rates and lower revenue growth rate). 評估用於現金流量預測的關鍵假設之敏感度分析（例如使用各項較高的折現率及較低的收入成長率）。

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獨立核數師報告

Key audit matters

關鍵審計事項

Impairment assessment of trade receivables

貿易應收款項減值評估

As at 31 December 2019, the Group had trade receivables of approximately RMB57 million, net of impairment. We had identified impairment of trade receivables as a key audit matter because significant judgements had to be made for the assessment of the recoverability for each debtor including trading history, credit history and estimated future cash flow.

於二零一九年十二月三十一日，貴集團扣除減值後之貿易應收款項約人民幣57,000,000元。由於評估每位債務人的可收回性須作出重大判斷方可完成，包括貿易歷史、信用歷史及估計未來現金流量，故我們將貿易應收款項減值識別為關鍵審計事項。

How the matter was addressed in our audit

我們的審計如何處理關鍵審計事項

Our audit procedures to address the impairment of trade receivables included the following:

我們處理貿易應收款項減值的審計程序包括以下：

- Testing the accuracy of the ageing of receivables balances on a sample basis.
按樣本基準測試應收款項餘額賬齡的準確性。
- Assessing the reasonableness of management's loss allowance estimates on trade receivables by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances.
透過檢查管理層達致有關判斷時所用資料，評估管理層對貿易應收款項的虧損撥備估計是否合理，包括測試歷史違約數據之準確性，根據當前狀況及前瞻性資料評估歷史虧損率是否已適當調整及檢查當前財政年度內錄得的實際虧損，並在確認虧損撥備時評估是否存在管理偏差的跡象。
- Testing on large individual aged receivables balances, understanding the rationale for management's provisioning decisions by reference to payment patterns during the year as well as other information available.
測試單項金額較大且賬齡較長的應收款項餘額，透過參考年內的付款模式及其他現有資料瞭解管理層撥備決定之理據。
- Assessing the level of cash collected by the business after the year end of past due receivable balances to consider any additional provisioning requirements.
評估於年末之後業務從逾期應收款項餘額中收回之現金水平，以考慮是否作出任何額外撥備要求。

Key audit matters

關鍵審計事項

Impairment assessment of loan receivables

應收貸款減值評估

As at 31 December 2019, the Group had loan receivables of approximately RMB139 million. During the year ended 31 December 2019, there is an impairment loss recognised of loan receivables of approximately RMB54,776,000. We had identified impairment assessment of loan receivables as a key audit matter because significant management judgement had to be made for the assessment of the recoverability of the receivables. (e.g. the credit history and estimated future cash flows).

於二零一九年十二月三十一日，貴集團之應收貸款約人民幣139,000,000元。於截至二零一九年十二月三十一日止年度內，貴集團確認應收貸款減值虧損約人民幣54,776,000元。由於評估該等應收款項的可回收性（例如信貸紀錄及未來現金流量之估計）須作出重大管理層判斷方可完成，故我們將應收貸款減值評估識別為關鍵審計事項。

How the matter was addressed in our audit

我們的審計如何處理關鍵審計事項

Our audit procedures to address the impairment assessment of loan receivables included the following:

我們處理應收貸款的減值評估的審計程序包括以下：

- Discussing with management if there is any indicator of impairment of the loan receivables and accessed the reasonableness of management's assessment, in particular, those balances had been past due.

與管理層討論應收貸款是否出現任何減值跡象，並取得管理層評估的合理性，尤其是該等結餘已逾期。

- Testing on a sample basis on the settlement made by the borrowers during the year and their subsequent settlement with reference to the repayment schedule.

按樣本基準並參照還款年期對借款人於年內償還之金額及期後償還之金額作出測試。

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Key audit matters 關鍵審計事項

How the matter was addressed in our audit 我們的審計如何處理關鍵審計事項

- Assessing the reasonableness of management's loss allowance estimates on loan receivables by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances.

透過檢查管理層達致有關判斷時所用資料，評估管理層對應收貸款的虧損撥備估計是否合理，包括測試歷史違約數據之準確性，根據當前狀況及前瞻性資料評估歷史虧損率是否已適當調整及檢查當前財政年度內錄得的實際虧損，並在確認虧損撥備時評估是否存在管理偏差的跡象。

- Reviewing and testing the Group's credit control policy over extension of existing loans and monitoring of interest repayments according to the terms as stipulated in the loan agreements.
- 根據貸款協議中規定的條款，審查及測試 貴集團的信貸控制政策，包括延長現有貸款及監督利息還款。

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Key audit matters

關鍵審計事項

CONTROL OVER 京師沃學(北京)教育科技有限公司 (CAPITAL WOWXUE (BEIJING) EDUCATION TECHNOLOGY LIMITED *) ("WOWXUE")

對京師沃學(北京)教育科技有限公司(「沃學」)之控制權

The directors of the Company, after consulting legal opinion, are of the view that the Group has control over Wowxue (defined in Note 46 to the consolidated financial statements) through the Contractual Arrangements (defined in Note 46 to the consolidated financial statements) and has accounted for it as a subsidiary of the Group during the year ended 31 December 2019 despite the absence of formal legal equity interest held by the Group in Wowxue. Please see Note 46 for details.

貴公司董事經諮詢法律意見後，認為 貴集團透過合約安排(定義見綜合財務報表附註46)擁有對沃學之控制權(定義見綜合財務報表附註46)，並於截至二零一九年十二月三十一日止年度將其作為 貴集團的附屬公司入賬，儘管 貴集團並未於沃學擁有正式法定股權。詳情請參見附註46。

How the matter was addressed in our audit

我們的審計如何處理關鍵審計事項

Our audit procedures to assess the control over 京師沃學(北京)教育科技有限公司 (Capital Wowxue (Beijing) Education Technology Limited) included the followings

我們評估對京師沃學(北京)教育科技有限公司之控制權之審計程序包含以下內容

- Reading the relevant agreements and other relevant documents, discussed with lawyer engaged by the Group, considered the relevant legal opinion provided by the Group and the requirements in the relevant accounting standard to determine whether the Contractual Agreements have given the Group control over Wowxue.

為釐定合約安排是否使 貴集團擁有沃學之控制權，閱讀相關協議及其他相關文件、與 貴集團聘請之律師討論，並考慮 貴集團所提供之相關法律意見及相關會計準則之規定。

- Assessing the Group's analysis and conclusions on whether or not it controls over Wowxue based on the Group's analysis on its power over Wowxue's relevant activities, and the magnitude and variability of variable returns from its involvement with Wowxue. We also evaluated the appropriateness of the Group's assessment on its legal or constructive obligation to absorb loss of Wowxue by reviewing relevant agreements or contracts, and whether the Group has provided liquidity support or credit enhancement to Wowxue.

評估 貴集團是否享有對沃學控制權的分析和結論。該評估是基於 貴集團對沃學相關活動的權力，以及通過運用該權力而享有的可變回報量級及波動性的分析。同時，我們通過審閱相關協議或合約評估了 貴集團是否對沃學承擔彌補虧損的法定或推定義務，及是否對沃學提供流動性支持或增信的判斷的恰當性。

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Key audit matters 關鍵審計事項

How the matter was addressed in our audit 我們的審計如何處理關鍵審計事項

- Assessing the Group's analysis and conclusions on the existence of Wowxue or significant influence over Wowxue. We made inquiries and inspections of the relevant contracts and agreements of investments to evaluate the Group's assessment of its power to control over Wowxue' relevant activities, or to participate in Wowxue and operating policy decisions.
評估 貴集團對沃學存在重大影響的分析和結論。我們通過問詢並查閱投資的相關合約和協議評估了 貴集團是否享有對沃學相關活動的控制權，或是否享有參與沃學和經營決策的權力。
- Reviewing the minutes of the meetings of Wowxue, the board of directors of Wowxue. We evaluated the Group's reassessment of its influence over Wowxue on a continuous basis if facts and circumstances indicated that there were changes. Furthermore, we checked the appropriateness of related disclosures of structured entity.
審閱沃學及沃學董事會的會議紀要。倘事實和情況表明發生了變化，我們將持續評估 貴集團對沃學影響的重新評估。另外，我們檢查了於結構化主體的相關披露是否恰當。

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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our 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 DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and such internal control as the directors determined 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報表及我們載於其中的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的保證結論。

就我們對綜合財務報表的審計，我們的責任乃細閱其他資料，並在此過程中考慮其他資料與綜合財務報表或我們在審計過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們須報告該事實。我們就此並無任何事項須報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司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綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為就編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，貴公司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準，除非貴公司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。

治理層有責任監督貴集團財務申報程序。

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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 the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審核綜合財務報表須承 擔的責任

我們的目標乃合理保證綜合財務報表整體是否不存在任何由於欺詐或錯誤而導致的重大錯誤陳述，並出具包括我們的意見的核數師報告。本報告僅根據我們獲委聘的條款向閣下全體報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證乃高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可能由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者基於綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審計準則進行審計其中一環，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

Independent Auditor's Report 獨立核數師報告

- 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.
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審計憑證，確定是否存在與事件或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們確定存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若該等披露不足，則修訂我們的意見。我們的結論乃基於直至本核數師報告日期所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表的整體呈報方式、結構及內容（包括披露）以及綜合財務報表是否公平反映相關交易及事件。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

We also provide those charged with governance 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.

我們與治理層溝通（其中包括）審計的計劃範圍及時間以及重大審計發現等，包括我們在審計中識別出內部控制的任何重大不足之處。

我們亦向治理層提交聲明，表明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響我們獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

Independent Auditor's Report 獨立核數師報告

From the matters communicated with those charged with governance, 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.

從與治理層溝通的事項中，我們確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。我們在核數師報告中闡釋該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於我們之報告中註明某事項造成的負面後果超過產生的公眾利益，則我們決定不應在報告中註明該事項。

Elite Partners CPA Limited

Certified Public Accountants

Hong Kong, 14 May 2020

Chan Wai Nam, William

Practising Certificate no. P05957

10th Floor,
8 Observatory Road,
Tsim Sha Tsui,
Kowloon,
Hong Kong

開元信德會計師事務所有限公司

執業會計師

香港，二零二零年五月十四日

陳偉楠

執業證書編號：P05957

香港
九龍
尖沙嘴
天文臺道8號
10樓

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2019 二零一九年		2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註			
Continuing operations	持續經營業務			
Revenue	收入	9	326,946	237,798
Cost of sales/service rendered	銷售／提供服務成本		(245,608)	(167,375)
Gross profit	毛利		81,338	70,423
Other gains or loss, net	其他收益或虧損淨額	11	(5,874)	6,023
Impairment loss, net	減值虧損淨額	12	(115,684)	2,184
Selling and distribution costs	銷售及分銷成本		(5,413)	(3,667)
Administrative expenses	行政開支		(80,977)	(102,886)
Finance costs	財務成本	13	(16,856)	(4,696)
Loss before taxation	除稅前虧損	14	(143,466)	(32,619)
Taxation	稅項	15	(592)	4,552
Loss for the year from continuing operations	來自持續經營業務之年度虧損		(144,058)	(28,067)
Discontinued operation	已終止經營業務			
Profit/(loss) for the year from discontinued operation	來自已終止經營業務之年度溢利／(虧損)	49	39,015	(52,888)
LOSS FOR THE YEAR	年度虧損		(105,043)	(80,955)
OTHER COMPREHENSIVE INCOME	其他全面收益			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>可能於其後重新分類至損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額		3,794	7,485
OTHER COMPREHENSIVE INCOME FOR THE YEAR	年度其他全面收益		3,794	7,485
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	年度全面開支總額		(101,249)	(73,470)
Loss for the year attributable to owners of the Company:	本公司擁有人應佔年度虧損：			
Continuing operations	持續經營業務		(137,418)	(28,698)
Discontinued operation	已終止經營業務		39,015	(52,888)
			(98,403)	(81,586)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
		Notes 附註	
Loss for the year attributable to non-controlling interests:	非控股權益應佔年度虧損：		
Continuing operations	持續經營業務	(6,640)	631
Discontinued operation	已終止經營業務	-	-
		<u>(6,640)</u>	<u>631</u>
		<u>(105,043)</u>	<u>(80,955)</u>
Total comprehensive expense for the year attributable to owners of the Company:	本公司擁有人應佔年度全面開支總額：		
Continuing operations	持續經營業務	(134,199)	(20,620)
Discontinued operation	已終止經營業務	39,015	(52,888)
		<u>(95,184)</u>	<u>(73,508)</u>
Total comprehensive expense for the year attributable to non-controlling interests:	非控股權益應佔年度全面開支總額：		
Continuing operations	持續經營業務	(6,065)	38
Discontinued operation	已終止經營業務	-	-
		<u>(6,065)</u>	<u>38</u>
		<u>(101,249)</u>	<u>(73,470)</u>
Loss per share:	每股虧損：		
From continuing and discontinued operations	來自持續及已終止經營業務		
Basic (cents per share)	基本（每股人民幣分）	(2.48)	(2.02)
Diluted (cents per share)	攤薄（每股人民幣分）	(2.48)	(2.02)
From continuing operations	來自持續經營業務		
Basic (cents per share)	基本（每股人民幣分）	(3.46)	(0.71)
Diluted (cents per share)	攤薄（每股人民幣分）	(3.46)	(0.71)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019
於二零一九年十二月三十一日

		Notes	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	20	11,930	11,909
Right-of-use assets	使用權資產	21	3,405	–
Goodwill	商譽	22	385,919	444,306
Intangible assets	無形資產	23	71,695	96,397
Prepaid lease payments	預付租賃款項	25	–	96
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	26	1,011	–
			473,960	552,708
Current assets	流動資產			
Inventories	存貨	27	15,325	18,682
Trade receivables	貿易應收款項	28	56,891	53,425
Loan receivables	應收貸款	29	139,042	217,566
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	30	61,942	37,869
Prepaid lease payments	預付租賃款項	25	–	156
Restricted bank deposits	受限制銀行存款	31	12,305	5,415
Bank balances and cash	銀行結餘及現金	31	158,268	138,631
			443,773	471,744
Assets of disposal group classified as held for sale	分類為持作出售之出售集團之資產		–	109,373
			443,773	581,117
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	32	71,451	69,061
Other payables and accruals	其他應付款項及應計費用	33	12,569	3,689
Contract liabilities	合約負債	34	3,995	2,490
Lease liabilities	租賃負債	35	2,688	–
Tax liabilities	稅項負債		5,902	5,394
Bank and other borrowings	銀行及其他借貸	36	26,952	86,502
Promissory notes	承兌票據	38	46,570	–
			170,127	167,136
Liabilities of disposal group classified as held for sale	分類為持作出售之出售集團之負債		–	100,973
			170,127	268,109

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019
於二零一九年十二月三十一日

		2019		2018
		二零一九年		二零一八年
		RMB'000		RMB'000
		人民幣千元		人民幣千元
Net current assets	流動資產淨值	273,646		313,008
Total assets less current liabilities	資產總值減流動負債	747,606		865,716
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	35	592	–
Deferred tax liabilities	遞延稅項負債	37	18,690	24,865
Promissory notes	承兌票據	38	289,072	237,056
Contingent consideration	或然代價	39	39,068	108,402
			347,422	370,323
Net assets	資產淨值		400,184	495,393
Capital and reserves	資本及儲備			
Share capital	股本	40	337,128	337,128
Reserves	儲備		66,644	155,788
			403,772	492,916
Non-controlling interests	非控股權益		(3,588)	2,477
Total equity	權益總額		400,184	495,393

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 14 May 2020 and are signed on its behalf by:

DIRECTOR
董事
Zhu Min
朱敏

DIRECTOR
董事
Lu Yongchao
呂永超

綜合財務報表由董事會於二零二零年五月十四日批准及授權刊發，並由以下代表簽署：

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

Total equity attributable to the owners of the Company

本公司擁有人應佔權益總額

		本公司擁有人應佔權益總額							Non-controlling		Total	
		Share capital	Share premium	Capital redemption reserve	Special reserve	Statutory reserves	Share options reserve	Exchange reserve	Accumulated losses	Subtotal		interest
		股本	股份溢價	贖回儲備	特別儲備	法定儲備	購股權儲備	匯兌儲備	累計虧損	小計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018 (adjusted)	於二零一八年一月一日 (經調整)	355,046	616,864	-	46,867	48,818	20,130	6,375	(480,578)	613,522	2,439	615,961
Loss for the year	年度虧損	-	-	-	-	-	-	-	(81,586)	(81,586)	631	(80,955)
Other comprehensive income for the year	年度其他全面收益	-	-	-	-	-	-	8,078	-	8,078	(593)	7,485
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	-	8,078	(81,586)	(73,508)	38	(73,470)
Repurchase of shares	購回股份	(17,918)	(29,180)	17,918	-	-	-	-	(17,918)	(47,098)	-	(47,098)
Lapse of share options	已失效購股權	-	-	-	-	-	(11,504)	-	11,504	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	<u>337,128</u>	<u>587,684</u>	<u>17,918</u>	<u>46,867</u>	<u>48,818</u>	<u>8,626</u>	<u>14,453</u>	<u>(568,578)</u>	<u>492,916</u>	<u>2,477</u>	<u>495,393</u>
At 1 January 2019	於二零一九年一月一日	<u>337,128</u>	<u>587,684</u>	<u>17,918</u>	<u>46,867</u>	<u>48,818</u>	<u>8,626</u>	<u>14,453</u>	<u>(568,578)</u>	<u>492,916</u>	<u>2,477</u>	<u>495,393</u>
Loss for the year	年度虧損	-	-	-	-	-	-	-	(98,403)	(98,403)	(6,640)	(105,043)
Other comprehensive income for the year	年度其他全面收益	-	-	-	-	-	-	3,219	-	3,219	575	3,794
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	-	3,219	(98,403)	(95,184)	(6,065)	(101,249)
Lapse of share options	已失效購股權	-	-	-	-	-	(8,626)	-	8,626	-	-	-
Release of special reserve upon disposal of subsidiaries	出售附屬公司時解除特別儲備	-	-	-	(46,867)	-	-	-	46,867	-	-	-
Recognition of equity-settled share-based payment expense	確認以股本結算以股份為基礎的付款開支	-	-	-	-	-	6,040	-	-	6,040	-	6,040
At 31 December 2019	於二零一九年十二月三十一日	<u>337,128</u>	<u>587,684</u>	<u>17,918</u>	<u>-</u>	<u>48,818</u>	<u>6,040</u>	<u>17,672</u>	<u>(611,488)</u>	<u>403,772</u>	<u>(3,588)</u>	<u>400,184</u>

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

Notes:

- (a) Special reserve represents the difference between the nominal value of shares of the Company issued as consideration in exchange for the aggregate of the paid-up capital of the subsidiaries of the Company arising upon the corporate reorganisation to rationalise the Group's structure prior to listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The amount would be transferred to accumulated losses upon disposal of subsidiaries.
- (b) In accordance with the relevant laws and regulations of the People's Republic of China ("PRC"), the PRC subsidiaries are required to provide for PRC statutory reserves, including enterprise expansion fund and general reserve fund, by way of appropriations from its statutory net profit (based on the PRC statutory financial statements of the PRC subsidiaries) but before dividend distributions.

All appropriations to the funds are made at the discretion of the board of directors of PRC subsidiaries. The board of directors of the PRC subsidiaries shall decide on the amounts to be appropriated based on its profitability each year.

The enterprise expansion fund may be used to increase registered capital subject to approval from the relevant PRC authorities. The general reserves fund may be used to offset accumulated losses or increase the registered capital subject to approval from the relevant PRC authorities.

附註：

- (a) 特別儲備指於本公司股份在香港聯合交易所有限公司（「聯交所」）上市前為了整頓本集團架構而進行公司重組之時，作為交換代價而發行之本公司股份的面值，與本公司附屬公司繳入資本的總額之間的差額。有關金額將於出售附屬公司後轉撥至累計虧損。
- (b) 根據中華人民共和國（「中國」）有關法律及法規，中國附屬公司須從其法定溢利淨額（根據該等中國附屬公司之中國法定財務報表）於分派股息前按比例提撥資金至中國法定儲備，包括企業擴展基金及一般儲備基金。

基金之所有分配乃由該等中國附屬公司之董事會酌情決定。中國附屬公司之董事會將根據其每年盈利能力而決定將予分配之款項。

企業擴展基金可用於增加註冊資本，惟須取得相關中國部門之批准後方可作實。一般儲備基金可用於抵銷累計虧損或增加註冊股本，惟須取得相關中國部門之批准後方可作實。

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	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Operating activities	經營活動		
Loss before taxation from:	自以下各項產生之除稅前虧損：		
Continuing operations	持續經營業務	(143,466)	(32,619)
Discontinued operation	已終止經營業務	(39,015)	(52,888)
Adjustments for:	就以下各項作出調整：		
Interest income on bank deposits	銀行存款之利息收入	(972)	(330)
Fair value change of contingent consideration	或然代價之公平值變動	7,116	(4,789)
Fair value change of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	987	-
Interest expenses	利息開支	16,856	4,696
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,296	2,286
Depreciation on right-of-use assets	使用權資產折舊	2,922	-
Impairment loss recognised in respect of trade and loan receivables	就貿易應收款項及應收貸款確認的減值虧損	47,557	16,348
Written down of inventories	存貨撇減	1,460	-
Impairment loss recognised in respect of goodwill	就商譽確認的減值虧損	61,225	-
Impairment loss recognised in respect of other receivables	就其他應收款項確認的減值虧損	5,442	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	53
Amortisation of intangible assets	無形資產攤銷	24,702	51,667
Share-based payment expenses	以股份為基礎的付款開支	5,956	-
Gain on disposal of subsidiaries	出售附屬公司的收益	(45,754)	-
Operating cash flows before movements in working capital	營運資本變動前之經營現金流量	25,342	(15,576)
Decrease/(increase) in inventories	存貨減少/(增加)	2,050	(4,989)
Decrease in trade receivables	貿易應收款項減少	4,226	2,115
Decrease in bills receivables	應收票據減少	-	3,826
Decrease/(increase) in loan receivables	應收貸款減少/(增加)	26,961	(47,366)
Increase in other receivables, deposits and prepayments	其他應收款項、按金及預付款項增加	(27,341)	(7,857)
Increase in trade and bills payables	貿易應付款項及應付票據增加	1,574	41,409
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	10,239	(13,818)
Net cash generated from/(used in) operations	經營所得/(所用) 現金淨額	43,051	(42,256)
Income tax paid	已付所得稅	(6,266)	(3,368)
Net cash generated from/(used in) operating activities	經營活動所得/(所用) 現金淨額	36,785	(45,624)

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	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Investing activities	投資活動		
Interest received	已收利息	972	330
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,875)	(911)
Proceed from disposal of a property, plant and equipment	出售物業、廠房及設備所得款項	-	55
Net cash from disposal of subsidiaries	出售附屬公司之現金淨額	46,117	-
(Placement)/withdrawal of pledged bank deposits	(存入)/提取已抵押銀行存款	(6,763)	326
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	(1,984)	-
Net cash generated from/(used in) investing activities	投資活動所得/(所用) 現金淨額	36,467	(200)
Financing activities	融資活動		
Capital element of lease rentals paid	已付租賃租金的資本部分	(2,867)	-
Payment on repurchase of ordinary shares	就購回普通股付款	-	(47,098)
Interest paid	已付利息	(1,250)	(1,094)
Repayment of bank and other borrowings	償還銀行及其他借貸	(86,768)	(89,642)
Proceed from bank and other borrowings	銀行及其他借貸所得款項	26,853	122,410
Net cash used in financing activities	融資活動所用現金淨額	(64,032)	(15,424)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物增加/(減少) 淨額	9,220	(61,248)
Cash and cash equivalents at beginning of the year	年初現金及現金等值物	138,743	193,982
Effect of exchange rate changes	匯率變動的影響	10,305	6,009
		158,268	138,743
Cash and cash equivalents at end of the year,	年終現金及現金等值物，		
representing bank balances and cash as stated in the consolidated statement of financial position	如綜合財務狀況表所列以銀行結餘及現金列示	112,151	138,681
representing bank balances and cash attributable to a discontinued operation	以已終止經營業務應佔銀行結餘及現金列示	46,117	62
		158,268	138,743

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

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company. The principal activities of its subsidiaries are investment holding, manufacture and sale of paper converting equipment and other relating equipment, eCommerce, provision of internet education services and money lending.

For the prior year up to 12 April 2019 (“Disposal date”), the Group was engaged in manufacturing and sale of advance steel flow control products. Detail of the disposal was set out in Note 49.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

1. 一般資料

本公司在開曼群島註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司為一家投資控股公司。本公司的附屬公司之主要業務為投資控股、製造及銷售紙張加工設備及其他相關設備、電子商務、提供互聯網教育服務以及放債。

於截至二零一九年四月十二日（「出售日期」）之過往年度，本集團從事製造及銷售高端鋼水控流產品。出售詳情載於附註49。

綜合財務報表以人民幣（「人民幣」）呈列，而人民幣亦為本公司之功能貨幣。

2. 編製基準

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

除若干金融工具按其於各報告期末的公平值計量外，綜合財務報表乃根據歷史成本基準編製。歷史成本一般是基於就交換貨品所給予代價之公平值而釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment 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
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂

於本年度強制生效的新訂香港財務報告準則及其修訂

本集團於本年度首次應用下列由香港會計師公會頒佈的新訂香港財務報告準則及其修訂：

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因素
香港財務報告準則第9號之修訂	具有負補償的提早還款特性
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營企業的長期權益
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進

除下文所述者外，於本期間應用新訂香港財務報告準則及其修訂對本集團於本期間及過往期間的財務表現及狀況及／或於該等綜合財務報表載列的披露事項並無重大影響。

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts and changes in accounting policies of application on HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases (“HKAS 17”), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

於本年度強制生效的新訂香港財務報告準則及其修訂（續）

應用香港財務報告準則第16號租賃對會計政策的影響及變動

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃（「香港會計準則第17號」）及相關詮釋。

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，惟不就先前並未識別為包含租賃的合約採納是項準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於二零一九年一月一日或之後簽訂或修訂的合約，本集團根據香港財務報告準則第16號所載規定應用租賃定義評估合約是否包括租賃。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts and changes in accounting policies of application on HKFRS 16 Leases (continued)

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 Provisions, Contingent Liabilities and Contingent Assets as an alternative of impairment review;
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognised lease liabilities of approximately RMB1,946,000 and right-of-use assets of approximately RMB2,198,000 at 1 January 2019.

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

於本年度強制生效的新訂香港財務報告準則及其修訂（續）

應用香港財務報告準則第16號租賃對會計政策的影響及變動（續）

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於首次應用日期（即二零一九年一月一日）確認累計影響。於首次應用日期之任何差額乃於期初保留溢利中確認，並無重列比較資料。

於過渡期間應用香港財務報告準則第16號項下的經修訂追溯法時，本集團按個別租賃基準對先前根據香港會計準則第17號分類為經營租賃的租賃採用下列可行權宜方法（惟須與各租賃合約有關）：

- i. 依靠應用香港會計準則第37號撥備、或然負債及或然資產所作出之租賃是否屬於虧損合約之評估，作為減值審閱之替代方法；
- ii. 選擇不就租期於首次應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；

過渡時，本集團已因應用香港財務報告準則第16號而作出以下調整：

本集團於二零一九年一月一日確認租賃負債約人民幣1,946,000元及使用權資產約人民幣2,198,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

於本年度強制生效的新訂香港財務報告準則及其修訂（續）

Impacts and changes in accounting policies of application on HKFRS 16 Leases (continued)

應用香港財務報告準則第16號租賃對會計政策的影響及變動（續）

As a lessee (continued)

作為承租人（續）

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The lessee's incremental borrowing rate applied is from 1.58% to 2.88%.

就先前分類為經營租賃之租賃確認租賃負債時，本集團已於首次應用日期採用相關集團實體之增量借款利率。應用之承租人增量借款利率介乎1.58%至2.88%。

RMB'000
人民幣千元

Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	3,280
Less: Recognition exemption – short-term leases	減：確認豁免 – 短期租賃	(1,304)
		1,976
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借款利率貼現的租賃負債	1,976
Less: Total future interest expenses	減：未來利息支出總額	(30)
Lease liabilities at 1 January 2019	於二零一九年一月一日之租賃負債	1,946
Analysed as	分析為	
Current	流動	1,665
Non-current	非流動	281
		1,946

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts and changes in accounting policies of application on HKFRS 16 Leases (continued)

As a lessee (continued)

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

By class	按類別	RMB'000 人民幣千元
Prepaid lease payments	預付租賃款項	252
Leasehold buildings	租賃樓宇	1,946
		<hr/>
		2,198

Transition to HKFRS 16 does not have impact on accumulated losses at 1 January 2019.

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

於本年度強制生效的新訂香港財務報告準則及其修訂（續）

應用香港財務報告準則第16號租賃對會計政策的影響及變動（續）

作為承租人（續）

於二零一九年一月一日的使用權資產賬面值包括以下各項：

於二零一九年一月一日過渡至香港財務報告準則第16號對累計虧損並無影響。

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

Impacts and changes in accounting policies of application on HKFRS 16 Leases (continued)

As a lessee (continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

3. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

於本年度強制生效的新訂香港財務報告準則及其修訂（續）

應用香港財務報告準則第16號租賃對會計政策的影響及變動（續）

作為承租人（續）

於二零一九年一月一日對於綜合財務狀況表中已確認金額已作出以下調整。未受變動影響的項目不包括在內。

		Carrying amount previously reported at 31 December 2018	Adjustments	Carrying amount under HKFRS 16 at 1 January 2019
		先前於二零一八年十二月三十一日呈報的賬面值	調整	於二零一九年一月一日香港財務報告準則第16號項下的賬面值
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	–	2,198	2,198
Prepaid lease payments	預付租賃款項	96	(96)	–
Current assets	流動資產			
Prepaid lease payments	預付租賃款項	156	(156)	–
Current liabilities	流動負債			
Lease liabilities	租賃負債	–	1,665	1,665
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	–	281	281

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

¹ Effective for annual periods beginning on or after 1 January 2021

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

³ Effective for annual periods beginning on or after a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2020

The directors of the Company consider that the application of all new and amendments to HKFRSs and HKASs is unlikely to have a material impact on the Group's financial position and performance as well as disclosure in foreseeable future.

4. 已頒佈但尚未生效的新訂香港財務報告準則及其修訂

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號之修訂	業務的定義 ²
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銷售或注入資產 ³
香港會計準則第1號及香港會計準則第8號之修訂	重大性的定義 ⁴
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 ⁴

¹ 於二零二一年一月一日或之後開始之年度期間生效

² 對收購日期為於二零二零年一月一日或之後開始之首個年度期間開始當日或之後的業務合併及資產收購生效

³ 於待定日期或之後開始之年度期間生效

⁴ 於二零二零年一月一日或之後開始之年度期間生效

本公司董事認為應用所有新訂香港財務報告準則及香港會計準則以及其修訂對本集團可見將來之財務狀況及表現以及有關披露構成重大影響之可能性不高。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

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

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

5. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

除若干金融工具按其於各報告期末的公平值計量外，綜合財務報表乃根據歷史成本基準編製。

歷史成本一般是基於就交換貨品所給予代價之公平值而釐定。

公平值為於計量日期市場參與者之間按有序交易出售一項資產將收取之價格或轉讓一項負債時將支付之價格，而不論該價格是否可直接觀察或使用另一項估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於此等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟香港財務報告準則第2號範圍內之以股份為基礎付款交易、（自二零一九年一月一日起）根據香港財務報告準則第16號或（於應用香港財務報告準則第16號前）根據香港會計準則第17號「租賃」入賬之租賃交易，以及與公平值類似但並非公平值（例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值）之計量除外。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The principal accounting policies are set out below.

5. 主要會計政策 (續)

此外，就財務申報而言，公平值計量分為第一、第二或第三級別，該等級別之劃分乃根據公平值計量之輸入數據之可觀察程度及該等數據對公平值計量之整體重要性進行，該等級別載述如下：

- 第一級輸入數據指實體於計量日期就相同資產或負債於活躍市場上獲得之報價（未經調整）；
- 第二級輸入數據指就資產或負債直接或間接地可觀察之輸入數據（不包括第一級之報價）；及
- 第三級輸入數據指資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

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

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

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

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

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

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

5. 主要會計政策 (續)

綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體之財務報表。倘屬以下情況，則本公司取得控制權：

- 對被投資方行使權力；
- 因藉參與被投資方的業務而可獲得或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

倘事實及情況表明上文所列三項控制因素中有一項或多項改變，則本集團重新評估其是否控制被投資方。

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

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間資產及負債、權益、收入、支出及現金流量（與本集團成員公司間之交易有關）均於綜合賬目時全數對銷。

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綜合財務報表附註

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

Revenue recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

5. 主要會計政策 (續)

商譽

收購一項業務產生之商譽乃按於業務收購日期所確立之成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言,商譽乃分配至預期從合併之協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)。

已獲分配商譽之現金產生單位每年或當有跡象顯示單位可能出現減值時更頻繁測試減值。如現金產生單位之可收回金額少於其賬面值,減值虧損首先分配以減少該單位獲分配之任何商譽之賬面值,其後以單位各資產之賬面值為基準按比例分配至該單位之其他資產。商譽之任何減值虧損直接於損益中確認。就商譽確認之減值虧損於後續期間不予撥回。

於出售有關現金產生單位時,商譽之應佔金額乃計入釐定出售損益金額內。

收入確認

當經濟利益有可能流入本集團而收入金額能可靠地計量時,則會確認來自金融資產之利息收入。利息收入乃按時間基準參考未償還之本金及適用實際利率累計,實際利率指於金融資產之預期年期內將估計未來所收現金確實折現至於初始確認時之資產賬面淨值之利率。

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綜合財務報表附註

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

- manufacturing and sales of paper converting equipment and other relating equipment
- eCommerce
- internet education services

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- a good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

5. 主要會計政策 (續)

收入確認 (續)

香港財務報告準則第15號客戶合約收入

貨品或服務之性質

本集團提供之貨品或服務之性質如下：

- 製造及銷售紙張加工設備及其他相關設備
- 電子商務
- 互聯網教育服務

識別履約責任

於合約開始時，本集團評估與客戶訂立的合約內承諾的貨物或服務並識別每一項向客戶轉讓的承諾為履約義務：

- 一項明確貨品或服務（或一批貨品或服務）；或
- 一系列大致相同及以相同模式向客戶轉讓的明確貨品或服務。

倘符合以下兩項標準，則向客戶承諾之貨品或服務屬明確：

- 客戶可從其本身貨品或服務或連同客戶隨時可得其他來源之貨品或服務（即屬明確之貨品或服務）中獲益；及
- 本集團向客戶轉讓貨品或服務之承諾可與合約中其他承諾分開識別（即轉讓貨品或服務之承諾在合約內容上有所區分）。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers within HKFRS 15 (continued)

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i. the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- ii. the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- iii. the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

5. 主要會計政策 (續)

收入確認 (續)

香港財務報告準則第15號客戶合約 收入 (續)

收入確認之時間

於(或因)本集團透過向客戶轉讓所承諾之貨品或服務(即資產)履行責任時確認收入。於(或因)客戶獲得資產控制權時轉讓資產。

倘符合下列任一條件，本集團在某一段時間內轉移對貨品或服務的控制權，並因此在一段時間內履行履約義務及確認收益：

- i. 客戶在本集團履約的同時取得及消耗通過本集團履約提供的利益；
- ii. 本集團的履約行為創造或改良了客戶在資產被創造或改良時控制的資產(如在建工程)；或
- iii. 本集團的履約行為並未創造一項可被本集團用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分獲得付款的可執行權利。

倘本集團並非於一段時間內履行義務，則本集團於客戶取得所承諾資產控制權的某一時點履行義務。釐定轉讓控制權發生時，本集團會考慮控制權的概念以及諸如合法所有權、實際擁有權、支付權、資產所有權的重大風險及回報以及客戶接受度等指標。

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綜合財務報表附註

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers within HKFRS 15 (continued)

Timing of revenue recognition (continued)

Sale of sales of paper converting equipment and other relating equipment and eCommerce are recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income from internet education services are recognised over time when services are rendered.

Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

5. 主要會計政策 (續)

收入確認 (續)

香港財務報告準則第15號客戶合約 收入 (續)

收入確認之時間 (續)

銷售紙張加工設備及其他相關設備以及電子商務的銷售額乃於客戶取得所承諾資產控制權的某一時點(一般與貨物交付予客戶及所有權轉移的時間相同)確認。

互聯網教育服務的服務收入於提供服務時隨時間推移確認。

物業、廠房及設備

物業、廠房及設備(包括持作用於生產或供應貨品或服務或作行政用途之樓宇)乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

折舊乃按可使用年期採用直線法確認,以撇銷資產成本並扣減其剩餘價值。估計可使用年期、剩餘價值和折舊方法會於每個報告期末作檢討,並採用未來適用法對任何估計變動之影響入賬處理。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損乃根據銷售所得款項與資產賬面值之間的差額釐定,並於損益中確認。

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綜合財務報表附註

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

Under HKAS 17 (prior to 1 January 2019)

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.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statements of financial position as obligations under finance leases. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

5. 主要會計政策 (續)

租賃

按香港會計準則第17號規定 (於二零一九年一月一日之前)

每當租賃條款將所有權的絕大部份風險及回報轉讓予承租人，則租賃會被分類為融資租賃。所有其他租賃均被分類為經營租賃。

本集團為承租人

根據融資租賃持有之資產於租賃開始時初步按其公平值或 (倘為較低者) 最低租賃付款之現值確認為本集團之資產。出租人之相應負債計入綜合財務狀況表為融資租賃負債。租賃付款於融資支出及租約責任扣減之間作出分配，以就負債餘額達致固定利率。融資支出隨即於損益賬確認。

經營租賃付款按有關租期以直線法確認為開支。

倘若獲取租賃優惠以達成經營租賃，則有關優惠被確認為負債。優惠的合計利益以直線法確認為租賃開支之扣減。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

Upon the adoption of HKFRS 16 on 1 January 2019

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

As a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of leasehold properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

5. 主要會計政策 (續)

租賃 (續)

於二零一九年一月一日採納香港財務報告準則第16號後

租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修改的合約而言，本集團根據香港財務報告準則第16號的定義於初始或修改日期評估該合約是否為租賃或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

作為承租人

短期租賃

本集團對自開始日期起計之租期為十二個月或以下並且不包括購買選擇權的租賃物業租賃採用短期租賃確認豁免。

短期租賃的租賃付款按有關租期以直線法確認為開支。

使用權資產

除短期租賃外，本集團於租賃開始日期（即相關資產可供使用的日期）確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

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For the year ended 31 December 2019
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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

*Upon the adoption of HKFRS 16 on 1 January 2019
(continued)*

As a lessee (continued)

Right-of-use assets (continued)

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the Group.

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

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

5. 主要會計政策 (續)

租賃 (續)

於二零一九年一月一日採納香港財務報告準則第16號後 (續)

作為承租人 (續)

使用權資產 (續)

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前所作的任何租賃付款，減去所得的任何租賃優惠；及
- 本集團產生的任何初始直接成本。

倘本集團合理確信在租賃期結束時取得相關租賃資產的所有權，則使用權資產自開始日期起至可使用年期結束期間折舊。否則，使用權資產按其估計可使用年期及租期的較短者以直線法折舊。

本集團在綜合財務狀況表中將使用權資產呈列為單獨項目。

租賃負債

於租賃開始日期，本集團以於該日期尚未支付的租賃付款的現值確認並計量租賃負債。倘租賃隱含的利率不易釐定，則本集團會使用於租賃開始日期的增量借款利率計算租賃付款現值。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

*Upon the adoption of HKFRS 16 on 1 January 2019
(continued)*

As a lessee (continued)

Lease liabilities (continued)

The lease payments include fixed lease payments (including in-substance fixed payments).

The lease liability is presented as a separate line in the consolidated statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- the lease payments change due to changes in expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

5. 主要會計政策 (續)

租賃 (續)

於二零一九年一月一日採納香港財務報告準則第16號後 (續)

作為承租人 (續)

租賃負債 (續)

租賃付款包括固定租賃付款 (包括實質固定付款)。

租賃負債在綜合財務狀況表中呈列為單獨項目。

租賃負債其後按調增賬面值以反映租賃負債利息 (採用實際利率法) 及按調減賬面值以反映所作出租賃付款的方式計量。

倘出現以下情況，本集團重新計量租賃負債 (並就相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在此情況下，租賃負債透過採用於重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量；
- 租賃付款因有擔保剩餘價值下預期付款變動而出現變動，在此情況下，相關租賃負債透過採用初始貼現率貼現經修訂租賃付款而重新計量。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives.

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

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 recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

5. 主要會計政策 (續)

業務合併中收購的無形資產

業務合併中收購並與商譽分開確認的無形資產初步按其於收購日期的公平值確認(被視作其成本)。

初步確認後，業務合併中收購的具有有限使用年期的無形資產根據與另外已收購無形資產相同的基準，按成本減累計攤銷及任何累計減值虧損申報。具有有限的可使用年期之無形資產攤銷於其估計使用年期內按直線法確認。

無形資產於出售時或預期使用或出售不會帶來未來經濟利益時取消確認。取消確認無形資產產生的收益及虧損以出售所得款項淨額與資產的賬面值之間的差額計量，並在資產取消確認時於損益確認。

外幣

在編製各獨立集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)所進行的交易按交易當日的匯率確認。於報告期末，以外幣計值的貨幣項目按當日的匯率重新換算。以外幣計值之過往成本計算之非貨幣項目不予重新換算。

貨幣項目所產生之匯兌差額於其產生期間在損益內確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Retirement benefits costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before tax” as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

5. 主要會計政策 (續)

退休福利成本

向國家管理的退休福利計劃及強制性公積金計劃所作出的付款於僱員已提供服務而有權獲得供款時確認為開支。

稅項

所得稅開支指應付即期稅項及遞延稅項之總和。

即期稅項

現時應付稅項乃按年內應課稅溢利得出。應課稅溢利有別於綜合損益及其他全面收益表中所報的「除稅前溢利」，乃由於在其他年度應課稅收入或可扣稅開支以及從未課稅或扣稅之項目所致。本集團即期稅項乃按報告期末已頒佈或已實際頒佈之稅率計算。

遞延稅項

遞延稅項乃就綜合財務報表內的資產及負債賬面值與計算應課稅溢利所採用相應稅基之間的暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產一般於可能有應課稅溢利可用於對銷可扣減暫時差額時就所有可扣減暫時差額確認。倘因交易時首次確認資產及負債而引致之暫時差額並不影響應課稅溢利或會計溢利，則不會確認該等遞延稅項資產及負債。此外，倘暫時差額乃於初步確認商譽時產生，則不確認遞延稅項負債。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. 主要會計政策 (續)

稅項 (續)

遞延稅項 (續)

遞延稅項負債乃就附屬公司投資之相關應課稅暫時差額而確認，惟若本集團能夠控制暫時差額轉回及暫時差額有可能未必於可見將來轉回之情況除外。與該等投資相關之可扣減暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之利益且預期於可見將來可以撥回時確認。

遞延稅項資產之賬面值於報告期末作檢討，並在再無可能會有足夠應課稅溢利用於收回全部或部份資產時作調減。

遞延稅項資產及負債乃按償還負債或變現資產之期間內預期適用之稅率，根據報告期末已實施或實際實施之稅率（及稅法）計算。

遞延稅項負債及資產之計量反映按照本集團預期於報告期末收回或結算其資產及負債之賬面值所依照之方式得出之稅務結果。

本年度即期及遞延稅項

即期及遞延稅項乃於損益中確認。倘即期稅項或遞延稅項乃於業務合併之初始會計處理時產生，稅務影響則會計入業務合併之會計處理內。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted-average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

5. 主要會計政策 (續)

存貨

存貨乃按成本及可變現淨值兩者中之較低值列值。存貨成本乃按加權平均法計算。可變現淨值指存貨之估計售價減所有完成所需估計成本及進行銷售所需成本。

研發成本

研究活動的開支在產生期間確認為支出。

開發活動(或內部項目開發階段)的內部產生無形資產倘及僅於以下所有各項全部均得到證明時確認：

- 完成該無形資產的技術可行性，從而使其可予使用或銷售；
- 完成及使用或出售該無形資產的意圖；
- 使用或出售該無形資產的能力；
- 該無形資產將產生未來經濟利益的方式；
- 具有充足的技術、財務及其他資源以完成開發及使用或出售該無形資產；及
- 能可靠地計量無形資產於其開發期間應佔的開支。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development costs (continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

5. 主要會計政策 (續)

研發成本 (續)

內部產生無形資產的初步確認金額乃無形資產首次符合上列確認準則之日起產生的開支總額。如並無內部產生無形資產可予確認，開發開支則在其產生期間內於損益中確認。

初步確認後，內部產生無形資產將按成本減累計攤銷及累計減值虧損呈報，其基準與獨立收購的無形資產相同。

商譽以外之有形及無形資產減值

於報告期末，本集團審閱其有形資產及無形資產之賬面值，以釐定該等資產是否有任何蒙受減值虧損之跡象。倘出現任何該等跡象，將作出資產之可收回金額估計，以釐定減值虧損(如有)程度。當不可能估計個別資產之可收回金額時，本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及穩定的分配基準，則企業資產亦分配至個別現金產生單位，或另行分配至可識別合理及穩定的分配基準之最小組別之現金產生單位。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of tangible and intangible assets other than goodwill (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

5. 主要會計政策 (續)

商譽以外之有形及無形資產減值 (續)

可收回金額為公平值減出售成本與使用價值兩者之較高者。於評估使用價值時，乃使用可反映現時市場對貨幣時間值的評估及該資產特有之風險（未來現金流量之估計並無就此作調整）之稅前折現率，將估計未來現金流量折現至其現值。

倘一項資產（或現金產生單位）之可收回金額估計少於其賬面值，該資產（或現金產生單位）之賬面值將減少至其可收回金額。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，該資產（或現金產生單位）之賬面值將增加至其經修訂估計可收回金額，但因此增加的賬面值不會超逾資產（或現金產生單位）於過往年度如無確認減值虧損下原應釐定之賬面值。撥回減值虧損即時於損益中確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets

Classification of financial assets

Investments in equity securities (other than investments in subsidiaries, associates and joint ventures)

An investment in equity securities is measured fair value on initial recognition. An investment in equity securities is subsequently measured at FVTPL unless the investment is designated as at fair value through other comprehensive income (FVTOCI) as at date of initial application of HKFRS 9 based on the specific transitional provisions set out in HKFRS 9. Under HKFRS 9, an investment in equity securities can be designated as at FVTOCI on an instrument-by-instrument basis provided that the investment is neither held-for-trading nor contingent consideration recognised by the Group in a business combination to which HKFRS 3 applies.

For investments in equity securities designated as at FVTOCI (as described above), fair value changes are recognised in other comprehensive income and accumulated in the "FVTOCI (equity investment) reserve". Such fair value changes will not be reclassified to profit or loss when the investments are derecognised. However, they will be transferred to the Group's retained earnings when the investments are derecognised.

For investments in equity securities that are held-for-trading or not designated as at FVTOCI (as described above), they are subsequently measured at fair value through profit or loss (FVTPL) such that changes in fair value are recognised in profit or loss.

An investment in equity securities is derecognised when the Group sells the investment.

5. 主要會計政策 (續)

金融資產

金融資產分類

股權證券投資(於附屬公司、聯營公司及合營企業之投資除外)

股權證券投資於初步確認時按公平值計量。股權證券投資其後按公平值計入損益計量，除非投資被指定為於根據香港財務報告準則第9號所載的指定過渡條文初步應用香港財務報告準則第9號之日按公平值計入其他全面收益(按公平值計入其他全面收益)計量。根據香港財務報告準則第9號，股權證券投資可按個別工具基準指定為按公平值計入其他全面收益，前提是投資並非持作買賣或本集團於香港財務報告準則第3號適用之業務合併中確認之或然代價。

就指定為按公平值計入其他全面收益(如上文所述)之股權證券投資而言，公平值變動於其他全面收益確認及於「按公平值計入其他全面收益(股權投資)儲備」累計。該等公平值變動不會於終止確認投資時重新分類至損益。然而，彼等將於終止確認投資時轉撥至本集團保留盈利。

就持作買賣或並非指定為按公平值計入其他全面收益(如上文所述)之股權證券投資而言，彼等其後按公平值計入損益(按公平值計入損益)計量，因此公平值變動於損益確認。

股權證券投資於本集團出售投資時終止確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Classification of financial assets (continued)

Investments in debt securities

An investment in debt securities is classified as follows depending on the instruments' contractual cash flow characteristics and the Group's business model for managing the investment:

- Amortised cost when (a) the contractual terms of the asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding and (b) the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows.
- FVTOCI when (a) the contractual terms of the asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding and (b) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset.
- FVTPL when either (a) the contractual terms of the asset give rise on specified dates to cash flows that are not solely payment of principal and interest on the principal amount outstanding or (b) the financial asset is held within a business whose objective is neither (i) collecting contractual cash flows nor (ii) collecting contractual cash flows and selling the financial asset.

5. 主要會計政策 (續)

金融資產 (續)

金融資產分類 (續)

債務證券投資

債務證券投資視乎工具的合約現金流量特徵及本集團管理投資的業務模式分類如下：

- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息及(b)以收取合約現金流量為目標及於業務模式下持有金融資產，則按攤銷成本列賬。
- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息及(b)以收取合約現金流量及出售金融資產為目標及於業務模式下持有金融資產，則按公平值計入其他全面收益列賬。
- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息或(b)並非以(i)收取合約現金流量或(ii)收取合約現金流量及出售金融資產為目標及於業務模式下持有金融資產，則按公平值計入損益列賬。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Classification of financial assets (continued)

Investments in debt securities (continued)

For investments in debt securities subsequently measured at FVTOCI, fair value changes are recognised in other comprehensive income and accumulated in the “FVTOCI (debt investment) reserve” except for impairment loss (see below) and foreign exchange gains or losses. Interest income is calculated using the effective interest method and is recognised in profit or loss. When an investment in debt securities is derecognised, the fair value changes previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.

An investment in debt securities is derecognised when the Group sells the investment or when the contractual rights to the cash flows from the asset expire.

Transaction costs

Transaction costs directly attributable for the acquisition of financial assets (other than those classified or designated as at FVTPL) are included in the initial measurement of the financial assets. For financial assets subsequently measured at amortised cost, such transaction costs are included in the calculation of amortised cost using the effective interest method (i.e. in effect amortised through profit or loss over the lives of the financial assets). For investments in equity securities at FVTOCI, such transaction costs are recognised in other comprehensive income as part of change in fair value at the next remeasurement. For investments in debt securities classified as FVTOCI, such transaction costs are amortised to profit or loss using the effective interest method (i.e. in effect amortised through profit or loss over the lives of the financial assets).

5. 主要會計政策 (續)

金融資產 (續)

金融資產分類 (續)

債務證券投資 (續)

就其後按公平值計入其他全面收益之債務證券投資而言，公平值變動於其他全面收益確認及於「按公平值計入其他全面收益(債權投資)儲備」累計，為減值虧損(見下文)及外匯收益或虧損除外。利息收入使用實際利率法計算並於損益確認。債務證券投資終止確認時，先前於其他全面收益確認的公平值變動將自權益重新分類至損益作為重新分類調整。

債務證券投資於本集團出售投資或資產現金流量之合約權屆滿時終止確認。

交易成本

收購金融資產(分類為或指定為按公平值計入損益之金融資產除外)直接應佔之交易成本乃計入金融資產之初步計量。就其後按攤銷成本計量之金融資產而言，有關交易成本使用實際利率法計入攤銷成本之計算(即於金融資產年期內透過損益實際攤銷)。就按公平值計入其他全面收益之股權證券投資而言，有關交易成本於下一次重新計量時於其他全面收益確認為公平值變動的一部分。就分類為按公平值計入其他全面收益之債務證券投資而言，有關交易成本使用實際利率法攤銷至損益(即於金融資產年期內透過損益實際攤銷)。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on financial assets

The Group has applied the expected credit loss model under HKFRS 9 to the following types of financial assets:

- financial assets that are subsequently measured at amortised cost (including cash and cash equivalents and trade receivables);
- contract assets as defined in HKFRS 15; and
- investments in debt securities that are subsequently measured at FVTOCI;

Expected credit loss (ECL) of a financial asset is measured based on an unbiased and probability-weighted amount. It also reflects the time value of money and reasonable and supportable information that is available to the Group without undue cost or effect at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

ECL is measured on either of the following bases:

- 12-month expected credit loss when, at the reporting date, the credit risk on a financial asset has not increased significantly since initial recognition; and
- Lifetime expected credit loss when (a) at the reporting date, the credit risk on a financial asset has increased significantly since initial recognition; or (b) at the reporting date, the financial asset has become credit-impaired.

5. 主要會計政策 (續)

金融資產減值

本集團已於以下金融資產類別應用香港財務報告準則第9號項下的預期信貸虧損模式：

- 其後按攤銷成本計量之金融資產（包括現金及現金等值物及貿易應收款項）；
- 香港財務報告準則第15號定義之合約資產；及
- 其後按公平值計入其他全面收益計量之債務證券投資；

金融資產之預期信貸虧損（「預期信貸虧損」）乃基於公正及概率加權金額計量。其亦反映貨幣的時間價值及於報告日期本集團毋須付出不必要的成本或努力而可獲得有關過往事件、目前狀況及未來經濟狀況預測的合理及可靠資料。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損乃按以下其中一項基準計量：

- 於報告日期，金融資產信貸風險自初步確認起並無大幅上升時，則按12個月預期信貸虧損計量；及
- (a)於報告日期，金融資產信貸風險自初步確認起大幅上升；或(b)於報告日期，金融資產發生信貸減值時，則按可使用年期內的預期信貸虧損計量。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on financial assets (continued)

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers quantitative and qualitative reasonable and supportable information that is available to the Group without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Specifically, the following information has been taken into account in assessing whether the credit risk on a financial asset has significantly increased since initial recognition:

- Significant changes in internal price indicators of credit risk as a result of a change in credit risk since inception.
- Significant changes in terms of existing financial assets if the asset was newly originated or issued at the reporting date.
- Significant changes in external market indicators of credit risk for a particular financial instrument or similar financial instruments with the same expected life.
- An actual or expected significant change in the financial instrument's external credit rating.
- An actual or expected internal credit rating downgrade for the borrower or decrease in behavioural scoring used to assess credit risk internally.

5. 主要會計政策 (續)

金融資產減值 (續)

於評估金融資產信貸風險自初步確認起是否大幅上升，本集團會將金融資產於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險進行比較，並考慮本集團毋須付出不必要的成本或努力而可獲得的合理及可靠的定量及定性資料，該等資料表明自初步確認起信貸風險大幅上升。

具體而言，評估金融資產信貸風險自初步確認起是否大幅上升時會考慮以下資料：

- 起初信貸風險變化導致的內部價格指標是否顯著變化。
- 倘現有金融資產於報告日期作為新資產產生或發行，金融資產是否顯著變化。
- 同一金融工具或具有相同預計存續期的類似金融工具的信貸風險的外部市場指標是否發生顯著變化。
- 金融工具外部信貸評級實際或預期是否發生顯著變化。
- 對借款人實際或預期的內部信貸評級是否下調或用於評估內部信貸風險的行為評級是否下降。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on financial assets (continued)

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations (e.g. actual or expected increase in interest rates or an actual or expected significant increase in unemployment rates).
- Actual or expected significant change in the operating results of the borrower.
- Significant change in the quality of guarantee provided.
- Contractual cash flows are more than 30 days past due.

In making the abovementioned assessment, the Group considers that a default occurs when (a) it is unlikely that the borrower will be able to settle his/her debts in full and (b) the financial asset is more than 90 days past due.

ECL is remeasured at the end of each reporting period to reflect changes in financial asset's credit risk since initial recognition. Changes in ECL are recognised in profit or loss with the corresponding adjustment to the carrying amount of the asset through a loss allowance account, except for investments in debt securities that are subsequently measured at FVTOCI for which the corresponding adjustment is recognised in other comprehensive income and accumulated in "FVTOCI (debt investment) reserve".

For trade receivables and contract assets without significant financing component, ECL is always measured at an amount equal to lifetime expected credit losses.

5. 主要會計政策 (續)

金融資產減值 (續)

- 預期將導致借款人履行其償債義務的能力發生顯著變化的業務、財務或經濟狀況是否出現現有或預測不利變化(如利率實際或預期上漲或失業率實際或預期上漲)。
- 借款人經營業績實際或預期是否顯著變動。
- 所提供擔保質素是否顯著變化。
- 合約現金流量是否逾期超過30天。

於作出上述評估時，本集團於(a)借款人大可能悉數結清其債務及(b)金融資產逾期超過90天時考慮發生違約。

預期信貸虧損於各報告期末重新計量，以反映自初步確認起金融資產信貸風險的變化。預期信貸虧損變動於損益確認，資產賬面值之相應調整透過虧損撥備賬列賬，惟其後按公平值計入其他全面收益之債務證券投資的相應調整於其他全面收益內確認及於「按公平值計入其他全面收益(債權投資)儲備」累計。

就並無重大融資組成的貿易應收款項及合約資產而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on financial assets (continued)

At the end of each of the reporting period, the Group assesses whether its financial assets have become credit impaired.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the debtor is unable to settle the debts in full or part of the debts.

Trade and other receivables

Trade receivables are recognised when the Group has an unconditional right to receive consideration. The Group has an unconditional right to receive consideration when only the passage of time is required before payment of the consideration is due.

For the Group's trade receivables, ECL is always measured at an amount equal to lifetime expected credit losses. In particular, ECL is estimated using a provision of matrix based on the Group's historical credit loss experience, adjusted for (a) information that is specific to particular debtors and (b) forward-looking information based on the current and forecast general economic conditions available to the Group without undue cost or effort at the reporting date. ECL is recognised in profit or loss with the corresponding adjustment to the carrying amount of the trade receivables through a loss allowance account.

5. 主要會計政策 (續)

金融資產減值 (續)

於各報告期末，本集團會評估金融資產是否已出現信貸減值。

當本集團無合理預期收回金融資產的全部或部分時，會直接降低金融資產之賬面總值。本集團一般於此時評估及推斷債務人無法結清全部或部分債務。

貿易及其他應收款項

貿易應收款項於本集團擁有無條件權利收取代價時確認。於代價僅隨時間推移即會成為到期應付時，本集團收取代價的權利為無條件。

就本集團的貿易應收款項而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。具體而言，預期信貸虧損根據本集團的過往信貸虧損經驗使用撥備矩陣估計，並就以下各項作出調整：(a) 特定債務人的信息及(b) 基於本集團於報告日期毋須付出不必要的成本或努力而可獲得的目前及預測整體經濟狀況的前瞻性資料。預期信貸虧損於損益確認，貿易應收款項賬面值之相應調整透過虧損撥備賬列賬。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade and other receivables (continued)

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the debtor is unable to settle the debts in full or part of the debts.

Contract assets and contract 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 when that right is conditioned on something other than the passage of time.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

For a single contract with a customer, either a net contract asset or a net contract liability is presented. Contracts assets and contract liabilities arising from unrelated multiple contracts are not presented on a net basis.

For the Group's contract assets, ECL is always measured at an amount equal to lifetime expected credit losses. In particular, ECL is estimated using a provision of matrix based on the Group's historical credit loss experience, adjusted for (a) information that is specific to particular customers available and (b) forward-looking information based on the current and forecast general economic conditions at the reporting date. ECL is recognised in profit or loss with the corresponding adjustment to the carrying amount of the contract assets through a loss allowance account.

The Group directly reduces the gross carrying amount of a contract asset when the Group has no reasonable expectations of recovering a contract asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the Group is unable to recover the costs.

5. 主要會計政策 (續)

貿易及其他應收款項 (續)

當本集團無合理預期收回金融資產的全部或部分時，會直接降低金融資產之賬面總值。本集團一般於此時評估及推斷債務人無法結清全部或部分債務。

合約資產及合約負債

合約資產指本集團就向客戶轉讓的商品或服務收取代價的權利，該權利取決於時間流逝以外之其他因素。

合約負債指本集團已自客戶收取代價而須向客戶轉讓商品或服務之義務。

就與客戶的單一合約而言，須呈列淨合約資產或淨合約負債。合約資產及無關合約的合約負債並非以淨額呈列。

就本集團的合約資產而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。具體而言，預期信貸虧損根據本集團的過往信貸虧損經驗使用撥備矩陣估計，並就以下各項作出調整：(a)現有特定客戶的信息及(b)基於報告日期的目前及預測整體經濟狀況的前瞻性資料。預期信貸虧損於損益確認，合約資產賬面值之相應調整透過虧損撥備賬列賬。

當本集團無合理預期收回合約資產的全部或部分時，會直接降低合約資產之賬面總值。本集團一般於此時評估及推斷本集團無法收回成本。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

5. 主要會計政策 (續)

金融負債

本集團視乎金融負債產生的目的將其金融負債分類。按公平值計入損益之金融負債乃按公平值初步計量，而按攤銷成本計量之金融負債初步按公平值減所產生之直接應佔成本計量。

按公平值計入損益之金融負債

按公平值計入損益之金融負債包括持作買賣金融負債及於初步確認時指定為按公平值計入損益之金融負債。

倘金融負債乃收購作於短期內出售，則會分類為持作買賣。衍生工具（包括獨立嵌入式衍生工具）亦分類為持作買賣，除非該等工具乃指定為有效對沖工具。持作買賣負債之收益或虧損均在損益內確認。

倘合約包含一項或以上嵌入式衍生工具，則整份混合合約可指定為按公平值計入損益之金融負債，惟倘嵌入式衍生工具並無大幅修改現金流量或明確禁止區分嵌入式衍生工具則除外。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group 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.

5. 主要會計政策 (續)

金融負債 (續)

按公平值計入損益之金融負債 (續)

倘符合下列標準，金融負債可於初步確認時指定為按公平值計入損益：(i)該指定消除或大幅減少因按不同基準計量負債或確認收益或虧損而另行產生之不一致處理；(ii)負債為一組根據具存檔風險管理策略按公平值基準管理及評估表現之金融負債之一部分；或(iii)金融負債包含將需要獨立記賬之嵌入式衍生工具。

於初步確認後，按公平值計入損益之金融負債乃按公平值計量，而公平值變動均於產生期間在損益確認。

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貿易及其他應付款項、借款、若干優先股及本集團發行之可轉換貸款票據之債務部分，其後使用實際利率法按攤銷成本計量。相關利息開支於損益中確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

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5. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (Continued)

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

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

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

5. 主要會計政策 (續)

金融負債 (續)

實際利率法

實際利率法為計算金融資產或金融負債攤銷成本及就有關期間分配利息收入或利息開支之方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款之利率。

權益工具

本公司發行之權益工具按已收所得款項扣除直接發行成本記賬。

終止確認

當有關合同之指定責任獲解除、註銷或到期，則終止確認金融負債。

倘由於重新磋商負債之條款，本集團向債權人發行其自身權益工具以支付全部或部分之金融負債，則已發行之權益工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行權益工具之公平值不能可靠計量，則權益工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於本年度損益中確認。

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6. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company 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 underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

Useful lives of property, plant and equipment

In applying the accounting policy on property, plant and equipment with respect to depreciation, management estimates the useful lives of various categories of property, plant and equipment according to the industrial experiences over the usage of property, plant and equipment and also by reference to the relevant industrial norm. If the actual useful lives of property, plant and equipment are less than the original estimated useful lives due to changes in commercial and technological environment, such difference will impact the depreciation charge for the remaining periods.

6. 估計涉及不確定性之主要來源

於應用本集團會計政策時，本公司董事須對無法從其他渠道確認的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他視作相關的因素作出。實際結果或會有別於該等估計。

本公司持續檢討該等估計及相關假設。倘就會計估計作出的修訂只影響修訂估計之期間，則有關修訂會在該期間確認；倘有關修訂影響即期及未來期間，則有關修訂會在修訂期間及未來期間確認。

以下為於報告期末所作出有關未來的主要假設及估計不確定因素之其他主要來源，並具有相當風險而可能導致須於下一個財政年度就資產及負債的賬面值作出重大調整。

物業、廠房及設備的可使用年期

於應用有關物業、廠房及設備折舊的會計政策時，管理層乃根據物業、廠房及設備用途之行業經驗並參考有關行業規範來估計各類物業、廠房及設備之可使用年期。倘物業、廠房及設備的實際可使用年期因商業及技術環境改變以致少於原本估計之可使用年期，則有關差額將影響餘下期間之折舊開支。

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6. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Loss allowance for ECL

The Group's management estimates the loss allowance for trade receivables and loan receivable based on risk of a default and expected loss rate. The assessment of the credit risk involves high degree of estimation and uncertainty as the Group's management estimates the risk of a default and expected loss rate for applying provision matrix on debtors based on the Group's historical information, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables. For details of the key assumption and inputs used in estimating ECL, please refer to Note 8(b) to the consolidated financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses each cash-generating unit annually to determine whether any indication of impairment exists. When an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. The carrying amount of the property, plant and equipment and intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy as disclosed in the relevant part of this section. Estimating the value in use requires the Group to estimate future cash flows from the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6. 估計涉及不確定性之主要來源 (續)

預期信貸虧損的虧損撥備

本集團管理層根據違約風險及預期虧損率估計貿易應收款項及應收貸款的虧損撥備。由於本集團管理層於各報告期末根據本集團的歷史資料、現有市況及前瞻性估計估計應用債務人撥備矩陣的違約風險及預期虧損率，故信貸風險評估涉及高度估計及不確定性。倘預期與原先估計不同，有關差異將影響貿易應收款項的賬面值。有關用於估計預期信貸虧損的主要假設及輸入數據的詳情，請參閱綜合財務報表附註8(b)。

非金融資產（商譽除外）之減值

本集團每年評估各現金產生單位，以釐定是否有任何減值存在的跡象。倘存在減值跡象，則會作出可收回金額的正式估計，即被視為公平值減出售成本與使用價值的較高者。物業、廠房及設備及無形資產的賬面值會於有事件或情況變動顯示賬面值可能不能根據本節有關部分所披露的會計政策予以收回時檢討減值。估計使用價值要求本集團估計來自現金產生單位的未來現金流量以及選擇適當的折現率以計算該等現金流量的現值。

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6. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated allowance of inventories

The Group makes allowance for inventories based on an assessment of the net realisable value of inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the cost of inventories. The identification of obsolete inventories requires the use of judgment and estimates on the conditions and marketability of the inventories. Where the subsequent selling prices decline or increase in costs of completion and those necessary to make the sales, additional allowance may arise.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value.

Fair value measurement of financial instruments

The Group uses valuation techniques for financial instruments which are not quoted in an active market. Valuation techniques include the use of discounted cash flows analysis, comparable listed company method, option pricing models or other valuation methods as appropriate. In practical applications, only observable data are used in the models. However, areas such as credit risk of the Group and the counterparty, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the estimated fair value of the financial instruments.

6. 估計涉及不確定性之主要來源 (續)

估計存貨撥備

本集團根據對存貨可變現淨值的評估就存貨作出撥備。倘有事件或情況變動顯示可變現淨值低於存貨成本，即對存貨作出撥備。識別陳舊存貨須使用對存貨的狀況及可銷售性所作出的判斷及估計。倘其後售價下降或完成成本及作出銷售所需成本有所增加，則可能產生額外撥備。

商譽減值

釐定商譽是否減值須估計獲分配商譽之現金產生單位使用價值。計算使用價值時，管理層須估計預期可自現金產生單位產生之未來現金流量及適當折現率，從而計算現值。

金融工具之公平值計量

本集團對於活躍市場並無報價之金融工具使用估值方法。估值方法包括使用貼現現金流量分析、可資比較上市公司方法、期權定價模式或其他適當之估值方法。在實際應用中，模型中僅使用可觀察數據。但是，本集團與對手方之信貸風險、波動性及關聯性等領域需要管理層進行估計。關於該等因素之假設變化可能會影響金融工具之估計公平值。

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6. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Control over a subsidiary

The Group's management needs to assess whether the Group has the power over Wowxue and is exposed to significant variable return of Wowxue. If such power and exposure exist, the Group should consolidate Wowxue. The judgments the Group used in determining if it has control over Wowxue detailed in Note 46 Interests in consolidated Wowxue.

7. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital, reserves and retained profits.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risks associate with the capital. The Group will balance its overall capital structure through payment of dividends, new share issues as well as the issue of new debt, if necessary.

6. 估計涉及不確定性之主要來源 (續)

附屬公司控制權

本集團管理層需要評估本集團是否擁有對沃學之權力及面臨是否可獲得沃學之重大可變回報之風險。倘有關權力與風險存在，則本集團應將沃學綜合入賬。本集團用於確定其是否擁有對沃學之控制權之判斷詳述於附註46將沃學綜合入賬之權益。

7. 資本風險管理

本集團之資本管理旨在確保本集團內實體均可持續經營，同時透過優化債務及權益之平衡，盡量為股東帶來最大回報。本集團之整體策略與往年一樣保持不變。

本集團的資本結構包括現金及現金等值物與本公司擁有人應佔權益（包括股本、儲備及保留溢利）。

本公司董事持續檢討資本結構，當中涉及考慮資本成本及與資本相關之風險。如有必要，本集團將透過支付股息、發行新股份以及發行新債務，以平衡其整體資本結構。

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8. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets

Amortised cost

Financial assets at fair

value through profit or loss

金融資產

攤銷成本

按公平值計入損益之

金融資產

Financial liabilities

Amortised cost

Financial liabilities at fair value

through profit or loss

金融負債

攤銷成本

按公平值計入損益之

金融負債

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at fair value through profit or loss, trade receivables, loan receivables, other receivables, restricted bank deposits, bank balances and cash, trade and bill payables, other payables, lease liabilities, promissory notes and bank and other borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (price risk, currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

8. 金融工具

(a) 金融工具之類別

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
423,077	446,932
1,011	—
449,894	398,798
39,068	108,402

(b) 金融風險管理之目的及政策

本集團的主要金融工具包括按公平值計入損益之金融資產、貿易應收款項、應收貸款、其他應收款項、受限制銀行存款、銀行結餘及現金、貿易應付款項及應付票據、其他應付款項、租賃負債、承兌票據以及銀行及其他借貸。此等金融工具之詳情於各自之附註披露。此等金融工具所附帶之風險包括市場風險（價格風險、貨幣風險及利率風險）、信貸風險及流動資金風險。有關如何減低此等風險之政策載列如下。管理層確保適時及有效地採取適當措施以管理及監控此等風險。

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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk

Interest rate risk

The Group's exposure to the risks of changes in market interest rates related primarily to the Group's loan receivables with floating interest rates.

The table set out below demonstrates the sensitivity to a reasonably possible change in interest rates in the current year, with all other variable held constant, of the Group's loss before tax (through the impact on floating rate borrowings).

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

市場風險

利率風險

本集團面對市場利率變動的風險主要與本集團浮動利率應收貸款有關。

下表列示於本年度所有其他變量保持不變的情況下，本集團除稅前虧損（透過浮動利率借貸之影響）對利率的合理可能變動的敏感度。

Increase/ (decrease) in basis points 基點增加／ (減少)	Decrease/ (Increase) in loss before tax 除稅前虧損 減少／(增加)
	RMB'000 人民幣千元

2019

RMB

RMB

二零一九年

人民幣

人民幣

2018

RMB

RMB

二零一八年

人民幣

人民幣

50	123
(50)	(123)
50	90
(50)	(90)

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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Price risk

The Group is exposed to equity price risk through its investment in listed equity securities and financial derivatives. Management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments quoted in the TSX Venture Exchange.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of the respective equity instruments had been 10% (2018: Nil) higher/lower, loss for the year would decrease/increase by RMB93,000 (2018: nil) as a result of the changes in fair value of investment in listed equity securities.

8. 金融工具(續)

(b) 金融風險管理之目的及政策(續)

價格風險

本集團就其於上市股本證券及金融衍生工具的投資而面臨股本價格風險。管理層透過維持不同風險的投資組合管理此風險。本集團的股本價格風險主要集中於在TSX創業交易所報價的股本工具。

以下敏感度分析乃按於報告日期所面臨的股本價格風險而釐定。

倘相關股本工具的價格上升／下降10% (二零一八年：零)，則年度虧損會因於上市股本證券的投資的公平值變動而減少／增加人民幣93,000元 (二零一八年：零)。

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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk

As at 31 December 2019, the credit risk of the Group is primarily attributable to trade and other receivables, loan receivables and bank balances.

- i. The Group has no significant concentrations of credit risk. The carrying amounts of trade and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets. As at 31 December 2019 and 2018, all bank balances were deposited in reputable financial institutions and were hence without significant credit risk. Management does not expect any losses from non-performance by these counterparties. Credit sales are made to selected customers with good credit history. The Group has policies in place to ensure that outstanding trade receivables are collected on a timely basis. Trade receivables are subject to the expected credit loss model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

信貸風險

於二零一九年十二月三十一日，本集團的信貸風險主要來自貿易及其他應收款項、應收貸款及銀行結餘。

- i. 本集團並無重大集中的信貸風險。貿易及其他應收款項以及現金及現金等值物的賬面值為本集團金融資產的最高信貸風險。於二零一九年及二零一八年十二月三十一日，所有銀行結餘均存入信譽良好的金融機構，故無重大信貸風險。管理層預期不會因該等對手方不履約而招致任何損失。信貸銷售僅提供予信貸記錄良好的選定客戶。本集團已制訂政策確保及時追收未償還的貿易應收款項。貿易應收款項須應用預期信貸虧損模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，自初步確認起為所有貿易應收款項使用整個存續期內的預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵及逾期天數分類。預期虧損率基於銷售的歷史付款情況及出現的相應過往信貸虧損。本集團對過往虧損率作出調整以反映有關影響客戶結算應收款項能力的因素的當前及前瞻性資料。

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For the year ended 31 December 2019
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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (Continued)

The credit quality of the other receivables excluding deposits and prepayments have been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The directors are of the opinion that the expected credit loss of other receivables was approximately RMB5,442,000 (2018: Nil).

- ii. In respect of loan receivables, the Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of loan receivables periodically.

The Group adopts a loan risk classification approach to manage its loan receivables portfolio risk. Loan receivables are categorised into the following stages by the Group:

Stage 1

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

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

信貸風險 (續)

本集團已參考有關對手方違約率的歷史資料及對手方的財務狀況對其他應收款項 (不包括按金及預付款項) 的信貸質素進行評估。董事認為，其他應收款項的預期信貸虧損約為人民幣5,442,000元 (二零一八年：零)。

- ii. 就應收貸款而言，本集團採用相關程序延長授予借款人的信貸期及監控其信貸風險。延長授予借款人的信貸期的信貸政策包括評估及評價借款人的信譽度以及財務狀況。管理層亦密切監控所有未償還債務並定期審閱應收貸款的可收回性。

本集團採用貸款風險分類方法管理應收貸款組合風險。本集團將應收貸款分類為以下階段：

第1階段

應收貸款自批授起信貸風險並無顯著增加，且按12個月預期信貸虧損基準確認減值 (12個月預期信貸虧損)。

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綜合財務報表附註

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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

Stage 2

Loan 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 that are in default and considered credit impaired (Lifetime ECLs credit-impaired). The Group applies the new ECL model to measure the impairment loss of the loans and advances to customers. The Group assessed that there is significant loss allowance recognised in accordance with HKFRS 9 as at 31 December 2019.

When a certain number of customers undertake the same business activities, stay in the same geographical locations, or bear similar economic features for their industries, their ability to fulfil contracts will be affected by the same economic changes. Concentration of credit risk reflects the sensitivity of the Group's operating results to a particular industry or geographic location. As the Group mainly conducts microfinance business in Hong Kong, a certain level of geographical concentration risk exists for its loan portfolios in that it might be affected by changes of economic conditions.

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

信貸風險 (續)

第2階段

應收貸款自批授起信貸風險顯著增加，且按整個存續期預期信貸虧損基準確認減值（整個存續期預期信貸虧損未發生信貸減值）。

第3階段

已違約及被認為已發生信貸減值的應收貸款（整個存續期預期信貸虧損已發生信貸減值）。本集團應用新預期信貸虧損模型計量向客戶提供的貸款及墊款的減值虧損。本集團評估於二零一九年十二月三十一日根據香港財務報告準則第9號確認重大虧損撥備。

當若干數量的客戶從事相同的業務活動、位於相同的地理位置或其行業具有相似的經濟特性，彼等的履約能力將受到同一經濟變化的影響。信貸風險的集中程度反映了本集團的經營業績對某一特定行業或地理位置的敏感程度。由於本集團主要在香港經營小額貸款業務，其貸款組合因此承擔一定程度的地理集中風險，並可能因經濟狀況出現變動而受到影響。

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綜合財務報表附註

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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

Stage 3 (continued)

At the end of the reporting period, 15% (2018: 26%) and 59% (2018: 62%) of the total loan receivables was due from the Group's largest borrower and the five largest borrowers respectively.

The maximum exposure to credit risk of loan receivables for each stage is represented by the net carrying amount of each type of financial assets as at the end of the reporting periods. The details are set out in Note 29 to these financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from loans business are disclosed in Note 6 to these financial statements.

- iii. The credit risk on pledged bank deposits and bank balances is limited because the counterparties are mainly banks with high credit ratings assigned by international credit-rating agencies.

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

信貸風險 (續)

第3階段 (續)

於報告期末，15% (二零一八年：26%) 及59% (二零一八年：62%) 的應收貸款總額分別應收自本集團的最大借款人及五大借款人。

各階段應收貸款的最高信貸風險為於報告期末各類金融資產的賬面淨值。有關詳情載於該等財務報表附註29。

有關本集團貸款業務產生的信貸風險的進一步定量數據於該等財務報表附註6披露。

- iii. 已抵押銀行存款及銀行結餘的信貸風險有限，原因是交易對手方主要為國際信用評級機構評定為高信用級別的銀行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
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8. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

8. 金融工具 (續)

(b) 金融風險管理之目的及政策 (續)

流動資金風險

就管理流動資金風險而言，本集團監察及維持管理層認為足夠撥付本集團營運之現金及現金等值物水平，以及減低現金流量波動的影響。

下表詳列本集團之非衍生金融負債之餘下合約到期日。下表根據本集團須作出付款之最早日期之金融負債未貼現現金流量編製。

		Weighted average effective interest rate	On demand or less than 3 months	Within 1 year	More than 1 year but less than 5 years	Total undiscounted cash flows	Carrying amounts
		加權平均實際利率	按要求或少於3個月	1年內	超過1年但少於5年	未貼現現金流量總額	賬面值
		%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		%	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 31 December 2019	於二零一九年十二月三十一日						
Trade payables	貿易應付款項	-	71,451	-	-	71,451	71,451
Other payables	其他應付款項	-	12,569	-	-	12,569	12,569
Lease liabilities	租賃負債	2.59	-	2,736	595	3,331	3,280
Bank and other borrowings	銀行及其他借貸	5.0	-	27,859	-	27,859	26,952
Promissory notes	承兌票據	1.93	-	46,570	295,556	342,126	335,642
			<u>84,020</u>	<u>77,165</u>	<u>296,151</u>	<u>457,336</u>	<u>449,894</u>
As at 31 December 2018	於二零一八年十二月三十一日						
Trade payables	貿易應付款項	-	69,061	-	-	69,061	69,061
Other payables	其他應付款項	-	3,689	-	-	3,689	3,689
Bank and other borrowings	銀行及其他借貸	4.73	-	90,596	-	90,596	86,502
Promissory notes	承兌票據	5.05	-	-	249,024	249,024	237,056
			<u>72,750</u>	<u>90,596</u>	<u>249,024</u>	<u>412,370</u>	<u>396,308</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

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8. FINANCIAL INSTRUMENTS (continued)

(c) Fair values measurements of financial instruments

The following table presents financial liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date;
- 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).

The level in fair value hierarchy within which the financial liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

8. 金融工具 (續)

(c) 金融工具之公平值計量

下表呈列根據公平值層級於財務狀況表內按公平值計量之金融負債。該層級根據計量該等金融負債公平值所使用之主要輸入數據之相對可靠性，將金融負債劃分為三個級別。公平值層級之級別如下：

- 第一級：實體於計量日期就相同資產及負債於活躍市場上獲得之報價（未經調整）；
- 第二級：就資產或負債直接（即按價格）或間接（即自價格得出）可觀察之輸入數據（不包括第一級之報價）；及
- 第三級：資產或負債並非基於可觀察市場數據之輸入數據（不可觀察輸入數據）。

對金融負債之整體劃分所屬公平值層級之級別乃基於對公平值計量屬重大之最低級別輸入數據。

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綜合財務報表附註

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8. FINANCIAL INSTRUMENTS (continued)

(c) Fair values measurements of financial instruments (continued)

At 31 December 2019 and 2018, the financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

8. 金融工具(續)

(c) 金融工具之公平值計量(續)

於二零一九年及二零一八年十二月三十一日，於綜合財務狀況表內按公平值計量之金融資產及負債於公平值層級之分組如下：

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at 31 December 2019	於二零一九年十二月三十一日之金融資產				
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	536	475	-	1,011
Financial liabilities at 31 December 2019	於二零一九年十二月三十一日之金融負債				
Contingent consideration payable	應付或然代價	-	-	39,068	39,068
Financial liabilities at 31 December 2018	於二零一八年十二月三十一日之金融負債				
Contingent consideration payable	應付或然代價	-	-	108,402	108,402

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8. FINANCIAL INSTRUMENTS (continued)

8. 金融工具 (續)

(c) Fair values measurements of financial instruments (continued)

(c) 金融工具之公平值計量 (續)

Financial assets/liabilities 金融資產/負債		Fair value as at 於以下年度之公平值	Fair value hierarchy 公平值層級	Valuation techniques and key inputs 估值方法及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	2019 二零一九年	2018 二零一八年			
Listed equity securities at FVTPL	Listed equity securities of Ellipsiz Communications Ltd. - communications services and solutions - RMB536,000	N/A	Level 1	Quoted bid prices in an active market	N/A
按公平值計入損益之上市股本 證券	Ellipsiz Communications Ltd. 之上市股本證券 - 通訊服務及解決方案 - 人民幣 536,000元	不適用	第一級	活躍市場所報之買入價	不適用
Derivative financial assets	Assets RMB475,000	N/A	Level 2	Binomial option pricing model	N/A
衍生金融資產	資產人民幣475,000元	不適用	第二級	二項式期權定價模式	不適用
Contingent consideration payable	Liabilities RMB39,068,000	Liabilities RMB108,402,000	Level 3	Binomial option pricing model	Expected volatility of 12% (2018: 13%)
應付或然代價	負債人民幣39,068,000元	負債人民幣108,402,000元	第三級	二項式期權定價模式	預期波幅12% (二零一八年: 13%)

There were no transfers between Level 1 and 2 during the year (2018: Nil).

於年內，第一級與第二級之間並無發生轉移（二零一八年：無）。

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9. REVENUE

An analysis of revenue is as follows:

Revenue from contracts with customers within the scope of HKFRS 15, disaggregated by major products or services lines: 香港財務報告準則第15號範圍內之客戶合約收入（按主要產品或服務線劃分）：

Revenue from sales of goods 銷售貨品之收入
Revenue from provision of internet education services 來自提供互聯網教育服務的收入

Revenue from other sources outside the scope of HKFRS 15: 香港財務報告準則第15號範圍外之其他來源收入：

Revenue from money lending business 來自放債業務的收入

Note: Revenue from sales of goods is recognised at a point in time and revenue from provision of internet education services is recognised over time.

9. 收入

收入的分析如下：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
281,766	194,316
28,962	24,571
310,728	218,887
16,218	18,911
326,946	237,798

附註：銷售貨品之收入於時間點確認及來自提供互聯網教育服務的收入隨時間推移確認。

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10. OPERATING SEGMENTS

HKFRS 8 “Operating segments” requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the executive directors) (“CODM”) in order to allocate resources to segments and to assess their performance.

The Group’s operating activities are attributable to five operating segments focusing on: i) the manufacture and sale of paper converting equipment and other relating equipment; ii) money lending; iii) eCommerce; and iv) internet education services. These operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies which conform to HKFRSs, that are regularly reviewed by the CODM.

On 12 April 2019, the manufacture and sale of advanced steel flow control products segment was disposed of.

The following is an analysis of the Group’s revenue and results by reportable and operating segments:

10. 經營分部

香港財務報告準則第8號「經營分部」要求，確認經營分部必須依從本集團個別實體之內部呈報分類作為基準；該等內部呈報分類乃定期由主要營運決策者（執行董事）（「主要營運決策者」）審視，以對各分部進行資源分配及表現評估。

本集團之經營活動屬於五個經營分部，專注於：i)製造及銷售紙張加工設備及其他相關設備；ii)放債；iii)電子商務；及iv)互聯網教育服務。該等經營分部乃基於符合香港財務報告準則之會計政策所編製之內部管理報告而識別，並由主要營運決策者定期檢討。

於二零一九年四月十二日，製造及銷售高端鋼水控流產品分部已出售。

按可呈報及經營分部劃分的本集團收入及業績分析如下：

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綜合財務報表附註

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10. OPERATING SEGMENTS (continued)

Segment revenue and results

For the year ended 31 December 2019

10. 經營分部 (續)

分部收入及業績

截至二零一九年十二月三十一日止
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment 製造及 銷售紙張 加工設備 及其他 相關設備	Money lending 放款	eCommerce 電子商務	Internet education services 互聯網 教育服務	Consolidated 綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	40,086	16,218	241,680	28,962	326,946
Gross profit	毛利	7,831	14,098	30,688	28,721	81,338
Segment profit/(loss)	分部溢利/(虧損)	(8,357)	(35,524)	3,158	24,140	(16,583)
Unallocated corporate income	未分配公司收入					932
Unallocated corporate expenses	未分配公司開支					(127,815)
Loss before taxation	除稅前虧損					(143,466)

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10. OPERATING SEGMENTS (continued)

10. 經營分部 (續)

Segment revenue and results (continued)

分部收入及業績 (續)

For the year ended 31 December 2018

截至二零一八年十二月三十一日止
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment	Money lending	eCommerce	Internet education services	Consolidated
		製造及 銷售紙張 加工設備 及其他 相關設備	放債	電子商務	互聯網 教育服務	綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	41,773	18,911	152,543	24,571	237,798
Gross profit	毛利	7,532	11,896	27,862	23,133	70,423
Segment profit/(loss)	分部溢利/(虧損)	(435)	6,645	1,773	20,612	28,595
Unallocated corporate income	未分配公司收入					7,118
Unallocated corporate expenses	未分配公司開支					(68,332)
Loss before taxation	除稅前虧損					(32,619)

Segment loss represents the loss incurred by each segment include depreciation, amortisation and impairment, but without allocation of certain administration costs and other income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分部虧損指各分部產生的虧損(包括折舊、攤銷及減值), 但並無分配若干行政成本及其他收入。此乃就資源分配及表現評估而向主要營運決策者報告的方法。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. OPERATING SEGMENTS (continued)

Segment assets and liabilities

For the year ended 31 December 2019

10. 經營分部 (續)

分部資產及負債

截至二零一九年十二月三十一日止
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售紙張加工設備及其他相關設備	Money lending 放債	eCommerce 電子商務	Internet education services 互聯網教育服務	Consolidated 綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
ASSETS	資產					
Segment assets	分部資產	42,642	239,990	95,888	53,904	432,424
Unallocated corporate assets	未分配公司資產					485,309
Consolidated total assets	綜合資產總值					917,733
LIABILITIES	負債					
Segment liabilities	分部負債	49,935	2,135	57,683	6,962	116,715
Unallocated corporate liabilities	未分配公司負債					400,834
Consolidated total liabilities	綜合負債總額					517,549

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綜合財務報表附註

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

10. OPERATING SEGMENTS (continued)

Segment assets and liabilities (continued)

For the year ended 31 December 2019 (continued)

10. 經營分部 (續)

分部資產及負債 (續)

截至二零一九年十二月三十一日止
年度 (續)

		Continuing operations 持續經營業務					
		Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售紙張加工設備及其他相關設備	Money lending 放債	eCommerce 電子商務	Internet education services 互聯網教育服務	Unallocated 未分配	Consolidated 綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Other segment information	其他分部資料						
Amounts included in the measure of segment profit or loss or segment assets:	計量分部利潤或虧損或分部資產時計入的金額：						
Addition to property, plant and equipment	添置物業、廠房及設備	-	-	1,866	9	-	1,875
Addition to right-of-use assets	添置使用權資產	-	3,620	459	-	-	4,079
Depreciation of property, plant and equipment	物業、廠房及設備折舊	150	165	699	42	1,240	2,296
Depreciation of right-of-use assets	使用權資產折舊	54	1,023	172	-	1,673	2,922
Interest income	利息收入	-	(10)	-	(30)	(932)	(972)
Interest expense	利息開支	1,047	37	4	-	15,768	16,856
Income tax expense/(credit)	所得稅開支/(抵免)	-	-	730	6,038	(6,176)	592
Impairment loss recognised in respect of trade and loan receivables	就貿易應收款項及應收貸款確認的減值虧損	5,918	39,293	632	1,714	-	47,557
Written down of inventories	存貨撇減	1,460	-	-	-	-	1,460
Impairment loss recognised in respect of other receivables	就其他應收款項確認的減值虧損	-	3,372	1,823	247	-	5,442
Impairment loss recognised in respect of goodwill	就商譽確認的減值虧損	-	-	61,225	-	-	61,225
Amortisation of intangible assets	無形資產攤銷	-	-	-	24,702	-	24,702

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. OPERATING SEGMENTS (continued)

Segment assets and liabilities

For the year ended 31 December 2018

10. 經營分部 (續)

分部資產及負債

截至二零一八年十二月三十一日止
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment	Money lending	eCommerce	Internet education services	Consolidated
		製造及銷售 紙張加工 設備及其他 相關設備	放債	電子商務	互聯網 教育服務	綜合
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
ASSETS	資產					
Segment assets	分部資產	41,006	259,742	65,295	45,525	411,568
Unallocated corporate assets	未分配公司資產					612,884
Assets of disposal group classified as held for sale	分類為持作出售之 出售集團之資產					109,373
Consolidated total assets	綜合資產總值					1,133,825
LIABILITIES	負債					
Segment liabilities	分部負債	49,039	68,473	30,591	16,397	164,500
Unallocated corporate liabilities	未分配公司負債					372,959
Liabilities of disposal group classified as held for sale	分類為持作出售之 出售集團之負債					100,973
Consolidated total liabilities	綜合負債總額					638,432

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. OPERATING SEGMENTS (continued)

Information about geographical areas

The following table provides an analysis of the Group's revenue by geographical market:

The People's Republic of China (the "PRC") (country of domicile)	中華人民共和國(「中國」) (原籍國家)
Europe	歐洲
Asia (other than the PRC and Hong Kong)	亞洲(不包括中國及香港)
North America	北美洲
Hong Kong	香港

10. 經營分部(續)

地區資料

下表提供本集團按地區市場劃分的收入分析：

For the year ended
31 December
截至十二月三十一日止年度

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
52,370	62,005
211,812	105,830
17,664	19,490
3,625	16,722
41,475	33,951
326,946	237,998

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. OPERATING SEGMENTS (continued)

Non-current assets

Hong Kong	香港
PRC	中國

The non-current asset information above is based on the location of assets.

Information about major customers

No individual customer contributed more than 10% of the Group's revenue for the years ended 31 December 2019 and 2018.

10. 經營分部 (續)

非流動資產

As at 31 December		2019	2018
於十二月三十一日		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		277,394	327,191
		195,555	225,517
		472,949	552,708

以上非流動資產資料乃根據資產位置而定。

主要客戶資料

截至二零一九年及二零一八年十二月三十一日止年度，概無個別客戶為本集團貢獻超過10%之收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

11. OTHER GAINS OR LOSS, NET

Interest income on bank deposit	銀行存款的利息收入
Exchange gain	匯兌收益
Sundry income	雜項收入
Fair value (loss)/gain on contingent consideration	或然代價的公平值 (虧損)/收益
Fair value loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產 之公平值虧損

11. 其他收益或虧損淨額

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
972	330
161	368
1,096	536
(7,116)	4,789
(987)	–
(5,874)	6,023

12. IMPAIRMENT LOSS, NET

Trade and loan receivables	貿易應收款項及應收貸款
Inventories	存貨
Other receivables	其他應收款項
Goodwill	商譽

12. 減值虧損淨額

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
47,557	(2,184)
1,460	–
5,442	–
61,225	–
115,684	(2,184)

13. FINANCE COSTS

Interest charge on lease liabilities	就租賃負債支付的利息
Interest charge on promissory notes	就承兌票據支付的利息
Interest charge on bank borrowing	就銀行借貸支付的利息

13. 財務成本

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
70	–
15,606	3,602
1,180	1,094
16,856	4,696

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. LOSS BEFORE TAXATION

14. 除稅前虧損

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Continuing operations	持續經營業務		
Loss before taxation has been arrived at after charging (crediting):	除稅前虧損經扣除(計入)下列項目後達致:		
Auditor's remuneration	核數師酬金	793	827
Provision/(reversal) of impairment loss recognised in respect of trade and loan receivables	就貿易應收款項及應收貸款確認的減值虧損撥備/(撥回)	47,557	(2,184)
Written down of inventories	存貨撇減	1,460	-
Impairment loss recognised in respect of other receivables	就其他應收款項確認的減值虧損	5,442	-
Impairment loss recognised in respect of goodwill	就商譽確認的減值虧損	61,225	-
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	53
Amortisation of intangible assets	無形資產攤銷	24,702	51,667
Cost of inventories recognised as an expense	確認為開支之存貨成本	243,247	158,922
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,296	561
Depreciation of right-of-use assets	使用權資產折舊	2,922	-
Short-term lease payment	短期租賃付款	1,309	-
Minimum lease payments in respect of office premises	有關辦公室物業之最低租賃款項	-	5,960
Net exchange (gain)/loss	匯兌(收益)/虧損淨額	(161)	134
Share-based payment	股份支付款項	5,956	-
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
- Salaries and other benefits	- 薪金及其他福利	23,643	29,326
- Retirement benefit scheme contributions	- 退休福利計劃供款	909	1,410
		24,552	30,736

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

15. TAXATION

Continuing operations	持續經營業務
Hong Kong Profits Tax:	香港利得稅：
– Current year	– 本年度
PRC Enterprise Income Tax:	中國企業所得稅：
– Current year	– 本年度
Deferred tax:	遞延稅項：
– Current year	– 本年度

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Provision for the PRC Enterprise Income Tax was made based on the estimated taxable profits calculated in accordance with the relevant income tax laws and regulations applicable to the Company’s PRC subsidiaries.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

15. 稅項

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
730	1,370
6,038	5,155
(6,176)	(11,077)
592	(4,552)

於二零一八年三月二十一日，香港立法會通過二零一七年稅務（修訂）（第7號）條例草案（「條例草案」），引入兩級制利得稅率制度。條例草案於二零一八年三月二十八日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體之首2,000,000港元溢利將按8.25%之稅率徵稅，而超過2,000,000港元之溢利則按16.5%之稅率徵稅。不符合兩級制利得稅率制度資格之集團實體之溢利將繼續按16.5%之劃一稅率徵稅。

中國企業所得稅撥備乃根據估計應課稅溢利（按適用於本公司中國附屬公司之有關所得稅法及法規計算）作出。

根據《中國企業所得稅法》（「企業所得稅法」）及企業所得稅法實施條例，中國附屬公司的稅率為25%。

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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

15. TAXATION (continued)

A PRC subsidiary of the Company namely “Wowxue” obtained a Chinese High-Tech Enterprise Certificate in 2017. According to GuoShuiHan [2009] No.203, entities qualifying for the Hi-tech status could enjoy a PRC Enterprise Income Tax preferential treatment for 3 years commencing from 2015 and 2017 accordingly. As a result, these PRC subsidiaries were subject to a PRC Enterprise Income Tax of 15%.

At the end of the reporting period, the Group has unused tax losses of RMB73,070,000 (2018: RMB14,454,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such unused tax losses due to the unpredictability of future profit streams.

The tax charge for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

15. 稅項 (續)

本公司一家中國附屬公司，即「沃學」，已於二零一七年獲得中國高新技術企業證書。根據國稅函[2009]第203號，符合高新技術企業資格的實體可享受自二零一五年及二零一七年起三年的中國企業所得稅優惠待遇。因此，該等中國附屬公司享受15%中國企業所得稅的待遇。

於報告期末，本集團擁有未動用稅項虧損人民幣73,070,000元（二零一八年：人民幣14,454,000元），可被日後溢利所抵銷。由於無法預測日後溢利流，故並無就該等未動用稅項虧損確認遞延稅項資產。

年內稅項支出與綜合損益及其他全面收益表之除稅前虧損對賬如下：

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Loss before taxation	除稅前虧損	(143,466)	(32,619)
Notional tax at the applicable tax rate to losses in the tax jurisdictions concerned	於相關稅項司法權區虧損按適用稅率計的估計稅項	(17,338)	(5,686)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	17,851	13,449
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(7,535)	(1,343)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	13,790	105
Deferred tax upon revaluation of assets	資產重新估值後之遞延稅項	(6,176)	(11,077)
Taxation expenses/(credit) charge for the year	年內稅項開支／(抵免)支出	592	(4,552)

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For the year ended 31 December 2019
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16. DIRECTORS AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the directors and the Chief Executive, were as follows:

16. 董事及主要行政人員之酬金

已付或應付予各董事及主要行政人員之酬金如下：

		Fees	Salaries and allowances	Retirement benefit scheme contributions	Share-based payments	Total
		袍金	薪金及津貼	退休福利計劃供款	以股份為基礎付款	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
For the year ended 31 December 2019:	截至二零一九年十二月三十一日止年度：					
Executive directors:	執行董事：					
Zhu Min	朱敏	317	-	-	-	317
Chen Huabei (Note 1)	陳化北 (附註1)	88	-	-	-	88
Lu Yongchao	呂永超	264	-	-	-	264
Yip Sum Yu (Note 3)	葉芯瑜 (附註3)	-	-	-	-	-
Xu Yejun (Note 2)	徐葉君 (附註2)	26	-	-	-	26
Sin Kwok Wai Ronald (Note 3)	冼國威 (附註3)	-	885	16	-	901
Non-executive director:	非執行董事：					
Chow Chi Wa	周志華	212	-	-	-	212
Yip Sum Yu (Note 3)	葉芯瑜 (附註3)	351	-	-	-	351
Independent non-executive directors:	獨立非執行董事：					
Li Yik Sang	李奕生	106	-	-	-	106
Tong Yiu On	唐耀安	106	-	-	-	106
Cao Ke	曹克	106	-	-	-	106
		1,576	885	16	-	2,477

Notes:

- Appointed on 11 June 2019.
- Resigned on 10 October 2019.
- Ms. Yip Sum Yu was re-designed as executive director and Mr. Sin Kwok Wai Ronald has resigned as executive director and has appointed as chief financial officer on 13 March 2020.

附註：

- 於二零一九年六月十一日獲委任。
- 於二零一九年十月十日辭任。
- 於二零二零年三月十三日，葉芯瑜女士調任執行董事，及冼國威先生已辭任執行董事並已獲委任為財務總監。

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

16. DIRECTORS AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

16. 董事及主要行政人員之酬金 (續)

		Fees	Salaries and allowances	Retirement benefit scheme contributions	Share-based payments	Total
		袍金	薪金及津貼	退休福利計劃供款	以股份為基礎付款	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
For the year ended 31 December 2018:	截至二零一八年十二月三十一日止年度：					
Executive directors:	執行董事：					
Zhu Min	朱敏	304	-	-	-	304
Xu Yejun (Note 2)	徐葉君 (附註2)	244	-	13	-	257
Sin Kwok Wai Ronald (Note 3)	冼國威 (附註3)	-	808	25	-	833
Lu Yongchao	呂永超	127	-	-	-	127
Non-executive director:	非執行董事：					
Chow Chi Wa	周志華	203	-	-	-	203
Yip Sum Yu (Note 3)	葉芯瑜 (附註3)	290	-	-	-	290
Independent non-executive directors:	獨立非執行董事：					
Li Yik Sang	李奕生	101	-	-	-	101
Tong Yiu On	唐耀安	101	-	-	-	101
Cao Ke	曹克	101	-	-	-	101
		<u>1,471</u>	<u>808</u>	<u>38</u>	<u>-</u>	<u>2,317</u>

The performance related bonus is determined by the performance of individuals.

與表現相關之花紅乃根據個人表現釐定。

None of the directors waived any emoluments for both years.

於該兩個年度，概無董事放棄收取任何酬金。

There was no compensation paid during the financial year or receivable by directors or any employees for loss of office as a director of any member of the Group. No payment was made by the Group or receivable by directors or any employees for both years as an inducement to join or upon joining the Company.

於本財政年度內概無支付或概無董事或任何僱員因失去本集團任何成員公司的董事職位而應收的任何補償。於該兩個年度，本集團概無支付或概無董事或任何僱員應收加盟本公司或加盟本公司後的獎金。

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17. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2018: three) were directors of the Company whose emoluments are included in the disclosures in Note 16 above. The emoluments of the remaining two (2018: two) individuals were as follows:

Salaries and allowances	薪金及津貼
Retirement benefit scheme contributions	退休福利計劃供款

17. 僱員酬金

在本集團五名最高薪人士當中，三名（二零一八年：三名）為本公司之董事，其酬金已於上文附註16中披露。餘下兩名（二零一八年：兩名）人士之酬金如下：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
2,320	2,056
32	30
2,352	2,086

Their emoluments were within the following bands:

Up to RMB1,000,000	最多至人民幣1,000,000元
RMB1,000,001 to RMB1,500,000	人民幣1,000,001元至 人民幣1,500,000元

彼等之酬金介乎以下範圍之內：

2019 二零一九年	2018 二零一八年
Number of employee 僱員人數	Number of employee 僱員人數
–	–
2	2

18. DIVIDENDS

No dividend was paid or proposed by the Company during the years ended 31 December 2019 and 2018, nor has any dividend been proposed since the end of the reporting period.

18. 股息

本公司並無派付或建議派付截至二零一九年及二零一八年十二月三十一日止年度之股息，且自報告期末亦無建議派付任何股息。

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19. LOSS PER SHARE

For continuing operations

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

Loss figures are calculated as follows:

Loss for the year attributable to the owners of the Company

Add:
(Profit)/loss for the year from discontinued operation

Loss for the purpose of basic and diluted loss per share from continuing operations

Number of shares

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

本公司擁有人應佔之年度虧損

加：
來自已終止經營業務之年度（溢利）／虧損

就來自持續經營業務之每股基本及攤薄虧損而言之虧損

股份數目

就計算每股基本及攤薄虧損所使用之普通股加權平均數

19. 每股虧損

持續經營業務

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

虧損數字之計算如下：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
(98,403)	(81,586)
(39,015)	52,888
(137,418)	(28,698)
Number of shares 股份數目	Number of shares 股份數目
2019 二零一九年	2018 二零一八年
'000 千股	'000 千股
3,975,448	4,044,614

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19. LOSS PER SHARE (continued)

From continuing and discontinued operations

The calculation of the basic and diluted loss per share from continuing and discontinued operations attributable to the owners of the Company is based on the following data:

Loss	虧損
Loss for the purpose of basic and diluted loss per share	就每股基本及攤薄虧損而言之虧損

The denominators used are the same as those detailed above for both basic and diluted loss per share.

From discontinued operation

Basic and diluted earnings per share for the discontinued operation are RMB0.98 cents per share (2018: loss RMB1.31 cents per share), based on the profit for the year from discontinued operation of RMB39,015,000 (2018: loss RMB52,888,000) and the denominators detailed above for both basic and diluted loss per share.

The calculation of diluted loss per share for each of the two years ended 31 December 2019 and 2018 had not taken into consideration the assumed exercised of the Company's outstanding share options as it would reduce the loss per share.

19. 每股虧損 (續)

來自持續經營及已終止經營業務

本公司擁有人應佔來自持續經營及已終止經營業務之每股基本及攤薄虧損乃根據以下數據計算：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
(98,403)	(81,586)

所用分母與上文就每股基本及攤薄虧損所詳述者相同。

來自已終止經營業務

已終止經營業務之每股基本及攤薄盈利為每股人民幣0.98分(二零一八年：每股虧損人民幣1.31分)，乃根據來自已終止經營業務之年度溢利人民幣39,015,000元(二零一八年：虧損人民幣52,888,000元)及上文就每股基本及攤薄虧損所詳述之分母計算。

計算截至二零一九年及二零一八年十二月三十一日止兩個年度各年之每股攤薄虧損並無計入假設行使本公司尚未行使之購股權，因其會導致每股虧損減少。

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20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Furniture and fixtures and office equipment 傢俱及裝置及 辦公室設備 RMB'000 人民幣千元	Plant, machinery and equipment 廠房、機器及 設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2018	於二零一八年一月一日	74,318	7,258	114,292	9,991	205,859
Additions	添置	43	715	153	-	911
Disposals	出售	-	-	(2,342)	(1,776)	(4,118)
Reclassified as held for sale	重新分類為持作出售	(37,453)	(3,776)	(111,135)	(7,402)	(159,766)
Exchange realignment	匯兌調整	534	(51)	-	17	500
		<u>37,442</u>	<u>4,146</u>	<u>968</u>	<u>830</u>	<u>43,386</u>
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					
Addition	添置	-	1,875	-	-	1,875
Exchange realignment	匯兌調整	185	383	-	63	631
		<u>37,627</u>	<u>6,404</u>	<u>968</u>	<u>893</u>	<u>45,892</u>
At 31 December 2019	於二零一九年 十二月三十一日					
Depreciation and impairment:	折舊及減值：					
At 1 January 2018	於二零一八年一月一日	65,060	4,647	113,340	8,847	191,894
Provided for the year	年內撥備	357	651	676	602	2,286
Eliminated on disposals	出售之對銷	-	-	(2,342)	(1,721)	(4,063)
Reclassified as held for sale	重新分類為持作出售	(37,375)	(3,741)	(110,743)	(7,067)	(158,926)
Exchange realignment	匯兌調整	86	192	-	8	286
		<u>28,128</u>	<u>1,749</u>	<u>931</u>	<u>669</u>	<u>31,477</u>
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					
Provided for the year	年內撥備	865	1,270	37	124	2,296
Exchange realignment	匯兌調整	30	97	-	62	189
		<u>29,023</u>	<u>3,116</u>	<u>968</u>	<u>855</u>	<u>33,962</u>
At 31 December 2019	於二零一九年 十二月三十一日					
Carrying values:	賬面值：					
At 31 December 2019	於二零一九年 十二月三十一日	<u>8,604</u>	<u>3,288</u>	<u>-</u>	<u>38</u>	<u>11,930</u>
At 31 December 2018	於二零一八年 十二月三十一日	<u>9,314</u>	<u>2,397</u>	<u>37</u>	<u>161</u>	<u>11,909</u>

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20. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 December 2018, certain of the Group's buildings with a net carrying value of RMB37,000 (2019: Nil) were pledged to secure short-term bank borrowings.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual value, at the following rates per annum:

Buildings	4.5% – 18%
Leasehold improvements	20% or over the lease term, whichever is shorter
Furniture and fixtures and office equipment	18%
Plant, machinery and equipment	9%
Motor vehicles	18%

The buildings are situated on land in the PRC held under medium term leases and in Hong Kong held under long term leases.

No impairment loss has been recognised during the years ended 31 December 2019 and 2018.

21. RIGHT-OF-USE ASSETS

Carrying amount:	賬面值：
At 1 January 2019	於二零一九年一月一日
At 31 December 2019	於二零一九年十二月三十一日

20. 物業、廠房及設備（續）

於二零一八年十二月三十一日，本集團已質押若干賬面淨值為人民幣37,000元（二零一九年：零）的樓宇，以取得短期銀行借貸。

上述物業、廠房及設備項目使用直線法及經考慮其估計剩餘價值後以下列年率計算於其估計可使用年期之折舊：

樓宇	4.5% – 18%
租賃物業裝修	20%或按租期，以較短者為準
傢俱及裝置及辦公室設備	18%
廠房、機器及設備	9%
汽車	18%

樓宇位於中國內地及香港，並分別根據中期租約及長期租約持有。

於截至二零一九年及二零一八年十二月三十一日止年度，概無確認減值虧損。

21. 使用權資產

Prepaid lease payments	Leasehold buildings	Total
預付租賃款項	租賃樓宇	總計
RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
252	1,946	2,198
198	3,207	3,405

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21. RIGHT-OF-USE ASSETS (continued)

During the year ended 31 December 2019, additions to right-of-use assets were RMB4,079,000, which related to the capitalised lease payments payable under new tenancy agreements.

The analysis of (expense)/income items in relation to leases recognised in profit or loss and other comprehensive income is as follows:

Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權 資產折舊費用：	
Prepaid lease payments	租賃樓宇	(54)
Leasehold buildings	租賃樓宇	(2,868)
		(2,922)
Exchange realignment of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權 資產匯兌調整：	
Leasehold buildings	租賃樓宇	50

Prepaid lease payments

The Group's prepaid lease payments represent leasehold land in the PRC under medium lease within 50 years.

As at 1 January 2019 and 31 December 2019, certain of the Group's leasehold land with net carrying value of RMB252,000 and RMB198,000 was pledged to secure short-term bank borrowings.

Leased buildings

The Group leases various leased buildings for its operation. Leased contract are entered into for fixed term of more than 1 to 2 years.

21. 使用權資產 (續)

於截至二零一九年十二月三十一日止年度，新增使用權資產為人民幣4,079,000元，其與新訂租賃協議項下的資本化租賃應付款項相關。

於損益及其他全面收益中確認的有關租賃之(開支)/收入項目分析如下：

2019 二零一九年
RMB'000 人民幣千元
(54)
(2,868)
(2,922)
50

預付租賃款項

本集團的預付租賃款項指位於中國並根據50年內之中期租約持有之租賃土地。

於二零一九年一月一日及二零一九年十二月三十一日，本集團已抵押若干賬面淨值為人民幣252,000元及人民幣198,000元的租賃土地，以取得短期銀行借貸。

租賃樓宇

本集團就其業務租賃多處租賃樓宇。租賃合約之固定租期超過1至2年。

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22. GOODWILL

Cost:	成本：
At 1 January	於一月一日
Exchange realignment	匯兌調整
	於十二月三十一日
Accumulated impairment:	累計減值：
At 1 January	於一月一日
Impairment	減值
Exchange realignment	匯兌調整
	於十二月三十一日
Carrying value:	賬面值：
At 31 December	於十二月三十一日

Goodwill is allocated to the Group's cash generated units ("CGU") identified according to business segment as follows:

22. 商譽

	2019 二零一九年	2018 二零一八年
	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:		
At 1 January	491,484	472,750
Exchange realignment	4,428	18,734
	495,912	491,484
Accumulated impairment:		
At 1 January	47,178	45,072
Impairment	61,225	-
Exchange realignment	1,590	2,106
	109,993	47,178
Carrying value:		
At 31 December	385,919	444,306

商譽獲分配至本集團按以下業務分部辨識的現金產生單位（「現金產生單位」）：

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Money lending	放債	(i) 73,708	74,438
eCommerce	電子商務	(ii) 188,639	246,296
Internet education services	互聯網教育服務	(iii) 123,572	123,572
		385,919	444,306

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22. GOODWILL (continued)

(i) Money lending

During the year ended 31 December 2015, the Group acquired 90% issued share capital of Time Credit Limited and goodwill of approximately RMB103,318,000 was recognised upon completion of the acquisition.

(ii) eCommerce

During the year ended 31 December 2015, the Group acquired the entire issued share capital of Soaring International Holdings Limited and its subsidiaries ("Soaring International Group") and goodwill of approximately RMB229,740,000 was recognised upon completion of the acquisition.

(iii) Internet education services

During the year ended 31 December 2017, the Group acquired 100% issued share capital of Cybernaut Technology International Limited and its subsidiaries and therefore goodwill of approximately RMB123,572,000 was recognised upon completion of the acquisition.

22. 商譽 (續)

(i) 放債

於截至二零一五年十二月三十一日止年度，本集團收購了友邦信貸有限公司之90%已發行股本，並於收購完成後確認商譽約人民幣103,318,000元。

(ii) 電子商務

於截至二零一五年十二月三十一日止年度，本集團收購了Soaring International Holdings Limited及其附屬公司（「Soaring International集團」）之全部已發行股本，並於收購完成後確認商譽約人民幣229,740,000元。

(iii) 互聯網教育服務

於截至二零一七年十二月三十一日止年度，本集團收購了Cybernaut Technology International Limited及其附屬公司之100%已發行股本，因此於收購完成後確認商譽約人民幣123,572,000元。

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23. INTANGIBLE ASSETS

23. 無形資產

		Technology know-how 專有技術 RMB'000 人民幣千元	Customer relationship 客戶關係 RMB'000 人民幣千元	Platform 平台 RMB'000 人民幣千元	Contract backlog 未完成合約 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2018	於二零一八年一月一日	98,771	10,733	118,593	9,844	237,941
Exchange realignment	匯兌調整	2,778	-	-	-	2,778
At 31 December 2018 and at 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	101,549	10,733	118,593	9,844	240,719
Exchange realignment	匯兌調整	2,095	-	-	-	2,095
At 31 December 2019	於二零一九年十二月 三十一日	103,644	10,733	118,593	9,844	242,814
Accumulated amortisation and impairment:	累計攤銷及減值：					
At 1 January 2018	於二零一八年一月一日	72,175	10,733	1,977	82	84,967
Provided for the year	年度撥備	21,686	-	28,997	984	51,667
Exchange realignment	匯兌調整	7,688	-	-	-	7,688
At 31 December 2018 and at 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	101,549	10,733	30,974	1,066	144,322
Provided for the year	年度撥備	-	-	23,718	984	24,702
Exchange realignment	匯兌調整	2,095	-	-	-	2,095
At 31 December 2019	於二零一九年 十二月三十一日	103,644	10,733	54,692	2,050	171,119
Carrying amount:	賬面值：					
At 31 December 2019	於二零一九年 十二月三十一日	-	-	63,901	7,794	71,695
At 31 December 2018	於二零一八年 十二月三十一日	-	-	87,619	8,778	96,397

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23. INTANGIBLE ASSETS (continued)

The above intangible assets have finite useful life. Such intangible assets are amortised on a straight-line basis over the following periods:

Technology know-how	3 to 10 years
Customer relationship	10 years
Platform	5 years
Contract backlog	10 years

No impairment loss has been recognised during the years ended 31 December 2019 and 2018.

24. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS

For the purposes of impairment testing, goodwill and intangible assets set out in Notes 22 and 23 have been allocated to three cash generating units ("CGUs"), comprising money lending segment, eCommerce segment and internet education services segment. The carrying amounts of goodwill and intangible assets (net of accumulated impairment losses) allocated to these units are as follows:

23. 無形資產 (續)

上述無形資產具有有限使用年期。該等無形資產乃於以下期間按直線法攤銷：

專有技術	3至10年
客戶關係	10年
平台	5年
未完成合約	10年

於截至二零一九年及二零一八年十二月三十一日止年度，概無確認減值虧損。

24. 商譽及無形資產之減值測試

就減值測試而言，附註22及23所載商譽及無形資產已分配至三個現金產生單位（「現金產生單位」），包括放債分部、電子商務分部及互聯網教育服務分部。分配至該等單位的商譽及無形資產（扣除累計減值虧損）的賬面值如下：

		Goodwill 商譽		Intangible assets 無形資產	
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Money lending	放債	73,708	74,438	-	-
eCommerce	電子商務	188,639	246,296	-	-
Internet education services	互聯網教育服務	123,572	123,572	71,695	96,397
		385,919	444,306	71,695	96,397

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24. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (continued)

Money lending

The recoverable amount of the money lending CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets approved by the management with discount rate of 14% (2018: 16%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 7% to 18% (2018: 8% to 13%). Such estimation is based on the money lending CGU's past performance and management's expectations of the market development.

During the year ended 31 December 2019 and 2018, management of the Group determines that there is no impairment on the money lending CGU. Management believes that any reasonably possible changes in any of these assumptions would not cause the carrying amount of the money lending CGU to exceed the recoverable amount of the money lending CGU.

24. 商譽及無形資產之減值測試 (續)

放債

放債現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年14% (二零一八年：16%) 的五年期間 (二零一八年：五年期間) 內現金流量預測。五年期間 (二零一八年：五年期間) 後之現金流量乃根據3% (二零一八年：3%) 的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長7%至18% (二零一八年：8%至13%) 在內的現金流入／流出之估計有關。有關估計乃基於放債現金產生單位的過往表現及管理層對市場發展的預期得出。

於截至二零一九年及二零一八年十二月三十一日止年度，本集團管理層釐定放債現金產生單位概無減值。管理層認為，倘任何該等假設出現任何合理可能變動，均不會導致放債現金產生單位之賬面值超出其可收回金額。

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24. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (continued)

eCommerce

The recoverable amount of the eCommerce CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets approved by the management with discount rate of 13% (2018: 16%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 2.5%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 3% to 16% (2018: 25% to 40%). Such estimation is based on the unit's past performance and management's expectations of the market development.

During the year ended 31 December 2019, management of the Group have consequently determined impairment of goodwill directly related to the eCommerce CGU amounting to RMB61,225,000 (2018: Nil). The impairment loss has been included in profit or loss in impairment loss line item.

24. 商譽及無形資產之減值測試 (續)

電子商務

電子商務現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年13% (二零一八年：16%) 的五年期間 (二零一八年：五年期間) 內現金流量預測。五年期間 (二零一八年：五年期間) 後之現金流量乃根據3% (二零一八年：2.5%) 的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長3%至16% (二零一八年：25%至40%) 在內的現金流入／流出之估計有關。有關估計乃基於單位的過往表現及管理層對市場發展的預期得出。

於截至二零一九年十二月三十一日止年度，本集團管理層隨後釐定與電子商務現金產生單位直接相關之商譽減值人民幣61,225,000元 (二零一八年：零)。減值虧損已計入損益中的減值虧損項目。

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24. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (continued)

Internet education services

The recoverable amount of the internet education services CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period (2018: 5-year period), based on financial budgets approved by the management with discount rate of 14% (2018: 17%) per annum. Cash flows beyond the 5-year period (2018: 5-year period) are extrapolated with 3% (2018: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 5% to 25% (2018: 9% to 45%). Such estimation is based on the internet education services CGU's past performance and management's expectations of the market development.

During the year ended 31 December 2019 and 2018, management of the Group determines that there is no impairment on the internet education services CGU. Management believes that any reasonably possible changes in any of these assumptions would not cause the carrying amount of the internet education services CGU to exceed the recoverable amount of the internet education services CGU.

24. 商譽及無形資產之減值測試 (續)

互聯網教育服務

互聯網教育服務現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年14% (二零一八年：17%) 的五年期間 (二零一八年：五年期間) 內現金流量預測。五年期間 (二零一八年：五年期間) 後之現金流量乃根據3% (二零一八年：3%) 的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長5%至25% (二零一八年：9%至45%) 在內的現金流入／流出之估計有關。有關估計乃基於互聯網教育服務現金產生單位的過往表現及管理層對市場發展的預期得出。

於截至二零一九年及二零一八年十二月三十一日止年度，本集團管理層釐定互聯網教育服務現金產生單位概無減值。管理層認為，倘任何該等假設出現任何合理可能變動，均不會導致互聯網教育服務現金產生單位之賬面值超出其可收回金額。

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25. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments represent leasehold land in the PRC under medium term lease and are amortised to consolidated statement of profit or loss and other comprehensive income over the lease term of 50 years.

25. 預付租賃款項

本集團的預付租賃款項指位於中國並根據中期租約持有之租賃土地，並按為期50年的租賃期在綜合損益及其他全面收益表中攤銷。

		2018 二零一八年 RMB'000 人民幣千元
Analysed for reporting purposes as:	就報告而言分析如下：	
Non-current asset	非流動資產	96
Current asset	流動資產	156
		<u>252</u>

No impairment loss of prepaid lease payments has been recognised during the years ended 31 December 2018.

於截至二零一八年十二月三十一日止年度，概無確認預付租賃款項之減值虧損。

As at 31 December 2018, certain of the Group's leasehold land with a net carrying value of RMB252,000 was pledged to secure short-term bank borrowings. As at 1 January 2019, prepaid lease payments has been reclassified as right-of-use assets.

於二零一八年十二月三十一日，本集團已抵押若干賬面淨值為人民幣252,000元的租賃土地，以取得短期銀行借貸。於二零一九年一月一日，預付租賃款項已重新分類為使用權資產。

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26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

26. 按公平值計入損益之金融資產

		2019 二零一九年		2018 二零一八年	
		RMB'000 人民幣千元		RMB'000 人民幣千元	
Equity securities listed in Canada	於加拿大上市之股本證券	a	536	–	
Derivative financial assets	衍生金融資產	b	475	–	
			1,011	–	

Notes:

- (a) The above listed equity investments represent common shares of an entity listed in Canada. The directors of the Company have elected to designate these investments in equity instruments as at FVTPL.
- (b) The derivative financial assets represent 2,500,000 units common share purchase warrant (“Warrant”) of an entity listed in Canada. Each Warrant entitles the holder to acquire an additional common share at CAD0.15 per share in two years from the date of issue.

附註：

- (a) 上述上市股本投資指一間加拿大上市實體的普通股。本公司董事已選擇將該等於權益工具之投資指定為按公平值計入損益類別。
- (b) 該衍生金融資產指一間加拿大上市實體的2,500,000份普通股認股權證（「認股權證」）。每份認股權證賦予持有人權利於發行日期起兩年內按每股0.15加元的價格購買一股額外普通股。

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28. TRADE RECEIVABLES

The credit period granted by the Group to certain customers is within 180 days (2018: within 180 days), while payment from other customers are due immediately when goods are delivered. The following is an aged analysis of trade receivables, net of allowance, presented based on the goods delivery and services rendered date at the end of the reporting period, which approximated the respective revenue recognition dates:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 120 days	91至120日
121 – 180 days	121至180日
181 days to within 1 year	181日至1年以內

28. 貿易應收款項

本集團向若干客戶授出之信貸期為180日以內(二零一八年: 180日以內), 而其他客戶須於交付貨品時即時付款。以下為於報告期末根據貨品交付及提供服務日期(與各自的收入確認日期相近)呈列之貿易應收款項(扣除撥備)賬齡分析:

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
37,338	23,314
10,519	4,659
1,362	4,674
44	3,970
445	7,277
7,183	9,531
56,891	53,425

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28. TRADE RECEIVABLES (continued)

The Group has not provided for certain trade receivables which are past due but not impaired because the directors of the Company consider that those receivables are recoverable based on the good payment record of the customers and long established trading history with these customers. The Group does not hold any collateral over these balances.

No allowance on doubtful debts recognised during the year ended 31 December 2019 and 2018 was based on estimated irrecoverable amounts by reference to the creditability of individual customers, past default experience, subsequent settlement and payment history of the customers. Full provision has been made for individual trade receivables aged over one year with no subsequent settlement as historical evidence shows that such receivables are generally not recoverable, or individual trade receivables which has been in severe financial difficulties.

Movement in the allowance for doubtful debts:

At beginning of the year (1 January 2018 amount has been restated)	於年初(二零一八年一月一日金額已重列)
Reversal of impairment loss recognised in respect of trade receivables	就貿易應收款項確認的減值虧損撥回
At end of the year	於年末

28. 貿易應收款項(續)

本集團並無就若干已逾期惟未減值之貿易應收款項作出撥備，乃由於本公司董事根據客戶之良好付款記錄及與該等客戶的長期交易往來歷史認為該等應收款項可予收回。本集團並無就此等結餘持有任何抵押品。

於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確認呆賬撥備，此乃基於經參考個別客戶的信用、客戶的過往違約記錄、其後結算及支付歷史而估計不可收回金額。已就賬齡超過一年及並無其後結算的個別貿易應收款項(因為歷史證據顯示該等應收款項一般不可收回)或已處於嚴重財政困難的個別貿易應收款項作出全面撥備。

呆賬撥備之變動：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
7,803	9,811
(7,219)	(2,008)
584	7,803

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29. LOAN RECEIVABLES

The Group's loan receivables arose from the money lending business during the year.

Loan receivables bear interest at variable and fixed rates, and with credit periods, mutually agreed between the contracting parties. Loan receivables are secured by properties and personal guarantees by the debtors/certain individuals. Overdue balances are reviewed regularly and handled closely by senior management.

The loan receivables, net of allowance, at the end of the reporting period are analysed by the remaining period to contractual maturity date as follows:

Within 3 months	三個月內
3 months to 1 year	三個月至一年
Over 1 year which contain a repayment on demand clause	一年以上(載有按要 求還款條文)

The average effective interest rate was at 2% to 13.20% per year as at 31 December 2019 (2018: 5.25% to 24%).

29. 應收貸款

年內，本集團的應收貸款來自放債業務。

應收貸款之可變及固定利率及信貸期由訂約雙方共同協定。應收貸款乃以債務人／若干個別人士之財產及個人擔保作抵押。逾期結餘乃由高級管理層定期審核及審慎處理。

於報告期末的應收貸款(扣除撥備)按直至合約到期日的剩餘期間分析如下：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
78,937	160,664
42,764	37,817
17,341	19,085
139,042	217,566

於二零一九年十二月三十一日，平均實際年利率為2%至13.20% (二零一八年：5.25%至24%)。

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29. LOAN RECEIVABLES (continued)

Movement in the allowance for doubtful debts:

At beginning of the year (1 January 2018 amount has been restated)	於年初(二零一八年一月一日金額已重列)
Provision/(reversal) of impairment loss recognised in respect of loan receivables	就應收貸款確認的減值虧損撥備/(撥回)
At end of the year	於年末

Included in the provision for impairment on loan receivables is individually impaired of approximately RMB54,776,000 for the year ended 31 December 2019 and reversal of allowance for loan receivables of approximately RMB176,000 for the year ended 31 December 2018 have been recognised in impairment loss on various assets.

29. 應收貸款(續)

呆賬撥備之變動：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
17,720	17,896
54,776	(176)
72,496	17,720

截至二零一九年十二月三十一日止年度的應收貸款減值撥備中包括個別減值項目約人民幣54,776,000元，及截至二零一八年十二月三十一日止年度的應收貸款撥備撥回約人民幣176,000元已於各項資產的減值虧損中確認。

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29. LOAN RECEIVABLES (continued)

Analysis of the gross carry amount of loan receivables is as follows:

		Stage 1 第1階段 RMB'000 人民幣千元	Stage 2 第2階段 RMB'000 人民幣千元	Stage 3 第3階段 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Gross carrying amount as at 1 January 2018	於二零一八年一月一日之賬面總值	176,368	-	-	176,368
New loans/financing originated	來自新貸款／融資	174,957	-	-	174,957
Loans/financing derecognised or repaid during the year (other than write-offs)	於年內終止確認或已償還之貸款／融資（除撤銷外）	(133,759)	-	-	(133,759)
Gross carrying amount as at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日之賬面總值	217,566	-	-	217,566
New loan/financing originated	來自新貸款／融資	315,784	-	-	315,784
Loans/financing derecognised or repaid during the year (other than write-offs)	於年內終止確認或已償還之貸款／融資（除撤銷外）	(342,745)	-	-	(342,745)
Transfer to lifetime expected credit loss credit impaired (Stage 3)	轉撥至已發生信貸減值之存續期預期信貸虧損（第3階段）	(54,776)	-	54,776	-
Exchange realignment	匯兌調整	3,213	-	-	3,213
Gross carrying amount as at 31 December 2019	於二零一九年十二月三十一日之賬面總值	139,042	-	54,776	193,818

29. 應收貸款（續）

應收貸款之賬面總值分析如下：

Definitions of Stage 1, Stage 2 and Stage 3 are detailed in Note 8(b).

The maximum exposure to credit risk at the end of the reporting period is the carrying value of the loan receivables. The Group seeks to maintain tight control over its loan receivables in order to minimise credit risk by reviewing the borrowers' or guarantors' financial positions.

第1階段、第2階段及第3階段之定義於附註8(b)中詳述。

於報告期末之最大信貸風險為應收貸款之賬面值。本集團透過審核借款人或擔保人的財務狀況，力求嚴格控制其應收貸款，從而盡量降低信貸風險。

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29. LOAN RECEIVABLES (continued)

Interest income for loans receivables of approximately RMB16,218,000 (2018: RMB18,911,000) have been recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2019.

30. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

Other receivables	其他應收款項
Deposit	按金
Prepayment	預付款項

31. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSITS

Restricted bank deposits represents deposits of RMB3,164,000 (2018: RMB5,415,000) which have been pledged to banks to secure bills payables and RMB9,141,000 (2018: Nil) which have been pledged to secure short-term bank borrowings. The pledged deposits are not available for use in the Group's daily operation.

At 31 December 2019, included in the bank balances and cash and restricted bank deposits was RMB135,015,000 (2018: RMB122,594,000) that was denominated in HKD and RMB236,000 (2018: RMB916,000) that was denominated in USD. All the remaining bank balances and cash are denominated in RMB.

29. 應收貸款 (續)

於截至二零一九年十二月三十一日止年度，應收貸款的利息收入約人民幣16,218,000元（二零一八年：人民幣18,911,000元）已於綜合損益及其他全面收益表確認。

30. 其他應收款項、按金及預付款項

2019 二零一九年	2018 二零一八年
RMB('000) 人民幣千元	RMB('000) 人民幣千元
54,132	31,656
2,439	1,556
5,371	4,657
61,942	37,869

31. 銀行結餘及現金／受限制銀行存款

受限制銀行存款乃指已質押予銀行以取得應付票據的存款人民幣3,164,000元（二零一八年：人民幣5,415,000元）及已質押以取得短期銀行借貸的人民幣9,141,000元（二零一八年：零）。已質押存款不可供本集團於日常業務中使用。

於二零一九年十二月三十一日，計入銀行結餘及現金及受限制銀行存款的金額人民幣135,015,000元（二零一八年：人民幣122,594,000元）乃以港元計值，而人民幣236,000元（二零一八年：人民幣916,000元）則以美元計值。所有餘下銀行結餘及現金均以人民幣計值。

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32. TRADE AND BILLS PAYABLES

The following is an ageing analysis of trade and bills payables presented based on the goods receipt date at the end of the reporting period.

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	90日以上

The credit period granted by the suppliers to the Group is within 30 days.

The carrying amounts of the trade payables at the end of the reporting period are denominated in RMB.

33. OTHER PAYABLES AND ACCRUALS

Other payables	其他應付款項
Accrued professional fees	應計專業費用
Accrued staff costs	應計員工成本
Accrued other expenses	應計其他開支
Other tax payables	其他應付稅項

32. 貿易應付款項及應付票據

以下為貿易應付款項及應付票據於報告期末根據收取貨品日期呈列之賬齡分析。

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
52,773	50,919
3,248	2,406
1,632	2,644
13,798	13,092
71,451	69,061

供應商向本集團授出之信貸期為30日內。

於報告期末，貿易應付款項之賬面值以人民幣計值。

33. 其他應付款項及應計費用

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
10,125	2,408
1,654	834
352	371
171	–
267	76
12,569	3,689

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34. CONTRACT LIABILITIES

34. 合約負債

	2019 二零一九年	2018 二零一八年
	RMB('000) 人民幣千元	RMB('000) 人民幣千元
Sales of paper converting equipment 銷售紙張加工設備	3,995	2,490

The Group typically receives in advance before transfer goods to the customers. The Group expects to deliver the goods to satisfy the remaining obligations of these contract liabilities within one year or less.

本集團一般在將貨物轉交給客戶之前預先收款。本集團預期在一年或更短的時間內交付貨物以履行該等合約負債的剩餘義務。

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied as at 31 December 2019 and 2018.

下表顯示二零一九年及二零一八年十二月三十一日之已確認收入與結轉合約負債以及與已履行的履約義務相關的情況。

	2019 二零一九年	2018 二零一八年
	RMB'000 人民幣千元	RMB'000 人民幣千元
Balances as at 1 January 於一月一日之結餘	2,490	1,853
Revenue recognised from performance obligations satisfied during the year 年內就已履行之履約義務確認之收入	(26,999)	(33,903)
Consideration from sales of paper converting equipment during the year 年內銷售紙張加工設備之代價	28,504	34,540
Balances as at 31 December 於十二月三十一日之結餘	3,995	2,490

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35. LEASE LIABILITIES

The exposure of the Group's lease liabilities are as follows:

35. 租賃負債

本集團租賃負債的風險如下：

		2019 二零一九年	
		RMB'000 人民幣千元	
Current	即期		2,688
Non-current	非即期		592
			<u>3,280</u>
		Minimum lease payments 最低租賃付款	Present value of lease liabilities 租賃負債現值
		RMB'000 人民幣千元	RMB'000 人民幣千元
Minimum lease payment due:	於以下時間到期的最低租賃付款：		
- Within one year	- 一年內	2,736	2,688
- more than one year but not more than two years	- 超過一年但不超過兩年	595	592
- more than two years but not more than five years	- 超過兩年但不超過五年	-	-
- Over five years	- 超過五年	-	-
		<u>3,331</u>	<u>3,280</u>
Future finance charges	未來融資費用	(51)	
Present value of lease liabilities	租賃負債現值	<u>3,280</u>	
Amounts due for settlement within one year (shown under current liabilities)	一年內到期支付的款項 (於流動負債下列示)		<u>(2,688)</u>
Amounts due for settlement after one year	一年後到期支付的款項		<u>592</u>

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35. LEASE LIABILITIES (continued)

As at 31 December 2019, the effective interest rates of the Group's lease liabilities ranged from 1.58% to 2.88% (2018: Nil) per annum.

The Group leases office premises for operation and these lease liabilities were measured at the present value of the lease payment that are not yet paid. All leases are entered at fixed prices.

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

The total cash outflows for leases including the payments of lease liabilities for the year ended 31 December 2019 was RMB2,867,000.

35. 租賃負債 (續)

於二零一九年十二月三十一日，本集團租賃負債的年實際利率介乎1.58%至2.88%（二零一八年：零）。

本集團為其業務租賃辦公物業，及該等租賃負債按尚未支付的租賃付款的現值計量。所有租賃均按固定價格訂立。

本集團並無面臨有關其租賃負債的重大流動資金風險。租賃負債由本集團的庫務職能監控。

截至二零一九年十二月三十一日止年度有關租賃之現金流出總額（包括租賃負債付款）為人民幣2,867,000元。

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36. BANK AND OTHER BORROWINGS

The bank borrowings of RMB26,952,000 (2018: RMB18,000,000) were secured by the Group's bank balance of RMB8,940,000 (2018: Nil) and leasehold land and building with a net carrying value of RMB198,000 (2018: RMB252,000) and RMB Nil (2018: RMB37,000) respectively at the end of the reporting period and repayable within one year.

The bank borrowings of approximately RMB19,800,000 with fixed rate by 5.70% (2018: 5.70%) and the bank borrowings of approximately RMB7,152,000 with floating rate at lower of prime rate minus 2% and HIBOR plus 3% (2018: Nil).

The other borrowings of approximately RMB68,502,000 were due to independent third parties as at 31 December 2018. The amounts were settled during the year ended 31 December 2019.

The interest rate of the other borrowings amount was 6% per annum.

At 31 December 2019, the Group has available unutilised bank loan facilities of approximately RMB4,988,000 (2018: RMB5,000,000).

36. 銀行及其他借貸

於報告期末，銀行借貸人民幣26,952,000元（二零一八年：人民幣18,000,000元）乃以本集團人民幣8,940,000元（二零一八年：零）之銀行結餘以及賬面淨值分別為人民幣198,000元（二零一八年：人民幣252,000元）及人民幣零元（二零一八年：人民幣37,000元）之租賃土地及樓宇作抵押，並須於一年內償還。

約人民幣19,800,000元的銀行借貸以固定利率5.70%（二零一八年：5.70%）計息及約人民幣7,152,000元的銀行借貸以最優惠利率減2%或香港同業拆息加3%（以較低者為準）（二零一八年：零）的浮動利率計息。

於二零一八年十二月三十一日其他借貸約人民幣68,502,000元應給付予獨立第三方。該等金額已於截至二零一九年十二月三十一日止年度內償還。

其他借貸金額的年利率為6%。

於二零一九年十二月三十一日，本集團有可用但尚未動用的銀行貸款融資約人民幣4,988,000元（二零一八年：人民幣5,000,000元）。

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37. DEFERRED TAX LIABILITIES

37. 遞延稅項負債

		Revaluation of assets 資產 重新估值 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	35,883
Credit for the year	年內抵免	(11,077)
Exchange realignment	匯兌調整	59
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	24,865
Credit for the year	年內抵免	(6,175)
At 31 December 2019	於二零一九年十二月三十一日	18,690

38. PROMISSORY NOTES

38. 承兌票據

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	237,056	185,576
Accrued interest charged	應計已收取利息	15,606	3,602
Issue of promissory notes upon fulfillment of profit guarantee (Note b)	於達成溢利保證後發行承兌票據(附註b)	78,499	37,586
Exchange realignment	匯兌調整	4,481	10,292
At 31 December	於十二月三十一日	335,642	237,056
Analysis as:	分析為:		
Current	即期	46,570	-
Non-current	非即期	289,072	237,056
		335,642	237,056

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38. PROMISSORY NOTES (continued)

Notes:

- (a) On 9 November 2015, the Company issued promissory notes for an aggregate principal amount of HK\$213.6 million at 2% interest per annum (the “PN1”) upon completion of the acquisition of Soaring International Holdings Limited to Mr. Lee Yim and Mr. Ng Hang Fai Calvin (the “Vendors”), independent third parties not connected to the Group. The PN1 are due on the third anniversary of the date of issue. On 2 November 2018, the Vendors and the Company have agreed to extend the maturity of the PN1 to 9 November 2020.

On 7 July 2019, the Company entered into the Deed of Amendment with the vendors to extend the maturity date of the PN1 to 9 July 2021 and decrease the interest rate from 2% to 1% per annum effective from 7 July 2019.

The fair value of PN1 was approximately to their principal amount calculated at the effective interest rate of 1% per annum (2018: 2%). The PN1 is classified as non-current liabilities and are carried at amortised cost until settlement on due date.

- (b) During the year ended 31 December 2018, the Company issued promissory note of principal amount of HK\$55,000,000 (the “PN2”), non-interest bearing, upon fulfillment of profit guarantee. The PN2 will be maturity on 29 September 2020. The effective interest rate of the PN2 is 13.36%.

During the year ended 31 December 2019, the Company issued promissory note for an aggregate principal amount of HK\$110,000,000, non-interest bearing, upon fulfillment of profit guarantees. The promissory note of principal amount HK\$55,000,000 (the “PN3”) and HK\$55,000,000 (the “PN4”) will be maturity on 7 April 2022 and 29 September 2022, respectively. The effective interest rate of PN3 and PN4 are 11.52% and 12.34%, respectively.

38. 承兌票據 (續)

附註：

- (a) 於二零一五年十一月九日，本公司於完成收購Soaring International Holdings Limited後向與本集團並無關連的獨立第三方李儼先生及吳恒輝先生（「賣方」）按年利率2%發行本金總額213,600,000港元的承兌票據（「PN1」）。PN1於發行日期起計第三年到期。於二零一八年十一月二日，賣方與本公司已同意將PN1的期限延長至二零二零年十一月九日。

於二零一九年七月七日，本公司與賣方訂立修訂契據，將PN1之到期日延長至二零二一年七月九日，並自二零一九年七月七日起將年利率由2%減至1%。

PN1的公平值約相等於其本金額，乃按1%（二零一八年：2%）的實際年利率計算。PN1乃分類為非流動負債及直至於到期日清償前按攤銷成本列賬。

- (b) 截至二零一八年十二月三十一日止年度，本公司於達成溢利保證後發行本金額為55,000,000港元之不計息承兌票據（「PN2」）。PN2將於二零二零年九月二十九日到期。PN2之實際利率為13.36%。

截至二零一九年十二月三十一日止年度，本公司於達成溢利保證後發行本金總額為110,000,000港元之不計息承兌票據。本金額為55,000,000港元（「PN3」）及55,000,000港元（「PN4」）之承兌票據將分別於二零二二年四月七日及二零二二年九月二十九日到期。PN3及PN4之實際利率分別為11.52%及12.34%。

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39. CONTINGENT CONSIDERATION

39. 或然代價

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January	於一月一日	108,402	143,143
Fair value change	公平值變動	(7,116)	4,789
Issue of PN2	發行PN2	-	(37,586)
Issue of PN3 and PN4	發行PN3及PN4	(78,499)	-
Exchange realignment	匯兌調整	(16,281)	1,944
At 31 December	於十二月三十一日	39,068	108,402

On 26 July 2017, the Company entered into the Share Purchase Agreement (the "SPA") with Cybernaut Education Limited, a company which is owned as to 90% by Mr. Zhu Min, an executive director and a substantial shareholder of the Company, (the "Vendor"). Pursuant to the SPA, the consideration will be subject to adjust based on the net profit after tax generating from operating activities (the "Net Profit") of Cybernaut Technology International Limited and its subsidiaries as shown in the audited consolidated financial statements for:

- (i) the Net Profit for the six-month period ending 30 June 2018 shall not be less than HK\$7.5 million;
- (ii) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$7.5 million;
- (iii) the Net Profit for the six-month period ending 30 June 2019 shall not be less than HK\$9 million; and
- (iv) the Net Profit for the six-month period ending 31 December 2019 shall not be less than HK\$9 million.

於二零一七年七月二十六日，本公司與Cybernaut Education Limited（一家由本公司執行董事及主要股東朱敏先生持有90%之公司）（「賣方」）訂立購股協議（「購股協議」）。根據購股協議，代價須基於Cybernaut Technology International Limited及其附屬公司之經審核綜合財務報表所示之來自經營活動之稅後淨溢利（「淨溢利」）予以調整：

- (i) 於截至二零一八年六月三十日止六個月期間之淨溢利不得少於7,500,000港元；
- (ii) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於7,500,000港元；
- (iii) 於截至二零一九年六月三十日止六個月期間之淨溢利不得少於9,000,000港元；及
- (iv) 於截至二零一九年十二月三十一日止六個月期間之淨溢利不得少於9,000,000港元。

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39. CONTINGENT CONSIDERATION (continued)

The fair value of the contingent consideration was determined by an independent professional valuer not connected with the Group based on Binomial Option Pricing Model. The fair value as at 31 December 2019 was RMB39,068,000 (2018: RMB108,402,000).

During the year ended 31 December 2019, items (ii) and (iii) have been fulfilled, and PN3 and PN4 have been issued accordingly.

During the year ended 31 December 2018, item (i) have been fulfilled, and PN2 have been issued accordingly.

39. 或然代價 (續)

或然代價公平值乃由與本集團無關連之獨立專業估值師按二項式期權定價模式所釐定。於二零一九年十二月三十一日之公平值為人民幣39,068,000元(二零一八年：人民幣108,402,000元)。

於截至二零一九年十二月三十一日止年度，第(ii)項及第(iii)項已達成，及PN3及PN4已相應發行。

於截至二零一八年十二月三十一日止年度，第(i)項經已達成，及PN2已相應發行。

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40. SHARE CAPITAL

40. 股本

		Number of shares at HK\$0.10 per share 每股面值0.10 港元之股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月 三十一日、二零一九年 一月一日及二零一九年 十二月三十一日	20,000,000	2,000,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2018	於二零一八年一月一日	4,193,148	419,315
Share repurchase and cancelled (Note)	購回及註銷股份(附註)	(217,700)	(21,770)
At 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	3,975,448	397,545
Shown in the consolidated financial statements	於綜合財務報表所示		
At 31 December 2019	於二零一九年十二月三十一日	RMB'000 equivalent 人民幣千元等值	337,128
At 31 December 2018	於二零一八年十二月三十一日	RMB'000 equivalent 人民幣千元等值	337,128

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40. SHARE CAPITAL (continued)

Note: During the year ended 31 December 2018, the Company repurchased and cancelled its own ordinary shares on The Stock Exchange of Hong Kong Limited as follows:

Month/year		Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate paid
年 / 月		購回之 股份數目	所支付的 每股最高價	所支付的 每股最低價	所支付的 總價
		('000) (千股)	(HK\$) (港元)	(HK\$) (港元)	(HK\$'000) (千港元)
February 2018	二零一八年二月	101,968	0.295	0.247	27,803
April 2018	二零一八年四月	9,448	0.275	0.270	2,588
May 2018	二零一八年五月	39,364	0.280	0.265	10,762
June 2018	二零一八年六月	17,892	0.270	0.255	4,693
July 2018	二零一八年七月	28,336	0.270	0.250	7,208
September 2018	二零一八年九月	7,648	0.220	0.210	1,637
October 2018	二零一八年十月	13,044	0.213	0.195	2,648
		<u>217,700</u>			<u>57,339</u>

40. 股本 (續)

附註：於截至二零一八年十二月三十一日止年度，本公司於香港聯合交易所有限公司購回及註銷其本身普通股，詳情如下：

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41. SHARE-BASED PAYMENT TRANSACTIONS

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 7 June 2010 for the primary purpose of providing incentives to directors and eligible employees, and will expire on 6 June 2020. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors (excluding non-executive directors) of the Company and its subsidiaries, to subscribe for shares in the Company.

At 31 December 2019, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 120,000,000 (2018: 80,000,000), representing 3.02% (2018: 2.01%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be taken up within 20 days from the date of grant, upon payment of HK\$1 per option. Options may be exercised at any time from 1 year from the date of grant of the share option to the 10th anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

41. 以股份為基礎付款交易

本公司根據於二零一零年六月七日通過之決議案採納購股權計劃（「該計劃」），主要目的是向董事及合資格僱員提供獎勵，而該計劃將於二零二零年六月六日屆滿。根據該計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司的董事，不包括非執行董事）授出購股權，以認購本公司股份。

於二零一九年十二月三十一日，根據該計劃已授出而尚未行使之購股權所涉及之股份數目為120,000,000股（二零一八年：80,000,000股），相等於本公司於該日已發行股份之3.02%（二零一八年：2.01%）。在未經本公司股東事先批准的情況下，根據該計劃可能授出的購股權所涉及之股份總數不得超過本公司於任何時間已發行股份之10%。在未經本公司股東事先批准的情況下，任何個別人士於任何一年內獲授及可獲授之購股權所涉及之已發行及將予發行股份數目不得超過本公司於任何時間已發行股份之1%。

獲授購股權人士須於授出日期起計20日內就每份購股權支付1港元，以接納購股權。購股權可於授出購股權日期起計一年直至授出日期之十週年止任何時間行使。行使價由本公司董事釐定，且將不會低於以下最高者：(i)本公司股份於授出日期之收市價；(ii)股份於緊接授出日期前五個營業日之平均收市價；及(iii)本公司股份面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

41. SHARE-BASED PAYMENT TRANSACTIONS (continued)

41. 以股份為基礎付款交易 (續)

2019

二零一九年

Date of grant	Vesting period	Exercisable period	Exercise price	Number of share options				Balance at 31.12.2019
				Granted	Exercised	Lapsed	購股權數目	
授出日期	歸屬期	行使期	行使價	於二零一九年一月一日之結餘	於年內授出	於年內行使	於年內失效	於二零一九年十二月三十一日之結餘
13 January 2016	Nil	13 January 2016 to 12 January 2019	HK\$0.315	80,000,000	-	-	(80,000,000)	-
二零一六年一月十三日	無	二零一六年一月十三日至二零一九年一月十二日	0.315港元					
7 May 2019	Nil	7 May 2019 to 6 May 2022	HK\$0.2	-	120,000,000	-	-	120,000,000
二零一九年五月七日	無	二零一九年五月七日至二零二二年五月六日	0.2港元					
				<u>80,000,000</u>	<u>120,000,000</u>	<u>-</u>	<u>(80,000,000)</u>	<u>120,000,000</u>
Exercisable at 31 December 2019 可於二零一九年十二月三十一日行使								<u>120,000,000</u>
Weighted average exercise price 加權平均行使價								<u>HK\$0.2</u> <u>0.2港元</u>

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截至二零一九年十二月三十一日止年度

41. SHARE-BASED PAYMENT TRANSACTIONS (continued)

41. 以股份為基礎付款交易 (續)

2018

二零一八年

Date of grant	Vesting period	Exercisable period	Exercise price	Number of share options				Balance at 31.12.2018
				Balance at 1.1.2018	Granted	Exercised	Lapsed	
授出日期	歸屬期	行使期	行使價	於二零一八年一月一日之結餘	於年內授出	於年內行使	於年內失效	於二零一八年十二月三十一日之結餘
16 March 2015	Nil	16 March 2015 to 15 March 2018	HK\$0.32	105,000,000	-	-	(105,000,000)	-
二零一五年三月十六日	無	二零一五年三月十六日至二零一八年三月十五日	0.32港元					
13 January 2016	Nil	13 January 2016 to 12 January 2019	HK\$0.315	80,000,000	-	-	-	80,000,000
二零一六年一月十三日	無	二零一六年一月十三日至二零一九年一月十二日	0.315港元					
				185,000,000	-	-	(105,000,000)	80,000,000
Exercisable at 31 December 2018 可於二零一八年十二月三十一日行使								80,000,000
Weighted average exercise price 加權平均行使價								HK\$0.315 0.315港元

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綜合財務報表附註

For the year ended 31 December 2019
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41. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The fair value of equity-settled share options granted during the year ended 31 December 2019 was estimated as at the date of grant, using the Binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	派息率(%)
Expected volatility (%)	預期波幅(%)
Risk-free interest rate (%)	無風險利率(%)
Expected life of option (year)	購股權之估計年期(年)
Closing share price at grant date (HK\$)	於授出日期之收市價(港元)

The expected life of the options is based on management expectation and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The fair value of equity-settled share options granted during the year was approximately RMB6,040,000 (2018: Nil) of which the Group recognised a share option expense of approximately RMB5,956,000 (2018: Nil) during the year ended 31 December 2019.

41. 以股份為基礎付款交易(續)

於截至二零一九年十二月三十一日止年度，授出之股本結算購股權之公平值乃於授出購股權日期以二項式期權定價模式作出估計，並經計及所授購股權之條款及條件。下表載列所採用模式之參數：

2019 二零一九年
0.00
40
1.638
2.80
0.198

購股權之估計年期乃根據管理層預期釐定，並不一定標示可能出現之行使規律。預期波幅反映歷史波幅可標示未來趨勢之假設，但未必為實際結果。

年內授出之股本結算購股權之公平值為約人民幣6,040,000元(二零一八年：零)，其中本集團於截至二零一九年十二月三十一日止年度確認一項購股權開支約人民幣5,956,000元(二零一八年：零)。

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

42. OPERATING LEASES

At 31 December 2018, the Group had commitment for minimum lease payment under non-cancellable operating leases which fall due as follows:

Within one year	一年內	2,998
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	282

2018
二零一八年
RMB'000
人民幣千元

3,280

43. CAPITAL COMMITMENTS

Capital commitments outstanding at 31 December 2019 not provided for in the Group's financial statements were as follows:

Capital contribution contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表撥備之注資
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On 5 July 2019, the Company entered into agreement to establish a limited partnership and agreed to subscribe the partnership interest of US\$5,000,000 (approximately RMB34,800,000) as the capital contribution of the limited partnership.

Up to the date of the approval of these financial statements, in the opinion of the directors, the limited partnership has not been duly established.

42. 經營租賃

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有以下最低租賃付款之承擔，其到期情況如下：

43. 資本承擔

於二零一九年十二月三十一日未履行而未於本集團財務報表撥備之資本承擔如下：

2019 二零一九年	2018 二零一八年
RMB('000) 人民幣千元	RMB('000) 人民幣千元
34,800	—

於二零一九年七月五日，本公司訂立協議以成立有限合夥並同意認購5,000,000美元(約人民幣34,800,000元)的合夥權益作為有限合夥的注資。

直至該等財務報表獲批准之日，董事認為，有限合夥尚未正式成立。

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

44. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere to the consolidated financial statements, the Group have the following related party transactions.

44. 關連方交易

除於綜合財務報表其他部分披露者外，本集團訂有以下關連方交易。

Name of related party 關連方姓名	Relationship 關係	Nature of transaction/balance 交易性質／結餘	2019	2018
			二零一九年	二零一八年
			RMB'000 人民幣千元	RMB'000 人民幣千元
Zhu Min 朱敏	Executive Director 執行董事	Promissory notes 承兌票據	78,499	37,586
Lu Yongchao 呂永超	Executive Director 執行董事	Loan interest received (Note 1) 已收貸款利息(附註1)	157	17
		Loan receivable 應收貸款	2,637	1,756
Sin Kwok Wai Ronald 冼國威	Executive Director (Note 3) 執行董事(附註3)	Loan receivable (Note 2) 應收貸款(附註2)	894	1,317
Cybernaut Capital Management Limited	Common directorship 共同董事	Other receivables 其他應收款項	313	—
Hongshanshu (Hangzhou) Information Technology Co., Ltd 紅杉樹(杭州)信息 技術有限公司	Common directorship 共同董事	Services fee 服務費	600	—

Notes:

- The interest rate of the loan was 6% per year. In the opinion of the directors, the transactions between the Group and the related party were conducted in the ordinary course of business.
- The amount is interest free, unsecured and repayable on demand.
- Mr. Sin Kwok Wai Ronald has resigned as executive director and has appointed as chief financial officer on 13 March 2020.

附註：

- 貸款的年利率為6%。董事認為，本集團與關連方之交易乃於日常業務過程中進行。
- 該金額為免息、無抵押及須按要求償還。
- 冼國威先生已於二零二零年三月十三日已辭任執行董事並獲委任為財務總監。

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

44. RELATED PARTY TRANSACTIONS (continued)

Compensation of key management personnel

The remuneration of directors and other members of key management for both years was as follows:

Short-term benefits	短期福利
Retirement benefit scheme contributions	退休福利計劃供款

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

44. 關連方交易 (續)

主要管理人員薪酬

董事及其他主要管理層成員於兩個年度之薪酬如下：

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
5,006	4,335
66	68
5,072	4,403

董事及主要行政人員之酬金乃由薪酬委員會參考個人表現及市場趨勢而釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 45. 本公司財務狀況表

(a) Financial information of the statement of financial position of the Company

(a) 本公司財務狀況表之財務資料

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	128	194
Interest in subsidiaries	於附屬公司之權益	340,842	357,258
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	1,011	-
		341,981	357,452
Current assets	流動資產		
Loan receivables	應收貸款	26,247	7,026
Prepayments and other receivable	預付款項及其他應收款項	1,876	1,938
Amount due from a subsidiary	應收附屬公司款項	128,279	72,733
Restricted bank deposit	受限制銀行存款	9,141	-
Bank balances	銀行結餘	15,147	84,777
		180,690	166,474
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	3,804	2,630
Amount due to subsidiaries	應付附屬公司款項	706	5,000
Bank borrowing	銀行借貸	7,152	-
Promissory notes	承兌票據	46,570	-
		58,232	7,630

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綜合財務報表附註

For the year ended 31 December 2019
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45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

45. 本公司財務狀況表(續)

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Net current assets	流動資產淨值	122,458	158,844
Total assets less current liabilities	資產總值減流動負債	464,439	516,296
Non-current liabilities	非流動負債		
Promissory notes	承兌票據	289,072	237,056
Contingent consideration	或然代價	39,068	108,402
		328,140	345,458
Net assets	資產淨值	136,299	170,838
Capital and reserves	資本及儲備		
Share capital	股本	337,128	337,128
Reserves	儲備	(200,829)	(166,290)
Total equity	權益總額	130,299	170,838

Approved and authorised for issue by the board of directors on 14 May 2020 and are signed on its behalf by:

董事會於二零二零年五月十四日批准及授權刊發，並由以下代表簽署：

DIRECTOR

董事

Zhu Min

朱敏

DIRECTOR

董事

Lu Yongchao

呂永超

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For the year ended 31 December 2019
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45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

45. 本公司財務狀況表 (續)

(b) Movement of capital and reserves of the Company

(b) 本公司資本及儲備變動

		Share capital	Share premium	Capital redemption reserve	Share options reserve	Exchange reserve	Accumulated losses	Total
		股本	股份溢價	資本贖回儲備	購股權儲備	匯兌儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	355,046	616,864	-	20,130	(11,515)	(750,615)	229,910
Loss for the year	年度虧損	-	-	-	-	-	(9,491)	(9,491)
Other comprehensive income for the year	年度其他全面收益	-	-	-	-	(2,483)	-	(2,483)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	(2,483)	(9,491)	(11,974)
Repurchase of shares	購回股份	(17,918)	(29,180)	17,918	-	-	(17,918)	(47,098)
Lapse of share options	已失效購股權	-	-	-	(11,504)	-	11,504	-
At 31 December 2018	於二零一八年十二月三十一日	<u>337,128</u>	<u>587,684</u>	<u>17,918</u>	<u>8,626</u>	<u>(13,998)</u>	<u>(766,520)</u>	<u>170,838</u>
Loss for the year	年度虧損	-	-	-	-	-	(41,127)	(41,127)
Other comprehensive income for the year	年度其他全面收益	-	-	-	-	548	-	548
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	-	548	(41,127)	(40,579)
Lapse of share options	已失效購股權	-	-	-	(8,626)	-	8,626	-
Recognition of equity - settled share - based payments expenses	確認以股本結算並以股份為基礎的付款開支	-	-	-	6,040	-	-	6,040
At 31 December 2019	於二零一九年十二月三十一日	<u>337,128</u>	<u>587,684</u>	<u>17,918</u>	<u>6,040</u>	<u>(13,450)</u>	<u>(799,021)</u>	<u>136,299</u>

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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

46. 本公司附屬公司詳情

Name of subsidiary 附屬公司名稱	Place and date of incorporation/establishment and operations 註冊成立/ 成立及營運地點及日期	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 本公司持有的 所有權益比例		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Soaring International Holdings Limited	The British Virgin Islands 5 March 2015 英屬處女群島 二零一五年三月五日	US\$2 2美元	100%	100%	Investment holding 投資控股
VT Zero Limited	Hong Kong 24 January 2007 香港 二零零七年一月二十四日	HK\$10,000 10,000港元	100%	100%	eCommerce 電子商務
劃時零距電子(深圳)有限公司	The PRC 25 February 2011 中國 二零一一年二月二十五日	RMB500,000 人民幣500,000元	100%	100%	eCommerce 電子商務
Time Credit Limited 友邦信貸有限公司	Hong Kong 30 December 2011 香港 二零一一年十二月三十日	HK\$2,000,000 2,000,000港元	100%	90%	Money lending 放債
Accura Machinery & Manufacturing (Taicang) Co., Ltd. 雅高機械(太倉)有限公司	The PRC 23 February 2004 中國 二零零四年二月二十三日	RMB26,639,440 人民幣26,639,440元	100%	100%	Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售紙張加工設備及其他相關設備
Accurate Trade International Limited	The British Virgin Islands 18 November 2013 英屬處女群島 二零一三年十一月十八日	US\$1 1美元	100%	100%	Investment holding 投資控股
China Safety Holdings Limited 中國安產控股有限公司	Hong Kong 7 April 2014 香港 二零一四年四月七日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Eagle Pioneer Limited	The British Virgin Islands 12 March 2014 英屬處女群島 二零一四年三月十二日	US\$1 1美元	100%	100%	Investment holding 投資控股

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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

46. 本公司附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/establishment and operations 註冊成立/ 成立及營運地點及日期	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 本公司持有的 所有權益比例		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Great Select Global Limited 境裕環球有限公司	Hong Kong 18 November 2013 香港 二零一三年十一月十八日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Sinoref (BVI) Limited	The British Virgin Islands 12 January 2010 英屬處女群島 二零一零年一月十二日	US\$2 2美元	N/A 不適用	100%	Investment holding 投資控股
Sinoref (Hong Kong) Limited 華耐科技(香港)有限公司	Hong Kong 17 February 2010 香港 二零一零年二月十七日	HK\$1 1港元	N/A 不適用	100%	Investment holding 投資控股
Sinoref Yixing [#] 華耐宜興 [#]	The PRC 20 July 2005 中國 二零零五年七月二十日	RMB151,716,600 人民幣151,716,600元	N/A 不適用	100%	Manufacture and sale of advanced steel flow control products 製造及銷售高端鋼水控流產品
Cybernaut Technology International Limited	The British Virgin Islands 17 January 2017 英屬處女群島 二零一七年一月十七日	US\$0.01 0.01美元	NOTE (i) 附註(i)	NOTE (i) 附註(i)	Investment holding 投資控股
Hong Kong Cybernaut Technology Limited 香港賽伯樂科技有限公司	Hong Kong 27 February 2017 香港 二零一七年二月二十七日	HK\$10,000 10,000港元	NOTE (i) 附註(i)	NOTE (i) 附註(i)	Investment holding 投資控股
Huzhou Sai Le Hong Education Technology Limited ("Huzhou") 湖州賽樂弘教育科技有限公司(「湖州」)	The PRC 23 March 2017 中國 二零一七年三月二十三日	HK\$10,000,000 10,000,000港元	NOTE (i) 附註(i)	NOTE (i) 附註(i)	Investment holding 投資控股
Capital Wowxue (Beijing) Education Technology Limited ("Wowxue") 京師沃學(北京)教育科技有限公司(「沃學」)	The PRC 15 March 2012 中國 二零一二年三月十五日	RMB4,000,000 人民幣4,000,000元	NOTE (i) 附註(i)	NOTE (i) 附註(i)	Provision of internet education services 提供互聯網教育服務

[#] Wholly-foreign owned enterprise registered in the PRC.

[#] 於中國註冊之外商獨資企業。

None of the subsidiaries had issued any debt securities at the end of the year.

年末概無附屬公司發行任何債務證券。

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綜合財務報表附註

For the year ended 31 December 2019
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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

NOTE (i)

CONTRACTUAL AGREEMENTS

Particulars and main business of Wowxue

京師沃學(北京)教育科技有限公司 (Capital Wowxue (Beijing) Education Technology Limited) (“Wowxue”) is a limited liability company established under the laws of the PRC and is principally engaged in the research and provision of internet education services.

Wowxue is owned as to 40%, 20%, 20% and 20% by 賽伯樂投資集團有限公司 (Cybernaut Investment Group Limited), 賽伯樂智庫(北京)國際生態科學研究院 (Cybernaut Think Tank (Beijing) International Ecological Science Research Institute), Mr. Zhao Yingming and Mr. Zhao Yingyong respectively (the “Registered Shareholders”). On 31 August 2017, 湖州賽樂弘教育科技有限公司 (Huzhou Sai Le Hong Education Technology Limited), being a wholly-owned subsidiary of the Group (the “Huzhou Company”), Wowxue and the Registered Shareholders entered into a series of agreements (the “Contractual Arrangements”). Supplementary agreements were further entered into on 25 September 2017.

46. 本公司附屬公司詳情(續)

附註(i)

合約安排

沃學的詳情及主要業務

京師沃學(北京)教育科技有限公司 (「沃學」) 為一家根據中國法律成立之有限公司，主要從事互聯網教育服務的研究，並提供互聯網教育服務。

沃學分別由賽伯樂投資集團有限公司、賽伯樂智庫(北京)國際生態科學研究院、趙映明先生及趙英勇先生(「登記股東」)擁有40%、20%、20%及20%股權。於二零一七年八月三十一日，本集團全資附屬公司湖州賽樂弘教育科技有限公司(「湖州公司」)、沃學與登記股東訂立一系列協議(「合約安排」)，並於二零一七年九月二十五日進一步訂立補充協議。

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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Major terms of the structured contracts

Irrecoverable option agreement

Huzhou Company, Wowxue and the Registered Shareholders entered into an irrevocable exclusive option agreement (the "Option Agreement") whereby the Registered Shareholders granted an exclusive option to Huzhou Company to acquire the entire equity interest in Wowxue held by the Registered Shareholders, under which Huzhou Company shall have the right to require the Registered Shareholders to transfer their equity interest in Wowxue on demand to Huzhou Company or its designated entity or individual, at nil consideration. The Option Agreement does not have a defined exercisable period and the Option Agreement will expire when the relevant law and regulation in the PRC allows foreign investment in Wowxue or when Huzhou Company or its designated party exercises the option to acquire Wowxue.

Pursuant to the Option Agreement, each of the Registered Shareholders and Wowxue has given undertakings that it shall perform certain acts or refrain from performing certain other acts unless the prior written consent of Huzhou Company has been obtained.

46. 本公司附屬公司詳情 (續)

結構性合約的主要條款

不可撤銷的購股權協議

湖州公司、沃學及登記股東訂立一份不可撤銷獨家購股權協議(「購股權協議」)，據此登記股東向湖州公司授出獨家購股權，以收購由登記股東持有之沃學全部股權。根據該協議，湖州公司將有權要求登記股東按需求向湖州公司或其指定實體或個人以零代價轉讓彼等於沃學的股權。購股權協議並無界定行使期間，購股權協議將於相關中國法律及法規准許外資投入沃學或於湖州公司或其指定人士行使購股權以收購沃學時到期。

根據購股權協議，各登記股東及沃學分別承諾將作出若干行動或不作出若干其他行動，除非取得湖州公司之事前書面同意。

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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Major terms of the structured contracts (continued)

Service Agreement

Huzhou Company and Wowxue entered into an exclusive service agreement (the “Service Agreement”) pursuant to which Huzhou Company shall serve as the service provider to Wowxue, to provide investment advice, planning and other business advice on the operation and technical services of Wowxue in accordance with the requirements of Wowxue.

In consideration of the provision of the abovementioned services by Huzhou Company, Wowxue agrees to pay to Huzhou Company fees on an annual basis. Fees payable to Huzhou Company by Wowxue will be equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue. If there is a loss in a given year, then no provisions for the said management and consultancy fees would be required for the year until Wowxue records a surplus.

In addition, Huzhou Company shall have the right to obtain and review the business data, financial information and other information relevant to the operations and business of Wowxue.

The Service Agreement has a term of ten years from the date of signing the Service Agreement. Upon the expiry of each term, Huzhou Company is entitled at its sole and absolute discretion to renew the Service Agreement for a further term of ten years for each renewal.

46. 本公司附屬公司詳情 (續)

結構性合約的主要條款 (續)

服務協議

湖州公司與沃學訂立一份獨家服務協議 (「服務協議」)，據此湖州公司將擔任沃學的服務供應商，根據沃學的要求，為沃學的營運及技術服務提供投資建議、規劃及其他商業建議。

就湖州公司提供上述服務而言，沃學同意每年向湖州公司支付費用。沃學應付湖州公司之費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。倘沃學於某個年度錄得虧損，則於該年度毋須就上述管理及顧問費計提撥備，直至沃學產生盈餘為止。

此外，湖州公司將有權取得及審閱業務數據、財務資料及有關沃學營運及業務的其他資料。

服務協議之年限為自簽立服務協議之日起計十年。於各年限到期時，湖州公司有權按其唯一酌情權進一步重續服務協議，每次重續以十年為限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Equity pledge agreement

Huzhou Company, Wowxue and the Registered Shareholders entered into an equity pledge agreement (the “Equity Pledge Agreement”) pursuant to which the Registered Shareholders unconditionally and irrevocably agreed to pledge all the equity interest in Wowxue that they own (including any interest or dividend paid for such shares) to Huzhou Company as a security for the performance of the obligations by Wowxue and the Registered Shareholders under the Service Agreement.

The Equity Pledge Agreement became effective from the date when the agreement was entered into and shall remain valid until Wowxue and the Registered Shareholders unconditionally and irrevocably fulfilled all the obligations (including, but not limited to, the settlement and/or the payment of the service charge, liquidated damages (if any), etc.) under the Service Agreement.

Power of attorney

The Registered Shareholders executed an irrevocable power of attorney which enables Huzhou Company to exercise all the powers of the shareholders of Wowxue.

Pursuant to the Power of Attorney, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue have irrevocably appointed Huzhou Company as its/their attorney-in-fact to (i) exercise all the directors’ rights, shareholders’ rights and legal representative’s rights (as the case may be) including but not limited to passing of board resolutions and shareholders’ resolutions as well as the right to appoint or remove the directors, legal representative, general manager and other senior management of Wowxue; (ii) sign on their behalf all the documents necessary to give effect to the Contractual Arrangements; (iii) exercise all the rights and powers under the Equity Pledge Agreement and the right to deal with the assets of Wowxue; and (iv) submit documents to the competent company registration authorities of Wowxue or other relevant authorities for filing purpose.

46. 本公司附屬公司詳情 (續)

股權質押協議

湖州公司、沃學及登記股東訂立一份股權質押協議（「股權質押協議」），據此登記股東無條件及不可撤銷地同意將彼等於沃學擁有之全部股權（包括就該等股份支付的任何利息或股息）質押予湖州公司，作為沃學及登記股東履行於服務協議項下之責任之抵押品。

股權質押協議於協議訂立日期起生效，並將維持有效，直至沃學及登記股東無條件及不可撤銷地履行服務協議項下之所有責任（包括但不限於償還及／或支付服務費用、違約賠償金（如有）等）為止。

授權委託書

登記股東已簽立不可撤銷的授權委託書，使湖州公司能夠行使沃學股東的所有權力。

根據授權委託書，沃學董事、登記股東及沃學法定代表人已不可撤銷地委任湖州公司為其授權代理人，(i) 行使一切董事權利、股東權利及法定代表人權利（視情況而定），包括但不限於通過董事會決議案及股東決議案以及委任或免除沃學董事、法定代表人、總經理及其他高級管理人員之權利；(ii) 代其簽署使合約安排生效之所有必要文件；(iii) 行使股權質押協議項下之所有權利及權力以及處理沃學資產之權利；及(iv) 向沃學之主管公司登記機關或其他有關機關提交文件以備案。

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Equity pledge agreement (continued)

Power of attorney (continued)

The terms of the Power of Attorney became effective from the date of the Power of Attorney to the earlier of the revocation or termination of each of the Service Agreement, Irrevocable Option Agreement, Loan Agreement and Equity Pledge Agreement.

The directors of the Company, after consulting legal opinion, are of the view that the terms of the Contractual Arrangements have in substance enabled Huzhou Company to have power over Wowxue, rights to variable returns from its involvement with Wowxue, and has the ability to use its power to affect its returns, despite the absence of formal legal equity interest held by the Group in Wowxue. Accordingly, Wowxue is accounted for as a consolidated structured entity as a subsidiary of the Group.

The revenue, profit, total assets and total liabilities of Wowxue included in the consolidated financial statements are set out below:

46. 本公司附屬公司詳情 (續)

股權質押協議 (續)

授權委託書 (續)

授權委託書之年期自授權委託書日期起生效至服務協議、不可撤銷的購股權協議、貸款協議及股權質押協議各項協議被撤銷或終止之較早日期為止。

本公司董事經諮詢法律意見後，認為合約安排之條款實質上使湖州公司擁有對沃學之權力、因其參與沃學之業務而有權獲得可變回報及有能力行使其權力而影響其回報，儘管本集團並無擁有沃學的正式權益。因此，本集團將沃學以綜合結構性實體作為其附屬公司入賬。

於綜合財務報表入賬之沃學之收入、溢利、資產總值及負債總額載列如下：

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	28,962	24,571
Profit	溢利	18,103	15,458
Total assets	資產總值	53,905	45,525
Total liabilities	負債總額	(6,962)	(16,397)

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

46. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

NOTE (ii)

MATERIAL NON-CONTROLLING INTERESTS

The following information relating to non-wholly owned subsidiary that have material non-controlling interests (“NCI”).

The summarised financial information represents amounts before intercompany eliminations.

Time Credit Limited

At 31 December	於十二月三十一日		
Non-current assets	非流動資產	2,764	348
Current assets	流動資產	210,986	259,394
Current liabilities	流動負債	(247,815)	(227,587)
Non-current liabilities	非流動負債	(533)	–
Net (liabilities)/assets	(負債淨額)/資產淨值	(34,598)	32,155
Carrying amount of NCI	非控股權益之賬面值	(3,588)	1,691
Year ended 31 December	截至十二月三十一日止年度		
Revenue	收入	16,182	18,911
Cost of sales	銷售成本	(2,120)	(7,015)
Other income	其他收入	15	1
Expenses	開支	(47,272)	(5,587)
(Loss)/profit for the year	年內(虧損)/溢利	(33,195)	6,310
(Loss)/profit attributable to NCI	非控股權益應佔(虧損)/溢利	(6,640)	631
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	135,495	(37,204)
Investing activities	投資活動	–	–
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(69,457)	33,768

46. 本公司附屬公司詳情(續)

附註(ii)

重大非控股權益

以下資料有關於其中擁有重大非控股權益(「非控股權益」)的非全資附屬公司。

該概述財務資料表示公司間對銷前的金額。

友邦信貸有限公司

2019 二零一九年	2018 二零一八年
RMB'000 人民幣千元	RMB'000 人民幣千元
2,764	348
210,986	259,394
(247,815)	(227,587)
(533)	–
(34,598)	32,155
(3,588)	1,691
16,182	18,911
(2,120)	(7,015)
15	1
(47,272)	(5,587)
(33,195)	6,310
(6,640)	631
135,495	(37,204)
–	–
(69,457)	33,768

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綜合財務報表附註

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47. EVENTS AFTER THE REPORTING PERIOD

- (a) Since January 2020, the outbreak of Novel Coronavirus (“COVID-19”) has impact on the global business environment. Pending the development and spread of 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. The Group will keep continuous attention on the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.
- (b) On 11 February 2020, the Company entered into an agreement with an independent third party to disposal of 100% equity interest in a subsidiary, namely Accura Machinery & Manufacturing (Taicang) Company Limited at cash consideration of HK\$7,000,000.
- (c) On 24 February 2020, the Group obtained the letter of intent from Mr. Xiao, a vendor of Hangzhou Navrise Network Technology Co., Ltd. to propose acquisition of not less than 51% in the Target Company. Detail of the letter of intent are set out in the Company’s announcement dated 24 February 2020.

47. 報告期後事項

- (a) 自二零二零年一月起，新型冠狀病毒(「COVID-19」)的爆發已對全球營商環境造成影響。由於COVID-19於本報告日期後之發展及擴散仍不確定，故本集團由此發生的經濟狀況之進一步變動可能對本集團之財務業績造成影響，而於本報告日期，尚無法估計有關影響程度。本集團將持續關注COVID-19疫情，並積極應對其對本集團財務狀況及經營業績造成的影響。
- (b) 於二零二零年二月十一日，本公司與獨立第三方訂立協議，以現金代價7,000,000港元出售一家附屬公司Accura Machinery & Manufacturing (Taicang) Company Limited的100%股權。
- (c) 於二零二零年二月二十四日，本集團收到肖先生(杭州旭航網絡科技有限公司的賣方)的意向書，其擬收購目標公司不少於51%的權益。意向書的詳情載於本公司日期為二零二零年二月二十四日的公佈。

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48. MAJOR NON-CASH TRANSACTION

During the year ended 31 December 2019, promissory notes of principal amount of HK\$110 million (2018: HK\$55 million) were issued upon fulfillment of profit guarantee of Cybernaut Technology International Limited and its subsidiaries.

49. DISCONTINUED OPERATION

On 1 August 2018, the Company entered into an agreement with an independent third party to disposal of 100% equity interest in a subsidiary, namely Sinoref (BVI) Limited (the “Disposal Company”) and its subsidiaries (“Sinoref Group”) at cash consideration of HK\$82.8 million.

Management concluded that the assets and liabilities of Sinoref Group should be classified as held-for sale as at 31 December 2018 as it believes that it is highly probable that the disposal will be completed within twelve months from the date when Sinoref (BVI) Limited was classified as disposal group classified as held for sale.

The results of the Sinoref Group have been presented as a discontinued operation in the consolidated statement of profit or loss and other comprehensive income for the period ended 12 April 2019 and the year ended 31 December 2018. Accordingly, the comparable figures have been re-presented in accordance with HKFRS 5 “Non-Current Asset Held for Sales and Discontinued Operation” issued by the HKICPA.

48. 主要非現金交易

截至二零一九年十二月三十一日止年度，本金為110,000,000港元（二零一八年：55,000,000港元）的承兌票據於Cybernaut Technology International Limited及其附屬公司達致溢利保證後發行。

49. 已終止經營業務

於二零一八年八月一日，本公司與一名獨立第三方訂立協議以出售於一家附屬公司（即Sinoref (BVI) Limited，「出售公司」）及其附屬公司（「Sinoref集團」）之100%股權，現金代價為82,800,000港元。

由於管理層認為出售極可能將於Sinoref (BVI) Limited被分類為分類為持作出售之出售集團之日起十二個月內完成，故其總結，於二零一八年十二月三十一日，Sinoref集團之資產及負債應被分類為持作出售。

Sinoref集團的業績已於截至二零一九年四月十二日止期間及截至二零一八年十二月三十一日止年度之綜合損益及其他全面收益表內呈列為已終止經營業務。因此，已根據香港會計師公會頒佈的香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」重新呈列比較數據。

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截至二零一九年十二月三十一日止年度

49. DISCONTINUED OPERATION (continued)

The combined results of the discontinued operation included in the loss for the year are set out below. The comparative loss from discontinued operation have been re-represented to include those operations classified as discontinued in the current period/year.

49. 已終止經營業務 (續)

計入年度虧損之已終止經營業務的合併業績載列如下。已終止經營業務的虧損比較數據已經重列，以計入於本期間／年度分類為已終止經營之該等業務。

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	14,306	60,598
Cost of sales	銷售成本	(16,782)	(74,791)
Gross loss	毛損	(2,476)	(14,193)
Other income	其他收入	-	128
Impairment loss	減值虧損	-	(18,533)
Selling and distribution costs	銷售及分銷成本	(1,968)	(7,967)
Administrative expenses	行政開支	(2,267)	(12,308)
Finance costs	財務成本	(28)	(15)
Loss before taxation	除稅前虧損	(6,739)	(52,888)
Taxation	稅項	-	-
Loss for the period/year	期間／年度虧損	(6,739)	(52,888)
Gain on disposal of subsidiaries	出售附屬公司之收益	45,754	-
Profit/(loss) for the year from discontinued operation	來自已終止經營業務之年度溢利／(虧損)	39,015	(52,888)

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

49. DISCONTINUED OPERATION (continued)

The disposal of Sinoref Group was completed on 12 April 2019. Furthermore, the final consideration is adjusted to HK\$53.8 million with the prepayment of HK\$2 million at completion date. Upon completion of the disposal, Sinoref Group ceased to be a non-wholly owned subsidiaries of the Group. The net assets disposed are as follows:

Analysis of assets and liabilities over which control was lost:

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	880
Inventories	存貨	24,498
Trade receivables	貿易應收款項	32,064
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	46,956
Bank balances and cash	銀行結餘及現金	1,296
Trade payables	貿易應付款項	(97,430)
Other payables and accruals	其他應付款項及應計費用	(4,255)
Tax liabilities	稅項負債	(2,350)
		<hr/>
Net assets disposed of	已出售資產淨值	<u>1,659</u>

Gain on disposal of Sinoref Group

出售Sinoref集團收益

		RMB'000 人民幣千元
Cash consideration	現金代價	49,176
Net assets disposal of	已出售資產淨值	(1,659)
Release of exchange reserve upon disposal of subsidiaries	於出售附屬公司後解除匯兌儲備	(1,763)
		<hr/>
Gain on disposal	出售收益	<u>45,754</u>

49. 已終止經營業務 (續)

於二零一九年四月十二日完成出售Sinoref集團。此外，最終代價經調整為53,800,000港元，並於完成日期預付2,000,000港元。完成出售後，Sinoref集團不再為本集團的非全資附屬公司。出售的資產淨值如下：

喪失控制權的資產及負債的分析：

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

49. DISCONTINUED OPERATION (continued)

Net cash inflow arising from disposal of Sinoref Group

49. 已終止經營業務 (續)

出售Sinoref集團所產生的現金流入淨額

		RMB'000 人民幣千元
Cash consideration received exclude prepayment	已收取現金代價 (不包括預付款項)	47,413
Less: bank balances and cash disposed of	減: 已出售銀行結餘及現金	<u>(1,296)</u>
Net cash inflow	現金流入淨額	<u><u>46,117</u></u>

50. COMPARATIVE FIGURES

The Group has initially applied HKFRS16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting polices are disclosed in Note 2.

50. 比較數字

本集團於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。有關會計政策變動的進一步詳情披露於附註2。

Summary of Results, Assets and Liabilities

業績、資產及負債概要

Results of the Group for the year ended 31 December

本集團截至十二月三十一日止年度之業績

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Turnover	營業額	288,942	357,840	271,620	237,798	326,946
Loss and total comprehensive expense for the year attributable to owners of the Company	本公司擁有人應佔年內虧損及全面開支總額	(271,432)	(138,695)	(139,058)	(81,586)	(98,403)
Loss per share (RMB)	每股虧損 (人民幣)					
- Basic	- 基本	(0.14)	(0.05)	(0.03)	(0.02)	(0.02)
- Diluted	- 攤薄	(0.14)	(0.05)	(0.03)	(0.02)	(0.02)

Assets and liabilities of the Group at 31 December

本集團於十二月三十一日之資產及負債

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	875,968	942,675	1,216,064	1,133,825	917,733
Less: Total liabilities	減：負債總額	(326,421)	(378,825)	(567,077)	(638,432)	(517,549)
Total net assets	總資產淨值	(549,547)	563,850	648,987	495,393	400,184



賽伯樂國際控股有限公司
Cybernaut International Holdings Company Limited