

SHENYANG PUBLIC UTILITY HOLDINGS COMPANY LIMITED

瀋陽公用發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(在中華人民共和國註冊成立之股份有限公司)

Stock Code 股份代號 : 747



ANNUAL REPORT

2019 年度
報告

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Zhang Jing Ming, Chairman
Mr. Leng Xiao Rong
Mr. Chau Ting Yan (appointed on 4 March 2019)
Mr. Deng Xiao Gang, Chief Executive Officer
(resigned on 4 March 2019)

Non-executive Directors

Mr. Ye Zhi E
Mr. Yin Zong Chen

Independent Non-executive Directors

Mr. Chan Ming Sun Jonathan
Ms. Gao Hong Hong
Mr. Guo Lu Jin

CHIEF EXECUTIVE OFFICER

Mr. Huang Chunfeng (appointed on 4 March 2019)

AUDIT COMMITTEE

Mr. Chan Ming Sun Jonathan (*Chairman*)
Mr. Yin Zong Chen
Ms. Gao Hong Hong

REMUNERATION COMMITTEE

Mr. Guo Lu Jin (*Chairman*)
Mr. Chan Ming Sun Jonathan
Mr. Ye Zhi E

NOMINATION COMMITTEE

Mr. Zhang Jing Ming (*Chairman*)
Ms. Gao Hong Hong
Mr. Guo Lu Jin

SUPERVISORS

Mr. Wang Xing Ye (*Chairman*)
Mr. Chen Jun Feng
Mr. Zhang Yun Feng
Ms. Huang Yong Jing
Mr. Fang Wei Ran

董事

執行董事

張敬明先生，主席
冷小榮先生
周霆欣先生(於2019年3月4日獲委任)
鄧曉綱先生，行政總裁
(於2019年3月4日辭任)

非執行董事

葉智鏢先生
尹宗臣先生

獨立非執行董事

陳銘樂先生
高紅紅女士
郭魯晉先生

行政總裁

黃春鋒先生(於2019年3月4日獲委任)

審核委員會

陳銘樂先生(*主席*)
尹宗臣先生
高紅紅女士

薪酬委員會

郭魯晉先生(*主席*)
陳銘樂先生
葉智鏢先生

提名委員會

張敬明先生(*主席*)
高紅紅女士
郭魯晉先生

監事

王興業先生(*主席*)
陳俊峰先生
張運峰先生
黃永菁女士
方偉然先生

Corporate Information

公司資料

REGISTERED OFFICE

No. 1-4, 20A, Central Street,
Shenyang Economic and Technological Development Zone,
People's Republic of China

JOINT COMPANY SECRETARIES

Ms. Qian Fang Fang
Mr. Tung Sze Ho Dicky

AUTHORISED REPRESENTATIVES

Mr. Zhang Jing Ming
Mr. Tung Sze Ho Dicky

AUDITOR

Asian Alliance (HK) CPA Limited

H SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
Rooms 1712-16, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

China Minsheng Bank
CITIC Bank
Industrial and Commercial Bank of China
China Construction Bank

STOCK CODE

747

WEBSITE

www.shenyang747.com

註冊辦事處

中華人民共和國
瀋陽經濟技術開發區
中央大街20甲1-4號

聯席公司秘書

錢芳芳女士
董思浩先生

授權代表

張敬明先生
董思浩先生

核數師

華融(香港)會計師事務所有限公司

H股份過戶登記處

香港證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712-16室

主要往來銀行

民生銀行
中信銀行
工商銀行
建設銀行

股份代號

747

網址

www.shenyang747.com

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors of Shenyang Public Utility Holdings Company Limited, I am pleased to present the audited consolidated results of the Company and its subsidiaries for the year ended 31 December 2019.

In 2019, the global economic slowdown intensified, alongside with a more complicated external environment and internal conditions for China's economic development. Coupled with significantly more economic and non-economic difficulties and challenges, the overall landscape was more challenging than last year. While stabilising its development, the Company strengthened risk management to make sufficient preparation amid the prevailing economic uncertainties and to soundly implement the Group's strategic deployment, so as to grow the shareholders and stand with them amid adversity.

BUSINESS REVIEW

During the 2019 Financial Year, Chaozhou Jinshan completed the procedures for acceptance of completion and transfer of 38.6-mu slope stabilization works (2018 Corresponding Period: 300-mu of construction land) and recorded a revenue of RMB21,893,000 (2018 Corresponding Period: RMB69,903,000).

The settlement work of Zhongfang Chaozhou Jin Nan Industrial Park Project is expected to be completed in 2020. The Group will maintain communication with Chaozhou Jinshan to actively push ahead the progress of settlement of the project and the transfer of the remaining construction land.

Following the capital reduction in Chung Hwa Finance for the financial year ended 31 December 2017, the Group gradually rationalised the credit business in Hong Kong and terminated the money lending licence in Hong Kong in September 2018.

During the 2019 Financial Year, Chung Hwa Finance recognised revenue of approximately RMB4,537,000 (2018 Corresponding Period: RMB10,188,000).

During the 2019 Financial Year, the Group recorded revenue from property leasing of RMB130,000 (2018 Corresponding period: nil).

尊敬的各位股東：

本人謹代表瀋陽公用發展股份有限公司董事會，欣然向全體股東報告本公司及其附屬公司截至2019年12月31日止年度的經審核綜合業績。

2019年全球經濟增速放緩趨勢明顯，中國經濟發展面臨的外部環境和內部條件更趨複雜，一些經濟的和非經濟的困難和挑戰明顯增多，整體形勢較去年更具挑戰。公司在穩定發展的同時，加強風險控制，為當前經濟形勢的不確定性做好充足準備，穩定貫徹集團戰略部署，與廣大股東共同發展，共同面對逆境。

業務回顧

於2019年財政年度，潮州金山完成38.6畝斜坡鞏固工程(2018年同期：300畝建設用地)的驗收交付手續，錄得收入人民幣21,893,000元(2018年同期：人民幣69,903,000元)。

中房潮州徑南工業園項目結算工作，預期於2020年完成。本集團將保持與潮州金山溝通，積極推進項目的結算及剩餘建設用地的交付進度。

截至2017年12月31日止財政年度完成中華信貸減資後，本集團逐步精簡香港的信貸業務，並於2018年9月終止香港持牌放債人的資格。

於2019年財政年度，中華信貸確認收入人民幣4,537,000元(2018年同期：人民幣10,188,000元)。

於2019年財政年度，本集團錄得物業租賃收入人民幣130,000元(2018年同期：無)。

Chairman's Statement

主席報告

Business Analysis

Currently, the infrastructure construction business remains the principal business of the Group. The Group endeavours to develop and push ahead the project progress and has gradually completed the procedures of acceptance and transfer and settlement in relation to Zhongfang Chaozhou Jing Nan Industrial Park Project.

Given Hong Kong Monetary Authority's increasingly tightened policies on credit business, to reduce funding and credit risks, Chung Hwa Finance completed the capital reduction in 2017 and terminated the money lending licence in Hong Kong in September 2018. During the 2019 Financial Year, Chung Hwa Finance has recovered the majority of its customers' loans.

During the 2019 Financial Year, the Group focused on the development of property investment business, deployed in first-tier cities and surrounding areas nationwide, and successively acquired properties in Beijing, Guangzhou and Sanhe, which have gradually generated rental income.

COMPREHENSIVE DEVELOPMENT

In 2019, the global economic landscape revealed a downward trend. Although the overall national economy remained within a reasonable range, from a quarterly perspective, economic growth slowed down quarter over quarter with growing downward pressure. The Group was also in transition. Various departments and projects of the Group needed more adjustment and coordination. Faced with various challenges, the Group will uphold the spirit of perseverance and strive to generate stable and attractive returns to the shareholders. During the year, according to the overall development strategy, the Company adjusted and pushed ahead the existing investment projects, including the further acquisition of shares of Chaozhou Rural Credit Cooperative (currently reorganised as Chaozhou Rural Commercial Bank Co., Ltd.) and the proposed acquisition of 78% equity interest in San He Jin Jiao. According to the operating conditions of each subsidiary and the strategic direction of the Company, the Company sold 100% equity interest in Shenzhen Zhonghe, 100% equity interest in Shenzhen Shen He and 66.67% equity interest in SHHH Development. While streamlining the Company's business, the Company acquired 100% equity interest in Beijing Yufeng Chengyou Technology Company Limited as well as 95% equity interest in each of the eight subsidiaries held by Beijing Wanzi Apartment Management Company Limited based on market conditions and political factors. The Group will strictly monitor various existing investment projects based on the overall economic conditions and the comprehensive capabilities of the Group, seeking stable growth and enhancing its capabilities.

業務分析

基礎設施建設業務目前依然是本集團的主要業務。本集團一直致力於發展並努力推進項目進展，逐步完成中房潮州徑南工業園項目的驗收交付及結算工作。

由於目前香港金管局對信貸業務的政策收緊力度加強，為了降低資金及信貸風險，中華信貸於2017年度完成了減資，並於2018年9月終止香港持牌放債人的資格。於2019年財政年度，中華信貸已收回絕大部分客戶貸款。

本集團於2019年財政年度，注重物業投資業務發展，佈局全國一線城市及周邊地區，先後於北京、廣州和三河進行物業收購，並已陸續取得租金收益。

綜合發展

2019年全球經濟形勢處於下滑趨勢，國民經濟總體雖然保持在合理區間，但從季度來看，經濟增速逐季放緩、下行壓力持續增大。集團亦處於調整階段，各部門以及各集團項目需要更多的磨合以及配合調整，面對各方面挑戰，集團將秉持堅持不懈的精神，務求為廣大股東帶來穩定的良好收益。於本年度，公司根據整體發展戰略，調整及推進現有的投資項目，包括進一步收購潮州市區農村信用合作聯社股份(現已重組為：潮州農村商業銀行股份有限公司)，建議收購三河京郊78%股權；根據各子公司運營情況和公司策略方針，出售深圳眾合100%股權，出售深圳沈和100%股權，出售深圳合輝煌發展66.67%股權；在精簡公司業務的同時，根據市場情況及政策因素，收購北京禦風程游科技有限公司100%股權，收購北京萬紫公寓管理有限公司所持有的八家控股子公司各95%股權。集團將根據整體經濟形勢和集團綜合實力，嚴格把控目前各類投資項目，並尋求穩定發展，提高實力。

Chairman's Statement

主席報告

RISK MANAGEMENT

During the year, the Group engaged CT Consultants Limited to review the procedures, systems and internal control of the respective operations of the Group on rotation basis. The Group will take appropriate actions pursuant to the Internal Control Review Report to rectify the weak areas in internal control and risk management, so as to further improve its internal risk management and replicate them to all departments and subsidiaries to improve the risk management awareness of each employee.

FUTURE PROSPECTS

Looking into 2020, the Group will actively cope with the severe economic environment locally and abroad, stabilise existing businesses and strictly monitor operational risks. At the same time, it will actively explore projects with higher development prospects and optimise resource allocation to enhance the Group's overall capabilities.

Finally, on behalf of the Board, I would like to express my gratitude to all the shareholders, business partners and all employees for their support. With their support and encouragement, I believe we will grow and move toward to success together!

Zhang Jing Ming
Chairman

29 May 2020

風險管理

於本年度，本集團聘請思天顧問有限公司按輪換基準對本集團各項業務的程序、系統及監控進行審閱。本集團將根據《內部監控審閱報告》採取合適行動對內控及風險管理薄弱環節進行改進，進一步完善公司內部風險管理，並落實到各部門及子公司，提高每一位員工的風險管理意識。

前景展望

2020年本集團將積極應對國內外嚴峻的經濟形勢，穩定發展現有業務，嚴格把控經營風險，同時積極開拓更具發展前景的項目，優化資源配置，以提升集團整體實力。

最後，本人謹代表董事會，向全體股東、合作夥伴及全體員工給予的支持表示衷心的感謝，有各方的支持與鼓勵，我相信我們未來將能攜手並進，邁向成功！

張敬明
董事長

2020年5月29日

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

The revenue of the Group for the 2019 Financial Year amounted to RMB26,560,000 (2018 Corresponding Period: RMB80,091,000), representing a significant decrease of approximately 66.84% as compared with the 2018 Corresponding Period. The substantial decrease in revenue is mainly due to decrease in the revenue generated from the construction of infrastructure and development of properties in the PRC as well as the credit business for the 2019 Financial Year.

During the 2019 Financial Year, the Group has completed the acceptance and transfer procedures of 38.63-mu slope stabilization works of the Zhongfang Chaozhou Jing Nan Industrial Park Project and recorded the revenue for 2019 Financial Year of RMB21,893,000 (2018 Corresponding Period: RMB69,903,000). Zhongfang Chaozhou has completed the procedures for acceptance of completion and transfer of accumulated 4,000-mu construction land and 38.63-mu slope stabilization works. Credit business contributed the revenue for the 2019 Financial Year amounted to RMB4,537,000 (2018 Corresponding Period: RMB10,188,000). The revenue for credit business decreased by 55.47% as compared with that for the 2018 Corresponding Period. Furthermore, the Group also recognised revenue of RMB130,000 from the property leasing business.

Loss before tax for the 2019 Financial Year amounted to RMB93,284,000 comparing with loss of RMB137,282,000 for 2018 Corresponding Period.

Income Tax Expenses

Income tax expenses of the Group for the 2019 Financial Year amounted to RMB1,156,000 representing a decrease of approximately 35.02% as compared with RMB1,779,000, for the 2018 Corresponding Period. The decrease in income tax expenses was mainly attributable to the combined tax effect on (i) expenses not deductible for tax purpose; (ii) loss not recognised for tax purpose; (iii) income not taxable for tax purpose; and (iv) income generated decreased.

Loss per Share

Loss per share for the 2019 Financial Year was approximately RMB6.06 cents comparing with the loss per share for the 2018 Corresponding Period of RMB9.47 cents.

財務回顧

本集團於2019年財政年度的收益為人民幣26,560,000元(2018年同期:人民幣80,091,000元),較2018年同期大幅減少66.84%。收入大幅下降主要是由於2019年財政年度錄得中國基礎設施建設及物業發展之收入降低及信貸業務確認之收入降低所致。

於2019年財政年度,本集團完成中房潮州徑南工業園項目38.63畝斜坡鞏固工程的驗收交付手續,並於2019年財政年度確認收入人民幣21,893,000元(2018年同期:人民幣69,903,000元)。中房潮州已累計完成4,000畝建設用地以及38.63畝斜坡鞏固工程的驗收交付工作。於2019年財政年度,信貸業務收入為人民幣4,537,000元(2018年同期:人民幣10,188,000元)。信貸業務收入較2018年同期減少55.47%。此外,本集團亦確認物業租賃業務收入人民幣130,000元。

本集團於2019年財政年度的除稅前虧損為人民幣93,284,000元,而2018年同期虧損為人民幣137,282,000元。

所得稅開支

本集團於2019年財政年度的所得稅開支為人民幣1,156,000元,較2018年同期人民幣1,779,000元減少約35.02%。所得稅開支減少主要是由於(i)不可扣稅開支;(ii)並無就稅項目的確認的虧損;(iii)毋須課稅收入;及(iv)所產生收入下降的合併影響所致。

每股虧損

2019年財政年度每股虧損約為人民幣6.06分,而2018年同期每股虧損為人民幣9.47分。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Infrastructure Construction Business

During the 2019 Financial Year, the Group has completed the acceptance and transfer procedures of 38.63-mu slope stabilization works (2018 Corresponding Period: 300-mu construction land) of the Zhongfang Chaozhou Jing Nan Industrial Park Project and recorded the revenue of RMB21,893,000 (2018 Corresponding Period: RMB69,903,000). The transfer of the remaining construction land of the Zhongfang Chaozhou Jing Nan Industrial Park Project will be completed in 2020.

The completion and acceptance procedures of Phase 1 of Zhongfang Chaozhou Jin Nan Industrial Park Project were entirely completed. The settlement work of the project is expected to be finalised by 2020. The Group will maintain communication with Chaozhou Jinshan to actively push ahead the progress of settlement of the project and the transfer of the remaining construction land.

Credit Business

Following the capital reduction in Chung Hwa Finance for the financial year ended 31 December 2017, the Group gradually rationalised the credit business in Hong Kong and terminated the money lending licence in Hong Kong in September 2018. During the 2019 Financial Year, Chung Hwa Finance recognised revenue of approximately RMB4,537,000 (2018 Corresponding Period: RMB10,188,000).

Property Investment Business

During the 2019 Financial Year, the Group focused on development property investment business and successively acquired properties in Guangzhou, Beijing and Sanhe cities. Some properties have generated rental income and recorded the revenue of RMB130,000 (2018 corresponding period: nil). The Group will actively push ahead the acquisition of 78% equity interest in San He Jing Jiao and continue to identify potential property investment projects.

業務回顧

基礎設施建設業務

於2019年財政年度，本集團已完成38.63畝中房潮州徑南工業園項目斜坡鞏固工程(2018年同期：300畝建設用地)驗收交付手續，錄得收益人民幣21,893,000元(2018年同期：人民幣69,903,000元)。中房潮州徑南工業園項目剩餘建設用地的交付將於2020年完成。

中房潮州徑南工業園項目第一期竣工驗收手續已全部完成。項目結算工作預期至2020年結束。本集團將保持與潮州金山溝通，積極推進項目的結算及剩餘建設用地的交付進度。

信貸業務

截至2017年12月31日止財政年度完成中華信貸減資後，本集團逐步精簡香港的信貸業務，並於2018年9月終止香港持牌放債人的資格。於2019年財政年度，中華信貸確認收入約為人民幣4,537,000元(2018年同期：人民幣10,188,000元)。

物業投資業務

於2019年財政年度，本集團著重發展物業投資業務，並先後於廣州、北京及三河等城市進行物業收購，部分物業已開始取得租金收益並錄得收益人民幣130,000元(2018年同期：無)。本集團將積極推動三河京郊78%股權交易的進行，並繼續物色有潛力物業投資項目。

Management Discussion and Analysis

管理層討論與分析

BUSINESS PROSPECTS

Affected by the epidemic in 2020, the global economic situation is uncertain, the Group will adhere to the development objective of making steady progress, continue to maintain its core competitiveness. The Group will actively respond to the state's policy of increasing infrastructure investment and push ahead the development of existing projects. The Company will maintain the its core business, improve the Group's ability to resist risks, and at the same time promote the operation of existing property projects and open up new profit points. In addition, the Board will continue to devote efforts to explore various investment opportunities and enhance the Group's market competitiveness.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2019, the Group's total assets amounted to RMB996,411,000 (2018: RMB1,186,992,000), representing a decrease of 16.06%. Non-current assets and current assets as at 31 December 2019 were RMB451,327,000 (2018: RMB557,519,000) and RMB545,084,000 (2018: RMB629,473,000) respectively. The assets were financed by current liabilities of RMB188,634,000 (2018: RMB297,059,000) and shareholders' equity of RMB718,925,000 (2018: RMB864,736,000).

As at 31 December 2019, the Group has no bank borrowings. The Group's current ratio (current assets/current liabilities) was 2.89 times (2018: 2.12 times) and gearing ratio (total liabilities/total assets) was 0.19 times (2018: 0.25 times).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

Pre-acquisition of property in Beijing PRC

On 15 November 2016, Beijing Shen Shang, being the subscriber entered into the pre-acquisition agreement with Beijing Zhong Tou, pursuant to which Beijing Zhong Tou agreed to sell and Beijing Shen Shang agreed to acquire a property at a total consideration of RMB152,800,000. The property is a commercial premise with the construction area of 2,800 sq.m. (with the right to use 5,000 sq.m. of car parks at the basement level two of the Beijing International Zone Convention Centre* 北京會展國際港展館 (the "Convention Centre")), being part of Phase 3 of the ancillary facility project of the Convention Center to be constructed in Beijing Shunyi District Tianzhu Airport Commercial Zone* 北京市順義區天竺空港商務區 (the "Beijing Property"). Please refer to the announcement of the Company dated 15 November 2016 for details.

業務展望

2020年受疫情影響，全球經濟形勢不明朗，本集團將繼續堅持穩中求進的發展目標，保持核心競爭力。本集團積極響應國家加大基礎建設投資的政策，努力推動既有項目發展。本公司將保持核心業務，提高本集團抗風險能力，同時推進現有物業項目的運營，開闢新的贏利點。此外，董事會將繼續致力於開拓不同的投資機遇及提升本集團的市場競爭力。

流動資金與財務資源

於2019年12月31日，本集團的資產總值為人民幣996,411,000元（2018年：人民幣1,186,992,000元），減少16.06%。於2019年12月31日，非流動資產及流動資產分別為人民幣451,327,000元（2018年：人民幣557,519,000元）及人民幣545,084,000元（2018年：人民幣629,473,000元）。資產以流動負債人民幣188,634,000元（2018年：人民幣297,059,000元）及股東資金人民幣718,925,000元（2018年：人民幣864,736,000元）撥付。

於2019年12月31日，本集團並無銀行貸款。本集團的流動比率（流動資產／流動負債）為2.89倍（2018年：2.12倍）及資產負債比率（總負債／總資產）為0.19倍（2018年：0.25倍）。

重大收購及出售附屬及聯營公司

預購於中國北京的物業

於2016年11月15日，北京瀋商（即認購方）與北京中投訂立預購協議，據此，北京中投同意出售及北京瀋商同意收購物業，總代價為人民幣152,800,000元。物業為建築面積2,800平方米並有權使用北京會展國際港展館（「會展中心」）地下負二層5,000平方米停車場之商用物業，即位於北京市順義區天竺空港商務區將興建的會展中心配套設施項目3期的一部分（「北京物業」）。有關詳情載於本公司日期為2016年11月15日的公告。

Management Discussion and Analysis 管理層討論與分析

On 26 March 2018, Beijing Shen Shang and Beijing Zhong Tou entered into a supplemental agreement in relation to the pre-acquisition agreement to postpone the date of the acceptance and transfer of the Beijing Property to 31 December 2019. As at the date of this report, the transaction is still in progress. The pre-sale permit for the project has been obtained on 17 August 2018.

However, due to multiple factors including the 70th anniversary of the National Day, important meetings and the haze days, the construction was suspended at the request of the government, resulting in postponement of completion. Coupling with the impact of the epidemic in 2020, the progress of the subsequent construction has been affected, resulting in the completion of construction and delivery the Beijing Property has not yet been completed.

On 20 May 2020, Beijing Shen Shang and Beijing Zhong Tou entered into a supplemental agreement to further postpone the date of the completion of construction and delivery of the Beijing Property to 30 June 2021, and Beijing Shen Shang agreed to exempt the penalty of Beijing Zhong Tou for the delay of completion of construction.

Adjustment to the transaction model of acquisition of properties in Hebei Province

On 9 February 2018 (after trading hours), Beijing Shen Shang and San He Jing Jiao entered into an agreement (the “**Property Acquisition Agreement**”) pursuant to which San He Jing Jiao has conditionally agreed to sell, and Beijing Shen Shang has conditionally agreed to acquire, the properties at the cash consideration of RMB110,000,000. The properties, comprise 11 shop units (including Shop No. 5-1-101, 5-1-102, 5-1-103, 5-1-104, 5-5-111, 5-5-112, 5-5-222, 5-5-223, 5-5-324, 5-5-425, 5-5-426) with a total gross floor area of approximately 3,168 sq.m. together with 60 car parking spaces (No. 001-005, 008-010, 012-024, 027-029, 032-034, 036-055, 059-071) on basement level of Phase 5 of Tian Zi Zhuang Yuan (天子莊園), located at Yanjiao National High-Tech Industrial Development Area, Sanhe City, Hebei Province. San He Jing Jiao and Beijing Shen Shang shall have completed and performed all of their respective obligations under the Property Acquisition Agreement no later than 9 August 2018, or such later date as the parties may agree in writing. Please refer to the announcement of the Company dated 9 February 2018 for details of the Property Acquisition Agreement.

於2018年3月26日，北京瀋商與北京中投就預購協議訂立補充協議以推遲北京物業驗收交付日期至2019年12月31日。於本報告日期，該交易仍在進行當中。該項目已於2018年8月17日取得預售許可證。

然而，由於國慶70週年、重大會議及霧霾天等多重因素影響，工程應政府要求暫停施工，導致延長竣工。加上2020年疫情影響，其後工程進程受阻，導致北京物業仍未竣工交付。

於2020年5月20日，北京瀋商與北京中投訂立補充協議，將北京物業的竣工交付日期進一步延長至2021年6月30日，而北京瀋商同意豁免北京中投延遲竣工的罰款。

調整收購河北省物業交易模型

於2018年2月9日(交易時段後)，北京瀋商與三河京郊訂立一份協議(「**物業收購協議**」)，據此，三河京郊有條件同意出售，而北京瀋商有條件同意收購該物業，現金代價為人民幣110,000,000元。該物業包括於河北省三河市燕郊國家高新技術產業開發區天子莊園五期11個商舖單位(包括第5-1-101、5-1-102、5-1-103、5-1-104、5-5-111、5-5-112、5-5-222、5-5-223、5-5-324、5-5-425、5-5-426號舖)，總建築面積約3,168平方米，連同地庫的60個停車位(第001-005、008-010、012-024、027-029、032-034、036-055、059-071號)。三河京郊與北京瀋商須於2018年8月9日前(或各訂約方可能以書面協定之其他較後日期)完成及履行彼等於物業收購協議項下全部的相關責任。有關物業收購協議的詳情載於本公司日期為2018年2月9日之公告。

Management Discussion and Analysis

管理層討論與分析

On 17 August 2018, Beijing Shen Shang entered into a supplemental agreement with San He Jing Jiao to extend the long stop date to 31 December 2018.

On 18 March 2019, San He Jing Jiao and Beijing Shen Shang entered into the compensation agreement pursuant to which it is agreed that San He Jing Jiao shall additionally deliver the rights to use one car parking space as compensation for delay in processing the real property ownership certificate. The application of real property ownership certificate was completed in April 2019.

On 5 August 2019, San He Jing Jiao and Beijing Shen Shang entered into the termination agreement with respect to the Property Acquisition Agreement and compensation agreement to proceed with.

On 28 October 2019, Shenzhen Shenhe and Shanghai Wanbang Enterprise Group Company Limited* 上海萬邦企業集團有限公司, Shenzhen Wanbang Real Estate Company Limited* 深圳市萬邦置業有限公司 and Shenzhen Zhaowanda Investment Company Limited* 深圳市兆萬達投資有限公司 entered into the sale and purchase agreement, pursuant to which Shenzhen Shenhe has conditionally agreed to purchase and the vendors have conditionally agreed to sell the Sale Shares, representing 78% equity interest of San He Jing Jiao at the consideration of RMB321,000,000. San He Jing Jiao is currently engaged in a property development project, namely Tian Zi Zhuang Yuan. It is a large scale residential development project developed on a site formed by various parcels of land with a total land area of approximately 300,243.3 square meter located at the northern side of Jingha Road (京哈路) within Yanjiao National High-Tech Industrial Development Area, Sanhe City. Please refer to the announcement of the Company dated 28 October 2019, 18 November 2019, 20 December 2019, 6 February 2020, 11 March 2020, 15 April 2020 and 15 May 2020 for details.

At the date of this report, the acquisition has not been completed.

於2018年8月17日，北京瀋商與三河京郊簽訂一份補充協議，將最後完成期限延至2018年12月31日。

於2019年3月18日，三河京郊與北京瀋商簽訂補償協議，據此，約定三河京郊額外交付1個停車位使用權作為延期辦理物業不動產權證書的補償。物業不動產權證書已於2019年4月辦理完成。

於2019年8月5日，三河京郊與北京瀋商就物業收購協議及補償協議簽訂解除協議。

於2019年10月28日，深圳深合與上海萬邦企業集團有限公司、深圳市萬邦置業有限公司及深圳市兆萬達投資有限公司訂立買賣協議，據此，深圳深合有條件同意購買而賣方有條件同意出售待售股份（相當於三河京郊78%股權），代價為人民幣321,000,000元。三河京郊現時從事一項名為天子莊園之物業開發項目。其為一項大型住宅開發項目，涉及於三河市燕郊國家高新技術產業開發區內京哈路北側總面積約300,243.3平方米之多幅土地上進行開發。有關詳情請參閱本公司日期分別為2019年10月28日、2019年11月18日、2019年12月20日、2020年2月6日、2020年3月11日、2020年4月15日及2020年5月15日的公告。

於本報告日期，收購尚未完成。

Management Discussion and Analysis

管理層討論與分析

Acquisition of 100% equity interests of Beijing Yufeng Chengyou Technology Company Limited

On 24 June 2019, Shenzhen Shenhe and Beijing Chengyang Software Company Limited* 北京程陽軟體有限公司 entered into a sale and purchase agreement pursuant to which Beijing Chengyang Software Company Limited* 北京程陽軟體有限公司 has conditionally agreed to sell, and Shenzhen Shenhe has conditionally agreed to acquire 100% equity interests of Beijing Yufeng Chengyou Technology Company Limited* 北京御風程游科技有限公司 at the consideration of RMB10,660,000. Beijing Yufeng Chengyou Technology Company Limited currently holds a commercial property at No. 15, Guang'an Road, No. 138, Heshu Road, Datansha Island, Liwan District, Guangzhou, the PRC. The Property comprises a shop unit with a gross floor area of approximately 516.69 sq.m. and it is subject a tenancy agreement at an aggregate monthly rental of approximately RMB32,000. As valued by an independent qualified professional valuer, the market value of the Property as at 30 August 2019 was RMB19,900,000. Save as the above property, Beijing Yufeng Chengyou Technology Company Limited has not commenced other business. As the relevant percentage ratio in respect of each transaction is less than 5%, each transaction is not subject to the announcement requirements under the Listing Rules. The Directors consider that the acquisition represents a valuable property investment opportunity that are in line with the Group's business strategy and future development.

The acquisition completed on 30 August 2019.

Disposal of 20% equity interest in Hai Yue Real Estate

On 12 September 2018, Tai He Chuang Jian transferred 20% equity interest in Hai Yue Real Estate to Hou Feng Trading, the largest shareholder of Hai Yue Real Estate at the consideration of RMB133,000,000.

Hai Yue Real Estate owns Dongshan Plaza (東山廣場) located at No. 69 Xian Lie Zhong Road in Guangzhou comprising 166 office units (owned property available for operation) with a gross floor area of 22,026.54 sq.m. and 122 underground car parking spaces (including 2-storey basement car park) with a total gross floor area of 1,318.02 sq.m.

As the relevant percentage ratio in respect of the transaction exceeds 25%, the transaction contemplated thereunder constitutes a major transaction of the Company and is subject to shareholders' approval at the general meeting. Please refer to the announcements of the Company dated 12 September 2018, 5 October 2018, 1 November 2018, 6 December 2018 and 28 December 2018 and the circular of the Company dated 18 January 2019 for details. The transaction was completed on 4 March 2019.

收購北京御風程游科技有限公司100%股權

於2019年6月24日，深圳深合與北京程陽軟體有限公司訂立買賣協議，據此，北京程陽軟體有限公司有條件同意出售，而深圳深合有條件同意收購北京御風程游科技有限公司100%股權，代價為人民幣10,660,000元。北京御風程游科技有限公司現時持有一項商用物業，乃位於中國廣州荔灣區大坦沙島河沙路138號廣安路15號。該物業包括一間商舖，建築面積約516.69平方米，受租賃協議所規限，月租合計約人民幣32,000元。按獨立合資格專業估值師的估值，該物業於2019年8月30日的市值為人民幣19,900,000元。除上述物業外，北京御風程游科技有限公司尚未開展其他業務。由於各交易的相關百分比少於5%，各交易毋須遵守上市規則的公告規定。董事認為，收購是一項寶貴的物業投資機會，與本集團的業務策略及日後發展相一致。

該收購已於2019年8月30日完成。

出售海粵房地產20%股權

於2018年9月12日，泰合創建將於海粵房地產持有的20%的股權以代價人民幣133,000,000元轉讓給海粵房地產第一大股東厚豐貿易。

海粵房地產持有位於廣州市先烈中路69號東山廣場166套總面積：22,026.54平方米的可經營自有物業(寫字樓)及地下一、二層總面積：1,318.02平方米共計122個停車位。

由於各項交易的相關百分比高於25%，故擬進行交易構成本公司之重大交易，並須於股東大會上獲股東批准。有關詳情，請參閱本公司日期為2018年9月12日、2018年10月5日、2018年11月1日、2018年12月6日及2018年12月28日的公告及本公司日期為2019年1月18日的通函。該交易已於2019年3月4日完成。

Management Discussion and Analysis

管理層討論與分析

At the date of this report, Hou Feng Trading settled RMB25,840,000 and the remaining balance of RMB87,160,000 is yet to be paid.

On 21 April 2020, Tai He Chuang Jian has received a written notice from Hou Feng Trading stating that it has difficulty in the turnover of working capital due to the impact of epidemic and Hou Feng Trading is not able to repay the consideration to Tai He Chuang Jian in time. Hou Feng Trading promised to repay the outstanding consideration of RMB101,100,000 to Tai He Chuang Jian by installments according to the given repayment schedule. Besides, Hou Feng Trading also agreed to provide guarantee in favour of the outstanding consideration of RMB35,000,000 for the Company. The Company has obtained a pledge over the property in Shanghai.

Provision of loans to Guangzhou Leyou

On 7 November 2018, the Company entered into a loan agreement with Guangzhou Leyou with a loan amount of RMB15,000,000 for a term of eight months at an interest rate of 8% per annum. The loan is guaranteed jointly and severally by a competent guarantor. As the relevant percentage ratio in respect of the transaction is below 5%, the transaction is not subject to any disclosure requirements under the Listing Rules.

On 9 August 2019, the Company and Guangzhou Leyou entered into a supplemental agreement to extend the term of loan for further eight months to 6 March 2020 and adjust the interest rate to 6% per annum.

Guangzhou Leyou settled RMB1,000,000 on 28 April 2020. On 20 May 2019, the Company and Guangzhou Leyou entered into a supplemental agreement to extend the term loan with a amount of RMB14,000,000 for further twelve months to 6 March 2021.

Extension of loans to Guangzhou Leyou

The loan due from Guangzhou Leyou as at 31 December 2019 was approximately RMB15,000,000. Guangzhou Leyou settled RMB1,000,000 on 28 April 2020. On 20 May 2020, the Company and Guangzhou Leyou entered into a supplementary agreement, pursuant to which the Company extends the loan period for the remaining principal of RMB14,000,000 to Guangzhou Leyou. The loan bear interest rate at 6% per annum with a term of 12 months to 6 March 2021.

於本報告日期，厚豐貿易已結算人民幣25,840,000元，餘額人民幣87,160,000元尚未支付。

於2020年4月21日，泰合創建已收到厚豐貿易的書面通知，表示由於疫情影響營運資金周轉出現困難，厚豐貿易未能按時向泰合創建償還代價。厚豐貿易承諾根據既定還款期分期向泰合創建償還未償還代價人民幣101,100,000元。此外，厚豐貿易亦同意就未償還代價人民幣35,000,000元向本公司作出擔保，本公司已獲得一項位於上海的物業抵押權。

向廣州樂游提供借款

於2018年11月7日，本公司與廣州樂游簽署借款協議，借款金額為人民幣15,000,000元，借款期限為8個月，借款利息為年利率8%，並由有資質的擔保公司提供連帶責任擔保，由於本次交易的相關百分比率低於5%，因此，交易無需遵守上市規則下的任何披露規定。

於2019年8月9日，本公司與廣州樂游訂立補充協議，將貸款年期進一步延長8個月至2020年3月6日，並調整年利率至6%。貸款將繼續由該擔保公司提供連帶責任擔保。

廣州樂游已於2020年4月28日結算人民幣1,000,000元。於2019年5月20日，本公司與廣州樂游訂立補充協議，將為數人民幣14,000,000元的有期貨款進一步延長12個月至2021年3月6日。

廣州樂游貸款延期

於2019年12月31日，應收廣州樂游貸款約為人民幣15,000,000元。廣州樂游於2020年4月28日償還人民幣1,000,000元。於2020年5月20日，本公司與廣州樂游訂立補充協議，據此，本公司延長廣州樂游餘下本金人民幣14,000,000元的貸款期。貸款按年利率6%計息，年期為12個月直至2021年3月6日。

Management Discussion and Analysis 管理層討論與分析

Extension of the acquisition of property in Beijing PRC

On 20 May 2020, Beijing Shen Shang and Beijing Zhong Tou entered into a supplemental agreement, pursuant to which Beijing Shen Shang agreed to extend the completion date of the acquisition of Beijing Property due to the outbreak of coronavirus. The acquisition is expected to be completed on or before 30 June 2021.

Acquisition of 34,420,335 shares of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 by Zhongfang Chaozhou

On 3 January 2019, Zhongfang Chaozhou acquired 8,700,000 shares of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 in aggregate held by eight natural persons at RMB1.8 per share. The total consideration of the transaction amounted to RMB15,660,000 (the “**1st Acquisition**”).

On 24 January 2019, Zhongfang Chaozhou acquired 25,720,335 shares of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 in aggregate held by 19 natural persons at RMB1.85 per share. The total consideration of the transaction amounted to approximately RMB48,271,000 (the “**2nd Acquisition**”).

Upon completion of the 1st Acquisition and the 2nd Acquisition, Zhongfang Chaozhou will hold 59,720,335 shares of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 in aggregate. Please refer to the announcements of the Company dated 24 January 2019 and 28 January 2019 for details.

On 21 June 2019, Chaozhou Rural Commercial Bank Co., Ltd. (“**Chaozhou Rural Commercial Bank**”) was established and commenced operation after the restructuring of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 and Raoping Rural Credit Cooperative* 饒平縣農村信用合作聯社 and Chao'an Rural Credit Cooperative* 潮安區農村信用合作聯社.

Since the 1st Acquisition and the 2nd Acquisition occurred during the period of restructuring of Chaozhou Rural Commercial Bank and the shares held by the vendors including the natural persons in Chaozhou Rural Commercial Bank are non-transferable within one year pursuant to the relevant requirements, an aggregate of 34,420,335 shares of Chaozhou Rural Credit Cooperative* 潮州市區農村信用合作聯社 from the 1st Acquisition and the 2nd Acquisition have not been registered and converted into shares of Chaozhou Rural Commercial Bank. Upon completion of the registration, Zhongfang Chaozhou will hold an aggregate of 36,490,344 shares of Chaozhou Rural Commercial Bank.

延期收購中國北京一項物業

於2020年5月20日，北京瀋商與北京中投訂立補充協議，據此，由於爆發新冠病毒疫情，北京瀋商同意延期收購北京物業的完成日期。收購事項預期於2021年6月30日或之前完成。

中房潮州收購潮州市區農村信用合作聯社 34,420,335股股份

於2019年1月3日，中房潮州按照每股人民幣1.8元分別收購由8個自然人合計持有的潮州市區農村信用合作聯社8,700,000股股份，交易代價總額為人民幣15,660,000元（「**第一次收購**」）。

於2019年1月24日，中房潮州以每股均價人民幣1.85元收購19個自然人合計持有的潮州市區農村信用合作聯社25,720,335股股份，交易代價總額約為人民幣48,271,000元（「**第二次收購**」）。

完成第一次收購及第二次收購後，中房潮州將合共持有59,720,335股潮州市區農村信用合作聯社股份，有關詳情載於本公司日期為於2019年1月24日及2019年1月28日之公告。

於2019年6月21日，由潮州市區農村信用合作聯社、饒平縣農村信用合作聯社及潮安區農村信用合作聯社重組的潮州農村商業銀行股份有限公司（「**潮州農商銀行**」）開業成立。

由於第一次收購及第二次收購發生在潮州農商銀行重組期間及根據相關規定由賣方（包括自然人）持有的潮州農商銀行股份一年內不能轉讓，因此第一次收購及第二次收購合計34,420,335股潮州市區農村信用合作聯社股份尚未登記並折算成潮州農商銀行股份。於登記完成後，中房潮州將合共持有潮州農商銀行36,490,344股股份。

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Provision of loans to Zhong De Logistics

On 24 January 2019, SHHH Development entered into a loan agreement with Zhong De Logistics with a loan amount of RMB8,000,000 for a term of one year at an interest rate of 2% per annum. The loans are only used to settle the construction costs by Zhong De Logistics. As the relevant percentage ratio in respect of the transaction is below 5%, the transaction is not subject to any disclosure requirements under the Listing Rules.

Disposal of 100% equity interest of in Zhonghe Chuangjian

In view of the poor financial performance of Shishi Shen Guo Tou, the Board passed a resolution on 1 April 2018 with intention for disposal of 100% equity interest of in Zhonghe Chuangjian, which holds 30% equity interests in Shishi Shen Guo Tou. On 1 April 2019, Shenzhen Shen He entered into the disposal agreement with Guangzhou Yiwan Trading Company Limited* (“**Guangzhou Yiwan**”) 廣州藝苑貿易有限公司, pursuant to which Guangzhou Yiwan conditionally agreed to purchase and Shenzhen Shen He conditionally agreed to sell 100% equity interests of Zhonghe Chuangjian, at a consideration of RMB13,200,000. The transaction has been completed on 30 April 2019.

Disposal of 100% equity interest of Shenzhen Shen He

On 24 June 2019, the Company entered into the disposal agreement with Guangzhou Yiwan pursuant to which Guangzhou Yiwan has conditionally agreed to purchase and the Company has conditionally agreed to sell 100% equity interests of Shenzhen Shen He at the consideration of RMB13,950,000, including the consideration for disposal of Zhonghe Chuangjian. As the relevant percentage ratio in respect of each transaction is less than 5%, each transaction is not subject to the announcement requirements under the Listing Rules. The transaction was completed on 28 June 2019.

Adjustment to the transaction model of capital contribution to Zhong De Logistics

On 11 May 2017, Shenzhen Shenxi entered into a capital contribution agreement with Independent Third Parties (the “**Capital Contribution Agreement of Zhong De Logistics**”), pursuant to which Shenzhen Shenxi shall make capital contribution in the sum of RMB155,000,000 to Zhong De Logistics and account for 20% equity interest in Zhong De Logistics upon the completion of the capital contribution. As additional time was required by Zhong De Logistics to release the equity interest pledged with the bank, according to the supplemental agreement

向眾德物流提供借款

於2019年1月24日，深圳合輝煌發展與眾德物流簽署借款協議，借款金額為人民幣8,000,000元，借款期限為1年，借款利息為年利率2%，借款用途僅限於眾德物流支付工程款項，由於本次交易的相關百分比率低於5%，因此，交易無需遵守上市規則下的任何披露規定。

出售眾合創建100%股權

鑒於石獅深國投財務表現欠佳，董事會於2018年4月1日通過決議案，擬出售眾合創建（持有石獅深國投30%股權）全部股權。於2019年4月1日，深圳沈和與廣州藝苑貿易有限公司（「**廣州藝苑**」）訂立出售協議，據此廣州藝苑有條件同意購買及深圳沈和有條件同意出售眾合創建100%股權，代價為人民幣13,200,000元。該交易已於2019年4月30日完成。

出售深圳沈和100%股權

於2019年6月24日，本公司與廣州藝苑訂立出售協議，據此，廣州藝苑有條件同意購買，而本公司有條件同意出售深圳沈和全部股權，代價為人民幣13,950,000元，包含出售眾合創建的代價。由於各交易的相關百分比率少於5%，各交易毋須遵守上市規則的公告規定。該交易已於2019年6月28日完成。

調整眾德物流注資事項交易模型

於2017年5月11日，深圳沈璽與獨立第三方簽署注資協議（「**眾德物流注資協議**」），據此，深圳沈璽向眾德物流出資人民幣155,000,000元，佔眾德物流完成注資後20%股權。由於眾德物流需要額外時間釋放質押於銀行的股權，根據2018年2月5日簽訂的眾德物流注資協議補充協議，工商局的登記

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to the Capital Contribution Agreement of Zhong De Logistics entered into on 5 February 2018, the completion of registration procedures with the Industry and Commerce Bureau was expected to be completed by 30 September 2018. Please refer to the announcements of the Company dated 11 May 2017 and 5 February 2018 respectively for details.

On 12 March 2019, Shenzhen Shenxi, SNP Investment, SHHH Development, Zhong De Logistics, Lu Hancui and Ma Xinan (both being natural persons) entered into the supplemental agreement to adjust the capital contribution in Zhong De Logistics where the capital contribution to Zhong De Logistics was changed to acquisition of an aggregate of 66.67% equity interest in SHHH Development by Shenzhen Shenxi from Lu Hancui and Ma Xinan respectively. The transaction is completed upon completion of the registration procedures with the Industry and Commerce Bureau in January 2019. Shenzhen Shenxi became the controlling shareholder of SHHH Development and indirectly hold 20% equity interest in Zhong De Logistics. The transaction was completed.

Reduction of registered capital of Shenzhen Shenhe to RMB5,000,000 and change of registered address

On 24 June 2019, due to the need to implement the Group's overall development strategy, the Board resolved to reduce the registered capital of Shenzhen Shenhe from RMB200,000,000 to RMB5,000,000. At the same time, the registered address of Shenzhen Shenhe was changed to Rm 2606A, Golden Central Tower, No. 3037 Jintian Road, Fu'an District, Futian Sub-district, Futian District, Shenzhen.

Disposal of 66.67% equity interest of SHHH Development and shareholders' loan

On 4 July 2019, Shenzhen Shenxi entered into a disposal agreement with an independent third party, pursuant to which, the independent third party conditionally agreed to acquire and Shenzhen Shenxi conditionally disposed of 66.67% equity interest in SHHH Development and shareholders' loan at a consideration of RMB173,000,000.

Details of the disposal are set out in the announcements of the Company dated 4 July 2019, 25 July 2019, 30 August 2019, 8 October 2019, 31 October 2019 and 3 December 2019 and the circular of the Company dated 20 December 2019.

As at the date of this report, Shenzhen Shenxi received payment of RMB20,000,000. The transaction is still in progress.

手續預計於2018年9月30日前完成。有關詳情載於本公司日期分別為2017年5月11日及2018年2月5日之公告。

於2019年3月12日，深圳沈璽、深圳新邦投資、深圳合輝煌發展、眾德物流、自然人盧漢才及馬喜南簽署補充協議以調整眾德物流注資事項，將眾德物流注資事項更改為深圳沈璽分別向盧漢才及馬喜南合計收購深圳合輝煌發展66.67%股權。於2019年1月完成工商局的登記手續後，交易即完成。深圳沈璽成為深圳合輝煌發展的控股股東，且間接持有眾德物流20%股權。交易已完成。

深圳深合註冊資本減至人民幣5,000,000元及更改註冊地址

於2019年6月24日，因需落實本集團的整體發展戰略，董事會通過決議將深圳深合的註冊資本由人民幣200,000,000元減至人民幣5,000,000元。同時，將深圳深合的註冊地址更改為：深圳市福田區福田街道福安社區金田路3037號金中環國際商務大廈2606A。

出售深圳合輝煌發展66.67%股權及股東貸款

於2019年7月4日，深圳沈璽與獨立第三方訂立出售協議，據此，獨立第三方有條件同意收購及深圳沈璽有條件出售深圳合輝煌發展之66.67%股權及股東貸款，代價為人民幣173,000,000元。

有關出售事項的詳情載於本公司2019年7月4日、2019年7月25日、2019年8月30日、2019年10月8日、2019年10月31日及2019年12月3日之公告及2019年12月20日之通函。

於本報告日期，深圳沈璽已收到款項人民幣20,000,000元。交易尚在進行中。

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Acquisition of 95% equity interest of the 8 PRC Companies

On 30 December 2019, Shenzhen Shenhe and Beijing Wanzi Apartment Management Company Limited* 北京萬紫公寓管理有限公司 entered into the sale and purchase agreement, pursuant to which Shenzhen Shenhe has conditionally agreed to purchase and Beijing Wanzi Apartment Management Company Limited has conditionally agreed to sell the 95% equity interest of the 8 PRC Companies (the “**Target Companies**”) at the consideration of RMB71,000,000.

The Target Companies hold a total of 125 subsidiaries, each of which has entered into a “Beijing Commercial Real Estate Sale and Purchase Contract* 北京市商品房現房買賣合同” with an Independent Third Party, involving acquisition of 125 sets of properties (“**Properties**”). The Properties are located in the Zhiying Commercial Center in Liangxiang Higher Education Park, Fangshan, Beijing, adjacent to Liangxiang University City North Station. It is expected that the Properties will be used for leasing, and will generate stable rental income to the Group in the future.

NUMBER OF EMPLOYEES, EMOLUMENTS, TRAINING SCHEMES AND SHARE OPTION SCHEMES

As at 31 December 2019, the Group employed a total of 45 (2018: 43) employees (including directors of the Company). The Group has entered into employment contracts with all employees, and offered employment package according with their positions, qualifications, experience and ability. During the 2019 Financial Year, the aggregate salaries and emoluments amounted to RMB4,716,000 (2018 Corresponding Period: RMB4,062,000). The Group also provide benefits to employees, such as contributions to endowment insurance, basic medical insurance and housing reserve in accordance with the relevant laws of the PRC. The Group has not adopted any share option scheme for any of its senior management or employees.

ASSETS SECURED/PLEDGED

As at 31 December 2019, no assets of the Group was secured or pledged (2018: Nil).

收購八家中國公司95%股權

於2019年12月30日，深圳深合與北京萬紫公寓管理有限公司訂立買賣協議，據此，深圳深合有條件同意購買而北京萬紫公寓管理有限公司有條件同意出售八家中國公司(「**目標公司**」)95%股權，代價為人民幣71,000,000元。

目標公司共持有125間附屬公司，其各自已與獨立第三方訂立《北京市商品房現房買賣合同》，涉及收購125套物業(「**該等物業**」)。該等物業位於北京房山良鄉高教園內的智盈商業中心，毗鄰良鄉大學城北站。預期該等物業將用作出租用途，並於日後為本集團帶來穩定的租金收入。

僱員人數、薪酬、培訓計劃及購股權計劃

於2019年12月31日，本集團共聘用45名僱員(包括本公司董事在內)(2018年：43名)。本集團與全體僱員均已簽署聘用合同，根據僱員所在不同崗位、資歷、經驗及能力提供不同之薪酬待遇。於2019年財政年度，薪金及酬金總額為人民幣4,716,000元(2018年同期：人民幣4,062,000元)。同時，根據中國有關法律規定，本集團為僱員提供福利如交納養老保險金、基本醫療保險金及住房公積金。本集團尚未採納任何高級管理人員或員工購股權計劃。

資產抵押／質押

於2019年12月31日，本集團並無任何資產抵押或質押(2018年：無)。

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CURRENCY RISKS

Other than those subsidiaries established in Hong Kong, the revenue and expenses of the Group are mainly denominated in Renminbi. The Group is exposed to foreign currency risk on transactions denominated in currencies other than the functional and reporting currency of the Group which is Renminbi. The change in the exchange rate of Hong Kong Dollar against Renminbi will affect the result of the Group. In view of the appreciation of Hong Kong Dollar against Renminbi, the reporting currency, an exchange gain of RMB90,000 (2018 Corresponding Period: gain of RMB1,532,000) has been recorded in the results for the 2019 Financial Year. The Group currently does not have hedging policy against foreign exchange risk. The management will consider hedging significant currency exposure in future should the need arise.

CONTINGENT LIABILITIES

As at 31 December 2019, the Group had no significant contingent liabilities (2018: Nil).

FINAL DIVIDENDS

The Board does not recommend the payment of final dividends for the 2019 Financial Year.

DONATIONS

The Group has made a donations of RMB1,000,000 in total to social charity to support low income households for the 2019 Financial Year (2018 Corresponding Period: nil).

CAPITAL COMMITMENTS

As at 31 December 2019, the total capital commitments of the Group amounted to RMB239,050,000 (2018: RMB231,064,000). Details of which were set out in note 44 to the consolidated financial statements.

EVENT AFTER THE REPORTING PERIOD

Details of significant events after the reporting period and up to the date of this report are set out in Note 48 to the consolidated financial statement.

外匯風險

除於香港成立的該等附屬公司外，本集團之收入及開支主要以人民幣計值。本集團承受以本集團功能及申報貨幣（人民幣）以外的貨幣計值的交易的外匯風險。港元兌人民幣的匯率變動將影響本集團的業績。鑒於港元兌人民幣（申報貨幣）上升，於2019年財政年度的業績中錄得匯兌收益人民幣90,000元（2018年同期：收益人民幣1,532,000元）。本集團目前並無外匯風險的對沖政策。管理層將考慮日後於有需要時對沖重大貨幣風險。

或然負債

於2019年12月31日，本集團並無重大或然負債（2018年：無）。

末期股息

董事會不建議就2019年財政年度派發末期股息。

捐款

本集團於2019年財政年度向慈善機構作出合共人民幣1,000,000元（2018年同期：無）的捐款以為低收入家庭提供支援。

資本承擔

於2019年12月31日，本集團的總資本承擔為人民幣239,050,000元（2018年：人民幣231,064,000元）。有關詳情載於綜合財務報表附註44。

報告期後事項

有關報告期後直至本報告日期的重大事件詳情載於綜合財務報表附註48。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

EXECUTIVE DIRECTORS:

Mr. Zhang Jing Ming, aged 62, graduated from Shantou Business School. Since 1986, Mr. Zhang has successively worked as the deputy manager of Guangdong Haining Paper Packing Company Limited* (廣東海寧紙品包裝有限公司), the vice president of Hong Kong Hai Yuan Industry Group Limited and chairman of Beijing Zhongjin Chuangzhan Real Estate Development Company Limited* (北京中金創展房地產開發有限公司). Mr. Zhang has extensive experience in business management, corporate culture and project and operational planning.

Mr. Leng Xiao Rong, aged 53, graduated from the Department of Economics of Jiangxi University in 1989 with a bachelor's degree in accounting. He qualified as an accountant through the national uniform examination in 1998. He was the financial manager of Xiushui County Forestry Industrial Company in Jiangxi Province (江西省修水縣林業工業公司) from 1989 to 1999, audit officer of Shenzhen Petrochemical (Holding) Co., Ltd. (深圳石化集團股份有限公司) from 1999 to 2004, financial director of China South City Nanning (南寧華南城) and China South City Harbin (哈爾濱華南城) which are the branches of China South City Holdings Limited (華南城控股有限公司) (stock code: 1668) from 2004 to 2014 and investment director of Guangdong Yueshang High-Tech Holdings Co., Ltd. (廣東粵商高科控股有限公司) from 2014 to 2018. Mr. Leng has extensive experience in various aspects including corporate finance, audit and investment.

執行董事：

張敬明先生，62歲，畢業於汕頭商業學校。自1986年，張先生先後擔任廣東海寧紙品包裝有限公司副總經理、香港海源實業集團有限公司副總裁以及北京中金創展房地產開發有限公司董事長。張先生在業務管理、企業文化及項目及營運規劃方面擁有豐富經驗。

冷小榮先生，53歲，1989年畢業於江西大學經濟系會計專業，1998年經全國統考獲會計師專業技術職稱；於1989年至1999年期間，擔任江西省修水縣林業工業公司財務經理，於1999年至2004年期間，擔任深圳石化集團股份有限公司審計部主任，於2004年至2014年期間，擔任華南城控股有限公司(股份代碼：1668)旗下分公司南寧華南城、哈爾濱華南城財務總監，於2014年至2018年期間，擔任廣東粵商高科控股有限公司投資總監。冷先生於企業融資、審計及投資等多個範疇具有廣泛經驗。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

Mr. Chau Ting Yan, aged 61, graduated from Nanjing Communication Engineering Institute (南京通信工程學院) in 1982. After his graduation, he had successively served as an assistant engineer and the engineer of the 54th Research Institute (第五十四研究所) from 1983 to 1993; from 1993 to 2005, he successively served as a general manager of Fine Lee Industries, Limited (宏利實業有限公司) and chairman of the board of directors of China Hani Group (中國恒利集團); he has served as chairman of Zhongjin Fuhua (Beijing) Investment Co., Ltd. (中金富華(北京)投資有限公司) from 2005 to 2017; and he has been serving as a director of Zhong Rong Jin Kong Capital Management Co., Ltd. (中融金控資本管理有限公司) since 2018 to March 2019. Mr. Zhou has extensive experience in finance, investment and corporate management.

Mr. Chau is appointed as an executive Director from 4 March 2019 which is approved in the election in the EGM held on 4 March 2019.

NON-EXECUTIVE DIRECTORS:

Mr. Yin Zong Chen, aged 56, is a non-executive director of the Company. Mr. Yin graduated from Harbin Institute of Technology (哈爾濱工業大學) with a master's degree in Architecture and Civil Engineering Professional. He is a member of the Shenzhen Luohu District Committee of the CPPCC for the fifth session. He successively served as the general manager, party branch deputy secretary and senior engineer of Shenzhen Shenan Enterprise Co., Ltd. from 1997 to 2003, and the director, general manager and senior engineer of Shenzhen Pan-China Engineering Group Co., Ltd. ("Pan-China Engineering Group") from 2003 to 2007. During his term in Pan-China Engineering Group, he obtained the qualifications of national first class registered constructor, registered supervision engineer and registered cost engineer. Mr. Yin served as the general manager of the contracting division and group vice president in Shenzhen Construction (Group) Company Limited (深圳市建設(集團)有限公司) from 2009 to 2012, currently served as an executive director of Guangdong Shiliuye Construction Co. Ltd.* (廣東十六冶建設有限公司). He has over 30 years' experience in architecture design, civil engineering and infrastructure construction.

周霆欣先生，61歲，1982年畢業於南京通信工程學院，完成學業後，於1983年至1993年期間，先後擔任第五十四研究所助理工程師以及研究所工程師；於1993年至2005年期間，先後擔任宏利實業有限公司總經理以及中國恒利集團董事會主席；於2005年至2017年期間，擔任中金富華(北京)投資有限公司董事長；2018年至2019年3月，擔任中融金控資本管理有限公司董事。周先生於金融、投資及公司管理等方面都具有豐富的經驗。

周先生獲委任為執行董事，自2019年3月4日起生效，於2019年3月4日舉行之股東特別大會已批准有關選舉。

非執行董事：

尹宗臣先生，56歲，本公司非執行董事，尹先生畢業於哈爾濱工業大學，獲頒授建築與土木工程專業碩士學位，深圳市羅湖區第五屆政協委員。於1997年至2003年，先後擔任深圳市深安企業有限公司之總經理、黨總支副書記及高級工程師。於2003年至2007年，先後擔任深圳市泛華工程集團有限公司(「泛華工程集團」)之董事、總經理及高級工程師。於泛華工程集團期內，獲取國家註冊一級建造師及註冊監理工程師、註冊造價工程師資格。於2009年至2012年，尹先生先後擔任深圳市建設(集團)有限公司總承包事業部總經理、集團副總裁，現擔任廣東十六冶建設有限公司執行董事。尹先生於建築工程設計、土木及工程及基建建造方面擁有逾三十年經驗。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

Mr. Ye Zhi E, aged 34, graduated from South China Agricultural University in 2008 with a bachelor of science degree in ecology. He graduated from Dongbei University of Finance and Economics in 2011 with a master of laws degree and has been engaged in real estate legal affairs since graduation. He was an assistant to lawyer of Guangdong Zhongquan Law Firm (廣東中全律師事務所) and a partner in Beijing DeHeng (Shenzhen) Law Offices (北京德恆(深圳)律師事務所), and currently holds the position of partner of Guangdong Junyan Law Firm (廣東君言律師事務所). Mr. Ye has extensive experience in business fields such as real estate development, urban renewal and renovation of old towns, old plants and old villages.

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Chan Ming Sun Jonathan, aged 47, graduated from the University of New South Wales, Australia with a bachelor of commerce degree in Accounting and Computer Information Systems. He is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of Certified Public Accountants, Australia and a fellow of the Hong Kong Institute of directors. Mr. Chan has over 15 years of experience in auditing, accounting, investment and financial management. Between September 2001 and December 2015, Mr Chan was an associate director of Go-To-Asia Investment Limited. Between July 2000 and August 2001, Mr. Chan was an investment manager with Softbank China Venture Investments Limited. Between April 1995 and June 2000, he worked at Ernst & Young in Hong Kong and his last position was a senior associate with the audit and corporate finance department.

Mr. Chan is currently (i) an investment manager of Sprint Asset Management Limited; (ii) an independent non-executive director of China Dredging Environment Protection Holdings Limited (formerly known as Xiangyu Dredging Holdings Limited) (stock code: 871); Hao Tian Development Group Limited (stock code: 474) and Fujian Nuoqi Co., Ltd. (stock code: 1353), whose respective securities are listed on the main board of the Stock Exchange; and (iii) an independent non-executive director of Changhong Jiahua Holdings Limited (stock code: 8016), whose securities were listed on the GEM of the Stock Exchange and have been transferred to the main board of the Stock Exchange under stock code: 3991.

葉智鐸先生，34歲，2008年畢業於華南農業大學生態學專業獲理學學士學位，2011年畢業於東北財經大學獲法律碩士學位，畢業至今一直從事房地產法律事務工作。歷任廣東中全律師事務所律師助理北京德恆(深圳)律師事務所團隊合夥人，現任廣東君言律師事務所合夥人，葉先生在房地產開發、城市更新、三舊改造等業務領域擁有豐富經驗。

獨立非執行董事：

陳銘樂先生，47歲。陳先生畢業於澳洲新南威爾斯大學，持有會計及電腦資訊系統學系商學士學位。陳先生為香港會計師公會之資深會員及澳洲會計師公會之會員及香港董事學會之資深會員。陳先生於審計、會計、投資及財務管理方面擁有逾15年經驗。於2001年9月至2015年12月期間，陳先生為啟程東方投資管理有限公司的聯席董事。於2000年7月至2001年8月期間曾任軟庫中華基金管理有限公司的投資經理。於1995年4月至2000年6月期間，彼曾任職於香港安永會計師事務所，其最後任職於審核及企業融資部高級顧問。

陳先生現時為(i)新銳資產管理有限公司之投資經理；(ii)中國疏浚環保控股有限公司(前稱翔宇疏浚控股有限公司)(股份代號：871)；昊天發展集團有限公司(股份代號：474)及福建諾奇股份有限公司(股份代號：1353)之獨立非執行董事，該等公司各自之證券於聯交所主板上市；及(iii)長虹佳華控股有限公司(股份代號：8016)之獨立非執行董事，該公司證券於聯交所GEM上市並已轉板到聯交所主板上市(股份代號：3991)。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

Mr. Chan was the independent non-executive director of the Company since 12 February 2009 and has resigned on 21 June 2013. Furthermore, Mr. Chan was (i) an independent non-executive director of Beautiful China Holdings Company Limited (stock code: 706) between March 2013 and February 2014 whose securities are listed on the main board of the Stock Exchange; (ii) an independent non-executive director of Far East Holdings International Limited (stock code: 36) between November 2014 and July 2017 whose securities are listed on the main board of the Stock Exchange; (iii) an independent non-executive director of Focus Media Network Limited (stock code: 8112) between April 2015 and November 2015; (iv) an independent non-executive director of Dining Concepts Holdings Limited (stock code: 8056) between July 2016 and December 2018; and (v) an independent non-executive director of L&A International Holdings Limited (stock code: 8195) between September 2014 and March 2017, whose respective securities are listed on the GEM of the Stock Exchange.

Ms. Gao Hong Hong, aged 49, graduated from the department of monetary banking under the faculty of finance of Southwestern University of Finance and Economics with a master's degree in economics in 1998. Since 1998, she has worked in the business division and dealt with credit business in the international finance division of Bank of China Shenzhen Branch. She successively served as chairman of Bank of China Shenzhen Meili Sub-branch, Bank of China Shenzhen Meilin Sub-branch and Bank of China Shenzhen Shahe Sub-branch. She is currently the assistant to general manager of the asset management centre of Shenzhen Galaxy Holdings Group* (深圳星河控股集團). Ms. Gao has extensive experience in investment, financing and asset management.

Mr. Guo Lu Jin, aged 64, graduated from Renmin University of China in 1982 with a bachelor's degree. During his university years, he was recommended to study a professional course in sociology at Nankai University. Mr. Guo served at the General Communication Station of the Lanzhou Military Region (蘭州軍區通訊總站) as a soldier. Upon completion of studies, he held the position of principal staff member of the Department of Higher Education of the Ministry of Education (教育部高等教育司) from 1982 to 1988. He was the director of the National Development and Reform Commission from 1988 to 1993 and successively became the person-in-charge of the Investment and Development Department, General Office and Asset Preservation Department of China Everbright Bank Share Company Limited from 1993 to 2015. He has extensive experience in various aspects including finance, investment, macroeconomic adjustment and social development strategies.

陳先生自2009年2月12日起擔任本公司之獨立非執行董事，並於2013年6月21日辭任。陳先生(i)於2013年3月至2014年2月期間擔任美麗中國控股有限公司(其證券於聯交所主板上市)(股份代號：706)獨立非執行董事；(ii)於2014年11月至2017年7月期間擔任遠東控股國際有限公司(其證券於聯交所主板上市)(股份代號：36)獨立非執行董事；(iii)於2015年4月至11月期間擔任Focus Media Network Limited(股份代號：8112)之獨立非執行董事；(iv)於2016年7月至2018年12月期間擔任飲食概念控股有限公司(股份代號：8056)之獨立非執行董事；及(v)於2014年9月至2017年3月期間擔任樂亞國際控股有限公司(股份代號：8195)之獨立非執行董事，三間公司的證券均於聯交所GEM上市。

高紅紅女士，49歲，1998年畢業於西南財金大學金融系貨幣銀行學專業，獲經濟學碩士學位。自1998年起，在中國銀行深圳市分行公司業務部、國際融資部從事信貸工作。彼歷任中國銀行深圳梅麗支行、中國銀行深圳梅林支行、中國銀行深圳沙河支行行長。彼現任深圳星河控股集團資產管理中心總經理助理。高女士在投融資和資產管理方面擁有豐富經驗。

郭魯晉先生，64歲，1982年於中國人民大學獲學士學位，大學期間獲推薦於南開大學社會學專業班學習。郭先生曾擔任蘭州軍區通訊總站戰士，完成學業後，於1982年至1988年擔任教育部高等教育司主任科員，於1988年至1993年期間，擔任國家發展改革委員會處長，其後於1993年至2015年年期間，擔任中國光大銀行股份有限公司投資發展部、辦公室、資產保全部負責人，無論是對金融、投資、宏觀經濟調整和社會發展戰略等方面都具有豐富的經驗。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

CHIEF EXECUTIVE OFFICER :

Mr. Huang Chunfeng, aged 43, obtained a bachelor's degree from the School of Finance of Zhengzhou University in 2002, a master's degree in Business Administration from the Graduate School of Chinese Academy of Social Sciences in 2013 and a master's degree in EMBA from China Europe International Business School (CEIBS) in 2017. From 1998 to 2010, he successively worked in the sub-branch directly under Henan Branch of Industrial and Commercial Bank of China Limited (stock code: 601398) and the Zhengzhou Branch of Shanghai Pudong Development Bank Co., Ltd. (stock code: 600000). From 2010 to 2013, he successively served as vice president of the Xueyuan South Road sub-branch under Beijing Branch of Bank of Shanghai Co., Ltd. (stock code: 601229) and Beijing Dongzhimen sub-branch of Bank of Jiangsu. From 2014 to 2016, he was the general manager of Beijing Guo Tai Zhong Tou Investment Funds Management Co., Ltd. (國泰中投(北京)投資基金管理有限公司). Since 2016, he has been the chairman of Chuang Xing Yuan Asset Management Co., Ltd. (創星原資產管理有限公司). Mr. Huang has extensive experience in the areas of finance, investment and corporate management.

Mr. Huang is appointed as a Chief Executive Officer of the Company from 4 March 2019 which is effective after the resignation of Mr. Deng Xiao Gang.

行政總裁：

黃春鋒先生，43歲，2002年獲得鄭州大學金融學院學士學位，2013年獲得中國社會科學院研究生院工商管理碩士學位，2017年獲得中歐國際工商學院EMBA碩士學位，於1998年至2010年期間，先後任職於中國工商銀行股份有限公司(股票交易代碼：601398)河南省分行直屬支行以及上海浦東發展銀行股份有限公司(股票交易代碼：600000)鄭州分行；於2010年至2013年期間，先後擔任上海銀行股份有限公司(股票交易代碼：601229)北京分行學院南路支行以及江蘇銀行北京東直門支行副行長；於2014年至2016年期間，擔任國泰中投(北京)投資基金管理有限公司總經理；2016年至今，擔任創星原資產管理有限公司董事長。黃先生無論在金融、投資以及公司管理等方面，都具有相當豐富的經驗。

黃先生獲委任為本公司行政總裁，自2019年3月4日於鄧曉綱先生辭任後生效。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

SUPERVISORS:

Mr. Wang Xing Ye, aged 42, holds a master postgraduate degree. Mr. Wang is currently the managing director of Beijing Jade Bird Hengsheng Investment Management Co., Ltd., director of 青島消防股份有限公司 (formerly known as Hebei Beida Jade Bird Universal Fire Alarm Device Co., Ltd.) (stock code: 002960.SZ), director of Enraytek Optoelectronics Technology (Shanghai) Co., Ltd., director of Ningbo Jade Bird Zhengyuan Equity Interest Investment Management Co., Ltd. (寧波青島正元股權投資管理有限公司), director of Ningbo Jade Bird Venture Capital Investment Co., Ltd., executive director/general manager of Ningbo Liyuantai Venture Capital Investment Management Co., Ltd., secretary to the board of director/chairman of union of Beijing Beida Jade Bird Universal Sci-Tech Company Limited and the chairman of the Board of Supervisors of the Company. He has profound experience in investment and financing, asset and business reorganization.

Mr. Chen Jun Feng, aged 37, graduated from Southwest University of Political Science & Law (西南政法大學) with Bachelor of Laws. Mr. Chen served as the assistant to the president of Guangdong Xu Mastery Auction Company Limited (廣東旭通達拍賣有限公司) from November 2008 to January 2010, assistant to the president and legal manager of Guangzhou Sheng Tong property Company Limited (廣州市盛塘置業有限公司) from February 2010 to February 2012, the director and deputy general manager of Guangdong Gung Ho Equity Fund Limited (廣東工合股權基金有限公司) from March 2013 to October 2015, and the director of Zhuhai Kingma Holdings Co., Ltd. (formerly known as Shining Metals Groups, Inc) (Stock code: 400028). Since 2017, he has been operation director of Kevin Talent Consulting (Shenzhen) Co., Ltd. Mr. Chen has extensive experience in investment and financing, asset and business reorganization.

Ms. Huang Yong Jing, aged 41, graduated from Zhangzhou University with a bachelor's degree in food engineering. Since 2002, Ms. Huang has successively worked as the food inspector in Xiamen Entry-Exit Inspection and Quarantine Bureau (廈門市出入境檢驗檢疫局), executive manager and deputy general assistant of Shenzhen Pico Investment and Development Company Limited (深圳市筆克投資發展有限公司) and the executive assistant of Shenzhen Anye Property Holdings Limited (深圳市安業地產控股有限公司). Ms. Huang is currently worked in the integrated management department of the Company. Ms. Huang is experienced in business administration and managing external relations and affairs.

監事：

王興業先生，42歲，碩士研究生。王先生現擔任北京青島恒盛投資管理有限公司董事總經理、青島消防股份有限公司(前稱北大青島環宇消防設備股份有限公司)(股份代碼：002960.SZ)董事、映瑞光電科技(上海)有限公司董事、寧波青島正元股權投資管理有限公司董事、寧波青島創業投資有限公司董事、寧波利元泰創業投資管理有限公司執行董事／總經理、北京北大青島環宇科技股份有限公司董事會秘書／工會主席，及本公司監事會主席。彼在投融資、資產及業務重組方面有豐富經驗。

陳俊峰先生，37歲，畢業於西南政法大學，獲頒授法律學士學位。2008年11月到2010年1月，在廣東旭通達拍賣有限公司擔任總裁助理，2010年2月到2012年2月，在廣州市盛塘置業有限公司擔任總經理助理兼法務經理，2013年3月到2015年10月，在廣東工合股權基金有限公司擔任董事，副總經理，在珠海金馬控股股份有限公司(前稱珠海鑫光集團股份有限公司)(股份代碼：400028)擔任董事，2017年至今，擔任凱文人才尋聘(深圳)有限公司運營總監。陳先生在投融資、資產及業務重組方面有豐富的經驗。

黃永菁女士，41歲，畢業於漳州大學，獲頒授食品工程學學士學位。自2002年至今，黃女士歷任廈門市出入境檢驗檢疫局食化科檢驗員、深圳市筆克投資發展有限公司行政經理及副總經理以及深圳市安業地產控股有限公司行政助理。黃女士現任職於本公司綜合管理部門。黃女士於行政管理、公司對外關係及事務的連洽及管理方面具有十分豐富的經驗。

Profiles of Directors, Supervisors and Senior Management

董事、監事及高級管理層介紹

Mr. Zhang Yun Feng, aged 55, graduated from Anhui University of Finance and Economics (安徽財經大學) majoring in commodity science. Mr. Zhang has worked as deputy general manager of the marketing department in the headquarters of the Kunlun Securities Company Limited (昆侖證券有限公司), marketing director of Shenzhen sale branch of the Hong Yuan Securities Company Limited (宏源證券股份有限公司) and the general manager of Anhui Xin Tai Yuan Technology Company Limited (安徽鑫泰元科技有限公司). He is currently the president of Shenzhen Qian Yuan Kun Li Investment Technology Co., Ltd. (深圳市乾元坤利投資科技有限公司). Mr. Zhang has extensive experience in capital management.

Mr. Fang Wei Ran, aged 34, graduated from Guangdong Ocean University with Bachelor of Science in Financial Management. He previously worked in Huizhou LCY Rubber Company. Mr. Fang is currently the finance manager of Zhongfang Chaozhou Investment Development Company Limited, a wholly-owned subsidiary of the Company. Mr. Fang has extensive experience in accounting practices and cost management.

JOINT COMPANY SECRETARIES:

Ms. Qian Fang Fang, aged 37, is the Joint Company Secretary of the Company. Ms. Qian graduated from the Northwest University of professional accounting with a bachelor's degree in management in 2006, and was conferred a master's degree in management in 2008. Ms. Qian was appointed as the supervisor of the Company for the period from 12 February 2012 to 3 March 2014. Ms. Qian was appointed as Joint Company Secretary on 6 March 2014.

Mr. Tung Sze Ho Dicky, aged 37, was appointed as Joint Company Secretary of the Company on 1 August 2018, who is delegated by an external secretarial service provider, Angela Ho & Associates. Mr. Tung is a fellow member of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). He has extensive experiences in the company secretarial field.

張運峰先生，55歲，畢業於安徽財經大學商品學專業。張先生歷任昆侖證券有限公司總部市場部副總經理、宏源證券股份有限公司深圳營業部市場總監及安徽鑫泰元科技有限公司總經理。現任深圳市乾元坤利投資科技有限公司總裁。張先生於資本運作方面有豐富經驗。

方偉然先生，34歲，畢業於廣東海洋大學財務管理專業，獲頒管理學學士學位。曾任職於惠州李長榮橡膠有限公司。現任本公司全資附屬公司中房潮州投資開發有限公司財務經理。方先生於會計實務、成本管理方面具有一定的經驗。

公司聯席秘書：

錢芳芳女士，37歲，本公司的聯席公司秘書。錢女士於2006年畢業於西北大學會計學專業，獲頒管理學學士學位，並於2008年獲授管理學碩士學位。錢女士於2012年2月12日至2014年3月3日期間獲委任為本公司監事。錢女士於2014年3月6日獲委任為聯席公司秘書。

董思浩先生，37歲，於2018年8月1日獲委任為本公司之聯席公司秘書，他是外部秘書服務供應商何文琪律師事務所指派的。董先生為香港特許秘書公會及特許公司治理公會(The Chartered Governance Institute)(前稱特許秘書及行政人員公會)資深會士。彼於公司秘書方面擁有豐富經驗。

Report of the Supervisory Committee 監事會報告

To the Shareholders,

During the year ended 31 December 2019, the supervisory committee of Shenyang Public Utility Holdings Company Limited (the “**Supervisory Committee**”), exercised conscientiously its authority, safeguarded the interests of the Shareholders and the Company, followed the principle of trustworthiness, honestly carried out the duties of supervisors and worked cautiously and diligently, in accordance with the Company Law of the PRC, requirements of the relevant laws and regulations of Hong Kong and the Articles for their accountability to the Shareholders.

During the year, the major work performed by the Supervisory Committee included the attendance of the Board meetings; reviewing the report of the Directors and reserve appropriation proposed by the Board, if any, for the shareholders’ approval at the forthcoming annual general meeting; strictly and effectively monitoring whether the policies and decisions made by the management of the Company had conformed with the state laws and regulations and the Articles or safeguarded the interests of the Shareholders. The Supervisory Committee has also reviewed the performance of the Directors, general manager and senior management in the daily operation by various means, and seriously examined the Company’s financial affairs and its connected transactions. After the examination, the Supervisory Committee concluded that:

1. the report of the Directors and the reserve appropriation proposed by the Board for the shareholders’ approval at the forthcoming annual general meeting are in accordance with the relevant laws and regulations and the Articles;
2. the Directors, general manager and other senior management of the Company have strictly followed the principles of trustworthiness, worked diligently and responsibly, and discharged their duties for the best interest of the Company. The Supervisory Committee has not discovered that any Directors, general manager and other senior management of the Company had abused their powers, damaged the interest of the Company or the benefits of the shareholders and employees or contravened any laws and regulations or the Articles; and

各位股東：

截至2019年12月31日止年度，瀋陽公用發展股份有限公司監事會（「**監事會**」）遵照中華人民共和國公司法、香港有關法律法規及公司章程的規定，本着對全體股東負責的精神，認真履行職責，維護股東權益，維護本公司利益，遵守誠信原則，忠實履行監督之職責和義務，勤勉主動地開展工作。

在本年度內監事會主要工作包括列席董事會會議；審閱董事會於應屆股東週年大會上提呈股東批准的董事會報告及利潤分配方案（如有）；對本公司管理層決策及決定是否符合國家法律法規以及公司章程，是否維護股東利益等，進行了嚴格有效的監督，並通過各種方式，了解本公司董事、總經理及高級管理人員在經營管理、日常事務中的行為；認真審查本公司的財務狀況和關連交易情況。經審查，監事會認為：

1. 董事會於應屆股東週年大會上提呈股東批准的董事會報告及利潤分配方案，符合有關法律法規和公司章程的規定；
2. 本公司董事、總經理及其他高級管理人員，嚴格遵守誠信原則，工作克勤盡職、真誠地以本公司最大利益為出發點行使職權。未發現董事、總經理及高級管理人員濫用職權，損害本公司利益及侵犯本公司股東和本公司員工權益之行為，亦未違反法律法規或公司章程；及

Report of the Supervisory Committee

監事會報告

3. the consolidated financial statements of the Company for the year ended 31 December 2019, which were audited by Asian Alliance (HK) CPA Company Limited, have truly and fairly reflected the operating results and financial position of the Group. The related parties transactions were fair and reasonable and had not infringed upon the interests of the Company and the Shareholders.

The Supervisory Committee takes this opportunity to thank the Shareholders, Directors and all the employees of the Company for their supports in the past year.

By order of the Supervisory Committee

Mr. Wang Xing Ye

Chairman of the Supervisory Committee

Shenyang, 29 May 2020

3. 經華融(香港)會計師事務所有限公司審核的本公司截至2019年12月31日止年度的綜合財務報表，真實和公允地反映了本集團的經營業績及財務情況。與關連方交易為公平合理，沒有損害本公司及股東利益的行為。

在過去的一年中，監事會的工作得到了本公司各位股東、董事及全體員工的大力支持，謹此表示衷心地感謝！

承監事會命

王興業先生

監事會主席

瀋陽，2020年5月29日

Report of the Directors

董事會報告

The directors present their report together with the audited financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the principal activities of its subsidiaries are set out in Note 46 to the consolidated financial statements.

SEGMENT INFORMATION

Details of segment information are set out in Note 8 to the consolidated financial statements.

FINANCIAL STATEMENTS 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 the consolidated statement of profit or loss and other comprehensive income on pages 60 and 61.

The state of the Group's affairs as at 31 December 2019 is set out in the consolidated statement of financial position on pages 62 and 63.

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

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in Note 39 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in consolidated statement of changes in equity on pages 64 and 65.

董事會謹向各位股東欣然提呈截至2019年12月31日止年度的報告及經審核財務報表。

主要業務

本公司為投資控股公司，其附屬公司主要業務載於綜合財務報表附註46。

分部資料

分部資料的詳情載於綜合財務報表附註8。

財務報表及股息

本集團截至2019年12月31日止年度的業績載於第60頁至第61頁的綜合損益表及綜合損益及其他全面收益表。

本集團於2019年12月31日的財務狀況載於第62頁至第63頁的綜合財務狀況表。

董事會不建議派發截至2019年12月31日止年度任何股息。

物業、廠房及設備

本集團的物業、廠房及設備變動詳情載於綜合財務報表附註17內。

股本

本公司的股本變動詳情載於綜合財務報表附註39。

儲備

本公司及本集團本年度內的儲備變動載於第64頁至第65頁的綜合權益變動表。

Report of the Directors

董事會報告

DISTRIBUTABLE RESERVES

There is no distributable reserves of the Company as at 31 December 2019, calculated under the Company Law of the PRC, being the jurisdiction in which the Company was established, (2018: Nil).

PRE-EMPTIVE RIGHTS

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

SUMMARY OF FINANCIAL INFORMATION

The summary of the financial information of the Group for the last five financial years is set out on pages 222 and 223.

SHARE OPTIONS

As at the date of this report, no option has been granted or agreed to be granted by the Company to any of its directors, Supervisors or employees.

DIRECTORS

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

Executive Directors

Mr. Zhang Jing Ming
Mr. Leng Xiao Rong
Mr. Chau Ting Yan (appointed on 4 March 2019)
Mr. Deng Xiao Gang (resigned on 4 March 2019)

Non-executive Directors

Mr. Yin Zong Chen
Mr. Ye Zhi E

可供分配儲備

本公司並無於2019年12月31日按照中國(本公司成立的司法權區)公司法計算的可供分配儲備(2018年：無)。

優先購買權

本公司的公司章程中並無優先購買權的規定，而根據中國法例，本公司須按比例向現有股東提呈發售新股份。

財務資料概要

本集團過去五個財政年度的財務資料概要載於第222頁至第223頁。

購股權

於本報告日期，本公司概無向其任何董事、監事或僱員授予或同意授予任何購股權。

董事

於本年度及截至本報告日期任職的董事如下：

執行董事

張敬明先生
冷小榮先生
周霆欣先生(於2019年3月4日獲委任)
鄧曉綱先生(於2019年3月4日辭任)

非執行董事

尹宗臣先生
葉智鏢先生

Report of the Directors

董事會報告

Independent Non-executive Directors

Mr. Chan Ming Sun Jonathan
Mr. Guo Lu Jin
Ms. Gao Hong Hong

The Company has received from each of the independent non-executive Directors the annual confirmation of independence pursuant to the Listing Rules and considers that all independent non-executive Directors are independent to the Group in accordance with the terms of the guidelines as set out in the Listing Rules.

In accordance with article 100 of the Articles, all the Directors shall be appointed at the general meeting for a term of three years. A Director may serve consecutive terms if re-elected upon the expiration of the terms.

BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Brief biographical details of directors, supervisors and senior management are set out on pages from 19 to 25.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the Directors and supervisors has entered into a service contract with the Company for a term of three years from his/her date of appointment as a director or supervisor (or until the expiration of the term of the current session of the Board or supervisory committee) and thereafter subject to termination by either party giving not less than one month's written notice to the other party.

DIRECTORS' INTERESTS IN CONTRACTS

Apart from the Directors' service contracts disclosed above, no contracts of significance in relation to the Group's business to which the Group was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

獨立非執行董事

陳銘樂先生
郭魯晉先生
高紅紅女士

本公司已收到各獨立非執行董事根據上市規則發出的年度獨立性確認書，並認為按照上市規則所載的條款及指引，全體獨立非執行董事對本集團來說均具獨立性。

根據公司章程第100條，所有於股東大會上獲委任的董事任期應為三年。倘任期屆滿後獲重選，則董事可連任。

董事、監事及高級管理層的履歷詳情

有關董事、監事及高級管理層的履歷詳情簡介載於第19頁至第25頁。

董事及監事的服務合約

各董事及監事已與本公司訂立服務合約，自其獲委任為董事或監事之日起為期三年(或直至本屆董事會或監事會屆滿為止)，其後可由任何一方向另一方發出不少於一個月書面通知予以終止。

董事於合約的權益

除上文所披露的董事服務合約外，於年末或本年度內任何時候，概無訂立與本集團業務有關而本集團為其中一方及本公司董事於當中擁有重大權益(不論直接或間接)的任何重大合約。

Report of the Directors

董事會報告

DIRECTORS', CHIEF EXECUTIVES' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

As at 31 December 2019, none of the Directors, chief executives and supervisors of the Company had interests or short positions in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the required standard of dealings by directors and Supervisors as referred to in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of 31 December 2019, save as the Company's Directors, supervisors and chief executives, the following corporations and individuals had interests and/or short positions in the Company's shares, underlying shares, securities, equity derivatives and/or debentures, which are required to be recorded in the register of members maintained by the Company pursuant to section 336 of the SFO:

董事、最高行政人員及監事於本公司股份的權益及淡倉

於2019年12月31日，概無本公司董事、最高行政人員及監事於本公司或其任何相關法團（定義見證券及期貨條例第XV部）的任何證券中，擁有(a)須根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的該等條文，彼等被當作或視為擁有的權益或淡倉）；或(b)須根據證券及期貨條例第352條須記入該條例所述的登記冊的權益或淡倉；或(c)根據上市規則附錄10所載董事及監事進行交易的規定準則，須知會本公司及聯交所的權益或淡倉。

主要股東於股份及相關股份的權益及其他人士於當中的權益及淡倉

截至2019年12月31日，除本公司董事、監事及最高行政人員以外，以下公司及人士於本公司的股份、相關股份、證券、股本衍生工具及／或債權證中擁有權益及／或淡倉，且該等權益及／或淡倉須根據證券及期貨條例第336條須於本公司備存的登記冊所記錄：

| | Interest owners 權益持有人 | Shares 股份 | Percentage of total issued share capital 佔已發行股本總數 百分比 |
|---|---|--|--|
| 1 | Beijing Hua Xia Ding 北京華夏鼎 | 420,000,000 Domestic shares 420,000,000股內資股 | 28.58% 28.58% |
| 2 | Huang Guang Fu (Note 1) 黃廣服(附註1) | 420,000,000 Domestic shares 420,000,000股內資股 | 28.58% 28.58% |
| 3 | Beijing Lichuang Future 北京力創未來 | 180,000,000 Domestic shares 180,000,000股內資股 | 12.25% 12.25% |
| 4 | Zhai Ming Yue (Note 2) 翟明月(附註2) | 180,000,000 Domestic shares 180,000,000股內資股 | 12.25% 12.25% |
| 5 | Shenzhen Wan Zhong Run Long 深圳萬眾潤隆 | 140,000,000 Domestic shares 140,000,000股內資股 | 9.53% 9.53% |
| 6 | Zhang Song (Note 3) 張松(附註3) | 140,000,000 Domestic shares 140,000,000股內資股 | 9.53% 9.53% |
| 7 | HKSCC Nominees Limited (Note 4) 香港中央結算(代理人)有限公司(附註4) | 605,376,000 H-Shares (listed shares) 605,376,000股H股(上市股份) | 41.2% 41.2% |

Report of the Directors

董事會報告

Notes:

1. Huang Guang Fu is a PRC resident who holds 100% equity interests in Beijing Hua Xia Ding. Pursuant to section 316 of the SFO, Huang Guang Fu is also deemed to be interested in the underlying shares of the Company held by Beijing Hua Xia Ding.
2. Zhai Mingyue is a PRC resident who holds 100% equity interests in Beijing Li Chuang Future. Pursuant to section 316 of the SFO, Di Mingyue is also deemed to be interested in the underlying shares of the Company held by Beijing Li Chuang Future.
3. Zhang Song is a PRC resident who holds 100% equity interests in Shenzhen Wan Zhong Run Long. Pursuant to section 316 of the SFO, Zhang Song is deemed to be interested in the underlying shares of the Company held by Shenzhen Wan Zhong Run Long.
4. As notified by HKSCC Nominees Limited, as of 31 December 2019, the following participants of CCASS had interests amounting to 5.00% or more of the total issued H-Shares of the Company as shown in the securities accounts in CCASS:
 - (1) The Hongkong and Shanghai Banking Corporation Limited as nominee holds 90,390,740 H-Shares, representing 14.93% of the issued H-Shares of the Company.
 - (2) Bank of China (Hong Kong) Limited as nominee holds 66,052,000 H-Shares, representing 10.91% of the issued H-Shares of the Company.
 - (3) Ever-long Securities Company Limited as nominee holds 64,000,000 H-Shares, representing 10.57% of the issued H-Shares of the Company.

Save as disclosed above, as at 31 December 2019, the Company has not been notified of any interests and/or short positions in shares, underlying shares, securities, equity derivatives and/or debentures of the Company which are required to be recorded in the register maintained in accordance with section 336 of the SFO.

附註：

1. 黃廣服是中國公民，於北京華夏鼎持有100%股權。根據證券及期貨條例第316條，黃廣服亦被視為在北京華夏鼎持有的本公司相關股份中擁有權益。
2. 翟明月是中國公民，於北京力創未來持有100%股權。根據證券及期貨條例第316條，翟明月亦被視為在北京力創未來持有的本公司相關股份中擁有權益。
3. 張松是中國公民，於深圳萬眾潤隆持有100%股權。根據證券及期貨條例第316條，張松被視為在深圳萬眾潤隆持有的本公司相關股份中擁有權益。
4. 根據香港中央結算(代理人)有限公司的通知，截至2019年12月31日，下列中央結算系統參與者在中央結算系統股票戶口內持有本公司已發行H股股份總數的5.00%或以上：
 - (1) 香港上海滙豐銀行有限公司代理持有90,390,740股H股，佔本公司已發行H股14.93%。
 - (2) 中國銀行(香港)有限公司代理持有66,052,000股H股，佔本公司已發行H股10.91%。
 - (3) 長雄證券有限公司代理持有64,000,000股H股，佔本公司已發行H股10.57%。

除上述披露外，本公司於2019年12月31日並未接獲有任何須按證券及期貨條例第336條須於備存的登記冊所記錄的本公司股份、相關股份、證券、股本衍生工具及／或債權證中的權益及／或淡倉。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales and purchases for the 2019 Financial Year attributable to the Group's major customers and suppliers are as follows:

Sales

| | |
|-----------------------------------|-----|
| – the largest customer | 82% |
| – five largest customers combined | 82% |

Purchases

| | |
|-----------------------------------|----|
| – the largest supplier | 0% |
| – five largest suppliers combined | 0% |

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

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. Following a specific enquiry, all the directors confirmed that they have complied with the Model Code throughout the year ended 31 December 2019.

DIRECTORS' AND SUPERVISORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

None of the directors and supervisors or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right during the year ended 31 December 2019.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed shares during the year.

主要客戶及供應商

於2019年財政年度本集團主要客戶及供應商應佔銷售及採購百分比如下：

銷售

| | |
|----------|-----|
| – 最大客戶 | 82% |
| – 五大客戶合計 | 82% |

採購

| | |
|-----------|----|
| – 最大供應商 | 0% |
| – 五大供應商合計 | 0% |

概無董事，彼等的聯繫人或任何股東（據董事所知擁有本公司5%以上已發行股本的股東）於上文所披露的五大客戶及供應商中擁有任何權益。

進行證券交易之標準守則

本公司已採納載於上市規則附錄10之標準守則。經作出具體查詢後，全體董事確認，彼等於截至2019年12月31日止年度已遵守標準守則。

董事及監事收購股份或債權證的權利

截至2019年12月31日止年度，概無董事及監事或彼等各自的聯繫人獲本公司或其附屬公司授予任何權益以收購本公司或任何其他法團的股份或債權證，且亦無行使有關權利。

購買、銷售或贖回上市證券

於本年度內，本公司概無贖回其任何股份。於本年度內，本公司或其任何附屬公司概無購買或銷售本公司任何上市股份。

Report of the Directors

董事會報告

CONNECTED TRANSACTIONS

Details of the significant related party transactions entered into by the Group under the applicable accounting standards during the 2019 Financial Year are set out in Note 45 to the consolidated financial statements.

None of the related party transactions disclosed in the Note 45 to the consolidated financial statements constituted connected transactions or continuing connected transactions as defined in the Listing Rules which are subject to the reporting, announcement or independent shareholders' approval requirements under the Listing Rules.

BUSINESS REVIEW

A review of the business of the Group for the 2019 Financial Year and a discussion of the Group's future prospects are set in the "Management Discussion and Analysis" section on pages 7 to 18 and the Chairman's Statement on pages 4 to 6 of this annual report respectively.

Risks and uncertainties

The principal risks and uncertainties facing the Group have been addressed in the Chairman's Statement on pages 4 to 6 and the "Management Discussion and Analysis" section on pages 7 to 18 of this annual report respectively.

In addition, various financial risks have been disclosed in the notes to the consolidated financial statements of this annual report.

Likely development in the Group's business

The likely development of the Group is shown in the business prospect section in the "Management Discussion and Analysis" and Chairman's Statement in this annual report.

An analysis using financial key performance indicators

The relevant financial key performance indicators relating to the business of the Group are set out in the "Financial Review" section in the "Management Discussion and Analysis" and the consolidated financial statements in this annual report.

關連交易

有關本集團於2019年財政年度根據適用會計準則訂立重大關連方交易的詳情，載於綜合財務報表附註45。

概無綜合財務報表附註45所披露的關連方交易構成上市規則所界定的關連交易或持續關連交易而須遵守上市規則的申報、公告或獨立股東批准規定。

業務審視

對本集團於2019年財政年度業務的審視及本集團未來前景的討論分別載於本年報第7頁至第18頁的「管理層討論與分析」及第4頁至第6頁的主席報告內。

風險及不確定性

本集團所面臨的主要風險及不確定性已分別於本年報第4頁至第6頁的主席報告及本年報第7頁至第18頁的「管理層討論與分析」中提述。

此外，各種財務風險已於本年報綜合財務報表附註中披露。

本集團業務的潛在發展

本集團業務的潛在發展載於本年報「管理層討論與分析」一節的業務展望及主席報告內。

利用財務主要表現指標的分析

與本集團業務有關的相關財務主要表現指標載於本年報「管理層討論與分析」一節的「財務回顧」及綜合財務報表內。

Report of the Directors

董事會報告

Environmental policies and performance

Environment protection is critical to the long term development of the Group. The Group places importance in the management practice so as to minimize waste, maximize efficiencies and reduce negative impact to the environment.

Relationships with employees, customers, suppliers and others

The Group ensures all staff are reasonably remunerated and regularly reviews the employment policies on remuneration and other benefits.

The Group maintains a good relationship with its customers and suppliers. The Group maintains close contacts with the customers and has regular review of requirements of customers and complaints. The Group will conduct appraisal of the performance of suppliers on regular basis.

Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and risks of non-compliance with such requirements. The Group has an on-going review of the new enacted laws and regulations affecting the operations of the Group. The Group is not aware of any material non-compliance with the laws and regulations that have significant impact on the business of the Group.

COMPETING INTERESTS

None of the directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, nor has any other conflict of interest with the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules as at the latest practicable date prior to the issue of this report.

環保政策及表現

環保對本集團長遠發展至關重要。本集團十分重視管理層對減廢增效及降低對環境造成負面影響所採取的措施。

與僱員、客戶、供應商及其他各方的關係

本集團確保全體員工獲發合理薪酬，並定期檢討有關薪酬及其他福利的僱傭政策。

本集團與其客戶及供應商維持良好關係。本集團與客戶保持緊密聯繫，並定期檢討客戶需求及投訴。本集團將定期對供應商的表現進行評估。

遵從法律法規

本集團重視遵從監管規定及因違反有關規定帶來的風險。本集團持續檢討影響本集團業務的新頒佈法律法規。本集團不知悉有任何重大的法律法規違規情況而對本集團業務造成重大影響。

競爭權益

董事或彼等各自的任何聯繫人概無從事任何與本集團業務構成競爭或可能構成競爭的業務，亦無與本集團有任何其他利益衝突。

足夠的公眾持股量

根據本公司公開可得的資料及據董事所知，本公司於本報告刊發前的最後實際可行日期已根據上市規則維持指定的公眾持股量。

Report of the Directors 董事會報告

EVENTS AFTER THE REPORTING PERIOD

Details of significant events after the reporting period and up to the date of this report are set out in Note 14 to the consolidated financial statement.

AUDITOR OF THE COMPANY

The consolidated financial statements of the Company for the year ended 31 December 2019 have been audited by Asian Alliance (HK) CPA Company Limited, who will retire and, being eligible, offer themselves for re-appointment. The Company will propose relevant resolutions at the forthcoming annual general meeting of the Company in this regard.

On behalf of the Board

Zhang Jing Ming
Chairman

Shenyang, The PRC, 29 May 2020

報告期後事件

有關報告期後及截至本報告期發生的重大事件詳情載於綜合財務報表附註14。

本公司核數師

本公司截至2019年12月31日止年度之綜合財務報表已由華融(香港)會計師事務所有限公司審核，其將退任惟符合資格並願意重選連任，本公司將就此於本公司應屆股東週年大會提呈相關決議案。

代表董事會

張敬明
董事長

中國•瀋陽，2020年5月29日

Corporate Governance Report 企業管治報告

The Board is committed to maintain high standard of corporate governance practices and business ethics which are essential for maintaining and promoting investors' confidence and maximising shareholders' returns. The Board reviews its corporate governance practices from time to time to comply with the regulatory requirements, and to improve the in corporate governance practice.

CODE OF CORPORATE GOVERNANCE

The Company has complied with the applicable code of provisions of the Corporate Governance Code set out in Appendix 14 of the Listing Rules throughout for the 2019 Financial Year, except the following:

Code provision A.1.8 of the CG Code requires that the Company should arrange appropriate insurance cover in respect of legal action against its Directors. The Company did not arrange such insurance cover during the 2019 Financial Year as Directors considered that the risk of material legal claims against Directors is minimal. Nevertheless, the Board will review this arrangement from time to time in light of the prevailing circumstances and arrange for appropriate insurance coverage when necessary.

BOARD OF DIRECTORS AND BOARD MEETING

The Board, which currently comprises 8 Directors, is responsible for the formulation of corporate strategy, and risk management to protect shareholders interest. Daily operation and administration delegated by the Board to the executive Directors and the management.

The brief biographical details of each Director are set out in the section headed "Profiles of Directors and Senior Management" of this report. All Directors have given sufficient time and attention to the affairs of the Group. The composition of the Board is well balanced as all Directors have experience in their field of expertise with a balance of skills, knowledge and experience relevant to the operation of the Group.

The Board has three independent non-executive Directors who have appropriate and sufficient experience and qualifications. In addition, two non-executive Directors are appointed to provide guidance to the Board.

The Company has received an annual written confirmation from each of the independent non-executive Directors of their independence pursuant to the Listing Rules and considers them to be independent of the management.

董事會致力於維持高水準的企業管治常規及商業道德，其乃維持及提升投資者信心以及為股東帶來最高回報的根本。董事會不時檢討其企業管治常規，以遵守監管要求，以及改善企業管治實務。

企業管治守則

於2019年財政年度，本公司一直遵守載於上市規則附錄14之企業管治守則之適用守則條文，惟以下除外：

企管守則之守則條文A.1.8規定，本公司應就對其董事之法律行動投購合適之保險覆蓋。由於董事認為對董事提出重大法律索償之風險不大，故2019年財政年度本公司並無投購有關保險覆蓋。然而，董事會將視乎當前狀況不時檢討此安排，並於有需要時投購合適之保險覆蓋。

董事會及董事會會議

董事會現由8名董事組成，負責制定公司策略及風險管理以保障股東權益。董事會指派執行董事及管理層負責日常營運及行政。

各董事簡歷詳情載於本報告「董事及高級管理層介紹」一節。全體董事已就本集團事務付出充足時間及心力。董事會之組成保持適當平衡，各董事在本身之專業範圍均為資深人士，擁有與本集團業務相關的適當技能、知識及經驗。

董事會擁有一名具有適當及豐富相關經驗及資格的獨立非執行董事。此外，兩名非執行董事已獲委任，以向董事會提供指引。

本公司已接獲各獨立非執行董事根據上市規則有關其獨立性的年度確認書，並認為彼等獨立於管理層。

Corporate Governance Report 企業管治報告

The terms of appointment for all the executive Directors, non-executive Directors and independent non-executive Directors are 3 years. All Directors shall be elected and removed by the Shareholders in general meeting according to the Articles.

The policy relating to the Board diversity of the Group sets up the approach to achieve diversity on the Board in order to ensure the Board has the required skills, experience, knowledge, expertise and other qualities of the members of the Board. The composition of the Board and its committee is regularly reviewed by considering the benefits of all aspects of diversity. The Board Diversity Policy shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness.

TRAININGS OF DIRECTORS

All newly appointed Directors be provided with necessary induction and information to ensure that they have a proper understanding of the Group's businesses and their statutory supervision responsibilities as directors of listed companies. The Company will update the Directors on the latest development regarding the Group's businesses as well as the Listing Rules and other applicable regulatory requirements, where appropriate. In addition, all Directors are encouraged to participate in training programmes held by qualified professional people in relation to the revised code and amendments to the relevant listing rules, so as to develop and update their knowledge and skills.

During the 2019 Financial Year, all the Directors have participated in proper continuous professional development trainings to update their knowledge and skills by attending briefings, conferences, programmes, workshops and seminars as well as by way of further education and self-study, so as to understand their roles, functions and responsibilities.

所有執行董事、非執行董事和獨立非執行董事的任期均為三年。按照公司章程，所有董事都必須在股東大會上由股東選舉和罷免。

與本集團董事會多元化相關的政策載列如何達成董事會多元化的方法，以確保董事會成員具備所需技能、經驗、知識、專長及其他元素。董事會及其委員會的組成會定期進行檢討，以評估多元化於各範疇的好處。董事會多元化政策應由提名委員會（如適用）審閱以確保其成效。

董事培訓

各新委任的董事將獲得所需的入職培訓及資訊，以確保他們對本集團業務及上市公司董事的法定監管責任有適當的理解。另外，本公司除了向董事提供有關本集團業務及上市規則和其他適用監管規定（如適用）之最新發展概況外，亦鼓勵全體董事參加由合資格專業人士所舉辦，有關經修訂守則及相關上市規則之修訂之培訓課程，以發展及更新董事的知識和技能。

於2019年財政年度內，所有董事均以出席簡報會、會議、課程、工作坊和研討會、教學、自讀等方式完成適當的持續專業發展培訓，以更新自己的知識和技能，確保充分瞭解其角色、職能及責任。

Corporate Governance Report 企業管治報告

Attendance of individual Director at Board meetings for 2019 Financial Year are as follows:

2019年財政年度每位董事出席董事會的考勤紀錄如下：

| Number of meeting | 會議次數 | 14 |
|---|----------------------|----|
| <i>Executive Directors:</i> | | |
| Mr. Zhang Jing Ming | 執行董事： 張敬明先生 | 12 |
| Mr. Leng Xiao Rong | 冷小榮先生 | 14 |
| Mr. Chau Ting Yan (appointed on 4 March 2019) | 周霆欣先生(於2019年3月4日獲委任) | 8 |
| Mr. Deng Xiao Gang (resigned on 4 March 2019) | 鄧曉綱先生(於2019年3月4日辭任) | 2 |
| <i>Non-executive Directors:</i> | | |
| Mr. Yin Zong Chen | 非執行董事： 尹宗臣先生 | 13 |
| Mr. Ye Zhi E | 葉智鏗先生 | 12 |
| <i>Independent Non-executive Directors:</i> | | |
| Mr. Chan Ming Sun Jonathan | 獨立非執行董事： 陳銘樂先生 | 13 |
| Mr. Guo Lu Jin | 郭魯晉先生 | 11 |
| Ms. Gao Hong Hong | 高紅紅女士 | 13 |

All Directors have access to the advice and assistance of the Joint Company Secretaries in relation to the Board procedures and corporate governance matters.

全體董事可就董事會程序及企業管治事宜尋求聯席公司秘書的意見及協助。

The minutes of the Board meetings recorded all the matters discussed by the Board and the matters resolved. Minutes of Board meetings are kept by the Joint Company Secretaries and are available for inspection by any Director or committee members.

董事會會議記錄載列董事會討論之所有事務及議決事宜，乃由聯席公司秘書備存，以供任何董事或委員會成員查閱。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The role of the chairman and the chief executive officer of the Company are segregated and not exercised by the same individual. The chairman is Mr. Zhang Jing Ming and the chief executive officer is Mr. Huang Chunfeng.

主席及行政總裁

本公司主席及行政總裁之職務分開，並非由同一人擔任。主席為張敬明先生，行政總裁為黃春鋒先生。

With the support of the Joint Company Secretaries, the chairman ensures all the Directors are provided adequate information on matters discussed in the Board Meeting in a timely manner.

在聯席公司秘書的協助下，主席確保全體董事可及時獲得董事會會議所討論事宜之充分資料。

REMUNERATION OF COMMITTEE

The remuneration committee was established on 12 February 2012 with written terms of reference in compliance with the CG Code. The majority of committee members are independent non-executive Directors and the committee chairman is Mr. Guo Lu Jin. Other committee members are Mr. Chan Ming Sun Jonathan and Mr. Ye Zhi E.

The roles of the remuneration committee include the determination of the specific remuneration packages of all executive Directors, including benefits in kind, pension benefits and compensation payments (including any compensation payable for loss of office or engagement), and make recommendations to the Board about the remuneration of the non-executive Directors.

Details of the attendance of the remuneration committee meetings are as follows:

| Number of meetings | 會議次數 | 1 |
|----------------------------|-------|---|
| Mr. Guo Lu Jin | 郭魯晉先生 | 1 |
| Mr. Chan Ming Sun Jonathan | 陳銘樂先生 | 0 |
| Mr. Ye Zhi E | 葉智鏢先生 | 1 |

The remuneration committee of the Company has considered and reviewed the existing terms of employment contracts of the executive Directors and the non-executive Directors.

The remuneration of the senior management by band for the year ended 31 December 2019 are set out in Note 14 to the consolidated financial statements.

NOMINATION COMMITTEE

The Company established the nomination committee on 12 February 2012 and updated written terms of reference in compliance with the CG Code on 29 March 2019. The majority of committee members are independent non-executive Directors and the committee chairman is Mr. Zhang Jing Ming, the other members include Mr. Guo Lu Jin and Ms. Gao Hong Hong.

薪酬委員會

本公司於2012年2月12日成立薪酬委員會，並按照企業管治守則制定書面職權範圍。大部份委員會成員為獨立非執行董事，且委員會主席為郭魯晉先生，其他委員會員為陳銘樂先生及葉智鏢先生。

薪酬委員會的職務包括釐定全體執行董事的特定薪酬組合，包括實物利益、退休福利及補償金，包括離職或入職補償，以及就非執行董事的薪酬向董事會提供建議。

薪酬委員會會議的考勤紀錄詳情如下：

本公司的薪酬委員會已經考慮和檢討了執行董事和非執行董事目前的僱用合約條款。

截至2019年12月31日止年度高級管理層的薪酬範圍載於綜合財務報表附註14。

提名委員會

本公司於2012年2月12日成立提名委員會，並於2019年3月29日更新按照企業管治守則制定書面職權範圍。大部份委員會成員為獨立非執行董事，且委員會主席為張敬明先生，其他委員會成員為郭魯晉先生及高紅紅女士。

Corporate Governance Report 企業管治報告

The duties of the nomination committee are reviewed and updated as follows:

- to review the structure, size and composition (including skills, knowledge and experience, length of service and diversity of perspectives) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
 - to identify individuals who are qualified/suitable to become a member of the Board and to select or make recommendations to the Board on the selection of individuals nominated for directorships. Academic and professional qualifications, business experience, expertise, knowledge and diversity of perspectives required from members of the Board as well as other requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited will be assessed to determine if the nomination is suitable;
 - to assess the independence of independent non-executive directors to determine their eligibility;
 - to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular, the chairman and the chief executive and the policy concerning the diversity of the Board members, and the measurable objectives for implementing such policy;
 - to review and implement the board diversity policy, as appropriate and review the measurable objectives that the Board has set for implementing the board diversity policy, and the progress on achieving these objectives;
 - to review and implement the Nomination Policy, as appropriate. This includes the nomination procedures and the process and criteria to select and recommend candidates for directorship set out in the Nomination Policy; and
 - other matters authorized by the Board.
- 提名委員會的職責經檢討及更新後如下：
- 至少每年檢討董事會的架構、人數及組成(包括技能、知識、經驗、服務年期及多元化範疇方面)，並就任何為配合本公司的企業策略而擬對董事會作出的變動向董事會提出建議；
 - 制訂有關物色及評核董事人選的資格，以及評估有關人選的準則；
 - 物色具備合適／適當資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。於釐定有關提名是否適合時，將評核獲提名人士的學術及專業資格、業務經驗、專業技能、知識及多元化範疇方面以符合董事會成員之要求以及香港聯合交易所有限公司《證券上市規則》不時規定之其他要求；
 - 評核獨立非執行董事的獨立性，以確定他們是否符合資格；
 - 就董事委任或重新委任以及董事(尤其是董事會主席及行政總裁)繼任計劃及董事會成員多元化政策以及為執行該政策而制定的可計量目標的有關事宜向董事會提出建議；
 - 在適當情況下檢討及執行董事會成員多元化政策；及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和達標進度；
 - 在適當情況下檢討及執行提名政策。這包括載列於提名政策內的提名程式以及遴選及推薦候選人為董事的準則；及
 - 董事會授權的其他事宜。

Details of the attendance of the nomination committee meetings are as follow:

提名委員會會議的考勤記錄詳情如下：

| Number of meetings | 會議次數 | 1 |
|---------------------|-------|---|
| Mr. Zhang Jing Ming | 張敬明先生 | 1 |
| Ms. Gao Hong Hong | 高紅紅女士 | 0 |
| Mr. Guo Lu Jin | 郭魯晉先生 | 1 |

AUDIT COMMITTEE

審核委員會

The Company established an audit committee with written terms of reference in compliance with the CG Code and updated on 29 March 2019.

本公司成立審核委員會，並按照企業管治守則制定書面職權範圍且於2019年3月29日已予更新。

The major duties of the audit committee are reviewed and updated as follows:

審核委員會的主要職責經檢討及更新後如下：

- to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to handle any problems of his or her resignation or dismissal;
 - to review and monitor the external auditor's independence, objectivity, and the effectiveness of the audit process in accordance with applicable standards. The Committee should discuss with the auditor the nature, scope of the audit, and reporting obligations before the audit commences;
 - to monitor the integrity of the Company's financial statements and annual reports and accounts, half yearly reports and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them;
 - to review the Company's financial controls, and unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;
 - to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has the appropriate standing within the Company, and to review and monitor its effectiveness; and
 - to review the financial and accounting policies and practices of the Company and its subsidiaries.
- 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
 - 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；委員會應於核數工作開始前與核數師討論核數性質及範疇及有關申報責任；
 - 監察本公司的財務報表以及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見；
 - 檢討本公司的財務監控，以及(除非有另設的董事會轄下風險委員會又或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統；
 - 確保內部和外聘核數師的工作得到協調；也須確保內部審核功能在本公司內有足夠資源運作，並且享有適當的地位，以及檢討及監察其成效；及
 - 檢討本公司及其附屬公司的財務及會計政策及實務。

Corporate Governance Report

企業管治報告

The audit committee comprises two independent non-executive Directors and one non-executive Director. The chairman of the audit committee is Mr. Chan Ming Sun Jonathan. The audit committee held two meetings during the 2019 Financial Year.

審核委員會由兩名獨立非執行董事及一名非執行董事組成。審核委員會主席為陳銘樂先生。本公司在2019年財政年度內共召開兩次審核委員會會議。

Details of the attendance of the audit committee meetings are as follow:

審核委員會會議的考勤紀錄詳情如下：

| Number of meetings | 會議次數 | 2 |
|----------------------------|-------|---|
| Mr. Chan Ming San Jonathan | 陳銘樂先生 | 2 |
| Mr. Yin Zong Chen | 尹宗臣先生 | 2 |
| Ms. Gao Hong Hong | 高紅紅女士 | 2 |

The Group's unaudited interim results for the six months ended 30 June 2019 and audited annual results for the year ended 31 December 2019 have been reviewed by the audit committee, in relation to the compliance with the applicable accounting standards and requirements and that adequate disclosures have been made.

本集團於截至2019年6月30日止六個月的未經審核中期業績以及截至2019年12月31日止年度的經審核全年業績已由審核委員會按照適用會計準則及規定審閱，並已作出充分披露。

The audit committee has met the external auditor without the presence of executive Directors.

審核委員會已在沒有執行董事的情況下會見外聘核數師。

AUDITOR'S REMUNERATION

核數師酬金

The audit committee of the Company is responsible for considering the appointment of the external auditor and reviewing any non-audit functions performed by the external auditor. During the 2019 Financial Year, the Company paid an aggregate of approximately RMB1,829,000 to the external auditor of which auditing services of approximately RMB1,660,000 and non-audit services of approximately RMB169,000 respectively.

本公司的審核委員會負責考慮外聘核數師的委任及審查外聘核數師進行的任何非核數工作。於2019年財政年度，本公司已向外聘核數師支付合共約人民幣1,829,000元，作為其所提供核數服務(約人民幣1,660,000元)及非核數服務(約人民幣169,000元)的酬金。

MODEL CODE FOR SECURITIES TRANSACTIONS

證券交易標準守則

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. Following a specific enquiry, all the Directors confirmed that they have complied with the Model Code for the 2019 Financial Year.

本公司已採納上市規則附錄10所載的標準守則。經具體查詢後，全體董事確認彼等於2019年財政年度均遵守標準守則。

Corporate Governance Report

企業管治報告

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

The Board acknowledges its responsibility for preparing the Company's financial statement showing a true and fair view of the financial position of the Group and in accordance with the statutory requirements and applicable accounting standards. The statement of auditor of the Company regarding their reporting responsibility to the shareholders on the consolidated financial statement of the Group is set out in the Independent Auditor's Report.

FINANCIAL REPORTING AND INTERNAL CONTROL

FINANCIAL REPORTING

The Board is responsible for preparing the financial statements of the Company and the Group with the supports of finance department of the Group. In preparing the financial statements, the Board has applied the Hong Kong Financial Reporting Standards and consistently followed the appropriate accounting policies and provisions of laws.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective risk management and internal control system within the Group. The Group's system of internal control and risk management includes a defined management structure with limits of authority, and is designed to help the Group achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

The Board is also responsible for reviewing from time to time the effectiveness of the Group's risk management and internal control system, including the adequacy of resources, staff qualifications and experience of the Group's accounting, internal audit and financial reporting functions.

董事及核數師對賬目之責任

董事會確認其有責任根據法定規定及適用會計準則來編製本公司的財務報表，以真實及公平地反映本集團的財務狀況。本公司核數師就本集團綜合財務報表對股東作出的申報責任聲明，載於獨立核數師報告。

財務報告及內部監控

財務報告

董事會負責在本集團財務部的協助下編製本公司及本集團的財務報表。於編製財務報表過程中，董事會已採納香港財務報告準則並貫徹遵守適當會計政策及法律規定。

風險管理及內部控制

董事會全權負責維持本集團健全和有效之風險管理及內部控制系統。本集團內部控制及風險管理系統，包括界定管理架構及其相關之權限，以協助本集團達致其業務目標、保管資產以防未經授權之使用或處理、確定適當之會計紀錄得以保存並可提供可靠之財務資料供內部使用或對外發放，並確保符合相關法例與規則。該系統旨在就不會出現嚴重誤報或損失的情況提供合理（而非絕對）保證，並管理（而非消除）本集團經營系統失誤及未能達到業務目標的風險。

董事會亦負責不時審閱本集團風險管理及內部監控系統的有效性，包括資源、員工資歷及本集團會計、內部審計及財務報告職能的經驗是否足夠。

Corporate Governance Report 企業管治報告

The Group has engaged CT Consultants Limited to provide internal audit functions to review the control environment, risk assessment, control activities, information system and monitoring progress of the Group during the 2019 Financial Year and reported its findings to the audit committee.

The Board has reviewed the Group's risk management and internal control system during the 2019 Financial Year, including the report of CT Consultants Limited and the explanations by the management. Issue raised for improvement had been identified and appropriate actions were recommended.

An inside information handling policy is in place to enable the Group to handle inside information. The Board as a whole is responsible for identifying and considering the disclosure requirements and guidelines regarding inside information.

MANAGEMENT FUNCTIONS

The Board is responsible for overall corporate strategy and monitoring and control of the performance of the Group whereas the management is responsible for the daily hands on operation.

When the Board delegates its management and administrative functions to the management, it has given clear directions as to the powers of the management and the circumstances where, the management on behalf of the Company shall obtain prior approval from the Board before making decisions or entering into any commitments.

JOINT COMPANY SECRETARIES

Ms. Qian Fang Fang was appointed as Joint Company Secretary of the Company on 6 March 2014. Mr. Tung Sze Ho Dicky, engaged from external service provider, was appointed as Joint Company Secretary of the Company on 1 August 2018. Mr. Zhang Jing Ming, the Chairman, is the primary contact for external company secretary. Each of Ms. Qian and Mr. Tung undertook not less than 15 hours of relevant professional training during the 2019 Financial Year.

DIVIDEND POLICY

The dividend policy (the "Dividend Policy") has been adopted by the Board on 29 March 2019. Under the Dividend Policy, provided that the Group is profitable and without affecting the normal operations of the Group, the Company may consider to declare and pay dividends to the Shareholders.

本集團已於2019年財政年度委聘思天顧問有限公司提供內部審計工作，以審閱本集團的監控環境、風險評估、監控活動、訊息系統及監察程序，並向審核委員會匯報其審閱結果。

董事會已於2019年財政年度審閱本集團之風險管理及內部監控系統，包括思天顧問有限公司之報告及管理層之解釋。已識別一些需要改進之事宜並建議適當之行動。

本公司亦已制定內幕消息處理政策，使本集團能夠處理內幕消息。董事會上下負責識別及考慮有關內幕消息的披露規定及指引。

管理功能

董事會負責制訂整體企業策略、監察及控制本集團的表現，而日常管理集團業務營運則是管理層的責任。

當董事會將其管理及行政功能方面的權力轉授予管理層時，已同時就管理層的權力給予清晰的指引，特別是管理層在代表本公司作出任何決定或訂立任何承諾前應取得董事會批准等事宜方面。

聯席公司秘書

錢芳芳女士於2014年3月6日獲委任為本公司的聯席公司秘書。董思浩先生於2018年8月1日透過外聘服務供應商獲委任為本公司的聯席公司秘書。主席張敬明先生為外聘公司秘書的主要聯絡人。於2019年財政年度，錢女士及董先生各自已接受不少於15小時的相關專業培訓。

股息政策

董事會於2019年3月29日採納股息政策（「股息政策」）。根據股息政策，倘本集團錄得盈利及不影響本集團之正常營運，本公司可考慮向股東宣派及派付股息。

The Company considers stable and sustainable returns to the Shareholders to be its goal. In deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account, among others:

- financial performance, liquidity position, business condition and strategies of the Group;
- actual and future operation and demands for liquidity of the Group;
- expected future expansion plan of the Group;
- gearing ratio, credit facilities and indebtedness level of the Group;
- gains, losses, retained profits and distributable reserves of the Group;
- expectation of the Shareholders and investors and industrial practices;
- general market condition;
- any restrictions against declaration of dividends; and
- any other relevant factors which the Board may deem appropriate.

In proposing or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements, future growth and its shareholding value. In accordance with the Memorandum and Articles of Association of the Company, all applicable regulations and factors above, the Board may, from time to time, pay interim dividends or special dividends to the Shareholders which the Board considers reasonable after taking into account of the financial condition and profit of the Company, and the Company may also announce final dividends in forms of any currencies at the general meeting, provided that any dividend must not exceed the amount proposed by the Board.

The Board will continue to review the Dividend Policy from time to time and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time.

本公司以提供穩定及可持續回報予股東作為目標。在決定是否建議派發股息及釐定股息金額時，董事會將考慮(其中包括)：

- 本集團的財務業績、現金流狀況、業務狀況及策略狀況；
- 本集團的實際和未來營運及流動資金需求狀況；
- 本集團預期未來擴展計劃；
- 本集團的資產負債比率、信貸額度及債務水平；
- 本集團的收益、虧損、保留盈餘和可供分派儲備；
- 股東及投資者的期望及行業的常規；
- 一般市場情況；
- 任何派付股息的限制；及
- 董事會認為適當的任何其他相關因素。

在建議或宣派股息時，本公司應維持足夠現金儲備，以應付其資金需求、未來增長以及其股權價值。根據本公司組織章程大綱及細則、所有適用法規及以上所列因素，董事會可不時向股東支付其鑒於本公司的財務狀況及溢利而認為合理的中期股息或特別股息，而本公司亦可在股東大會中宣佈任何貨幣之末期股息，但任何股息均不得多於董事會所建議的款額。

董事會將持續不時檢討股息政策，並保留權利全權及絕對酌情隨時更新、修訂及／或修改股息政策。股息政策不會以任何方式構成本公司有關其未來股息之具法律約束力之承諾及／或不會以任何方式令本公司有責任於任何時間或不時宣派股息。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and for investors to understand the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The Company maintains a website at www.shenyang747.com, to provide up-to-date information on the Company's business operations and developments, financial information, and corporate governance practices.

The Company endeavours to maintain an on-going dialogue with its shareholders, in particular, through AGMs or other general meetings to communicate with the shareholders and encourage their participation. The Chairman of the Board as well as the Chairmen of the audit committee, nomination committee and remuneration committee will make themselves available at the AGM to meet with the shareholders.

The Chairman of the Board, the chairman or the representatives of each committee together with the external auditor have attended the AGM to answer any questions raised by the shareholders.

The forthcoming AGM of the Company will be held in June 2020. The notice of AGM has been sent to shareholders.

The Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on the Group's business in a timely manner, subject to relevant regulatory requirement.

SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual director.

All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

與股東的溝通

本公司認為，與股東之有效溝通對加強投資者關係及投資者對本集團業務表現及策略之理解非常重要。本公司亦確認透明度及適時披露公司資料之重要性，其使股東及投資者可作出最佳投資決定。

本公司設有網站www.shenyang747.com，以提供本公司業務經營及發展、財務資料及企業管治常規之最新資料。

本公司努力維持與其股東的持續交流，特別是透過股東週年大會或其他股東會議與股東進行溝通並鼓勵其參加。董事會主席、審核委員會主席、提名委員會主席及薪酬委員會主席將出席股東週年大會與股東會面。

董事會主席、各委員會主席或代表連同外聘核數師已出席股東週年大會，以回應股東提出的任何提問。

本公司即將於2020年6月召開應屆股東週年大會。股東週年大會通告已寄發予股東。

本公司將繼續維持開放、有效的投資者溝通政策，並及時向投資者提供有關本集團業務的最新資料，惟須遵守相關監管規定。

股東權利

為保障股東的利益及權利，本公司會於股東大會上就每項獨立事項，包括選舉個別董事，提出獨立決議案。

於股東大會上提呈之所有決議案將根據上市規則按股數投票表決，投票結果將於每屆股東大會結束後於本公司及聯交所網站刊登。

Corporate Governance Report 企業管治報告

Two or more shareholders holding in aggregate 10 per cent or more of the shares carrying the right to vote at the meeting may, in accordance with the requirements set out in the Articles of the Company, make a requisition to the Board to convene an extraordinary general meeting of the Company stating the objective of the meeting. The Board shall as soon as possible proceed to convene the extraordinary general meeting of shareholders or a class meeting after receiving the requisition.

SHAREHOLDERS ENQUIRIES

Any enquiries regarding the shareholding of H-Shares, including the transfer of shares, change of address, loss of certificate etc, should be sent to the Company's H-Share Registrar and Transfer Office, Hong Kong Registrar Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Any enquires relating to the Company should be sent to the Company's registered office for the attention of the Chairman of the Board.

CONSTITUTION DOCUMENTS

The Articles is published on the website of the Company and the Stock Exchange.

根據本公司的公司章程規定，兩名或以上持有附有權利於會上投票的股份合共10%或以上的股東，可向董事會提出請求召開本公司股東特別大會，並列明會議目的。董事會於收到請求後應在可行情況下儘快落實召開股東特別大會或類別大會。

股東查詢

有關H股股權的任何查詢(包括股份過戶、更改地址、遺失股票等)應提交本公司的H股份過戶登記處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-16室。

有關本公司的任何查詢應提交本公司註冊辦事處致董事會主席。

憲法文件

公司章程刊登於本公司及聯交所的網站內。

Independent Auditor's Report

獨立核數師報告



TO THE MEMBERS OF
SHENYANG PUBLIC UTILITY HOLDINGS COMPANY LIMITED
瀋陽公用發展股份有限公司
(incorporated in People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Shenyang Public Utility Holdings Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 221, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

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.

致 瀋陽公用發展股份有限公司股東

(於中華人民共和國註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計瀋陽公用發展股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)刊於第59頁至221頁的綜合財務報表,包括於2019年12月31日的綜合財務狀況表以及截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註(包括主要會計政策概要)。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)而真實及公允地反映了 貴集團於2019年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露規定妥為編製。

意見之基準

我們按照香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審計。我們根據該等準則的責任詳載於我們的報告內核數師就審計綜合財務報表承擔的責任一節。根據香港會計師公會頒佈的專業會計師操守守則(「守則」),我們獨立於 貴集團,且我們已履行根據守則的其他操守責任。我們相信,我們所獲取的審計憑證能充足及適當地為我們的意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下進行處理的,我們不對這些事項提供單獨的意見。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 該關鍵審計事項在審計中是如何應對的 |
|---|---|
| <p><i>Impairment assessment of deposit paid for acquisition of properties</i></p> <p>As disclosed in Note 25(a) to the consolidated financial statements, as at 31 December 2019, deposit of approximately RMB147,100,000 (the "Properties Deposit") was paid for acquisition of properties (the "Transaction").</p> <p>Management performed a valuation on the properties with the assistance from an independent professional valuer. With reference to the valuation, management concluded that no impairment on the Properties Deposit in respect of the Transaction was necessary as at 31 December 2019.</p> <p>誠如綜合財務報表附註25(a)所披露，於2019年12月31日，已就收購物業(「交易」)支付訂金約人民幣147,100,000元(「物業訂金」)。</p> <p>管理層在獨立專業估值師協助下對物業進行估值。經參考估值後，管理層總結，於2019年12月31日，毋須就交易的物業訂金作出減值撥備。</p> | <p><i>就收購物業所支付訂金的減值評估</i></p> <p>Our audit procedures in relation to management's assessment on impairment of deposit paid for acquisition of properties included:</p> <ul style="list-style-type: none">– Obtaining the agreements to understand the terms of the Transaction;– Performing an independent check on the ownership of the land in which the properties located;– Obtaining the valuation report from an independent professional valuer related to the properties and assessed the reasonableness of the methodologies and assumption used;– Evaluating the independent valuers' competence, capabilities and objectivity; <p>我們有關管理層對收購物業所支付訂金的減值的評估的審計程序包括：</p> <ul style="list-style-type: none">– 獲得協議以瞭解交易的條款；– 對物業所在的土地擁有權進行獨立調查；– 獲得獨立專業估值師出具與物業相關的估值報告，並評估所用方法及假設是否合理；– 評估獨立估值師的勝任能力及客觀性； |

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 該關鍵審計事項在審計中是如何應對的 |
|--|---|
| <i>Impairment assessment of deposit paid for acquisition of properties (Continued)</i> | <i>就收購物業所支付訂金的減值評估(續)</i> |
| <p>We identified the recoverability of the Properties Deposit for the Transaction as a key audit matter due to the fact that management's assessment of the recoverable amount of the Properties Deposit involved significant judgement.</p> | <ul style="list-style-type: none">- Obtaining an understanding from the management about the status of the construction process and progress of the Transaction;- Obtaining confirmation with respect to the amount of the Properties Deposit as at 31 December 2019;- Reviewing the relevant correspondences and documents provided by the management to evaluate the status and progress of the Transaction; and- Discussing with the management on the likelihood of completion of the Transaction and timing on when the Transaction can be finalised. |
| <p>由於管理層對物業訂金可收回金額的評估須行使重大判斷力，我們將交易的物業訂金的可收回性視為關鍵審計事項。</p> | <ul style="list-style-type: none">- 向管理層了解工程進度及交易進展的情況；- 獲得於2019年12月31日物業訂金金額的確認書；- 審閱管理層提供的相關信函及文件以評估交易情況及進展；及- 與管理層討論完成交易的可能性及交易何時可落實。 |

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 該關鍵審計事項在審計中是如何應對的 |
|---|---|
| <i>Impairment assessment of deposits paid for potential investments</i> | <i>就潛在投資所支付訂金的減值評估</i> |
| <p>As disclosed in Note 26 to the consolidated financial statements, as at 31 December 2019, the Group has deposits paid for potential investments with an aggregate of RMB166,000,000.</p> | <p>Our audit procedures in relation to management's assessment on impairment of deposit paid for potential investments included:</p> |
| <p>Management performed valuations on the equity interest of target companies with the assistance from independent professional valuer. With reference to the valuation, management concluded that no impairment on the deposits paid for potential investments was necessary as at 31 December 2019.</p> | <ul style="list-style-type: none">- Obtaining the agreements to understand the terms of the transactions;- Performing company searches on the target companies and land searches on the properties held by the target companies on sampling basis;- Obtaining the valuation report from independent professional valuer related to the business value of target companies and assessed the reasonableness of the methodologies and assumption used;- Evaluating the independent valuers' competence, capabilities and objectivity;- Discussing the status of the acquisition process with the management of the Company; and- Confirming the year ended balance of deposit paid. |
| <p>誠如綜合財務報表附註26所披露，於2019年12月31日，貴集團已就潛在投資支付訂金合共人民幣166,000,000元。</p> | <p>我們有關管理層對潛在投資所支付訂金的減值的評估的審計程序包括：</p> |
| <p>管理層在獨立專業估值師協助下對目標公司的股權進行估值。經參考估值後，管理層總結，於2019年12月31日毋須就潛在投資所支付訂金作出減值。</p> | <ul style="list-style-type: none">- 獲得交易以瞭解交易的條款；- 抽樣對目標公司進行公司查冊及對目標公司所持物業進行土地查冊；- 獲得與目標公司業務價值相關的估值報告，並評估所用方法及假設是否合理；- 評估獨立外聘估值師的勝任能力及客觀性；- 與 貴公司管理層討論收購進度；及- 確認所支付訂金的年末結餘。 |

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 該關鍵審計事項在審計中是如何應對的 |
|---|--|
| <p>Impairment assessment of other receivables</p> <p>As disclosed in Note 29 to the consolidated financial statements, as at 31 December 2019, the Group's gross other receivables amounted to approximately RMB146,480,000, and an allowance of credit losses of approximately RMB71,615,000 were included in the Group's consolidated statement of financial position.</p> <p>The impairment loss on other receivables included in the Group's consolidated statement of profit or loss for the year ended 31 December 2019 amounted to approximately RMB71,491,000.</p> <p>The allowance for credit loss of other receivables represents the management's best estimates of the end of the reporting period of expected credit losses under <i>Hong Kong Financial Reporting Standard 9: Financial Instrument</i> expected credit loss model.</p> <p>Management assess whether the credit risk of other receivables have increased significantly since their initial recognition, and apply a three-stage impairment model to calculate their expected credit losses.</p> <p>誠如綜合財務報表附註29所披露，於2019年12月31日，貴集團其他應收貸款總額約為人民幣146,480,000元，而信貸虧損撥備約人民幣71,615,000元已計入貴集團的綜合財務狀況表。</p> <p>計入貴集團截至2019年12月31日止年度的綜合損益表中其他應收款的減值虧損約為人民幣71,491,000元。</p> <p>其他應收款的信貸虧損撥備指管理層根據香港財務報告準則第9號「金融工具」對於報告期末預期信貸虧損模式下預期信貸虧損的最佳估計。</p> <p>管理層評估其他應收款的信貸風險自初步確認以來是否顯著上升，並使用三級制減值模式去計算其預期信貸虧損。</p> | <p>就其他應收款的減值評估</p> <p>Our audit procedures in relation to management's assessment on impairment of other receivables included:</p> <ul style="list-style-type: none">– Unstanding and evaluating the modelling methodologies for expected credit losses measurement, assessed the reasonableness of the model selection and key measurement parameters determination;– For the historical information, discussing with management to understand the management's identification of significant increase in credit risk, defaults and credit-impaired receivables, corroborated management's explanation with supporting evidence;– For forward-looking measurement, assessing the reasonableness of economic indicator selection, economic scenarios and weightings application, assessed the reasonableness of the estimation by comparing with industry data; <p>我們有關管理層對其他應收款的減值的評估的審計程序包括：</p> <ul style="list-style-type: none">– 知悉並評估釐定預期信貸虧損模式的方法，評估模式甄選以及釐定重要計量參數是否合理，抽樣核實貴集團紀錄內預期信貸虧損模式所用的主要數據輸入值；– 對於過往資料，與管理層討論以了解管理層怎樣識別信貸風險顯著增加、違約及信貸減值應收款，以支持證據確證管理層的解釋；– 對於前瞻性計量，評估經濟指標甄選、經濟環境及權重應用是否合理，並透過比較行業數據來評估估計是否合理； |

KEY AUDIT MATTERS (Continued)

關鍵審計事項 (續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 該關鍵審計事項在審計中是如何應對的 |
|--|---|
| <p>Impairment assessment of other receivables (Continued)</p> | <p>就其他應收款的減值評估 (續)</p> |
| <p>The measurement models of expected credit losses involves significant management judgement and assumptions, primarily including the following:</p> <ul style="list-style-type: none"> – selection of appropriate model and determination of relevant key measurement parameters, including probability of default, loss given default and exposure at default; – criteria for determining whether or not there was a significant increase in credit risk or a default; and – economic indicator for forward-looking measurement, and the application of economic scenarios and weightings. | <ul style="list-style-type: none"> – Challenging the management the sufficiency of impairment loss based on the specific facts and circumstances; and – Checking major data inputs used in the expected credit losses models on sample basis to the Group's record. |
| <p>We consider impairment assessment on other receivables as a key audit matter because of its significance to the consolidated financial statements and the significant estimates and judgment involved in determining the expected credit losses allowance on the other receivables.</p> | |
| <p>預期信貸虧損的計量模式涉及管理層重大判斷及假設，主要包括以下各項：</p> <ul style="list-style-type: none"> – 挑選合適模式及釐定相關重要計量參數，包括違約概率、違約損失率及違約風險； – 釐定是否有信貸風險顯著增加或違約的條件；及 – 前瞻性計量的經濟指標，以及使用經濟場境及權重。 | <ul style="list-style-type: none"> – 根據具體事實及情況質疑管理層對減值虧損的撥備是否充足；及 – 抽樣核實 貴集團紀錄內預期信貸虧損模式所用的主要數據輸入值。 |
| <p>我們認為其他應收款項的減值評估為關鍵審計事項，此乃由於其對綜合財務報表的重要性及釐定其他應收款項的預期信貸虧損撥備所涉及的重大估計及判斷。</p> | |

Independent Auditor's Report 獨立核數師報告

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 HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors 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

貴公司董事需對其他資料負責。其他資料包括刊載於年報內的資料，但不包括綜合財務報表及我們的核數師報告。

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鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯報，我們需要報告該事實。就此我們並無須報告事項。

董事及負責管治的人士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擬備真實而公允的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯報所需的內部控制負責。

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礎，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。

負責管治的人士負責監督貴集團的財務報告過程。

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 solely to you, as a body, in accordance with our agreed terms of 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯報取得合理保證，並出具包括我們意見的核數師報告。根據我們的協定委聘條款，我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就本報告內容對任何其他人士承擔或負上責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審計，在某一重大錯報存在時總能發現。錯報可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯報可被視作重大。

在根據香港核數準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯報的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯報的風險高於未能發現因錯誤而導致的重大錯報的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價貴公司董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

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

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

We communicate with 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.

核數師就審計綜合財務報表承擔的責任 (續)

- 對 貴公司董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體呈報方式、結構和內容，包括披露，以及綜合財務報表是否公允反映相關交易和事項。
- 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、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與負責管治的人士溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們亦向負責管治的人士提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report 獨立核數師報告

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

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.

Asian Alliance (HK) CPA Limited
Certified Public Accountants (Practising)
Chung Chi Chiu
Practising Certificate Number: P06610

8/F Catic Plaza
8 Causeway Road
Causeway Bay
Hong Kong

29 May 2020

核數師就審計綜合財務報表承擔的責任 (續)

從與負責管治的人士溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

華融(香港)會計師事務所有限公司
執業會計師
鍾志釗
執業證書編號：P06610

香港
銅鑼灣
高士威道8號
航空大廈8樓

2020年5月29日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2019
截至2019年12月31日止年度

| | | Notes 附註 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|--------------------------|-------------|--------------------------|--------------------------|
| Revenue | 收益 | 7 | | |
| Contracts with customers | 客戶合約 | | 21,893 | 69,903 |
| Interest under effective interest method | 實際利率法下的利息 | | 4,537 | 10,188 |
| Leases | 租賃 | | 130 | – |
| Total revenue | 收益 | | 26,560 | 80,091 |
| Cost of sales | 營業成本 | | (21,330) | (64,966) |
| Gross profit | 毛利 | | 5,230 | 15,125 |
| Other income | 其他收入 | 9 | 1,316 | 257 |
| Impairment losses on goodwill | 商譽的減值虧損 | | – | (1,320) |
| Impairment losses under expected credit loss model, net of reversal | 預期信貸虧損模型下的減值虧損，扣除撥回 | 11 | (77,614) | (57,416) |
| Loss from changes in fair value of financial assets at fair value through profit or loss | 按公允價值計入損益的財務資產的公允價值變動的虧損 | | – | (30) |
| Loss from changes in fair value of investment properties | 投資物業的公允價值變動的虧損 | 20 | (730) | – |
| Gain on disposal of subsidiaries, net | 出售附屬公司收益淨額 | 38 | 1,072 | 46 |
| Exchange gain, net | 匯兌收益淨額 | | 90 | 1,532 |
| Depreciation | 折舊 | | (1,790) | (156) |
| Staff costs | 員工成本 | | (4,716) | (4,062) |
| Other operating expenses | 其他經營開支 | | (7,541) | (5,318) |
| Share of loss of associates | 分佔聯營公司虧損 | | (8,548) | (85,940) |
| Finance cost | 融資成本 | 10 | (53) | – |
| Loss before tax | 除稅前虧損 | | (93,284) | (137,282) |
| Income tax expense | 所得稅開支 | 12 | (1,156) | (1,779) |
| Loss for the year | 年內虧損 | 13 | (94,440) | (139,061) |
| (Loss) profit for the year attributable to: | 年內(虧損)溢利歸屬於： | | | |
| – owners of the Company | – 本公司擁有人 | | (89,049) | (139,215) |
| – non-controlling interests | – 非控股權益 | | (5,391) | 154 |
| | | | (94,440) | (139,061) |
| Loss per share | 每股虧損 | | | |
| – Basic (RMB cents) | – 基本(人民幣分) | 15 | (6.06) | (9.47) |
| – Diluted (RMB cents) | – 攤薄(人民幣分) | | N/A不適用 | N/A不適用 |

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2019年12月31日止年度

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|---------------------------------|--------------------------|--------------------------|
| Loss for the year | 年內虧損 | (94,440) | (139,061) |
| Other comprehensive (expense) income | 其他全面(開支)收入 | | |
| <i>Item that will not be reclassified to profit or loss:</i> | <i>不會重新分類至損益之項目：</i> | | |
| Fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income | 按公允價值計入其他全面收入的股本工具投資的公允價值(虧損)收益 | (57,188) | 2,400 |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | <i>其後可能重新分類至損益之項目：</i> | | |
| Exchange differences arising on translation of foreign operations | 換算海外業務產生之匯兌差額 | 790 | 2,615 |
| Other comprehensive (expense) income for the year, net of income tax | 年內其他全面(開支)收入，扣除所得稅 | (56,398) | 5,015 |
| Total comprehensive expense for the year | 年內全面開支總額 | (150,838) | (134,046) |
| Total comprehensive (expense) income attributable to: | 全面(開支)收入總額歸屬於： | | |
| – owners of the Company | – 本公司擁有人 | (145,811) | (135,768) |
| – non-controlling interests | – 非控股權益 | (5,027) | 1,722 |
| | | (150,838) | (134,046) |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019
於2019年12月31日

| | Notes 附註 | 2019 RMB'000 人民幣千元 | 2018 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 | 17 | 49,617 |
| Right-of-use assets | 使用權資產 | 18 | – |
| Prepaid lease payments | 預付租賃付款 | 19 | 9,000 |
| Investment properties | 投資物業 | 20 | – |
| Goodwill | 商譽 | 21 | – |
| Interests in associates | 於聯營公司的權益 | 22 | 61,278 |
| Equity instruments at fair value through other comprehensive income (“FVTOCI”) | 按公允價值計入其他全面收入(「按公允價值計入其他全面收入」)的股本工具 | 23 | 49,000 |
| Deposit paid for capital contribution | 資本注資所支付的訂金 | 37 | 150,000 |
| Deposits paid for acquisition of properties | 收購物業所支付的訂金 | 25 | 236,736 |
| Deposits paid for potential investments | 潛在投資所支付的訂金 | 26 | – |
| Deferred tax assets | 遞延稅項資產 | 41 | 1,888 |
| | | 451,327 | 557,519 |
| CURRENT ASSETS | | | |
| 流動資產 | | | |
| Contract costs | 合約成本 | 27 | 136,921 |
| Loan and interest receivables | 應收貸款及利息 | 28 | 107,717 |
| Deposits and other receivables | 訂金及其他應收款 | 29 | 16,445 |
| Amount due from an associate | 應收一間聯營公司款項 | 45 | 1,676 |
| Restricted bank balances | 受限制銀行結餘 | 31 | 87,456 |
| Bank balances and cash | 銀行結餘及現金 | 30 | 149,258 |
| | | 305,630 | 499,473 |
| Assets classified as held for sale | 分類為持作銷售的資產 | 24 | 130,000 |
| | | 545,084 | 629,473 |
| CURRENT LIABILITIES | | | |
| 流動負債 | | | |
| Trade payables | 應付賬款 | 32 | 85,324 |
| Contract liabilities | 合同負債 | 34 | 84,299 |
| Other payables and accruals | 其他應付款及應計費用 | 35 | 52,364 |
| Lease liabilities – current portion | 租賃負債 – 流動部分 | 36 | – |
| Amount due to a non-controlling interest | 應付一名非控股股東款項 | 45 | 2,061 |
| Amount due to a shareholder | 應付一名股東款項 | 45 | 1,540 |
| Financial guarantee contract | 財務擔保合同 | 33 | 49,787 |
| Deposits received | 已收訂金 | 24 | 20,000 |
| Tax liabilities | 稅項負債 | | 1,684 |
| | | 182,109 | 297,059 |
| Liabilities associated with assets classified as held for sale | 分類為持作銷售與資產相關的負債 | 24 | – |
| | | 188,634 | 297,059 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019
於2019年12月31日

| | Notes 附註 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-------------|--------------------------|--------------------------|
| NET CURRENT ASSETS | | 356,450 | 332,414 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 807,777 | 889,933 |
| NON-CURRENT LIABILITY | | | |
| Lease liabilities – non-current portion | 36 | 264 | – |
| NET ASSETS | | 807,513 | 889,933 |
| CAPITAL AND RESERVES | | | |
| Share capital | 39 | 1,469,376 | 1,469,376 |
| Reserves | | (750,451) | (604,640) |
| Equity attributable to owners of the Company | | 718,925 | 864,736 |
| Non-controlling interests | 40 | 88,588 | 25,197 |
| TOTAL EQUITY | | 807,513 | 889,933 |

The consolidated financial statements on pages 59 to 221 were approved and authorised for issue by the board of directors on 29 May 2020 and are signed on its behalf by:

第59頁至221頁所列的綜合財務報表，經董事會於2020年5月29日核准及授權發出，並由下列董事代表簽署：

Zhang Jing Ming
張敬明
Director
董事

Leng Xiao Rong
冷小榮
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019
截至2019年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | |
|--|---|---|---------------|---------------------------|------------------|------------------|--------------------|-----------|---------------------------|-----------|
| | | Share capital | Share premium | Statutory surplus reserve | FVTOCI reserve | Exchange reserve | Accumulated losses | Total | Non-controlling interests | Total |
| | | 股本 | 股份溢價 | 法定盈餘公積金 | 按公允價值計入其他全面收入的儲備 | 匯兌儲備 | 累計虧損 | 總計 | 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 |
| | | 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 |
| | | (Note 39) | (Note a) | (Note b) | | | | | | |
| | | (附註39) | (附註a) | (附註b) | | | | | | |
| At 1 January 2018 | 於2018年1月1日 | 1,469,376 | 320,476 | 105,028 | 3,610 | 375 | (898,361) | 1,000,504 | 22,038 | 1,022,542 |
| (Loss) profit for the year | 年內(虧損)溢利 | - | - | - | - | - | (139,215) | (139,215) | 154 | (139,061) |
| Other comprehensive income Item that will not be reclassified to profit or loss: | 其他全面收入 不會重新分類至 損益之項目: | | | | | | | | | |
| Fair value gain on investments in equity instruments at FVTOCI | 按公允價值計入其他全面 收入的股本工具投資的 公允價值收益 | - | - | - | 2,400 | - | - | 2,400 | - | 2,400 |
| Item that may be reclassified subsequently to profit or loss: | 其後可能重新分類至 損益之項目: | | | | | | | | | |
| Exchange difference arising on translation of foreign operations | 因換算海外業務產生 之匯兌差額 | - | - | - | - | 1,047 | - | 1,047 | 1,568 | 2,615 |
| Other comprehensive income for the year, net of income tax | 年內其他全面收入， 扣除所得稅 | - | - | - | 2,400 | 1,047 | - | 3,447 | 1,568 | 5,015 |
| Total comprehensive income (expense) for the year | 年內全面收入(開支)總額 | - | - | - | 2,400 | 1,047 | (139,215) | (135,768) | 1,722 | (134,046) |
| Release of FVTOCI reserve upon disposal of equity instruments at FVTOCI | 出售按公允價值計入其他 全面收入之股本工具時 解除按公允價值計入 其他全面收入的儲備 | - | - | - | (112) | - | 112 | - | - | - |
| Acquisition of subsidiaries (Note 37 (c)) | 收購附屬公司(附註37(c)) | - | - | - | - | - | - | - | 1,437 | 1,437 |
| At 31 December 2018 | 於2018年12月31日 | 1,469,376 | 320,476 | 105,028 | 5,898 | 1,422 | (1,037,464) | 864,736 | 25,197 | 889,933 |

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019
截至2019年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | |
|--|--|---|---------------|---------------------------|------------------|------------------|--------------------|-----------|---------------------------|-----------|
| | | Share capital | Share premium | Statutory surplus reserve | FVTOCI reserve | Exchange reserve | Accumulated losses | Total | Non-controlling interests | Total |
| | | 股本 | 股份溢價 | 法定盈餘公積金 | 按公允價值計入其他全面收入的儲備 | 匯兌儲備 | 累計虧損 | 總計 | 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 |
| | | 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 |
| | | (Note 39) | (Note a) | (Note b) | | | | | | |
| | | (附註39) | (附註a) | (附註b) | | | | | | |
| At 1 January 2019 | 於2019年1月1日 | 1,469,376 | 320,476 | 105,028 | 5,898 | 1,422 | (1,037,464) | 864,736 | 25,197 | 889,933 |
| Loss for the year | 年內虧損 | - | - | - | - | - | (89,049) | (89,049) | (5,391) | (94,440) |
| Other comprehensive (expense) income Item that will not be reclassified to profit or loss: | 其他全面(開支)收入 不會重新分類至損益之項目: | | | | | | | | | |
| Fair value loss on investments in equity instruments at FVTOCI (Note d) | 按公允價值計入其他全面 收入的股本工具投資的 公允價值虧損(附註d) | - | - | - | (57,188) | - | - | (57,188) | - | (57,188) |
| Item that may be reclassified subsequently to profit or loss: | 其後可能重新分類至損益之 項目: | | | | | | | | | |
| Exchange difference arising on translation of foreign operations | 因換算海外業務產生之 匯兌差額 | - | - | - | - | 426 | - | 426 | 364 | 790 |
| Other comprehensive (expense) income for the year, net of income tax | 年內其他全面(開支)收入， 扣除所得稅 | - | - | - | (57,188) | 426 | - | (56,762) | 364 | (56,398) |
| Total comprehensive (expense) income for the year | 年內全面 (開支)收入總額 | - | - | - | (57,188) | 426 | (89,049) | (145,811) | (5,027) | (150,838) |
| Release of FVTOCI reserve upon disposal of investment in equity instruments at FVTOCI (Note d) | 出售按公允價值計入其他 全面收入之股本工具時 解除按公允價值計入其他 全面收入的儲備(附註d) | - | - | - | (3,000) | - | 3,000 | - | - | - |
| Dividend paid to non-controlling interest (Note 46) | 已付予非控股股東之股息 (附註46) | - | - | - | - | - | - | - | (9,070) | (9,070) |
| Acquisition of subsidiaries (Note 37 (a)) | 收購附屬公司(附註37(a)) | - | - | - | - | - | - | - | 77,488 | 77,488 |
| At 31 December 2019 | 於2019年12月31日 | 1,469,376 | 320,476 | 105,028 | (54,290) | 1,848 | (1,123,513) | 718,925 | 88,588 | 807,513 |

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019
截至2019年12月31日止年度

Notes:

(a) Share premium

Share premium comprises surplus between the value of net assets acquired and the nominal value of domestic shares issued as a result of the incorporation of the Company as a joint stock limited company and the share premium from the issuance of H-shares.

(b) Statutory surplus reserve

The Group is required to set aside 10% of its profit after taxation prepared in accordance with the PRC accounting standards and regulations to the statutory surplus reserve until the balance reaches 50% of their respective paid up capital or registered capital, where further appropriation will be made at the directors' recommendation. Such reserve can be used to reduce any losses incurred or increased the capital.

(c) Distributable reserve

Pursuant to the relevant PRC regulations, distributable reserve shall be the lower of the accumulated distributable profits determined in accordance with PRC accounting standards and regulations as stated in the PRC statutory audited financial statements and the accumulated distributable profits determined in accordance with accounting principles generally accepted in Hong Kong. The Group did not have any reserve available for distribution as at 31 December 2019 and 2018.

(d) Included in fair value gain on investments in equity instrument at FVTOCI was approximately RMB3,000,000 which was related to equity instrument that has been reclassified as held for sale during the year ended 31 December 2018 and disposed during the year ended 31 December 2019.

附註：

(a) 股份溢價

股份溢價包括收購的淨資產價值和本公司作為股份制有限公司註冊成立而發行的內資股面值之間的盈餘，以及發行H股所產生的股份溢價。

(b) 法定盈餘公積金

根據中國會計準則及法規，本集團需要從稅後溢利中撥出10%作為法定盈餘公積金，直到該公積金達到彼等各自己繳足股本或註冊資本的50%，進一步的撥備將由董事建議。該公積金可以用作減少已發生的任何虧損或增加股本。

(c) 可供分配之儲備

根據中國有關之規例，可供分配之儲備為根據中國會計準則及法規釐定之載列於中國法定經審核財務報表之累計可供分派溢利與根據香港公認會計原則釐定之累計可供分派溢利兩者之較低者。本集團於2019年及2018年12月31日並無任何可供分配之儲備。

(d) 按公允價值計入其他全面收入的股本工具的公允價值收益約人民幣3,000,000元與截至2018年12月31日止年度重新分類為持作銷售的股本工具有關，該股本工具已於截至2019年12月31日止年度出售。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019
截至2019年12月31日止年度

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|-----------------------------|--------------------------|--------------------------|
| OPERATING ACTIVITIES | 經營業務 | | |
| Loss before tax | 除稅前虧損 | (93,284) | (137,282) |
| Adjustments for: | 調整： | | |
| Bank interest income | 銀行利息收入 | (101) | (77) |
| Depreciation of property, plant and equipment | 物業、廠房及 設備折舊 | 270 | 156 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 1,520 | - |
| Share of loss of associates | 分佔聯營公司虧損 | 8,548 | 85,940 |
| Impairment losses on goodwill | 商譽的減值虧損 | - | 1,320 |
| Impairment losses on other receivables | 其他應收款的減值虧損 | 71,491 | 124 |
| Impairment losses on loan and interest receivables, net | 應收貸款及利息淨額 的減值虧損 | 6,123 | 1,826 |
| Impairment losses on amount due from an associate | 應收一間聯營公司款項的 減值虧損 | - | 5,679 |
| Loss from changes in fair value of investment properties | 投資物業的公允價值變動的虧損 | 730 | - |
| Loss from change in fair value of financial assets at FVTPL | 按公允價值計入損益的財務資產 公允價值變動的虧損 | - | 30 |
| Gain on disposal of subsidiaries, net | 出售附屬公司收益淨額 | (1,072) | (46) |
| Loss on written-off of property, plant and equipment | 撇銷物業、廠房及 設備的虧損 | 5 | - |
| Finance cost | 融資成本 | 53 | - |
| Financial guarantee | 財務擔保 | - | 49,787 |
| Operating cash flows before movements in working capital | 營運資金變動前的 經營現金流量 | (5,717) | 7,457 |
| Decrease in contract costs | 合同成本減少 | 8,797 | 61,875 |
| Decrease in loan and interest receivables | 應收貸款及利息減少 | 31,255 | 60,617 |
| Decrease in trade receivables | 應收賬款減少 | - | 128,701 |
| Increase in deposits and other receivables | 按金及其他應收款增加 | (32,283) | (17,292) |
| Decrease in trade payables | 應付賬款減少 | (18,093) | (25,501) |
| (Decrease) increase in contract liabilities | 合同負債(減少)增加 | (22,550) | 84,299 |
| Increase in amount due to a non-controlling interest | 應付一名 非控股股東款項增加 | 564 | 109 |
| Decrease in other payables and accruals | 其他應付款及應計費用減少 | (18,233) | (27,979) |
| Cash (used in) generated from operations | (支付) 來自經營業務的現金 | (56,260) | 272,286 |
| Income tax paid | 繳付所得稅款 | (167) | (2,202) |
| NET CASH (USED IN) FROM OPERATING ACTIVITIES | (支付) 來自經營業務的現金淨額 | (56,427) | 270,084 |

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019
截至2019年12月31日止年度

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|--------------------------------|--------------------------|--------------------------|
| INVESTING ACTIVITIES | 投資活動 | | |
| Bank interest received | 已收銀行利息 | 101 | 77 |
| Deposit received from assets classified as held for sale | 已收分類為持作銷售的資產的訂金 | 20,000 | 20,000 |
| Deposit paid for acquisition of properties | 收購物業所支付的訂金 | (20,364) | (96,736) |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | - | (252) |
| Purchase of right-of-use assets | 購買使用權資產 | (6,450) | - |
| Purchase of prepaid lease payments | 購買預付租賃付款 | - | (6,000) |
| Net cash (outflow) inflow on disposal of subsidiaries | 出售附屬公司的現金 (流出)流入淨額 | (482) | 48 |
| Net cash (outflow) inflow on acquisition of subsidiaries | 收購附屬公司的現金 (流出)流入淨額 | (15,413) | 28,210 |
| Purchase of equity instruments at FVTOCI | 購買按公允價值計入 其他全面收入的股本工具 | (63,931) | - |
| Proceed from disposal of equity instruments at FVTOCI | 出售按公允價值計入其他 全面收入的股本工具的所得款項 | - | 5,400 |
| Proceed from disposal of financial assets at FVTPL | 出售按公允價值計入 損益的財務資產的所得款項 | - | 85 |
| Increase in amount due from an associate | 應收一間聯營公司款項增加 | - | (2,990) |
| NET CASH USED IN INVESTING ACTIVITIES | 支付 投資活動的現金淨額 | (86,539) | (52,158) |
| FINANCING ACTIVITIES | 融資活動 | | |
| Increase in amount due to a shareholder | 應付一名股東款項增加 | 3,679 | 1,540 |
| Decrease (increase) in restricted bank balance | 受限制銀行結餘減少 (增加) | 6,914 | (84,299) |
| Dividend paid to a non-controlling interest | 已付一名非控股股東股息 | (9,070) | - |
| Repayment of lease liabilities | 償還租賃負債 | (939) | - |
| NET CASH FROM (USED IN) FINANCING ACTIVITIES | 來自(支付)融資活動的 現金淨額 | 584 | (82,759) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等值項目 (減少)增加淨額 | (142,382) | 135,167 |
| CASH AND CASH EQUIVALENTS AT 1 JANUARY | 於1月1日的 現金及現金等值項目 | 149,258 | 11,198 |
| Effect of foreign exchange rate changes, net | 匯率變動影響， 淨額 | 768 | 2,893 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 年末的現金及現金等值項目 | 7,644 | 149,258 |
| CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by: | 於12月31日的現金及 現金等值項目， | | |
| Bank balances and cash | 以銀行結餘及現金代表 | 7,627 | 149,258 |
| Bank balances and cash included in assets classified as held for sale | 計入分類為持作銷售的資產的 銀行結餘及現金 | 17 | - |
| | | 7,644 | 149,258 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

1. GENERAL INFORMATION

Shenyang Public Utility Holdings Company Limited (the “**Company**”) is a joint stock limited company incorporated in the People’s Republic of China (the “**PRC**”).

The addresses of the principal place of business of the Company in PRC is Room 2-12-5, Block B, Diwang Club Apartment, No. 19 Wenyi Road, Shenhe District, Shenyang, the PRC.

The address of the registered office of the Company in PRC is No. 1-4, 20A, Central Street, Shenyang Economic and Technological Development Zone, the PRC.

The address of the principal place of business in Hong Kong is 8/F, Skyway Centre, 23 Queen’s Road West, Sheung Wan, Hong Kong.

The Company is an investment holding company and the principal activities of its subsidiaries are set out in Note 46 to the consolidated financial statements.

The consolidated financial statements are presented in Renminbi (“**RMB**”). Other than those subsidiaries established in Hong Kong whose functional currencies are Hong Kong Dollars (“**HKS**”), the functional currency of the Company and its subsidiaries (collectively known as the “**Group**”) are RMB.

The Company’s H-shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 16 December 1999.

1. 一般資料

瀋陽公用發展股份有限公司(「**本公司**」)是一家在中華人民共和國(「**中國**」)註冊成立的股份有限公司。

本公司於中國的主要營業地點之地址位於中國瀋陽市沈河區文藝路19號地王俱樂部公寓B座2-12-5室。

本公司於中國的註冊辦事處之地址位於中國瀋陽經濟技術開發區中央大街20甲1-4號。

本公司於香港主要營業地點之地址位於香港上環皇后大道西23號天威中心8樓。

本公司為投資控股公司，其附屬公司主要業務載於綜合財務報表附註46。

綜合財務報表以人民幣(「**人民幣**」)列示。除於香港成立的該等附屬公司以港元(「**港元**」)為功能貨幣外，人民幣是本公司及其附屬公司(統稱「**本集團**」)的功能貨幣。

本公司的H股自1999年12月16日起在香港聯合交易所有限公司(「**聯交所**」)上市。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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 Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

| | |
|---|--|
| HKFRS 16 | Leases |
| HK(IFRIC)-Interpretation (“Int”) 23 | Uncertainty over Income Tax Treatments |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation |
| Amendments to Hong Kong Accounting Standard (“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 year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財報告準則」)

於本年度強制生效的新頒佈及經修訂香港財務報告準則

本集團於本年度首次採納由香港會計師公會(「香港會計師公會」)頒佈的新頒佈及經修訂香港財務報告準則如下：

| | |
|------------------------------|---------------------------|
| 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(「詮釋」)第23號 | 所得稅處理的不確定性 |
| 香港財務報告準則第9號修訂本 | 具有負補償的提前還款特性 |
| 香港會計準則(「香港會計準則」)第19號修訂本 | 計劃修訂、縮減或結算 |
| 香港會計準則第28號修訂本 | 於聯營公司及合營企業的長期權益 |
| 香港財務報告準則修訂本 | 香港財務報告準則2015至2017年週期的年度改進 |

除下述者外，於本年度採納新頒佈及經修訂香港財務報告準則並無對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載披露構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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)

2.1 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 standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any prepaid or accrued lease payments by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新頒佈及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第16號「租賃」

本集團已於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及其相關詮釋。

租賃的定義

本集團已選擇實際可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包含租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無就先前並未識別為包含租賃的合約應用該準則。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2019年1月1日或之後訂立或修改的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並將累計影響於2019年1月1日首次應用當日確認。

於2019年1月1日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡按相等於相關租賃負債的金額確認額外租賃負債及使用權資產，並就任何預付或應計租賃付款作出調整。於首次應用日期的一切差額於期初累計虧損確認，且並無重列比較資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

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

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財報告準則」)(續)

於本年度強制生效的新頒佈及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第16號「租賃」(續)

作為承租人(續)

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法，本集團按逐項租賃基準就各租賃合約相關範圍內對先前根據香港會計準則第17號分類為經營租賃的租賃應用以下實際可行權宜方法：

- 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；及
- 於首次應用日期計量使用權資產時撇除初始直接成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rates applied by the relevant group entities range from 2.7% to 4.75%.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新頒佈及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第16號「租賃」(續)

作為承租人(續)

於確認先前分類為經營租賃的租賃之租賃負債時，本集團已於首次應用日期應用相關集團實體的增量借款利率。相關集團實體應用的加權平均增量借款利率介乎2.7%至4.75%。

| | | At 1 January 2019 於2019年1月1日 RMB'000 人民幣千元 |
|---|----------------------------------|--|
| Operating lease commitment as at 31 December 2018 | 於2018年12月31日的經營租賃承諾 | 2,071 |
| Lease liabilities discounted at relevant incremental borrowing rates | 按相關增量借款利率貼現租賃負債 | 1,985 |
| Less: Practical expedient – leases with lease term ending within 12 months from the date of initial application | 減：實際可行權宜方法－租期於首次應用日期起計12個月內結束的租賃 | (81) |
| Lease liabilities as at 1 January 2019 | 於2019年1月1日的租賃負債 | 1,904 |
| Analysed as: | 分析為： | |
| Current | 流動 | 915 |
| Non-current | 非流動 | 989 |
| | | 1,904 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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)

2.1 HKFRS 16 Leases (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets for own use as at 1 January 2019 comprises the following:

| | Note 附註 | Right-of-use assets 使用權資產 RMB'000 人民幣千元 |
|--|---------------------------------|--|
| Right-of-use assets relating to operating leases recognised upon application of HKFRS 16 | 應用香港財務報告準則第16號後所確認與經營租賃有關的使用權資產 | 1,904 |
| Reclassified from prepaid lease payments | 從預付租賃付款重新分類 | 9,000 |
| | | 10,904 |

Notes:

- (a) Upfront payments for leasehold lands in the PRC for own used properties were classified as prepaid lease payment as at 31 December 2018. Upon application of HKFRS 16, the prepaid lease payments amounting to RMB9,000,000 were reclassified to right-of-use assets.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財報告準則」)(續)

於本年度強制生效的新頒佈及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第16號「租賃」(續)

作為承租人(續)

於2019年1月1日，持作自用的使用權資產的賬面值包括以下各項：

附註：

- (a) 於2018年12月31日，持作自用物業的中國租賃土地的預付款項分類為預付租賃付款。於應用香港財務報告準則第16號後，預付租賃付款約人民幣9,000,000元已重新分類至使用權資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. 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)

2.1 HKFRS 16 Leases (Continued)

The transition to HKFRS 16 has no impact on the accumulated losses at 1 January 2019.

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.

| | Carrying amounts previously reported at 31 December 2018 | Adjustments | Carrying amounts under HKFRS 16 at 1 January 2019 |
|---|--|------------------------|---|
| | 先前於2018年12月31日呈報的賬面值 RMB'000 人民幣千元 | 調整 RMB'000 人民幣千元 | 於2019年1月1日根據香港財務報告準則第16號的賬面值 RMB'000 人民幣千元 |
| Non-current Assets | | | |
| Right-of-use assets | – | 10,904 | 10,904 |
| Prepaid lease payment | 9,000 | (9,000) | – |
| Current Liabilities | | | |
| Lease liabilities – current portion | – | 915 | 915 |
| Non-current Liabilities | | | |
| Lease liabilities – non-current portion | – | 989 | 989 |

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 January 2019 as disclosed above.

附註：就按間接法呈報截至2019年12月31日止年度來自經營業務的現金流量而言，營運資金變動已根據如上披露於2019年1月1日的期初綜合財務狀況表計算。

2. 採用新頒佈及經修訂的香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效的新頒佈及經修訂香港財務報告準則（續）

2.1 香港財務報告準則第16號「租賃」（續）

於2019年1月1日，過渡至香港財務報告準則第16號對累計虧損並無影響。

於2019年1月1日綜合財務狀況表中確認的金額已作出以下調整。未受變動影響的項目並無列入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

| | |
|--|--|
| HKFRS 17 | Insurance Contracts ¹ |
| Amendments to HKFRS 3 | Definition of 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.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the *Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company (the “Directors”) anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新頒佈及經修訂香港財務報告準則

本集團尚未提早採納以下已頒佈但尚未生效的新頒佈及經修訂香港財務報告準則：

| | |
|--------------|---------------------|
| 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 | 業務的定義 ² |
| (修訂本) | |
| 香港財務報告準則第10號 | 投資者與其聯營 |
| 及香港會計準則第28號 | 公司或合營企業 |
| (修訂本) | 之間的資產出售 |
| | 或注資 ³ |
| 香港會計準則第1號及 | 重大的定義 ⁴ |
| 香港會計準則第8號 | |
| (修訂本) | |
| 香港財務報告準則第9號、 | 利率基準改革 ⁴ |
| 香港會計準則第39號及 | |
| 香港財務報告準則第7號 | |
| (修訂本) | |

¹ 於2021年1月1日或之後開始的年度期間生效。

² 於收購日期於2020年1月1日或之後開始的首個年度期間開始或之後的業務合併及資產收購生效。

³ 於有待釐定日期或之後開始的年度期間生效。

⁴ 於2020年1月1日或之後開始的年度期間生效。

除上述新頒佈及經修訂香港財務報告準則外，經修訂的「財務報告概念框架」已於2018年頒佈。其後續修訂「香港財務報告準則中對概念框架參考修訂」將於2020年1月1日或之後開始的年度期間生效。

除下述的新頒佈及經修訂香港財務報告準則外，本公司董事(「董事」)預計，應用所有其他新頒佈及經修訂香港財務報告準則於可見將來不會對綜合財務報表有任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgements. In particular, the amendments:

- include the concept of "obscuring" material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from "could influence" to "could reasonably be expected to influence"; and
- include the use of the phrase "primary users" rather than simply referring to "users" which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group's annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財報告準則」)

已頒佈但尚未生效的新頒佈及經修訂香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號「重大的定義」(修訂本)

該等修訂本透過於作出重大判斷時納入額外指引及解釋，對重大的定義進行修訂。具體而言，該等修訂本：

- 包含「掩蓋」重大資料的概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及
- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，該詞組被視為過於廣義。

該等修訂本亦與所有香港財務報告準則的定義一致，並將於本集團於2020年1月1日開始的年度期間強制生效。預期應用該等修訂本不會對本集團的財務狀況及表現有重大影響，惟可能影響於綜合財務報表之呈列及披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

Conceptual Framework for Financial Reporting 2018 (the "New Framework") and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

2. 採用新頒佈及經修訂的香港財務報告準則(「香港財報告準則」)(續)

已頒佈但尚未生效的新頒佈及經修訂香港財務報告準則(續)

2018年財務報告概念框架(「新框架」)及香港財務報告準則中對概念框架參考修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利的新資產定義及範圍可能比其所取代定義更廣的新負債定義，惟不會改變負債與股本工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一資產及負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且僅於特殊情況下方會使用其他全面收入，且僅用於資產或負債現值變動產生的收入或開支；及
- 討論不確定因素、取消確認、會計單位、報告實體及合併財務報表。

已作出相應修訂，致使若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於2020年1月1日或之後開始的年度期間生效，並可提早應用。除仍參考該框架先前版本的特定準則外，本集團將於新框架生效日期按其決定會計政策，尤其是會計準則未有處理的交易、事件或條件。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. 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 of Hong Kong Limited (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance (the “**Companies Ordinance**”).

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in 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 *Share-based Payment*, leasing transactions that are accounting for in accordance with the scope of HKFRS 16 (since January 2019) or HKAS 17 *Leases* (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策

綜合財務報表是按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則（「**上市規則**」）及香港公司條例（「**公司條例**」）規定的適用披露事項。

除若干投資物業及金融工具於各報告期末以公允價值計量外（見載於下文的會計政策說明），綜合財務報表是根據歷史成本基準編製。

歷史成本一般根據交易貨品及服務時所付出代價的公允價值計算。

公允價值是於計量日期市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公允價值時，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。於該等綜合財務報表中作計量及／或披露用途之公允價值乃按此基準釐定，惟以下各項除外：屬於香港財務報告準則第2號「以股份為基礎的付款」範圍內以股份為付款基礎之交易、屬於香港財務報告準則第16號（自2019年1月起）或香港會計準則第17號「租賃」範圍內之租賃交易，以及其計量與公允價值之計量存在某些相似之處但並非公允價值，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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another participant that would use the asset in its highest and best use.

For investment properties which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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.

3. 主要會計政策(續)

非財務資產公允價值的計量參考市場參與者可從使用該資產得到的最高及最佳效用，或將該資產售予另一可從使用該資產得到最高及最佳效用的市場參與者所產生的經濟效益。

就按公允價值交易的投資物業以及於其後期間計量公允價值將使用不可觀察輸入數據的估值方法而言，估值方法會予以校準以使初步確認時估值方法結果與交易價格相等。

此外，就財務報告而言，公允價值計量分為第一級、第二級或第三級，有關等級之劃分乃根據公允價值計量之輸入數據之可觀察程度及該輸入數據對公允價值計量之整體重要性，概述如下：

- 第一級輸入數據指該實體於計量日期由活躍市場上相同資產或負債獲得之報價(未經調整)；
- 第二級輸入數據指除第一級所包含之報價以外，可直接或間接從資產或負債觀察之輸入數據；及
- 第三級輸入數據指不可從觀察資產或負債獲得之輸入數據。

主要會計政策載述如下。

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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3. 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 where 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 from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

3. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司及本公司所控制實體及其附屬公司的財務報表。當本公司符合以下情況時，即取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制權條件之其中一項或多項有變，則本集團會重新評估其是否對被投資方擁有控制權。

本集團於獲得附屬公司控制權時開始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，於本年度內購入或出售之附屬公司之收入及開支，按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，計入綜合損益表內。

損益及其他全面收入各項目乃歸於本公司擁有人及非控股權益。附屬公司的全面收入總額乃歸屬於本公司擁有人及非控股權益，即使將導致非控股權益呈現虧絀結餘。

當有必要時，會對附屬公司之財務報表作出調整，使其會計政策與本集團之會計政策一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 主要會計政策(續)

綜合基準(續)

所有集團內資產及負債、權益、收支及與本集團成員公司間交易相關之現金流量均於綜合賬目時對銷。

於附屬公司的非控股權益從本集團的權益分開呈列，指賦予其持有人於清盤時按比例分佔相關附屬公司資產淨值的權利的現時擁有權權益。

本集團於現有附屬公司的權益的變動

並無導致本集團失去附屬公司控制權的本集團於附屬公司的權益變動，乃按權益交易入賬。本集團的相關權益部分及非控股權益的賬面值，乃予以調整以反映彼等於附屬公司相關權益的變動，包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間的相關儲備重新歸屬。

非控股權益數額的調整額與已付或已收代價公允價值之間的差額，乃於權益直接確認，並歸於本公司擁有人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

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

Business combinations

Acquisition of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

3. 主要會計政策(續)

本集團於現有附屬公司的權益的變動(續)

當本集團失去一間附屬公司之控制權時，則該附屬公司之資產及負債以及非控股權益(如有)應予取消確認。盈虧於損益內確認，並按：(i)已收代價公允價值及任何保留權益公允價值總額與(ii)本公司擁有人應佔附屬公司之資產(包括商譽)及負債之賬面值之差額計算。所有先前於其他全面收入確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一類權益)。於失去控制權當日於前附屬公司保留之任何投資之公允價值將根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)，於其後入賬時被列作初步確認之公允價值，或(如適用)於初步確認時於一間聯營公司或合營企業之投資成本。

業務合併

收購業務採用收購法入賬。業務合併的所轉讓代價按公允價值計量，而計算方法為由本集團轉讓的資產、本集團產生的對被收購者前擁有人的負債及本集團為換取被收購者的控制權而發行的股權於收購日期的公允價值的總額。有關收購的成本一般於產生時於損益中確認。

於收購日期，所收購的可識別資產及所承擔的負債乃按公允價值確認，惟以下情況除外：

- 遞延稅項資產或負債，及與僱員福利安排相關的資產或負債分別按香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases of which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策(續)

業務合併(續)

- 與被收購者以股份支付的安排有關或以本集團訂立之股份支付的安排取代被收購者以股份支付的安排有關的負債或股本工具，乃於收購日期按香港財務報告準則第2號「以股份為基礎的付款」計量(見以下會計政策)；
- 根據香港財務報告準則第5號「持作銷售非流動資產及已終止經營業務」分類為持作銷售的資產(或出售組別)根據該準則計量；及
- 租賃負債按剩餘租賃付款(定義見香港財務報告準則第16號)的現值確認及計量，猶如收購的租賃於收購日期為新租賃，惟(a)租期於收購日期起計12個月內結束；或(b)相關資產為低價值的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並進行調整以反映與市場條款相比該租賃的有利或不利條款。

商譽是以所轉讓的代價、任何非控股權益於被收購者中所佔金額及收購者先前持有的被收購者的股權的公允價值(如有)的總和，超出於收購日期所收購可識別資產及所承擔負債的淨額的差額計量。倘經過重新評估後，所收購的可識別資產與所承擔負債的淨額高於轉讓的代價、任何非控股權益於被收購者中所佔金額及收購者先前持有的被收購者的權益的公允價值(如有)的總和，則差額即時於損益內確認為議價收購收益。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

3. 主要會計政策(續)

業務合併(續)

屬現時擁有權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值的非控股權益，初步以非控股權益應佔被收購者可識別資產淨值的已確認金額比例或公允價值計量。計量基準的選擇乃按每次交易為基礎。

如本集團於業務合併的轉讓代價中含有或然代價安排，此或然代價須按收購日期的公允價值來計量並計入業務合併轉讓代價的一部分。凡合資格計入計量期調整的或然代價公允價值變動均作追溯調整。計量期調整乃指在「計量期」(於收購日期起不能超過一年)取得有關於收購日期已存在的事實及情況的補充資料導致作出的調整。

不合資格作為計量期調整的或然代價其後會計處理將取決於或然代價是如何分類。被歸類為權益的或然代價不會在其後呈報日期重新計量以及其隨後的結算將計入權益內。被歸類為資產或負債的或然代價須在其後呈報日期重新計量至公允價值，並在損益中確認相應的盈虧。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

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 group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or the group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

3. 主要會計政策(續)

收購並不構成業務的附屬公司

當本集團收購並不構成業務的資產及負債組別時，本集團通過按各自的公允價值將購買價首先分配至其後按公允價值模式計量的投資物業以及財務資產／財務負債，從而識別及確認所收購的個別可識別資產及所承擔的負債，然後按其於購買日期的相對公允價值將購買價餘額分配至其他可識別資產及負債。有關交易並不會產生商譽或議價收購收益。

商譽

收購一項業務所產生的商譽以業務收購日期(見上文會計政策)設立之成本減累計減值虧損(如有)入賬。

就減值測試而言，商譽被分配到預期從合併的協同效應中受益的本集團各現金產生單位(或現金產生單位的組別)，而該單位或單位組別指就內部管理目的監控商譽的最低層面且不大於經營分部。

已獲分配商譽的現金產生單位(或現金產生單位的組別)每年或當其有可能出現減值的跡象時更頻密地進行減值測試。因報告期內進行收購產生之商譽，已獲分配商譽的現金產生單位(或現金產生單位的組別)於該報告期末前進行減值測試。倘可收回金額少於其賬面值，減值虧損首先將被分配以削減商譽賬面值，其後按單位(或現金產生單位的組別)內各資產的賬面值按比例基準分配至其他資產。

商譽應佔金額於出售相關現金產生單位或現金產生單位組合內的任何現金產生單位時計入釐定出售損益的金額。

本集團因收購聯營公司產生的商譽的政策載列下文。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purpose are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 主要會計政策(續)

於聯營公司的權益

聯營公司是本集團擁有重大影響力的實體。重大影響力是指參與被投資方的財務及營運政策決定的權力，而非對該等政策行使控制權或共同控制權。

聯營公司業績以及資產及負債以權益會計法於該等綜合財務報表入賬。使用權益會計法的聯營公司的財務報表乃按類同交易及類同情況的事件下本集團的統一會計政策編製。根據權益法，於聯營公司的投資初步按成本於綜合財務狀況表內確認，並於其後就確認本集團分佔聯營公司的損益及其他全面收入予以調整。除損益及其他全面收入外，聯營公司資產淨值的變動不會入賬，除非該等變動導致本集團持有的擁有權權益出現變動。當本集團應佔聯營公司的虧損超出本集團於聯營公司的權益(包括實質上成為本集團於聯營公司投資淨額一部分的任何長期權益)時，本集團取消確認其應佔的進一步虧損。僅於本集團已產生法定或推定責任，或已代表聯營公司支付款項的情況下，方會確認額外虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

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

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

於聯營公司的權益(續)

於聯營公司的投資乃自被投資方成為聯營公司當日起按權益法入賬。收購於聯營公司的投資時，投資成本超出本集團應佔被投資方的可識別資產及負債的公允價值淨額的任何差額確認為商譽，並計入投資的賬面值。本集團分佔可識別資產及負債的公允價值淨額超出投資成本的任何差額，在重新評估後，即時於收購投資期間於損益內確認。

本集團評估是否有客觀證據證明於聯營公司的權益可能已出現減值。如有任何客觀證據，投資(包括商譽)的全部賬面值會作為單一資產，根據香港會計準則第36號透過比較其可收回金額(使用價值與公允價值減出售成本兩者中之較高者)與其賬面值以進行減值測試。任何已確認的減值虧損不會分配到任何資產(包括商譽)，而會構成投資賬面值的一部分。倘投資的可收回金額其後回升，減值虧損的任何撥回會按照香港會計準則第36號確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

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

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

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

3. 主要會計政策(續)

於聯營公司的權益(續)

當本集團不再對聯營公司擁有重大影響力時，將以出售於被投資方的全部權益入賬，所得收益或虧損於損益確認。倘本集團保留於前聯營公司的權益且該保留權益為香港財務報告準則第9號界定的財務資產，則本集團會於該日按公允價值計量保留權益，而該公允價值被視為於初步確認時的公允價值。聯營公司的賬面值與任何保留權益及出售聯營公司相關權益的任何所得款項公允價值之間的差額，會於釐定出售聯營公司的收益或虧損時入賬。此外，本集團會將先前在其他全面收入就聯營公司確認的所有金額入賬，基準與聯營公司直接出售相關資產或負債所需基準相同。因此，倘聯營公司先前已於其他全面收入確認的收益或虧損，會於出售相關資產或負債時重新分類至損益，則本集團會於出售／部分出售有關聯營公司後將收益或虧損由權益重新分類至損益(作為重新分類調整)。

當於聯營公司的投資成為於合營企業的投資時，本集團將繼續使用權益法。於此類擁有權權益變動發生時，公允價值不會重新計量。

倘本集團削減其於聯營公司的擁有權權益而本集團繼續採用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收入確認與削減擁有權權益有關的收益或虧損部分重新分類至損益。

倘集團實體與本集團的聯營公司進行交易，僅在聯營公司的權益與本集團無關的情況下，與聯營公司進行交易所產生的溢利及虧損方會於本集團的綜合財務報表中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a complete sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of their previous carrying amount and fair values less costs to sell which continue to be measured in accordance with the accounting policies as set out in respective sections.

3. 主要會計政策(續)

持作出售之非流動資產

倘非流動資產及出售組別之賬面值將主要透過出售交易(而非透過持續使用)收回,則有關非流動資產及出售組別會分類為持作出售。此條件僅於資產(或出售組別)可以其現況即時出售,出售條款僅屬出售該資產(或出售組別)的一般慣常條款,且極有可能出售時,方視為達成。管理層須致力促成出售,且預期由分類日期起計一年內符合資格確認為已完成之出售。

當本集團致力進行涉及失去附屬公司控制權之出售計劃時,假如符合上述條件,不論出售後本集團是否於相關附屬公司保留非控股權益,該附屬公司之全部資產及負債均會分類為持作出售。

當本集團承諾進行涉及出售於聯營公司之投資或部分投資之出售計劃,倘符合上述條件,將予出售之該項投資或部分投資分類為持作出售,而本集團將由投資(或部分投資)分類為持作出售之時起,不再就該部分使用權益法。

分類為持作出售之非流動資產(或出售組別)按其先前賬面值與公允價值減出售成本(以較低者為準)計量,將繼續按各章節所載會計政策計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a 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.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

3. 主要會計政策(續)

客戶合約收益

當(或於)履行履約責任時(即當特定履約責任的相關貨品或服務的「控制權」轉移至客戶時),本集團確認收益。

履約責任指明確的貨品或服務(或一組貨品或服務)或一系列大致相同的明確貨品或服務。

控制權隨時間轉移,倘滿足以下其中一項標準,則參照完全履行相關履約責任的進度隨時間確認收益:

- 隨著本集團履約,客戶同時取得並耗用本集團履約所提供的利益;
- 本集團的履約創建或強化一項資產,而客戶可隨著本集團履約而控制該資產;或
- 本集團的履約並未創建對本集團有替代用途的資產,且本集團對迄今已完成履約的款項具有可強制執行的權利。

否則,收益會在客戶取得明確貨品或服務的控制權的時間點確認。

合約資產指本集團就換取本集團已轉讓予客戶的貨品或服務的代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反,應收款項指本集團收取代價的無條件權利,即在該筆代價到期付款前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或一筆代價金額已到期),而須轉移貨品或服務予客戶的責任。

與同一合約有關的合約資產及合約負債按淨額基準入賬及呈列。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Costs to fulfil a contract

The Group incurs costs to fulfil a contract in its construction of infrastructure and development of properties. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant Standards, failing which it recognises an asset for these costs only if they meet all of the following criteria:

- (a) the costs related directly to a contract or to an anticipated contract that the Group can specifically identify;
- (b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

3. 主要會計政策(續)

客戶合約收益(續)

存在重大融資部分

釐定交易價格時，倘所協定的付款時間(明示或暗示)為客戶或本集團提供有關向客戶轉移貨品或服務的重大融資利益，本集團會就貨幣時間價值的影響調整已承諾的代價金額。在此情況下，合約包含重大融資部分。不論融資承諾是否明確列於合約或隱含在訂約方協定的付款條款中，亦可能存在重大融資部分。

對於付款與轉移相關貨品或服務相隔期間不足一年的合約，本集團應用實際可行權宜方法，不就任何重大融資部分調整交易價格。

履行合約的成本

本集團於基礎設施建設及物業發展中產生履行合約的成本。本集團首先根據其他相關準則評估該等成本是否符合資格確認為資產，尚不合資格，僅在符合以下全部標準後將該等成本確認為資產：

- (a) 有關成本與本集團可特定識別的合約或預期訂立的合約有直接關係；
- (b) 有關成本令本集團將用於履行(或持續履行)日後履約責任的資源得以產生或有所增加；及
- (c) 有關成本預期可收回。

如此確認的資產其後按系統化基準攤銷至損益，該基準與向客戶轉讓該等資產相關的貨品及服務一致。資產須進行減值檢討。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in Note 2)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in Note 2)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of office that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

3. 主要會計政策(續)

租賃

租賃的定義(按附註2所載應用香港財務報告準則第16號過渡後)

倘合約獲給予權利在一段時間內控制已識別資產的使用以換取代價，則合約為一項租賃或包含租賃。

就於首次應用當日或之後訂立或修訂或因業務合併而產生的合約而言，本集團於開始、修訂日期或收購日期(如適用)根據於香港財務報告準則第16號項下的定義評估合約是否為一項租賃或包含租賃。該合約將不會被重新評估，除非該合約中的條款及條件其後被改動。

本集團作為承租人(按附註2所載應用香港財務報告準則第16號過渡後)

短期租賃及低價值資產租賃

本集團就自開始日期起計租期為12個月或以下且不包括購買權的辦公室租賃應用短期租賃確認豁免。本集團亦就低價值資產的租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款乃於租期內以直線法或另一系統化基準確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in Note 2) (Continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

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

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(按附註2所載應用香港財務報告準則第16號過渡後)(續)

使用權資產

使用權資產的成本包括：

- 租賃負債之初始計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆除及拆遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時估計產生的成本。

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。

本集團合理地確定於租期結束時會獲取的相關租賃資產擁有權的使用權資產按開始日期起至可使用年期結束時計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為獨立項目。

可退回租賃按金

已付可退回租賃按金乃根據香港財務報告準則第9號入賬，初始按公允價值計量。首次確認時對公允價值作出的調整被視為額外租賃付款且計入使用權資產成本。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in Note 2) (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(按附註2所載應用香港財務報告準則第16號過渡後)(續)

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。倘租賃的隱含利率不易釐定，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的現值。

該等租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 取決於一項指數或比率的可變租賃付款，初步使用於開始日期的指數或比率計量；
- 剩餘價值擔保項下本集團預計應付金額；
- 本集團合理地確定將行使的購買權的行使價；及
- 為終止租賃而支付的罰款(倘租期反映本集團正行使終止租賃權)。

於開始日期後，租賃負債以應計利息及租賃付款予以調整。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

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綜合財務報表附註

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截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (prior to 1 January 2019)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Interest and rental income which are derived from the Group's ordinary course of business are presented as revenue.

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in Note 2)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(於2019年1月1日前)

經營租賃付款按租期以直線法確認為開支。

本集團作為出租人

租賃的分類及計量

本集團作為出租人的租賃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約分類為融資租賃。所有其他租賃分類為經營租賃。

經營租賃所產生的租金收入乃按相關租賃的租期以直線法於損益確認。磋商及安排經營租賃所產生的初始直接成本加至租賃資產的賬面值，而有關成本按租期以直線法確認為開支，惟按公允價值模式計量的投資物業除外。

來自本集團日常業務過程中的利息及租金收入呈列為收益。

本集團作為出租人(根據附註2過渡條文於採用香港財務報告準則第16號後)

可退回租賃按金

已收可退回租賃按金乃根據香港財務報告準則第9號入賬，並初始按公允價值計量。對首次確認時的公允價值作出的調整被視為承租人的額外租賃付款。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are 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 carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rate at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserves (attributed to non-controlling interests as appropriate).

3. 主要會計政策(續)

外幣

於編製各個別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)進行的交易均按交易日期的現行匯率確認。於各報告期末，以外幣列值的貨幣項目均按該日的現行利率重新換算。以外幣列值按公允價值列賬的非貨幣項目按釐定公允價值之日的現行利率重新換算。以外幣列值按過往成本計量的非貨幣項目毋須重新換算。

因結算貨幣項目產生及因重新換算貨幣項目產生之匯兌差額於產生期間於損益確認，惟結算並非計劃以內或不大可能產生之應收或應付海外業務貨幣項目(即構成於海外業務淨投資之一部分)之匯兌差額除外，有關匯兌差額初步於其他全面收入確認，並於出售或部分出售本集團於聯營公司的權益時從權益重新分類至損益。

就呈列綜合財務報表而言，本集團業務的資產及負債乃按於各報告期末使用現行匯率換算為本集團的呈列貨幣(即人民幣)。收入及支出項目乃按該期間的平均匯率進行換算，除非期內匯率出現重大波幅，於此情況下，將採用交易日期之匯率。所產生的匯兌差額(如有)(歸屬非控股權益，如適用)於其他全面收入確認且於權益之匯兌儲備項下累計。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

3. 主要會計政策(續)

外幣(續)

出售海外業務時(即出售本集團於海外業務之全部權益、或出售涉及失去包括海外業務之附屬公司之控制權、或部分出售包括海外業務之合營安排或聯營公司之權益(其保留權益成為一項財務資產)),本公司擁有人就該業務應佔之所有於權益累計之匯兌差額乃重新分類至損益。

此外,就部分出售附屬公司但並無引致本集團失去對該附屬公司之控制權,則按比例將累計匯兌差額重新分配予非控股權益,且不在損益內確認。對於所有其他部分出售(即部分出售聯營公司或合營安排但並無引致本集團失去重大影響力或共同控制權),則按比例將累計匯兌差額重新分類至損益。

透過收購海外業務所收購可識別資產之商譽及公允價值調整乃作為海外業務之資產及負債處理,並按於各報告期末之現行匯率換算。產生之匯兌差額乃於其他全面收入確認。

借貸成本

收購、興建或生產合資格資產(需以一段長時間準備以作擬定用途或銷售)的直接應佔借貸成本計入該等資產之成本,直至大部分資產可作擬定用途或出售時為止。

所有其他借貸成本均於產生期間在損益內確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3. 主要會計政策(續)

政府補助金

在合理地保證本集團會遵守政府補助金的附帶條件及將會得到補助以後，政府補助金方會予以確認。

政府補助金乃就本集團確認的有關支出(預期補助可予抵銷成本的支出)期間按系統化的基準於損益中確認。具體而言，以要求本集團購買、建造或收購非流動資產為主要條件的政府補助金乃於綜合財務狀況表確認為遞延收入，並於相關資產的可使用年期內按系統化及理性的基準轉撥至損益。

政府補助金是抵銷已產生的支出或虧損或旨在給予本集團即時財務支援(而無未來有關成本)之應收款項，於有關補助成為應收款項的期間在損益中確認。

按低於市場利率所取得的政府貸款利益被視為政府補助金，按已收所得款項與根據現行市場利率的貸款公允價值之間的差額計量。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefits scheme contributions

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.

A liability for a termination benefit is recognised at the earlier of when the group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

退休福利計劃供款

向國家管理的退休福利計劃及強制性公積金計劃作出的付款於僱員提供服務而可享有該等供款時確認為開支。

終止福利之負債於集團實體不能取消提供終止福利時及實體確認任何有關重組成本當日(以較早者為準)確認。

短期僱員福利

短期僱員福利於僱員提供服務時就預計將支付福利的未貼現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金、年假及病假)確認負債。

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利與除稅前虧損不同，此乃由於在其他年度應課稅或可扣減的收入或支出，以及從不課稅或扣減的項目所致。本集團的即期稅項負債是按報告期末已實行或實質上已實行的稅率計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)

稅項(續)

遞延稅項按在綜合財務報表內資產及負債的賬面值與於計算應課稅溢利時採用的相應稅基的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。所有可扣減暫時差額一般則會在應課稅溢利可供用作抵銷該等可予扣減暫時差額時確認為遞延稅項資產。倘暫時差額是因一項不會影響應課稅溢利或會計溢利之交易涉及的資產及負債進行初步確認時(業務合併除外)產生，則有關遞延稅項資產及負債不予確認。此外，倘暫時差額因商譽進行初步確認時產生，則遞延稅項負債不予確認。

遞延稅項負債將會就與附屬公司及聯營公司的投資有關的應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額的撥回，並且該暫時差額將不會在可見將來撥回者除外。可扣減暫時差額產生之遞延稅項資產(與該等投資及權益有關)可確認，惟僅以可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回為限。

遞延稅項資產賬面值於各報告期末檢討，並於其將不再可能有足夠應課稅溢利可收回所有或部分資產時扣減。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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.

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

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

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債按預期於負債可結算或資產可變現期間內應用之稅率以於報告期末已施行或實質上施行之稅率(及稅法)為基準計量。

遞延稅項負債及資產之計量反映本集團預期收回或結算其資產及負債賬面值之方式於報告期末造成的稅務影響。

就計量使用公允價值模式計量的投資物業的遞延稅項而言，該等物業的賬面值乃假設通過銷售全數收回，除非該假設被推翻，則另作別論。當投資物業可予折舊及按目標為隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟裨益的業務模式持有時，有關假設會被推翻。

就扣稅歸屬於租賃負債的租賃交易而言，本集團分開應用香港會計準則第12號「所得稅」的規定至使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債的暫時差額於初步確認時及於租期內不獲確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策(續)

稅項(續)

當有即期稅項資產抵銷即期稅項負債的法定強制性權利，以及遞延稅項資產及負債是與同一稅務部門對同一應課稅實體徵收的所得稅相關，則會抵銷遞延稅項資產及負債。

即期及遞延稅項於損益確認，惟倘其與其他全面收入或直接於權益確認之項目有關，於此情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益確認。當即期稅項或遞延稅項於業務合併之初始會計階段產生，則稅務影響包括在業務合併的會計處理之中。

物業、廠房及設備

物業、廠房及設備為持作用於產品或服務生產或供應或行政用途的有形資產(下文所述在建物業除外)。物業、廠房及設備按成本減其後之累計折舊及其後之累計減值虧損(如有)於綜合財務狀況表列賬。

正在興建用於生產、供貨或行政用途的物業以成本減任何已確認的減值虧損列賬。成本包括令資產達致按管理層擬定方式運作所需的地點及狀況而直接產生的任何成本及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。該等資產的折舊與其他物業資產一樣，於該等資產可作擬定用途時開始折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write-off the cost of assets other than properties under construction less their residual values over their estimated 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.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Effective 1 January 2019, investment properties also include leased properties which are being recognised as right-of-use assets upon application of HKFRS 16 and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

3. 主要會計政策(續)

物業、廠房及設備(續)

資產(在建物業除外)乃按其估計可使用年期經扣減其剩餘價值後，使用直線法撇銷其成本以確認折舊。於各報告期末，估計可使用年期、剩餘價值及折舊方法將經審閱，以按預期基準反映任何估計變動的影響。

物業、廠房及設備項目於出售時或預期繼續使用有關資產亦不會帶來任何未來經濟利益時將取消確認。出售或棄用物業、廠房及設備項目所產生的任何收益或虧損乃按有關資產的出售所得款項與其賬面值的差額釐定，並於損益內確認。

投資物業

投資物業乃就賺取租金及／或作資本增值持有之物業。

自2019年1月1日起，投資物業亦包括租賃物業，該等租賃物業於應用香港財務報告準則第16號後確認為使用權資產並由本集團根據經營租賃分租。

投資物業初始按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按公允價值計量，並就撇除任何預付或應計經營租賃收入作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

Gains or losses arising from change in the fair value of investment properties are included in profit or loss for the period in which they arise.

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

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Effective 1 January 2019, a leased property which is recognised as a right-of-use asset upon application of HKFRS 16 is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 主要會計政策(續)

投資物業(續)

投資物業公允價值的變動所產生的盈虧於產生期間計入損益。

就在建投資物業產生的建築成本乃資本化作在建投資物業賬面值的一部分。

投資物業於出售或該項投資物業永久不再使用且預期其於出售後不會產生未來經濟裨益時取消確認。自2019年1月1日起，倘本集團作為中介出租人將分租分類為融資租賃，於應用香港財務報告準則第16號後確認為使用權資產的租賃物業取消確認。取消確認該項物業所產生的任何盈虧(按該資產的出售所得款項淨額及賬面值之間的差額計算)於該物業取消確認期間計入損益。

金融工具

財務資產及財務負債乃當某集團實體成為工具合約條文的訂約方時確認。所有一般財務資產買賣按結算日基準確認及取消確認。一般買賣指須於市場規定或慣例確立之期限內交付資產之財務資產買賣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group’s ordinary course of business are presented as revenue.

3. 主要會計政策(續)

金融工具(續)

財務資產及財務負債按公允價值初步計量，惟根據香港財務報告準則第15號初步計量的來自客戶合約的應收賬款除外。收購或發行財務資產及財務負債(不包括按公允價值計入損益(「按公允價值計入損益」)的財務資產)直接應佔的交易成本乃於初步確認時加入財務資產或財務負債的公允價值或自財務資產或財務負債的公允價值內扣除(如適用)。直接歸屬於收購按公允價值計入損益的財務資產或財務負債的交易成本，將於損益中即時確認。

實際利率法乃為計算有關期間財務資產或財務負債的攤銷成本及分配利息收入及利息開支的方法。實際利率乃按財務資產或財務負債的預計年期或(倘適用)較短期間內，於初步確認時準確貼現估計未來現金收款及付款(包括構成實際利率完整部分的所有已付或已收費用及基點、交易成本及其他溢價或折讓)至賬面淨值的利率。

源自本集團日常業務過程的利息／股息收入呈列為收益。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策(續)

金融工具(續)

財務資產

財務資產的分類及其後計量

符合以下條件的財務資產其後按攤銷成本計量：

- 財務資產乃於目的是收取合約現金流量的業務模式內持有；及
- 合約條款導致於特定日期產生的現金流量僅為償還本金及尚未償還本金利息。

符合下列條件的財務資產其後按公允價值計入其他全面收入計量：

- 財務資產乃於透過出售及收取合約現金流量而達成目的之業務模式內持有；及
- 合約條款導致於特定日期產生的現金流量僅為償還本金及尚未償還本金利息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產的分類及其後計量(續)

所有其他財務資產其後按公允價值計入損益計量，惟於首次應用香港財務報告準則第9號／初步確認財務資產日期，倘有關股本投資並非持作買賣或收購方在香港財務報告準則第3號「業務合併」適用的業務合併中確認的或然代價，則本集團可不可撤回地選擇在其他全面收入呈列股本投資其後的公允價值變動。

財務資產於下列情況分類為持作買賣：

- 主要為於短期出售而購入；或
- 於初步確認時，屬本集團共同管理，且最近有實際短期獲利趨勢的已識別金融工具組合其中部分；或
- 屬衍生工具，但並無指定亦非實際作為對沖工具。

此外，本集團可不可撤回地將須按攤銷成本或按公允價值計入其他全面收入計量的財務資產指定為按公允價值計入損益計量(倘如此行事可抵銷或大幅減少會計錯配)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

就其後按攤銷成本計量的財務資產而言，利息收入乃使用實際利率法確認。利息收入乃對財務資產的賬面總值應用實際利率計算，惟其後出現信貸減值的財務資產除外(見下文)。就其後出現信貸減值的財務資產而言，利息收入乃自下一報告期間起，對財務資產的攤銷成本應用實際利率確認。倘出現信貸減值的金融工具的信貸風險有所改善，以致財務資產不再出現信貸減值，利息收入則在確定有關資產不再出現信貸減值後，自報告期間開始起對財務資產的賬面總值應用實際利率確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income ("OCI") and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated losses.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "loss from change in fair value of financial assets at fair value through profit or loss" line item.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產的分類及其後計量(續)

(ii) 指定按公允價值計入其他全面收入的股本工具

按公允價值計入其他全面收入的股本工具投資其後按公允價值計量，公允價值變動產生的收益及虧損於其他全面收入(「其他全面收入」)確認，並在按公允價值計入其他全面收入的儲備中累計；無須進行減值評估。累計收益或虧損不會在出售股本投資時重新分類至損益，而會轉撥至累計虧損。

該等股本工具投資的股息乃於本集團收取股息的權利確立時在損益確認，除非有關股息明顯為收回一部分的投資成本。股息在損益中計入「其他收入」項目。

(iii) 按公允價值計入損益的財務資產

不符合條件按攤銷成本或按公允價值計入其他全面收入計量或指定按公允價值計入其他全面收入的財務資產，均按公允價值計入損益計量。

按公允價值計入損益的財務資產於各報告期末按公允價值計量，並於損益確認任何公允價值收益或虧損。於損益確認的收益或虧損淨額不包括財務資產賺取的任何股息或利息，並計入「按公允價值計入損益的財務資產的公允價值變動的虧損」項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) on financial assets (including loan and interest receivables, amount due from an associate, other receivables, bank balances and restricted bank balances), and other item (financial guarantee contract) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值

本集團就根據香港財務報告準則第9號須減值的財務資產(包括應收貸款及利息、應收一間聯營公司款項、其他應收款、銀行結餘及受限制銀行結餘)及其他項目(財務擔保合約)進行預期信貸虧損(「預期信貸虧損」)下的減值評估。預期信貸虧損金額乃於各報告日期更新，以反映信貸風險自初步確認以來的變動。

全期預期信貸虧損即指於相關工具的預計年期內所有可能違約事件而產生的預期信貸虧損。相對而言，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內可能發生的違約事件預計產生的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損記錄，並就債務人特定因素、整體經濟狀況及對於報告日期的現狀及未來狀況預測評估作出調整。

就所有其他工具而言，本集團會計量相等於12個月預期信貸虧損的虧損撥備，除非信貸風險自初步確認以來顯著增加，本集團則確認全期預期信貸虧損。評估應否確認全期預期信貸虧損，乃根據自初步確認以來發生違約的可能性或風險是否顯著增加而定。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著增加

在評估自初步確認以來信貸風險有否顯著增加時，本集團將於報告日期金融工具發生違約的風險與於初步確認日期金融工具發生違約的風險進行比較。在進行該評估時，本集團會考慮合理且可證實的定量和定性資料，包括無需付出不必要的費用或努力而可得的歷史經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，例如信貸利差大幅增加，債務人的信貸違約掉期價格；

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk (Continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著增加(續)

- 預計會導致債務人償還債務能力大減的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人償還債務能力大減的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

不論上述評估結果如何，本集團假定，當合約付款逾期超過30天，則自初步確認以來信貸風險已顯著增加，除非本集團有合理且可證實的資料提出相反證明。

儘管上文所述，倘債務工具於報告日期被釐定為具較低信貸風險，則本集團假設債務工具的信貸風險自初步確認以來並無顯著增加。倘出現以下情況，則債務工具被釐定為具有較低信貸風險：(i)具有低違約風險，(ii)借款人擁有雄厚實力，可於短期內履行其合約現金流量責任及(iii)經濟及業務狀況的長期不利變動可能但未必會削弱借款人履行其合約現金流量責任的能力。倘債務工具的內部或外部信貸評級為「投資級別」(根據國際通用釋義)，則本集團認為該債務工具存在較低信貸風險。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk (Continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著增加(續)

就財務擔保合約而言，本集團不可撤回成為該承擔的相關方當日，被視為評估減值的首次確認日期。在評估信貸風險在首次確認財務擔保合約後有否顯著上升時，本集團會考慮該特定債務人違約所引起的風險變動。

本集團定期監察用以識別信貸風險是否顯著增加的準則的成效，並會在適用情況下加以修訂，以確保有關準則能夠在有關金額逾期前識別信貸風險是否有顯著增加。

(ii) 違約的定義

為進行內部信貸風險管理，當有內部制定或取自外部來源的資料顯示債務人不大可能向其債權人(包括本集團)全數還款(不計及本集團持有的任何抵押品)，本集團即認為發生違約事件。

不論上文所述如何，本集團認為，當財務資產逾期超過90天，即已發生違約，除非本集團有合理且可證實的資料證明有更滯後的違約準則更為合適，則作別論。

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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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(iii) 出現信貸減值的財務資產

當發生對財務資產的估計未來現金流量構成不利影響的一項或多項事件，該財務資產即出現信貸減值。財務資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- 發行人或借款人的重大財務困難；
- 違反合約，如欠付或逾期事件；
- 借款人的貸款人基於與借款人財務困難有關的經濟或合約理由，向借款人授出貸款人在其他情況下不會考慮的特許；
- 借款人有可能將會破產或進行其他財務重組；或
- 該財務資產的活躍市場因財務困難而消失。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(iv) 撤銷政策

倘有資料顯示交易方陷入嚴重財務困難且無實際可收回的期望(如交易方已進行清盤或進入破產程序),或如屬應收賬款,倘該等款項逾期超過兩年(以較早發生者為準),則本集團撤銷財務資產。經考慮法律意見(如適用)後,已撤銷的財務資產仍可能受制於本集團收回程序下的執法活動。撤銷構成取消確認事件。其後的任何收回均在損益確認。

(v) 計量及確認預期信貸虧損

預期信貸虧損的計量為違約概率、違約虧損(即違約時虧損大小)及違約時風險敞口的函數。違約概率及違約虧損的評估乃基於歷史數據按前瞻性資料作調整。預期信貸虧損的估計反映無偏頗的概率加權金額,此乃以發生違約的相關風險作為權重而釐定。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額,按初步確認時釐定的實際利率貼現計算。

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綜合財務報表附註

For the year ended 31 December 2019
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's other receivables, loan and interest receivables, amounts due to an associate, bank balances and restricted bank balances are assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(v) 計量及確認預期信貸虧損(續)

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款的情況下付款。因此，預期虧損乃補償持有人就所產生信貸虧損的預期款項的現值，減任何本集團預期從該持有人、債務人或任何其他方所收取的任何金額。

對於無法釐定實際利率的財務擔保合約的預期信貸虧損，本集團將應用貼現率反映當前市場對貨幣時間價值的評估以及特定於現金流量的風險，但僅在某種程度上，通過調整貼現率而非調整貼現的現金短缺來考慮風險。

預期信貸虧損按整體基準進行計量，或在應對可能尚未能獲取個別工具層面的證據的情況下，金融工具則按以下基準分類：

- 金融工具的性質(即本集團的其他應收款、應收貸款及利息、應付一間聯營公司款項、銀行結餘及受限制銀行結餘均按單獨組別進行評估。向關連方貸款按個別基準就預期信貸虧損進行評估)；

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of loan and interest receivables, other receivables and amount due from an associate where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(v) 計量及確認預期信貸虧損(續)

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期審閱分組方式，以確保各組別的組成項目維持類似的信貸風險特徵。

利息收入按財務資產的賬面總值計算，惟財務資產出現信貸減值則除外，而在有關情況下，利息收入按財務資產攤銷成本計算。

就財務擔保合約而言，虧損撥備乃根據香港財務報告準則第9號釐定的虧損撥備金額與初步確認金額減去(倘適用)擔保期間所確認累計收入當中之較高者予以確認。

除財務擔保合約外，本集團透過調整金融工具的賬面值而於損益確認所有金融工具的減值收益或虧損，惟應收貸款及利息、其他應收款以及應收一間聯營公司款項例外，其透過虧損撥備賬確認相應調整。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產取消確認

本集團只有當從資產收取現金流量之合約權利屆滿，或當其轉讓財務資產及財務資產擁有權之絕大部分風險及回報予另一實體時取消確認財務資產。倘本集團概無轉讓亦無保留擁有權之絕大部分風險及回報並繼續控制轉讓的資產，則本集團於資產及相關負債(就其可能須支付的金額)中確認其保留權益。倘本集團保留獲轉讓財務資產擁有權之絕大部分風險及回報，本集團會繼續確認財務資產，亦會就已收所得款項確認有附加保證的借貸。

於取消確認按攤銷成本計量的財務資產時，資產賬面值與已收及應收代價的總和的差額，將於損益中確認。

於取消確認本集團在應用香港財務報告準則第9號後於初步確認時已選擇按公允價值計入其他全面收入計量的股本工具投資時，先前在按公允價值計入其他全面收入的儲備累計的累計收益或虧損不會重新分類至損益，而會轉撥至累計虧損。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities including (trade payables, other payables and accruals, lease liabilities and amount due to a non-controlling interest/a shareholder) are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3. 主要會計政策(續)

金融工具(續)

財務負債及權益

分類為債項或權益

債務及股本工具乃根據合約安排的性質與財務負債及股本工具的定義分類為財務負債或權益。

股本工具

股本工具乃證明實體於扣減其所有負債後的資產中擁有剩餘權益的任何合約。由本公司發行之股本工具以扣減直接發行成本後之已收所得款項確認。

按攤銷成本計量之財務負債

財務負債(包括應付賬款、其他應付款及應計費用、租賃負債及應付一名非控股股東/一名股東款項)其後利用實際利率法按攤銷成本計量。

財務擔保合約

財務擔保合約是要求發行人作出特定付款以補償持有人因特定債務人無法根據債務工具條款支付到期款項所產生的虧損的合約。財務擔保合約負債初步按其公允價值計量，其後按以下兩者中的較高者計量：

- 根據香港財務報告準則第9號釐定的虧損撥備金額；及
- 初步確認金額減(如適用)擔保期內確認的累計攤銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Derecognition of financial liabilities

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

Impairment loss on property, plant and equipment, right-of-use assets and contract costs

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and contract costs 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 relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, right-of-use assets and contract costs are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策(續)

金融工具(續)

財務負債及權益(續)

取消確認財務負債

本集團於及僅於本集團的責任獲解除、取消或屆滿時取消確認財務負債。被取消確認財務負債賬面值與已付及應付代價間的差額於損益內確認。

物業、廠房及設備、使用權資產及合約成本之減值虧損

本集團於報告期末審閱其物業、廠房及設備、使用權資產及合約成本的賬面值，衡量是否有跡象顯示該等資產已出現減值虧損。倘出現任何該等跡象，則會估計相關資產的可收回金額，以釐定減值虧損(如有)之程度。

物業、廠房及設備、使用權資產及合約成本之可收回金額個別進行估算，倘不能估計個別可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。

此外，本集團評估是否有跡象公司資產可能出現減值。倘出現有關減值跡象，並可識別合理一致的分配基準時，公司資產亦分配到個別現金產生單位，否則分配至可識別合理一致分配基準的現金產生單位最小組別。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment loss on property, plant and equipment, right-of-use assets and contract costs (Continued)

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

物業、廠房及設備、使用權資產及合約成本之減值虧損(續)

在本集團根據香港財務報告準則第15號將資本化資產減值虧損確認為合約成本前，本集團按適用準則評估和確認任何與相關合約有關的其他資產減值虧損。屆時，倘賬面值超過本集團預期收取以換取相關貨品或服務的代價餘額減與提供該等貨品或服務直接相關的成本(未確認為開支)，則就作為合約成本的資本化資產確認減值虧損(如有)。作為合約成本的資本化資產屆時就評估相關現金產生單位減值，而計入彼等所屬的現金產生單位的賬面值。

可收回金額為公允價值減銷售成本及使用價值之較高者。於評估使用價值時，估計日後現金流量乃採用稅前貼現率貼現至其現值，以反映貨幣時間價值之現行市場評估及尚未就未來現金流量之估計作出調整之資產(或現金產生單位)之特有風險。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment loss on property, plant and equipment, right-of-use assets and contract costs (Continued)

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. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策(續)

物業、廠房及設備、使用權資產及合約成本之減值虧損(續)

倘資產(或現金產生單位)之可收回金額估計低於其賬面值,則該資產(或現金產生單位)之賬面值應扣減至其可收回金額。對於不能按合理一致基準分配至現金產生單位的公司資產或部分公司資產,本集團比較現金產生單位的組別之賬面值,包括分配到該現金產生單位的組別之公司資產或部分公司資產的賬面值,連同現金產生單位的組別之可收回金額。於分配減值虧損時,首先分配減值虧損以減少任何商譽的賬面值(如適用),然後按比例根據該單位(或現金產生單位的組別)各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公允價值減出售成本(如可計量)、其使用價值(如可計量)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位(或現金產生單位的組別)其他資產。減值虧損隨即於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment loss on property, plant and equipment, right-of-use assets and contract costs (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating units or a group of cash-generating units) 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 cash-generating units or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal and constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3. 主要會計政策(續)

物業、廠房及設備、使用權資產及合約成本之減值虧損(續)

倘減值虧損其後撥回，該項資產(或現金產生單位或現金產生單位的組別)之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產(或現金產生單位或現金產生單位的組別)於過往年度並無確認減值虧損所釐定之賬面值。減值虧損之撥回隨即於損益確認。

撥備

倘本集團現時須就過往事件承擔責任(法定及推定)，而本集團很可能將須清償該責任，且責任金額可被可靠估計，則會確認撥備。

已確認撥備之金額乃為經考慮責任所附帶的風險及不確定因素後，於報告期末為抵償該當前責任而須承擔代價的最佳估計。倘撥備乃使用抵償該當前責任的估計現金流量計量，則其賬面值為該等現金流量的現值(倘資金時間價值的影響重大)。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgments, 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 Directors have not come across any significant areas where critical judgement are involved in applying the Group's accounting policies.

Key sources of estimation uncertainty

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

Estimated impairment loss on deposit paid for acquisition of properties

The impairment loss on deposit paid for acquisition of properties was based on the assessment of the recoverable amount of such deposit, which requires an estimation of the fair value of the properties at the date of the acquisition. The assumptions include management's estimate on the construction costs that will be expended to complete the development and the gross development value of the properties. Changes to these assumptions would result in changes in the fair values of the properties.

4. 重大會計判斷及估計不確定性的主要來源

於應用本集團之會計政策(如附註3所述)時,董事須就未於其他來源明確顯示之資產及負債賬面值作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗及其他視為相關之因素作出。實際情況可能有別於該等估計。

有關估計及相關假設將按持續基準審閱。倘就會計估計作出修訂僅影響修訂估計期間,則會計估計修訂於該期間確認,或倘有關修訂將影響即期及未來期間,則於修訂期間及未來期間確認。董事並無發現於應用本集團之會計政策時涉及重大判斷之任何重大部分。

估計不確定性的主要來源

以下為就日後作出之主要假設以及於報告期末估計不確定性之其他主要來源,有關假設及估計不確定性或構成下一財政年度資產及負債賬面值須作出重大調整之主要風險。

就收購物業所支付訂金的估計減值虧損

就收購物業所支付訂金的估計減值虧損乃根據該訂金可收回金額進行評估,需要對於收購日期的物業公允價值作出估計。假設包括管理層對將完成發展項目將需動用的建築成本及物業總發展價值作出估計。該等假設的變動將導致物業的公允價值變動。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment loss on deposit paid for acquisition of properties (Continued)

Impairment loss is recognised where events or changes in circumstances indicate that such deposit is higher than the estimated fair value of the properties at the date of the acquisition. Where the actual is different from the original estimate, such difference will impact the carrying value of deposit paid for acquisition of properties and impairment loss in the period which the actual outcome is known or such estimate has been changed.

Estimated impairment loss on deposit paid for potential investments

The impairment loss on deposit paid for potential investments was based on the assessment of the recoverable amount of such deposit, which requires an estimation of the fair value of the net assets of the companies to be acquired at the date of the acquisition. The assumption includes management's best estimate of the set of economic condition in the future.

Impairment loss is recognised where events or changes in circumstances indicate that such deposit is higher than the estimated fair value of the net assets of the companies to be acquired at the date of the acquisition. Where the actual is different from the original estimate, such difference will impact the carrying value of deposit paid for potential investments and impairment loss in the period which the actual outcome is known or such estimate has been changed.

Fair value of investment property

Investment property is carried in the consolidated statement of the financial position at 31 December 2019 at its fair value of approximately RMB19,400,000 (2018: Nil). The fair value was based on a valuation on the property conducted by an independent firm of professional valuer using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment property and corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss.

4. 重大會計判斷及估計不確定性的主要來源(續)

就收購物業所支付訂金的估計減值虧損(續)

倘發生事件或情況轉變顯示該筆訂金高於物業於收購日期的估計公允價值時則會確認減值虧損。當實際與原本估計不同時，該差額將影響就收購物業所支付訂金的賬面值，及於得知實際結果或該估計已改變的期間確認減值虧損。

就潛在投資所支付訂金的估計減值虧損

就潛在投資所支付訂金的減值虧損乃根據該訂金可收回金額進行評估，需要對於收購日期將收購公司淨資產公允價值作出估計。假設包括管理層對日後一套經濟狀況的最佳估計。

倘發生事件或情況轉變顯示該筆訂金高於將收購公司淨資產於收購日期的估計公允價值時則會確認減值虧損。當實際與原本估計不同時，該差額將影響就潛在投資所支付訂金的賬面值，及於得知實際結果或該估計已改變的期間確認減值虧損。

投資物業的公允價值

於2019年12月31日，投資物業在綜合財務狀況表內按其公允價值約人民幣19,400,000元(2018年：無)列賬。該公允價值乃根據獨立專業估值師使用涉及若干市況假設的物業估值技術所進行的物業估值釐定。該等假設的有利或不利變動會導致本集團投資物業的公允價值發生變動及須對綜合損益表所呈報的盈虧金額作出相應調整。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value of investment property (Continued)

Fair value measurement of financial instruments

As at 31 December 2019, the Group's unlisted equity instruments, financial assets, amounting to RMB52,743,000 (2018: RMB49,000,000) are measured at fair value with fair value being determined based on significant unobserved inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to fair value of these instruments. See Note 6(c) for further disclosures.

Provision of ECL for loan and interest receivables and other receivables

Impairment loss on loan and interest receivables and other receivables represent managements' best estimate of losses incurred at the reporting date under ECL models. Management assesses whether the credit risk of loan and interest receivables and other receivables have increased significantly since their initial recognition. The Group is required to exercise judgement in making assumptions and estimates when calculating impairment loss, including any observable data indicating that there is a measurable decrease in the estimated future cash flows from other receivables portfolio and historical loss experience on the basis of the relevant observable data that reflects current economic conditions.

The measurement of the ECL involves significant management judgments and assumptions, primarily including the selection of appropriate models and determination of relevant key measurement parameters, criteria for determining whether or not there was a significant increase in credit risk or a default was incurred, economic indicators for forward-looking measurement, and the application of economic scenarios and weightings, management consideration due to significant uncertain factors not covered in the models and the estimated future cash flows. The information about the ECL are disclosed in Note 6(b).

4. 重大會計判斷及估計不確定性的主要來源(續)

投資物業的公允價值(續)

金融工具的公允價值計量

於2019年12月31日，本集團非上市股本工具及財務資產人民幣52,743,000元(2018年：人民幣49,000,000元)按公允價值計量。公允價值乃使用估值技術根據重大不可觀察輸入數據釐定。於確定相關估值技術及其相關輸入數據時需要作出判斷及估計。與該等因素有關的假設變化可導致對該等工具的公允價值作出重大調整。更多披露詳情請參閱附註6(c)。

應收貸款及利息以及其他應收款的預期信貸虧損撥備

應收貸款及利息以及其他應收款減值虧損指於報告日期管理層按照預期信貸虧損模式對已發生虧損的最佳估計。管理層評估應收貸款及利息以及其他應收款信貸風險自初步確認以來是否顯著增加。於計算減值虧損時，本集團須在作出假設及估計時作出判斷，包括顯示其他應收款組合預計未來現金流量出現可計量減少的任何可觀察數據及基於反映現時經濟情況的相關可觀察數據的過往虧損經驗。

預期信貸虧損的計算涉及管理層重大判斷及假設，主要包括選擇合適的模式、釐定相關重要計量參數、釐定界定信貸風險是否顯著增加或發生違約的標準、選擇前瞻計算的經濟指標、應用經濟情景及權重、因未包含在模式的重要不確定因素引入的管理層考慮及估計未來現金流量。有關預期信貸虧損的資料於附註6(b)中披露。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value of investment property (Continued)

Income taxes

The Group is subject to income taxes in the PRC and Hong Kong. However, the implementation of the tax various amongst different tax jurisdictions in various cities of the PRC. There are many transactions and calculation for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

At 31 December 2019, the Group had unused tax losses of approximately RMB19,621,000 (2018: RMB6,113,000) and approximately of HK\$10,492,000 (2018: HK\$10,334,000) available for offset against future profits in the PRC and Hong Kong respectively. No deferred tax asset in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position due to the unpredictability of future profits streams. In case where there are future profits generated to utilise the tax losses, a material deferred tax asset may arise, which would be recognised in the consolidated statement of profit or loss for the year in which such profits are recorded.

4. 重大會計判斷及估計不確定性的主要來源(續)

投資物業的公允價值(續)

所得稅

本集團在中國及香港須繳付所得稅。然而，有關稅項的執行於中國不同城市的不同稅務司法權區各不相同。日常業務過程中有多項交易和計算未能確定最終稅項。倘該等事宜之最終稅務結果與起初入賬的金額不同，有關差額將會影響釐定年內的所得稅及遞延稅項撥備。

於2019年12月31日，本集團可供抵銷位於中國及香港的未來溢利的未動用稅項虧損分別約為人民幣19,621,000元(2018年：人民幣6,113,000元)及約10,492,000港元(2018年：10,334,000港元)。由於未來溢利來源難以預測，本集團並未於綜合財務狀況表內確認與未動用稅項虧損有關的遞延稅項資產。倘日後產生的溢利可動用該等稅項虧損，則可能產生重大遞延稅項資產，並將於錄得有關溢利的年度於綜合損益表確認。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that 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 net debt, which includes lease liabilities, amounts due to a non-controlling interest and shareholder, net of cash and bank balances and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

6. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-------------------------------|------------------------|--------------------------|--------------------------|
| Financial assets | 財務資產 | | |
| Equity instruments at FVTOCI | 按公允價值計入其他全面 收入的股本工具 | 52,743 | 49,000 |
| At amortised cost | 按攤銷成本 | 177,506 | 362,552 |
| Financial liabilities | 財務負債 | | |
| At amortised cost | 按攤銷成本 | 99,019 | 141,289 |
| Financial guarantee contracts | 財務擔保合約 | — | 49,787 |

5. 資本風險管理

本集團管理旗下資本以確保本集團之實體能夠持續經營，並透過優化債務及權益結餘為股東帶來最大回報。本集團整體策略與去年相同。

本集團之資本結構包括淨債項，包括租賃負債、應付非控股股東及股東款項，扣除現金及銀行結餘及本公司擁有人應佔權益的淨額，當中包括已發行股本、儲備及累計虧損。

董事定期審閱資本結構。作為審閱的一部分，董事考慮資本成本及與各類資本相關的風險。根據董事之建議，本集團將透過派付股息、新股發行及發行新債或贖回現有債項來平衡其整體資本結構。

6. 金融工具

a. 金融工具的類別

Notes to the Consolidated Financial Statements

綜合財務報表附註

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6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

The Group's major financial instruments include equity instruments at FVTOCI, loan and interest receivables, deposits and other receivables, amount due from (to) an associate/a non-controlling interest/a shareholder, bank balances and cash, restricted bank balances, trade payables, other payables and accruals, lease liabilities and financial guarantee contract. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

The Company and its subsidiaries have intra-group balances with other group entities denominated in foreign currency which also expose the Group to foreign currency risk.

The carrying amount of the intra-group balances that are denominated in currencies other than the functional currencies of the relevant group entities at the end of the reporting period are as follows:

| | | Liabilities | |
|----------------------|----------|-------------|---------|
| | | 負債 | |
| | | 2019 | 2018 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Intra-group balances | 集團內公司間結餘 | | |
| HK\$ | 港元 | 308,932 | 329,811 |
| RMB | 人民幣 | 353,520 | 272,440 |

6. 金融工具(續)

b. 財務風險管理目標及政策

本集團的主要金融工具包括按公允價值計入其他全面收入的股本工具、應收貸款及利息、訂金及其他應收款、應收(付)一間聯營公司/一名非控股股東/一名股東款項、銀行結餘及現金、受限制銀行結餘、應付賬款、其他應付款及應計費用、租賃負債及財務擔保合約。金融工具詳情於各附註披露。與該等金融工具有關的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險的政策。本集團管理層管理及監控該等風險，以確保及時和有效地採取適當的措施。

市場風險

(i) 貨幣風險

本公司及其附屬公司有與其他集團實體以外匯計值的集團內公司間結餘，亦令本集團承受外匯風險。

於報告期末以相關集團實體功能貨幣以外貨幣計值的集團內公司間結餘的賬面值如下：

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6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2018: 5%) increase and decrease in RMB against HK\$. 5% (2018: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes intra-group balances where the denomination of the intra-group balance is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates a decrease in post-tax loss for the year and a negative number indicates an increase in post-tax loss the year if RMB appreciate 5% against the foreign currency. There would be an equal and opposite impact on post-tax loss for the year if RMB depreciates 5% against HK\$.

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|------|-----|--------------------------|--------------------------|
| HK\$ | 港元 | 15,447 | 16,490 |
| RMB | 人民幣 | (17,676) | (13,622) |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

下表詳列本集團就人民幣兌港元可能升值及貶值5% (2018年: 5%) 之敏感度分析。所用敏感度比率5% (2018年: 5%) 為向主要管理人員內部匯報外匯風險之比率，並代表管理層對匯率合理可能變動之評估。敏感度分析包括集團內公司間結餘(該集團內公司間結餘以貸款人或借款人功能貨幣以外貨幣計值)。倘人民幣兌外幣升值5%，以下正數顯示年內除稅後虧損減少，而負數顯示年內除稅後虧損增加。倘人民幣兌港元貶值5%，則對年內除稅後虧損有相同及相反之影響。

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6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to lease liabilities and fixed-rate loan and interest receivables and fixed-rate other receivables.

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and restricted bank balances as detailed in Note 30 and Note 31 respectively.

The Group currently does not have any interest rate hedging policy. However, the management monitors interest exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates risk on financial liabilities are detailed in the liquidity risk management section of this note.

Bank balances and restricted bank balances are excluded from sensitive analysis as the Directors consider that the exposure of cash flow interest rate risk arising from them is insignificant.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團承擔與租賃負債及應收定息貸款及利息以及其他定息應收款有關的公允價值利率風險。

本集團承擔之現金流量利率風險與附註30及附註31分別詳述的浮動利率銀行結餘及受限制銀行結餘有關。

本集團目前並無任何利率對沖政策。然而，管理層監察利息風險並將於有需要時考慮對沖重大利率風險。

本集團對財務負債的利率風險詳載於本附註流動資金風險管理內。

由於董事認為因銀行結餘及受限制銀行結餘產生的現金流量利率風險不大，故沒有包括銀行結餘及受限制銀行結餘於敏感度分析中。

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6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Other price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTOCI. The Group invested in unquoted equity securities for investees operating in bank industry sector for long term strategic purposes which had been designated as FVTOCI. Price risk was monitored by the management of the Group and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

Sensitivity analyses for unquoted equity securities with fair value measurement categorised within Level 3 were disclosed in Note 6(c).

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposure are primarily attributable to other receivables and deposits, loan and interest receivables, amount due from an associate, bank balances, restricted bank balances and financial guarantee contract. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

The Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險

本集團就其按公允價值計入其他全面收入計量的股本證券投資面對股價風險。本集團因應長期策略而投資於在銀行業經營的被投資者的未上市股本證券，指定其按公允價值計入其他全面收入。本集團管理層監察價格風險並將於有需要時考慮對沖此風險。

敏感度分析

有關公允價值計量分類為第三級的未上市股本證券的敏感度分析於附註6(c)披露。

信貸風險及減值評估

信貸風險指本集團的交易方違反其合約責任而導致本集團財務虧損之風險。本集團的信貸風險主要來自其他應收款及訂金、應收貸款及利息、應收一間聯營公司款項、銀行結餘、受限制銀行結餘及財務擔保合約。本集團並無持有任何抵押品或其他信貸升級以應付其與財務資產相關的信貸風險。

本集團對預期信貸虧損模式下的財務資產及其他項目進行減值評估。有關本集團信貸風險管理、最高信貸風險敞口及相關減值評估(如適用)概述如下：

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6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Loan and interest receivables

The Group's management manages and analyses the credit risk for each of their new and existing customers before standard payment terms and conditions are offered. The management assesses the credit quality of each customer based on customer's background information, financial position, past experience and relevant factors. The Group also reviews from time to time the financial position of the customers.

Reversal of impairment loss of approximately RMB6,972,000 and impairment loss of approximately RMB13,095,000 (2018: impairment loss of approximately RMB1,826,000) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

The Group's has concentration of credit risk of 50.7% and 49.3% of the trade receivables was due from two debtors respectively in the credit business.

Amount due from an associate

The Group regularly monitors the business performance of the associate. The Group's credit risks in these balances are mitigated through the value of the assets held by these entities and the power to participate the relevant activities of these entities. During the year ended 31 December 2019, the amount due from an associate was disposed through disposal of subsidiaries. As at 31 December 2018, the Directors believe that there are significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on lifetime ECL (credit-impaired). No impairment loss (2018: impairment loss of approximately HK\$5,679,000) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

應收貸款及利息

本集團管理層管理及分析於提出標準付款條款及條件之前各新客戶及現有客戶的信貸風險。管理層根據客戶的背景資料、財務狀況、過往經驗及相關因素評估每名客戶的信貸質素。本集團亦不時審閱客戶的財務狀況。

年內確認減值虧損撥回約人民幣6,972,000元及減值虧損約人民幣13,095,000元(2018年：減值虧損約人民幣1,826,000元)。有關量化披露的詳情載於本附註下文。

本集團的信貸集中風險為應收賬款的50.7%及49.3%，該應收賬款來自信貸風險的兩名債務人。

應收一間聯營公司款項

本集團定期監察聯營公司的業務表現。本集團透過該等實體持有資產之價值及參與該等實體的相關活動之權力，來降低該等結餘的信貸風險。截至2019年12月31日止年度，應收一間聯營公司款項乃透過出售附屬公司出售。於2018年12月31日，董事認為，該等款項的信貸風險自首次確認以來顯著上升，而本集團按全期預期信貸虧損(已出現信貸減值)作出減值撥備。年內並無確認減值虧損(2018年：減值虧損約5,679,000港元)。有關量化披露的詳情載於本附註下文。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Bank banks and restricted bank balances

Credit risk on bank balances and restricted bank balances are limited because the counterparties are reputable banks with high credit ratings assigned by international credit-rating agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on bank balances and restricted bank balances is considered to be insignificant.

Other receivables

The Directors make periodic individual assessment on the recoverability of other receivable based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. For those other receivables that the Directors believe that there is no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For those other receivables that are past due or there is significant increase in credit risk since initial recognition, the Directors provide impairment based on lifetime ECL. Impairment loss of approximately RMB71,491,000 (2018: RMB124,000) was recognised during the year. Details of the quantitative disclosures are set out below in this note.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

銀行結餘及受限制銀行結餘

由於交易方為獲國際信貸評級機構給予高信貸評級之有信譽銀行，故銀行結餘及受限制銀行結餘的信貸風險有限。本集團參考有關外部信貸評級機構所發佈各信貸評級的違約概率及違約損失率的資料就銀行結餘評估12個月預期信貸虧損。基於平均虧損率，銀行結餘及受限制銀行結餘的12個月預期信貸虧損被視為不大。

其他應收款

董事根據歷史抵償記錄、過往經驗以及合理且可證實的前瞻性定量及定性資料，對其他應收款的可收回程度作出定期個別評估。就該等其他應收款而言，董事認為，自初步確認以來該等金額的信貸風險並無顯著增加，及本集團根據12個月預期信貸虧損作出減值撥備。對於已逾期或自首次確認以來信貸風險顯著上升的該等其他應收款，董事根據全期預期信貸虧損作出減值撥備。年內確認減值虧損約人民幣71,491,000元(2018年：人民幣124,000元)。有關量化披露的詳情載於本附註下文。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial guarantee contract

For financial guarantee contract, the maximum amount that the Group has guaranteed under the guarantee contract was RMB49,787,000 as at 31 December 2018. During the year ended 31 December 2019, the financial guarantee contract was disposed through disposal of subsidiaries. As at 31 December 2018, the Directors believe that there are significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on lifetime ECL (credit impaired). No impairment loss (2018: Impairment loss of HK\$49,787,000) was recognised during the year. Details of the financial guarantee contract and quantitative disclosures are set out in Note 33 and this note.

The Group's internal credit risk grading assessment comprises the follow categories:

| Internal credit rating 內部信貸評級 | Description 描述 | Trade receivables 應收賬款 | Other financial assets 其他財務資產 |
|----------------------------------|--|--|--|
| Low risk 低風險 | The counterparty has a low risk of default and does not have any past-due amounts 交易方的違約風險低且並無任何逾期款項 | Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無出現信貸減值 | 12m ECL 12個月預期信貸虧損 |
| Watch list 觀察名單 | Debtor frequently repays after due dates but usually settle in full 債務人經常於到期日後還款但通常悉數償付 | Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無出現信貸減值 | 12m ECL 12個月預期信貸虧損 |
| Doubtful 存疑 | There have been significant increases in credit risk since initial recognition through information developed internally or external resources 信貸風險自初步確認以來顯著增加 (透過內部或外部資源獲得的資料) | Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無出現信貸減值 | Lifetime ECL - not credit-impaired 全期預期信貸虧損 - 無出現信貸減值 |
| Loss 虧損 | There is evidence indicating the asset is credit impaired 有證據顯示資產出現信貸減值 | Lifetime ECL - credit-impaired 全期預期信貸虧損 - 出現信貸減值 | Lifetime ECL - credit-impaired 全期預期信貸虧損 - 出現信貸減值 |
| Write-off 撇銷 | There is evidence that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重財困且本集團不認為日後可收回有關款項 | Amount is written off 撇銷有關金額 | Amount is written off 撇銷有關金額 |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

財務擔保合約

就財務擔保合約而言，於2018年12月31日，本集團根據擔保合約作出擔保的最高金額為人民幣49,787,000元。截至2019年12月31日止年度，財務擔保合約乃透過出售附屬公司出售。於2018年12月31日，董事認為，該等款項的信貸風險自首次確認以來顯著上升，而本集團按全期預期信貸虧損(已出現信貸減值)作出減值撥備。年內並無確認減值虧損(2018年：減值虧損約49,787,000港元)。有關財務擔保合約及量化披露的詳情載於附註33及本附註。

本集團的內部信貸風險級別評估包括以下類別：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The table below details the credit risk exposures of the Group's financial assets and financial guarantee contract, which are subject to ECL assessment:

| | Note 附註 | External credit rating 外部信貸 評級 | Internal credit rating 內部信貸 評級 | 12m or lifetime ECL 12個月或全期 預期信貸虧損 | 2019 | | 2018 | |
|---|------------|--|--|--|-----------------------------------|------------------|-----------------------------------|------------------|
| | | | | | Gross carrying amount | | Gross carrying amount | |
| | | | | | 2019年 賬面總值 RMB'000 人民幣千元 | RMB'000 人民幣千元 | 2018年 賬面總值 RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Financial assets at amortised costs | | | | | | | | |
| 按攤銷成本計量的財務資產 | | | | | | | | |
| Bank balances 銀行結餘 | 30 | Baa2-A1 | N/A 不適用 | 12m ECL 12個月預期信貸虧損 | 7,477 | | 146,170 | |
| Restricted bank balances 受限制銀行結餘 | 31 | A1 | N/A 不適用 | 12m ECL 12個月預期信貸虧損 | 80,542 | | 87,456 | |
| Other receivables 其他應收款 | 29 | N/A 不適用 | (Note a) (附註a) | 12m ECL 12個月預期信貸虧損 Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (無出現信貸虧損) Credit-impaired 出現信貸減值 | 22,530 10,950 113,000 | 146,480 | 16,514 - | 16,514 - |
| Loan and interest receivables 應收貸款及利息 | 28 | N/A 不適用 | Watch list 觀察名單 Doubtful 可疑 Loss 虧損 | 12m ECL 12個月預期信貸虧損 Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (無出現信貸虧損) Credit-impaired 出現信貸減值 | - 16,080 15,732 | 31,812 | 119,181 - | 119,181 |
| Amount due from an associate 應收一間聯營公司款項 | 45 | N/A 不適用 | Loss 虧損 | Lifetime ECL (credit-impaired) 全期預期信貸虧損 (出現信貸減值) | - | | | 7,355 |
| Other item | | | | | | | | |
| 其他項目 | | | | | | | | |
| Financial guarantee contract (Note b) 財務擔保合約(附註b) | 33 | N/A 不適用 | Loss 虧損 | Lifetime ECL (credit-impaired) 全期預期信貸虧損 (出現信貸減值) | - | | | 49,787 |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表詳述本集團財務資產及財務擔保合約須進行預期信貸虧損評估的信貸風險敞口：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Notes:

- (a) For the purpose of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

| | | Past due 逾期 RMB '000 人民幣千元 | Not past due/no fixed repayment terms 並無逾期/ 無固定還款期 RMB '000 人民幣千元 | Total 總計 RMB '000 人民幣千元 |
|------------------------------|--------------|-------------------------------------|---|----------------------------------|
| 2019 | 2019年 | | | |
| Other receivables | 其他應收款 | 113,000 | 33,480 | 146,480 |
| 2018 | 2018年 | | | |
| Other receivables | 其他應收款 | - | 16,514 | 16,514 |
| Amount due from an associate | 應收一間聯營公司款項 | 7,355 | - | 7,355 |

- (b) For financial guarantee contract, the gross carrying amount represents the maximum amount the Group has guaranteed under the respective contract.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

附註：

- (a) 就內部信貸風險管理而言，本集團利用逾期資料來評估信貸風險自初步確認以來是否顯著增加。

- (b) 就財務擔保合約而言，賬面總值指本集團根據相關合約有擔保的最高金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Notes: (Continued)

The following tables show reconciliation of loss allowances that has been recognised for other receivables:

| | | 12m ECL 12個月 預期信貸 虧損 RMB'000 人民幣千元 | Lifetime ECL (not credit impaired) 全期預期 信貸虧損 (無信貸減值) RMB'000 人民幣千元 | Lifetime ECL (credit impaired) 全期預期 信貸虧損 (出現信貸減值) RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---------------------------|---|---|--|---------------------------------|
| At 1 January 2018 | 於2018年1月1日 | - | - | - | - |
| New financial asset originated | 所發起的新財務資產 | 124 | - | - | 124 |
| At 31 December 2018 | 於2018年12月31日 | 124 | - | - | 124 |
| Change due to financial instruments recognised as at 1 January 2019: | 因於2019年1月1日 確認金融工具的變動： | | | | |
| - Impairment losses recognised | - 已確認減值虧損 | 49 | - | - | 49 |
| New financial asset originated | 所發起的新財務資產 | 845 | 684 | 69,913 | 71,442 |
| At 31 December 2019 | 於2019年12月31日 | 1,018 | 684 | 69,913 | 71,615 |

Changes in the loss allowances for other receivables are mainly due to:

| | | 2019 | | |
|-----------------------------|----------|---|--|---|
| | | Increase in 12m ECL 12個月預期 信貸虧損增加 RMB'000 人民幣千元 | Not credit- impaired 無信貸減值 RMB'000 人民幣千元 | Credit- impaired 出現信貸減值 RMB'000 人民幣千元 |
| Financial assets originated | 所發起的財務資產 | 845 | 684 | 69,913 |
| | | 2018 | | |
| | | Increase in 12m ECL 12個月預期 信貸虧損增加 RMB'000 人民幣千元 | Not credit- impaired 無信貸減值 RMB'000 人民幣千元 | Credit- impaired 出現信貸減值 RMB'000 人民幣千元 |
| Financial assets originated | 所發起的財務資產 | 124 | - | - |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

附註：(續)

下表載列已就其他應收款確認的虧損撥備對賬：

其他應收款虧損撥備的變動主要由於以下各項所致：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Notes: (Continued)

The following tables show reconciliation of loss allowances that has been recognised for loan and interest receivables:

| | | 12m ECL 12個月 預期信貸 虧損 RMB'000 人民幣千元 | Lifetime ECL (not credit impaired) 全期預期 信貸虧損 (無信貸減值) RMB'000 人民幣千元 | Lifetime ECL (credit impaired) 全期預期 信貸虧損 (出現信貸減值) RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|-------------------------------|---|---|--|---------------------------------|
| At 1 January 2018 | 於2018年1月1日 | 9,396 | - | - | 9,396 |
| Changes due to financial instruments recognized as at 1 January 2018: | 因於2018年1月1日 確認金融工具 的變動: | | | | |
| - Impairment losses recognised | - 已確認減值虧損 | 1,826 | | | 1,826 |
| Exchange adjustments | 匯兌調整 | 242 | - | - | 242 |
| At 31 December 2018 | 於2018年12月31日 | 11,464 | - | - | 11,464 |
| Change due to financial instruments recognised as at 1 January 2019: | 因於2019年1月1日 確認金融工具 的變動: | | | | |
| - Transfer to lifetime ECL (not credit impaired) | - 轉撥至全期預期 信貸虧損 (無信貸減值) | (2,080) | 2,080 | | - |
| - Transfer to lifetime ECL (credit-impaired) | - 轉撥至全期預期信貸 虧損(出現信貸減值) | (2,724) | - | 2,724 | - |
| - Impairment losses recognised | - 已確認減值虧損 | - | 128 | 12,967 | 13,095 |
| - Impairment losses reversed | - 已撥回減值虧損 | (6,472) | (500) | - | (6,972) |
| - Written off | - 撇銷 | (209) | - | - | (209) |
| Exchange adjustments | 匯兌調整 | 21 | 33 | 41 | 95 |
| At 31 December 2019 | 於2019年12月31日 | - | 1,741 | 15,732 | 17,473 |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

附註:(續)

下表載列已就應收貸款及利息確認的虧損撥備對賬:

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Changes in the loss allowances for loan and interest receivables are mainly due to:

| | | 2019 | | |
|--|------------------------|--|---------------------------|----------------------------|
| | | Increase/(decrease) in lifetime ECL 全期預期信貸虧損 增加/(減少) | | |
| | | Decrease in 12m ECL 12個月預期 信貸虧損減少 RMB'000 人民幣千元 | Not credit- impaired | Credit- impaired |
| | | | 無信貸減值 RMB'000 人民幣千元 | 出現信貸減值 RMB'000 人民幣千元 |
| Debtors in financial difficulty and transferred to credit-impaired | 面臨財困的債務人並轉撥至出現信貸減值 | (2,724) | - | 2,724 |
| Past due and transferred to lifetime ECL (not credit-impaired) | 已逾期並轉撥至全期預期信貸虧損(無信貸減值) | (2,080) | 2,080 | - |
| Settlement received from debtors | 從債務人獲得結算 | (6,472) | (500) | - |
| Further impairment made for not credit-impaired receivables | 就無信貸減值應收款項作出進一步減值 | - | 128 | - |
| Further impairment made for debtor in financial difficulty | 就面臨財困的債務人作出進一步減值 | - | - | 12,967 |

| | | 2018 | | |
|---|-------------------|--|---------------------------|----------------------------|
| | | Increase in lifetime ECL 全期預期信貸虧損增加 | | |
| | | Increase in 12m ECL 12個月預期 信貸虧損增加 RMB'000 人民幣千元 | Not credit- impaired | Credit- impaired |
| | | | 無信貸減值 RMB'000 人民幣千元 | 出現信貸減值 RMB'000 人民幣千元 |
| Further impairment made for not credit-impaired receivables | 就無信貸減值應收款項作出進一步減值 | 1,826 | - | - |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

應收貸款及利息虧損撥備的變動主要由於以下各項所致：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following tables show reconciliation of loss allowances that has been recognised for amount due from an associate:

| | | Lifetime ECL (credit-impaired) 全期預期 信貸虧損 (出現信貸減值) RMB'000 人民幣千元 |
|---|---------------------------|---|
| At 1 January 2018 | 於2018年1月1日 | — |
| Changes due to financial instruments recognised as at 1 January 2018: | 因於2018年1月1日 確認金融工具的變動： | |
| – Impairment losses recognised | – 已確認減值虧損 | 4,365 |
| New financial assets originated | 所發起的新財務資產 | <u>1,314</u> |
| At 31 December 2018 | 於2018年12月31日 | 5,679 |
| Changes due to financial instruments recognised as at 1 January 2019: | 因於2019年1月1日 確認金融工具的變動： | |
| – Disposal through disposal of a subsidiary | – 透過出售一間附屬公司出售 | <u>(5,679)</u> |
| At 31 December 2019 | 於2019年12月31日 | <u>—</u> |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表載列已就應收一間聯營公司款項確認的虧損撥備對賬：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Changes in the loss allowances for amount due from an associate are mainly due to:

| | | 2019 Decrease in Lifetime ECL (credit-impaired) 2019年 全期預期 信貸虧損 (出現信貸減值) 減少 RMB'000 人民幣千元 | 2018 Increase in Lifetime ECL (credit-impaired) 2018年 全期預期 信貸虧損 (出現信貸減值) 增加 RMB'000 人民幣千元 |
|--|----------------|---|---|
| Disposal of a subsidiary | 出售一間附屬公司 | (5,679) | - |
| Legal proceeding arise on an associate | 因一間聯營公司產生的法律訴訟 | - | 4,365 |
| Financial assets originated | 所發起的財務資產 | - | 1,314 |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

應收一間聯營公司款項虧損撥備的變動主要由於以下各項所致：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following tables show reconciliation of loss allowances that has been recognised for the financial guarantee contract:

| | | Lifetime ECL (credit-impaired) 全期預期 信貸虧損 (出現信貸減值) RMB'000 人民幣千元 |
|--|---------------------------|---|
| At 1 January 2018 | 於2018年1月1日 | – |
| Change in credit risk | 信貸風險變動 | 49,787 |
| At 31 December 2018 | 於2018年12月31日 | 49,787 |
| Changes due to financial instruments recognised as at 1 January 2019: | 因於2019年1月1日 確認金融工具的變動： | |
| – Disposal through disposal of a subsidiary | – 透過出售一間附屬公司出售 | (49,787) |
| At 31 December 2019 | 於2019年12月31日 | – |

Changes in the loss allowances for financial guarantee contract are mainly due to:

| | | 2019 Decrease in lifetime (credit- impaired) ECL 全期預期 信貸虧損 (出現減值虧損) 減少 RMB'000 人民幣千元 | 2018 Increase in lifetime (credit- impaired) ECL 全期預期 信貸虧損 (出現減值虧損) 增加 RMB'000 人民幣千元 |
|--------------------------|----------|---|---|
| Legal proceeding arise | 法律訴訟 | – | 49,787 |
| Disposal of a subsidiary | 出售一間附屬公司 | (49,787) | – |

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of bank balance and cash deemed adequate by the Directors to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表載列已就財務擔保合約確認的虧損撥備的對賬：

財務擔保合約虧損撥備的變動主要由於以下各項所致：

流動資金風險

在管理流動資金風險方面，本集團監察並維持銀行結餘及現金於一個水平，該水平被董事視為足夠應付本集團之運作，並減輕現金流量波動所帶來的影響。

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綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its 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. The table includes both interest and principal cash flows.

Liquidity tables

| | | Weighted average interest rate | On demand or within one year | 2-5 years | Over 5 years | Total undiscounted cash flows | Carrying amounts |
|--|--------------|--------------------------------|------------------------------|-------------------|-------------------|-------------------------------|-------------------|
| | | 加權平均利率 | 按要求償還或於1年 | 2至5年 | 超過5年 | 未貼現現金流量總額 | 賬面值 |
| | | % | 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 |
| 2019 | 2019年 | | | | | | |
| Trade payables | 應付賬款 | N/A 不適用 | 67,231 | - | - | 67,231 | 67,231 |
| Other payables and accruals | 其他應付款及應計費用 | N/A 不適用 | 22,926 | - | - | 22,926 | 22,926 |
| Amount due to a non-controlling interest | 應付一名非控股股東款項 | N/A 不適用 | 2,625 | - | - | 2,625 | 2,625 |
| Amount due to a shareholder | 應付一名股東款項 | N/A 不適用 | 5,219 | - | - | 5,219 | 5,219 |
| Lease liabilities | 租賃負債 | 2.14 | 775 | 289 | - | 1,064 | 1,018 |
| | | | 98,776 | 289 | - | 99,065 | 99,019 |
| 2018 | 2018年 | | | | | | |
| Trade payables | 應付賬款 | N/A 不適用 | 85,324 | - | - | 85,324 | 85,324 |
| Other payables and accruals | 其他應付款及應計費用 | N/A 不適用 | 52,364 | - | - | 52,364 | 52,364 |
| Amount due to a non-controlling interest | 應付一名非控股股東款項 | N/A 不適用 | 2,061 | - | - | 2,061 | 2,061 |
| Amount due to a shareholder | 應付一名股東款項 | N/A 不適用 | 1,540 | - | - | 1,540 | 1,540 |
| Financial guarantee contract | 財務擔保合約 | N/A 不適用 | 49,787 | - | - | 49,787 | 49,787 |
| | | | 191,076 | - | - | 191,076 | 191,076 |

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團財務負債餘下合約年期。該表乃按本集團可被要求償還財務負債的最早日期的財務負債的未貼現現金流量編製。下表已包括現金流量利息及本金。

流動資金表

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截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guarantee amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

c. Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. The Board is responsible for determining fair value and the process of determining fair value.

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Board works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金表(續)

上述財務擔保合約款項為本集團根據全額擔保安排可能被要求支付之最高款項(若交易方追討有關擔保)。按照於報告期末之預期，本集團認為根據安排將要繳付該款項之可能性很低。然而，該估計可能視乎交易方根據擔保提出申索之可能性(此乃取決於交易方所持有被擔保財務應收款項之遭受信貸虧損之可能性)而發生變化。

c. 金融工具之公允價值計量

本集團部分金融工具就財務申報目的按公允價值計量。董事會對釐定公允價值及釐定公允價值的過程負責。

於估計公允價值時，本集團利用可得的市場可觀察數據。若沒有第一級輸入值，本集團會委聘第三方合資格估值師來進行估值。董事會與合資格外聘估值師緊密合作以建立合適的估值技術及模型輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

| | | Level 3 第三級 | |
|------------------------------|----------------------------|--------------------------|--------------------------|
| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
| Equity instruments at FVTOCI | 按公允價值計入 其他全面收入 的股本工具 | 52,743 | 49,000 |

6. 金融工具(續)

c. 金融工具之公允價值計量(續)

(i) 本集團財務資產之公允價值乃按經常基準以公允價值計量

於各報告期末，本集團部分財務資產乃按公允價值計量。下表說明如何釐定該等財務資產之公允價值(尤其是所用之估值技術及輸入數據)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

| Financial assets 財務資產 | Fair value as at 公允價值 | | Fair value hierarchy 公允價值等級 | Valuation technique(s) and key input(s) 估值技術及 主要輸入數據 | Significant unobservable input(s) 重大不可觀察 輸入數據 |
|---|--|---|-----------------------------------|--|--|
| | 31 December 2019 於2019年 12月31日 | 31 December 2018 於2018年 12月31日 | | | |
| Unlisted equity investments at FVTOCI (Note) 按公允價值計入其他全面收入的非上市股本工具(附註) | 1.38% equity investment in Chaozhou Rural Commercial Bank (defined in Note 23), which is engaged in banking business in PRC 於中國從事銀行業務的潮州農商銀行(定義見附註23)的1.38%股本投資 | 9.26% equity investment in Chaozhou Rural Credit Corporative, which is engaged in banking business in PRC 於中國從事銀行業務的潮州市區農村信用合作聯社的9.26%股本投資 | Level 3 第三級 | Market approach 市場法 | Discount of lack of marketability, determined by reference to the share price of listed entities in similar industries of 4.9% 缺乏市場流通性折價，經參考類似行業上市實體的股價釐定，為4.9% |

Note: An increase in discount for lack of marketability used in isolation would result in a decrease in fair value measurement of the unlisted equity investments at FVTOCI, and vice versa. For the year ended 31 December 2019, a 1% increase/decrease in discount for lack of marketability and holding all other variables constant would decrease/increase the carrying amount of the unlisted equity investments at FVTOCI by approximately RMB5,860,000 (2018: RMB8,000,000).

There were no transfers between Levels 1, 2 and 3 in current and prior year.

6. 金融工具(續)

c. 金融工具之公允價值計量(續)

(i) 本集團財務資產之公允價值乃按經常基準以公允價值計量(續)

附註：所使用缺乏市場流通性折價單獨上升將導致按公允價值計入其他全面收入的非上市股本投資的公允價值計量減少，反之亦然。截至2019年12月31日止年度，缺乏市場流通性折價上升/下降1%，而所有其他變數維持不變，按公允價值計入其他全面收入的非上市股本投資的賬面值將下降/上升約人民幣5,860,000元(2018年：人民幣8,000,000元)。

於本年度及上年度，第一、二及三級之間並無轉撥。

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綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

6. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments (Continued)

(ii) Reconciliation of Level 3 fair value measurements

| | | Assets – Unlisted equity securities at FVTOCI 資產—按公允價值計入其他全面收入的非上市股本證券 RMB'000 人民幣千元 |
|--|-----------------|---|
| At 1 January 2018 | 於2018年1月1日 | 182,000 |
| Reclassified as asset classified as held for sales | 重新分類為分類為持作銷售的資產 | (130,000) |
| Disposal | 出售 | (5,400) |
| Fair value changes | 公允價值變動 | 2,400 |
| At 31 December 2018 | 於2018年12月31日 | 49,000 |
| Purchase | 購買 | 63,931 |
| Fair value changes | 公允價值變動 | (60,188) |
| At 31 December 2019 | 於2019年12月31日 | 52,743 |

Included in other comprehensive income is an amount of approximately RMB60,188,000 fair value loss (fair value gain of 2018: RMB2,400,000) relating to the unlisted equity securities classified as equity instruments at FVTOCI held at the end of the current reporting period and is reported as changes of "FVTOCI reserve".

The Directors consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

6. 金融工具(續)

c. 金融工具之公允價值計量(續)

(ii) 第三級公允價值計量的對賬

其他全面收入包括與於本報告期末分類為按公允價值計入其他全面收入的股本工具的非上市股本證券相關的公允價值虧損約人民幣60,188,000元(2018年公允價值收益:人民幣2,400,000元),並匯報為「按公允價值計入其他全面收入的儲備」的變動。

董事認為,於綜合財務報表按攤銷成本錄得之其他財務資產及財務負債之賬面值與其公允價值相若。

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For the year ended 31 December 2019
截至2019年12月31日止年度

7. REVENUE

An analysis of the Group's revenue for the year is as follows:

| | | Notes 附註 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|---------------|-------------|--------------------------|--------------------------|
| Type of services | 服務類別 | | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | | 21,893 | - |
| Slope stabilisation works | 斜坡鞏固工程 | | - | 69,903 |
| Construction of land | 土地建設 | | | |
| Revenue from contracts with customer | 客戶合約收益 | (a) | 21,893 | 69,903 |
| Interest under effective interest method | 實際利率法下的利息 | | 4,537 | 10,188 |
| Leases | 租賃 | (b) | 130 | - |
| Total revenue | 總收益 | | 26,560 | 80,091 |

Notes:

- (a) All the revenue from construction of infrastructure and development of properties was recognised at a point in time based on the contracts entered into with a stated-owned enterprise located in the PRC (the "Sole Customer").

The relevant infrastructure and properties specified in the contracts are based on the Sole Customer's specifications with no alternative use. Taking into consideration of the relevant contract terms, the legal environment and relevant legal precedent, the Directors concluded that the Group does not have an enforceable right to payment prior to the completion of the acceptance and transfer procedure. Revenue from construction of infrastructure and development of properties is therefore recognised at a point in time when the completed infrastructure and property is transferred to the Sole Customer, being at the point that the acceptance and transfer procedure completed and the Group has present right of payment and collection of the consideration is probable.

The Sole Customer made advance payments to the Group while the acceptance and transfer procedure is still ongoing. The advance payments result in contract liabilities being recognised throughout the construction and development period until the completion of acceptance and transfer procedure and the Sole Customer obtains control of the completed infrastructure and property.

The Group considers the advance payments contain significant financing component and applies the practical expedient of not adjusting the transaction price for any significant financing component as the period between payments and transfer of the associated infrastructure and property is less than one year.

The Group also applies the practical expedient of not disclosing about the transaction price allocated to the remaining performance obligations for contracts with customers as all revenue contracts are for period of one year or less.

7. 收益

年內本集團之收益分析如下：

| | | Notes 附註 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|---------------|-------------|--------------------------|--------------------------|
| Type of services | 服務類別 | | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | | 21,893 | - |
| Slope stabilisation works | 斜坡鞏固工程 | | - | 69,903 |
| Construction of land | 土地建設 | | | |
| Revenue from contracts with customer | 客戶合約收益 | (a) | 21,893 | 69,903 |
| Interest under effective interest method | 實際利率法下的利息 | | 4,537 | 10,188 |
| Leases | 租賃 | (b) | 130 | - |
| Total revenue | 總收益 | | 26,560 | 80,091 |

附註：

- (a) 來自基礎設施建設及物業發展的所有收益乃根據與位於中國的一家國有企業（「唯一客戶」）訂立的合約於某一時點確認。

於合約中訂明的相關基礎設施及物業乃根據唯一客戶的規格作出，不作其他用途。經考慮相關合約條款、法律環境及相關法律先決條件後，董事確定，本集團於驗收交付程序完成之前並無付款的可強制執行權力。因此，基礎設施建設及物業發展的收益於已竣工基礎設施及物業轉移予唯一客戶的時點（即驗收交付程序完成的時點）確認，而本集團具現有收款權，且大有可能收回代價。

唯一客戶在驗收交付程序仍在進行時向本集團作出預付款項。預付款項導致合約負債於整個建設及發展期間內確認，直至驗收交付程序完成及唯一客戶獲得已竣工基礎設施及物業的控制權為止。

本集團認為預付款項包含重大融資成分，故應用實際權宜方法，不調整任何重大融資成分的交易價格，原因為付款與轉移相關基礎設施及物業的期間不足一年。

本集團亦應用實際權宜方法，不披露分配至與客戶訂立合約的餘下履約責任的交易價格，原因為所有收益合約的期間均為一年或以下。

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7. REVENUE (Continued)

Notes: (Continued)

(b) Leases

| | |
|--|--|
| | |
|--|--|

For operating leases:
Lease payments that are fixed

7. 收益(續)

附註：(續)

(b) 租賃

Year ended
31/12/2019
截至2019年
12月31日止年度
RMB'000
人民幣千元

就經營租賃而言：
固定租賃付款

130

8. SEGMENTS

Information reported to the board of directors of the Company (the "Board"), being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance focus on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

During the year, the Group commenced the business engaging in property investment along with the acquisition of Beijing Yufeng Chengyou Technology Company Limited* ("Beijing Yufeng") (as detailed in Note 37(b)), and it is considered as a new operating and reportable segment by the CODM.

Specifically, the Group's reporting segments under HKFRS 8 are as follows:

- Construction of infrastructure and development of properties
- Credit business
- Securities investments
- Property investments

* For identification purpose only

8. 分部

就資源分配及分部表現評估而言，向本公司董事會(「董事會」)(即主要經營決策者(「主要經營決策者」))匯報之資料專注於所交付或提供之商品或服務類別。於達致本集團可報告分部時，並無併入獲主要經營決策者所識別的經營分部。

年內，本集團隨著收購北京御風程游科技有限公司(「北京御風」)(詳見附註37(b))開展物業投資業務，主要經營決策者將之視為新經營及可報告分報。

具體而言，本集團根據香港財務報告準則第8號的可報告分部如下：

- 基礎設施建設及物業發展
- 信貸業務
- 證券投資
- 物業投資

* 僅供識別

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8. SEGMENTS (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment:

For the year ended 31 December

| | | Segment revenue | | Segment results | |
|---|---------------------|-----------------|---------|-----------------|-----------|
| | | 分部收益 | | 分部業績 | |
| | | 2019 | 2018 | 2019 | 2018 |
| | | 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 |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | 21,893 | 69,903 | 766 | 6,252 |
| Credit business | 信貸業務 | 4,537 | 10,188 | (1,699) | 7,258 |
| Securities investments | 證券投資 | - | - | - | (30) |
| Property investments | 物業投資 | 130 | - | (600) | - |
| Total | 總計 | 26,560 | 80,091 | (1,533) | 13,480 |
| Share of loss of associates | 分佔聯營公司虧損 | | | (8,548) | (85,940) |
| Impairment losses under expected credit loss model, net of reversal | 預期信貸虧損模式下的減值虧損，扣除撥回 | | | (71,491) | (55,590) |
| Other income | 其他收入 | | | 1,316 | 257 |
| Unallocated exchange gain, net | 未分配匯兌收益淨額 | | | - | 1 |
| Gain on disposal of subsidiaries, net | 出售附屬公司收益淨額 | | | 1,072 | 46 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | | | (270) | (156) |
| Depreciation of right-of-use assets | 使用權資產折舊 | | | (1,520) | - |
| Staff costs | 員工成本 | | | (4,716) | (4,062) |
| Other operating expenses | 其他經營開支 | | | (7,541) | (5,318) |
| Finance cost | 融資成本 | | | (53) | - |
| Loss before tax | 除稅前虧損 | | | (93,284) | (137,282) |

8. 分部(續)

分部收益及業績

以下為本集團按可報告分部劃分的收益及業績分析：

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8. SEGMENTS (Continued)

Segment revenues and results (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2018: Nil).

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3 to the consolidated financial statements. Segment results represents the (loss from) profit earned by each segment without allocation of share of loss of associates, certain impairment losses under expected credit loss model, net of reversal, other income, gain on disposal of subsidiaries, net, depreciation, certain exchange gain, net, finance cost, financial guarantee and central administration costs including directors' emoluments and staff costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

8. 分部(續)

分部收益及業績(續)

以上報告的分部收益指來自外部客戶的收益。本年度並無分部間銷售(2018年：無)。

經營分部的會計政策與本集團的會計政策相同(詳見綜合財務報表附註3)。分部業績指各分部賺取的(虧損)溢利，並無計及分配分佔聯營公司虧損、預期信貸虧損模式下的若干減值虧損(扣除撥回)、其他收入、出售附屬公司收益淨額、折舊、若干匯兌收益淨額、融資成本、財務擔保及中央行政成本(包括董事酬金及員工成本)。此乃就資源分配及表現評估而向主要經營決策者匯報的方法。

分部資產及負債

以下為本集團按可報告及經營分部劃分的資產及負債分析：

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-------------|--------------------------|--------------------------|
| Segment assets | 分部資產 | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | 208,601 | 224,377 |
| Credit business | 信貸業務 | 14,339 | 107,717 |
| Securities investments | 證券投資 | — | — |
| Property investment | 物業投資 | 166,500 | — |
| Total segment assets | 分部資產總額 | 389,440 | 332,094 |
| Asset classified as held for sale | 分類為持作銷售的資產 | 239,454 | 130,000 |
| Unallocated corporate assets | 未分配公司資產 | 367,517 | 724,898 |
| Consolidated assets | 綜合資產 | 996,411 | 1,186,992 |

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8. SEGMENTS (Continued)

Segment assets and liabilities (Continued)

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------------|--------------------------|--------------------------|
| Segment liabilities | 分部負債 | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | 128,980 | 169,623 |
| Credit business | 信貸業務 | – | 17 |
| Securities investments | 證券投資 | – | – |
| Property investment | 物業投資 | 253 | – |
| Total segment liabilities | 分部負債總額 | 129,233 | 169,640 |
| Liabilities associated with assets classified as held for sale | 分類為持作銷售資產相關的負債 | 6,525 | – |
| Unallocated corporate liabilities | 未分配公司負債 | 53,140 | 127,419 |
| Consolidated liabilities | 綜合負債 | 188,898 | 297,059 |

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than property, plant and equipment, right-of-use assets, prepaid lease payment, interests in associates, equity instruments at FVTOCI, certain deposits paid for acquisition of properties, deposits paid for potential investments, deposit paid for capital contribution, deferred tax asset, certain deposits and other receivables, certain restricted bank balances, bank balances and cash, amount due from an associate and assets classified as held for sale.
- all liabilities are allocated to operating segments other than certain other payables and accruals, lease liabilities, tax liabilities, amount due to a non-controlling interest/a shareholder, financial guarantee contract, deposit received and liabilities associated with assets classified as held for sale.

8. 分部(續)

分部資產及負債(續)

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------------|--------------------------|--------------------------|
| Segment liabilities | 分部負債 | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | 128,980 | 169,623 |
| Credit business | 信貸業務 | – | 17 |
| Securities investments | 證券投資 | – | – |
| Property investment | 物業投資 | 253 | – |
| Total segment liabilities | 分部負債總額 | 129,233 | 169,640 |
| Liabilities associated with assets classified as held for sale | 分類為持作銷售資產相關的負債 | 6,525 | – |
| Unallocated corporate liabilities | 未分配公司負債 | 53,140 | 127,419 |
| Consolidated liabilities | 綜合負債 | 188,898 | 297,059 |

就分部間監察分部表現及分配資源而言：

- 除物業、廠房及設備、使用權資產、預付租賃付款、於聯營公司之權益、按公允價值計入其他全面收入的股本工具、就收購物業所支付若干訂金、潛在投資所支付的訂金、注資所支付的訂金、遞延稅項資產、若干訂金及其他應收款、若干受限制銀行結餘、銀行結餘及現金、應收一間聯營公司款項及分類為持作銷售的資產以外，分配予經營分部的所有資產。
- 除若干其他應付款及應計費用、租賃負債、稅項負債、應付一名非控股股東／一名股東款項、財務擔保合約、已收訂金及與分類為持作銷售的資產相關的負債以外，分配予經營分部的所有負債。

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8. SEGMENTS (Continued)

Other segment information

Amounts included in the measure of segment profit or loss or segment assets:

8. 分部(續)

其他分部資料

計入分部溢利或虧損或分部資產計量的金額：

| | Construction of infrastructure and development of properties | | Credit business | | Securities investments | | Property investment | | Unallocated | | Total | |
|---|--|---------|-----------------|---------|------------------------|---------|---------------------|---------|-------------|---------|---------|---------|
| | 基礎設施建設及物業發展 | | 信貸業務 | | 證券投資 | | 物業投資 | | 未分配 | | 總計 | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | RMB'000 | 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 | 人民幣千元 |
| Impairment losses on goodwill | - | - | - | 1,320 | - | - | - | - | - | - | - | 1,320 |
| Impairment loss recognised on loan and interest receivable, net | - | - | 6,123 | 1,826 | - | - | - | - | - | - | 6,123 | 1,826 |
| Loss from changes in fair value of investment properties | - | - | - | - | - | - | 730 | - | - | - | 730 | - |
| Loss from change in fair value of financial assets at FVTPL | - | - | - | - | - | 30 | - | - | - | - | - | 30 |
| Exchange gain, net | - | - | (90) | (1,531) | - | - | - | - | - | (1) | (90) | (1,532) |

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8. SEGMENTS (Continued)

Other segment information (Continued)

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

8. 分部(續)

其他分部資料(續)

定期提供予主要經營決策者但並無包括在分部溢利或虧損或分部資產計量的金額：

| | Construction of infrastructure and development of properties | | Credit business | | Securities investments | | Property investment | | Unallocated | | Total | |
|--|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 基礎設施建設及物業發展 | | 信貸業務 | | 證券投資 | | 物業投資 | | 未分配 | | 總計 | |
| | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
| Depreciation of property, plant and equipment | 2 | 3 | 11 | 10 | - | - | - | - | 257 | 143 | 270 | 156 |
| Depreciation of right-of-use assets | - | - | - | - | - | - | - | - | 1,520 | - | 1,520 | - |
| Additions to non-current assets (Note) | | | | | | | | | | | | |
| - deposits paid for acquisition of properties | - | - | - | - | - | - | 7,100 | - | - | 96,736 | 7,100 | 96,736 |
| - right-of-use assets | - | - | - | - | - | - | - | - | 6,493 | - | 6,493 | - |
| - prepaid lease payments | - | - | - | - | - | - | - | - | - | 9,000 | - | 9,000 |
| - deposit paid for potential investment | - | - | - | - | - | - | - | - | 166,000 | - | 166,000 | - |
| - property, plant and equipment | - | - | - | - | - | - | - | - | 147 | 48,833 | 147 | 48,833 |
| - investment properties | - | - | - | - | - | - | 20,130 | - | - | - | 20,130 | - |
| Other income | (95) | - | - | - | - | - | - | - | (1,221) | (257) | (1,316) | (257) |
| Interests in associates | - | - | - | - | - | - | - | - | - | 61,278 | - | 61,278 |
| Share of loss of associates | - | - | - | - | - | - | - | - | 8,548 | 85,940 | 8,548 | 85,940 |
| Gain on disposal of Loss on subsidiaries, net | - | - | - | - | - | - | - | - | (1,072) | (46) | (1,072) | (46) |
| Loan on written-off of property, plant and equipment | - | - | - | - | - | - | - | - | 5 | - | 5 | - |
| Impairment losses recognised on other receivables | - | - | - | - | - | - | - | - | 71,491 | 124 | 71,491 | 124 |
| Impairment losses recognised on amount due from an associate | - | - | - | - | - | - | - | - | - | 5,679 | - | 5,679 |
| Financial guarantee | - | - | - | - | - | - | - | - | - | 49,787 | - | 49,787 |
| Finance cost | - | - | - | - | - | - | - | - | - | - | 53 | - |

Note: Additions to non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產添置不包括金融工具及遞延稅項資產。

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8. SEGMENTS (Continued)

Geographical information

For the years ended 31 December 2019 and 2018, the Group operated in two principal geographical areas – the PRC (excluding Hong Kong) and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

| | Revenue from external customers | | Non-current assets* | |
|-----------|---------------------------------|--------------------------|--------------------------|--------------------------|
| | 來自外部客戶收益 | | 非流動資產* | |
| | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
| PRC | 22,023 | 69,903 | 397,585 | 506,620 |
| Hong Kong | 4,537 | 10,188 | 160 | 11 |
| | 26,560 | 80,091 | 397,745 | 506,631 |

* Non-current assets excludes financial instruments and deferred tax assets.

8. 分部(續)

地區資料

截至2019年及2018年12月31日止年度，本集團在兩個主要地區經營業務－中國(不包括香港)及香港。

本集團來自外部客戶收益的資料按業務所在地區呈列。本集團非流動資產的資料按資產所在地區呈列。

Information about major customers

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

| | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|--------------------------|--------------------------|
| Customer A – Construction of infrastructure and development of properties | 21,893 | 69,903 |
| 客戶A－基礎設施建設及物業發展 | | |

主要客戶資料

相應年度來自客戶的收益佔本集團總收益超過10%如下：

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9. OTHER INCOME

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-----------------------------------|-----------------|--------------------------|--------------------------|
| Bank interest income | 銀行利息收入 | 101 | 77 |
| Loan interest income (Note 29(a)) | 貸款利息收入(附註29(a)) | 1,053 | – |
| Sundry income | 雜項收入 | 162 | 180 |
| | | 1,316 | 257 |

9. 其他收入

10. FINANCE COST

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-------------------------------|--------|--------------------------|--------------------------|
| Interest on lease liabilities | 租賃負債利息 | 53 | – |

10. 財務成本

11. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|------------------|--------------------------|--------------------------|
| Impairment losses recognised (reversed) on: | 於以下項目確認(撥回)減值虧損： | | |
| – loan and interest receivables | – 應收貸款及利息 | 13,095 | 1,826 |
| – loan and interest receivables | – 應收貸款及利息 | (6,972) | – |
| – other receivables | – 其他應收款 | 71,491 | 124 |
| – amount due from an associate | – 應收一間聯營公司款項 | – | 5,679 |
| – financial guarantee | – 財務擔保 | – | 49,787 |
| | | 77,614 | 57,416 |

11. 預期信貸虧損模式下的減值虧損，扣除撥回

Details of impairment assessment are set out in Note 6(b).

有關減值評估的詳情載於附註6(b)。

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12. INCOME TAX EXPENSE

12. 所得稅開支

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-----------------------------|------------|--------------------------|--------------------------|
| Current tax: | 即期稅項： | | |
| – PRC Enterprise Income Tax | – 中國企業所得稅 | 90 | 1,730 |
| – Hong Kong | – 香港 | – | 1,937 |
| | | 90 | 3,667 |
| Deferred tax (Note 41) | 遞延稅項(附註41) | 1,066 | (1,888) |
| | | 1,156 | 1,779 |

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%.

During the year ended 31 December 2019, the Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime is insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2019. No provision for taxation in Hong Kong has been made as the Group did not generated any assessable profits arising in Hong Kong.

During the year ended 31 December 2018, Hong Kong profits tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the Company and the PRC subsidiaries is 25% for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

於2018年3月21日，香港立法會通過2017年稅務(修訂)(第7號)條例草案(「**該草案**」)，引入兩級制利得稅率制度。該草案於2018年3月28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，合資格集團實體的首2,000,000港元的溢利將按8.25%的稅率徵稅，而超過2,000,000港元的溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度的集團實體溢利將繼續按16.5%的統一稅率徵稅。

截至2019年12月31日止年度，董事認為，於實施利得稅兩級制後涉及的金額就綜合財務報表而言微不足道。香港利得稅按截至2019年12月31日止年度估計應課稅溢利16.5%計稅。由於本集團並無於香港產生任何應課稅溢利，並無對香港稅項作出撥備。

截至2018年12月31日止年度，合資格集團實體香港利得稅的首2,000,000港元的估計應課稅溢利將按8.25%的稅率徵稅，而超過2,000,000港元的估計應課稅溢利將按16.5%的稅率徵稅。

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，本公司及中國附屬公司於該兩個年度之稅率為25%。

其他司法權區產生的稅項按相關司法權區現行的稅率計算。

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12. INCOME TAX EXPENSE (Continued)

The tax charges for the years can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

12. 所得稅開支(續)

於綜合損益表中，年內稅項開支與除稅前虧損之對賬如下：

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|--------------------|--------------------------|--------------------------|
| Loss before tax | 除稅前虧損 | (93,284) | (137,282) |
| Income tax at applicable tax rates | 按照適用稅率計算的所得稅 | (21,488) | (35,859) |
| Tax effect of expenses not deductible for tax purpose | 計稅時不可抵扣的開支 稅務影響 | 19,672 | 52,179 |
| Tax effect of income not taxable for tax purpose | 毋須課稅收入的 稅務影響 | (1,744) | (14,520) |
| Tax effect of tax losses not recognised | 未確認稅務虧損的稅務影響 | 4,716 | 118 |
| Tax reduction | 減稅 | - | (139) |
| Income tax expense | 所得稅開支 | 1,156 | 1,779 |

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截至2019年12月31日止年度

13. LOSS FOR THE YEAR

13. 年內虧損

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|-----------------------|--------------------------|--------------------------|
| Loss for the year has been arrived at after charging: | 年內虧損已扣除： | | |
| Directors', supervisors' and chief executives' remuneration (Note 14) | 董事、監事及主要行政人員的酬金(附註14) | 1,665 | 1,652 |
| Other staff cost (excluding directors' emoluments) | 其他員工成本 (不包括董事酬金) | | |
| – Salaries, wages and other benefits | – 薪金、工資和其他福利 | 2,657 | 2,089 |
| – Contributions to retirement benefits schemes | – 退休福利計劃供款 | 394 | 321 |
| | | 3,051 | 2,410 |
| Total staff costs | 員工成本總額 | 4,716 | 4,062 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 270 | 156 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 1,520 | – |
| Loss on written-off of property, plant and equipment | 撇銷物業、廠房及設備之虧損 | 5 | – |
| Auditor's remuneration (including the fee for PRC subsidiaries) | 核數師酬金(包括中國附屬公司的費用) | | |
| – Audit service | – 核數服務 | 1,660 | 902 |
| – Non-audit service | – 非核數服務 | 169 | 93 |
| Donation | 捐款 | 1,000 | – |
| Contract cost recognised as an expense | 確認為開支的合約成本 | 20,853 | 63,651 |

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截至2019年12月31日止年度

14. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors', supervisors' and chief executive's emoluments

Directors', supervisors' and chief executive's remuneration for the years, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, is as follows:

| | | Fees | Salaries and allowances | Contributions to retirement benefits schemes 退休福利計劃供款 | Total |
|--|------------------|------------------------|---------------------------|--|------------------------|
| | | 袍金 RMB'000 人民幣千元 | 薪金及津貼 RMB'000 人民幣千元 | 退休福利計劃供款 RMB'000 人民幣千元 | 總額 RMB'000 人民幣千元 |
| For the year ended 31 December 2019 | 截至2019年12月31日止年度 | | | | |
| Executive directors | 執行董事 | | | | |
| Zhang Jing Ming (Chairman) | 張敬明(主席) | 100 | 260 | 15 | 375 |
| Deng Xiao Gang (Note i) | 鄧曉綱(附註i) | 14 | - | 4 | 18 |
| Chau Ting Yan (Note ii) | 周霆欣(附註ii) | 99 | - | - | 99 |
| Leng Xiao Rong (Note iii) | 冷小榮(附註iii) | 100 | 191 | 18 | 309 |
| Sub-total | 小計 | 313 | 451 | 37 | 801 |
| The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. 上文所示執行董事酬金用作支付彼等就本公司及本集團的事務管理所提供的服務。 | | | | | |
| Non-executive directors | 非執行董事 | | | | |
| Yin Zong Chen | 尹宗臣 | 30 | - | - | 30 |
| Ye Zhi E (Note iii) | 葉智鏞(附註iii) | 30 | - | - | 30 |
| Sub-total | 小計 | 60 | - | - | 60 |
| The non-executive directors' emoluments shown above were for their services as directors of the Company. 上文所示非執行董事酬金用作支付彼等擔任本公司董事所提供的服務。 | | | | | |

14. 董事、監事、主要行政人員及五名最高薪僱員

(a) 董事、監事及主要行政人員的酬金

年內根據適用上市規則及公司條例披露的董事、監事及主要行政人員的薪酬如下：

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14. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(a) Directors', supervisors' and chief executive's emoluments (Continued)

| | | Fees | Salaries and allowances | Contributions to retirement benefits schemes | Total |
|--|----------------|------------------------|---------------------------|--|------------------------|
| | | 袍金 RMB'000 人民幣千元 | 薪金及津貼 RMB'000 人民幣千元 | 退休福利計劃供款 RMB'000 人民幣千元 | 總額 RMB'000 人民幣千元 |
| Independent non-executive directors | 獨立非執行董事 | | | | |
| Chan Ming Sun Jonathan | 陳銘燊 | 120 | - | - | 120 |
| Guo Lu Jin (Note iii) | 郭魯晉(附註iii) | 120 | - | - | 120 |
| Gao Hong Hong (Note vi) | 高紅紅(附註vi) | 60 | - | - | 60 |
| Sub-total | 小計 | 300 | - | - | 300 |
| Sub-total | 小計 | 673 | 451 | 37 | 1,161 |

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.
上文所示獨立非執行董事酬金用作支付彼等擔任本公司董事所提供的服務。

| | | | | | |
|--------------------------------|-------------|------------|------------|-----------|--------------|
| Chief executive officer | 行政總裁 | | | | |
| Huang Chunfeng (Note ii) | 黃春鋒(附註ii) | - | 260 | 13 | 273 |
| Supervisors | 監事 | | | | |
| Fang Wei Ran | 方偉然 | 10 | 99 | 10 | 119 |
| Huang Yong Jing | 黃永菁 | 10 | 59 | 8 | 77 |
| Wang Xing Ye | 王興業 | 15 | - | - | 15 |
| Zhang Yun Feng | 張運峰 | 10 | - | - | 10 |
| Chen Jung Feng | 陳俊峰 | 10 | - | - | 10 |
| Sub-total | 小計 | 55 | 158 | 18 | 231 |
| Total | 總額 | 728 | 869 | 68 | 1,665 |

14. 董事、監事、主要行政人員及五名最高薪僱員(續)

(a) 董事、監事及主要行政人員的酬金(續)

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14. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(a) Directors', supervisors' and chief executive's emoluments (Continued)

| | Fees | Salaries and allowances | Contributions to retirement benefits schemes | Total |
|--|---------|-------------------------|--|---------|
| | 袍金 | 薪金及津貼 | 退休福利計劃供款 | 總額 |
| | 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 |

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Executive directors

| | 張敬明(主席) | 鄧曉綱(附註i) | 黃鎮坤(附註iv) | 冷小榮(附註iii) | |
|----------------------------|---------|----------|-----------|------------|-------|
| Zhang Jing Ming (Chairman) | 100 | 100 | 16 | 50 | 376 |
| Deng Xiao Gang (Note i) | | 150 | 243 | 94 | 268 |
| Huang Zhen Kun (Note iv) | | | | | 284 |
| Leng Xiao Rong (Note iii) | | | | | 153 |
| Sub-total | 266 | 745 | 70 | | 1,081 |

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.
上文所示執行董事酬金用作支付彼等就本公司及本集團的事務管理所提供的服務。

Non-executive directors

| | 李玉香(附註iv) | 尹宗臣 | 葉智鏞(附註iii) | |
|-----------------------|-----------|-----|------------|----|
| Li Yu Xiang (Note iv) | 15 | 30 | 15 | 15 |
| Yin Zong Chen | | | | 30 |
| Ye Zhi E (Note iii) | | | | 15 |
| Sub-total | 60 | - | - | 60 |

The non-executive directors' emoluments shown above were for their services as directors of the Company.
上文所示非執行董事酬金用作支付彼等擔任本公司董事所提供的服務。

Independent non-executive directors

| | 陳銘樂 | 何慶佳(附註iv) | 余關健(附註v) | 郭魯晉(附註iii) | 高紅紅(附註vi) | |
|-------------------------|-----|-----------|----------|------------|-----------|-------|
| Chan Ming Sun Jonathan | 120 | 15 | 18 | 61 | 53 | 120 |
| He Qing Jia (Note iv) | | | | | | 15 |
| Yu Guan Jian (Note v) | | | | | | 18 |
| Guo Lu Jin (Note iii) | | | | | | 61 |
| Gao Hong Hong (Note vi) | | | | | | 53 |
| Sub-total | 267 | - | - | - | - | 267 |
| Sub-total | 593 | 745 | 70 | | | 1,408 |

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.
上文所示獨立非執行董事酬金用作支付彼等擔任本公司董事所提供的服務。

14. 董事、監事、主要行政人員及五名最高薪僱員(續)

(a) 董事、監事及主要行政人員的酬金(續)

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14. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(a) Directors', supervisors' and chief executive's emoluments (Continued)

| | Fees | Salaries and allowances | Contributions to retirement benefits schemes | Total |
|--------------------|---------|-------------------------|--|---------|
| | 袍金 | 薪金及津貼 | 退休福利計劃供款 | 總額 |
| | 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 |
| Supervisors | | | | |
| Fang Wei Ran | 10 | 74 | 8 | 92 |
| Huang Yong Jing | 10 | 92 | 15 | 117 |
| Wang Xing Ye | 15 | - | - | 15 |
| Zhang Yun Feng | 10 | - | - | 10 |
| Chen Jung Feng | 10 | - | - | 10 |
| Sub-total | 55 | 166 | 23 | 244 |
| Total | 648 | 911 | 93 | 1,652 |

There was no arrangement under which a director or the chief executives waived or agreed to waive any remuneration during the years ended 31 December 2019 and 2018. No emoluments have been paid to the directors or chief executives as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2019 and 2018.

Notes:

- i Resigned on 4 March 2019
- ii Appointed on 4 March 2019
- iii Appointed on 28 June 2018
- iv Resigned on 28 June 2018
- v Retired on 11 February 2018
- vi Appointed on 12 February 2018

14. 董事、監事、主要行政人員及五名最高薪僱員(續)

(a) 董事、監事及主要行政人員的酬金(續)

截至2019年及2018年12月31日止年度，並無董事或主要行政人員放棄或同意放棄任何酬金的安排。截至2019年及2018年12月31日止年度，概無向董事或主要行政人員支付任何酬金，作為加入本集團或加入本集團後的獎勵或作為離職補償。

附註：

- i 於2019年3月4日辭任
- ii 於2019年3月4日獲委任
- iii 於2018年6月28日獲委任
- iv 於2018年6月28日辭任
- v 於2018年2月11日退任
- vi 於2018年2月12日獲委任

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14. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(b) Five highest paid employees

The five highest paid employees of the Group during the year include two directors and one chief executive officer (2018: three directors), details of whose emoluments are set out in Note 14(a) above. Details of the remuneration for the year of the remaining two (2018: two) highest paid employee who are neither a director, supervisors nor chief executive of the Company are as follows:

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------|--------------------------|--------------------------|
| Salaries and allowances | 薪金及津貼 | 688 | 638 |
| Contributions to retirement benefits schemes | 退休福利計劃供款 | 31 | 15 |
| | | 719 | 653 |

Their emoluments were within the following bands:

| | | Number of employees 僱員人數 | |
|---------------------|-----------------|-----------------------------|------|
| | | 2019 | 2018 |
| Nil to RMB1,000,000 | 零至人民幣1,000,000元 | 2 | 2 |

During the years ended 31 December 2019 and 2018, no emoluments were paid by the Group to the Directors, supervisors, chief executive officer or any of the two highest paid employees as an inducement to join, or upon joining the Group, or as compensation for loss of office. None of the Directors, supervisors, chief executive officer and the two highest paid employees has waived or agreed to waive any emoluments during each of the years ended 31 December 2019 and 2018. Apart from the Directors, chief executive officer and supervisors, the Group has not classified any other person as chief executives during the years ended 31 December 2019 and 2018.

14. 董事、監事、主要行政人員及五名最高薪僱員(續)

(b) 五名最高薪僱員

年內本集團五名最高薪僱員包括兩名董事及一名行政總裁(2018年：三名董事)，有關彼等酬金詳情載於上文附註14(a)。年內，餘下兩名(2018年：兩名)非本公司董事、監事或主要行政人員的最高薪僱員的薪酬詳情如下：

彼等之酬金乃介乎下列範圍：

截至2019年及2018年12月31日止年度，本集團概無向董事、監事、行政總裁或兩名最高薪僱員任何一人支付酬金作為加入或加入本集團後之獎勵或離職補償。截至2019年及2018年12月31日止年度，概無董事、監事、行政總裁及兩名最高薪酬僱員放棄或同意放棄任何酬金。截至2019年及2018年12月31日止年度，除董事、行政總裁及監事外，本集團並無將任何其他人士分類為主要行政人員。

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15. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|--------------------|--------------------------|--------------------------|
| Loss for the year attributable to owners of the Company | 本公司擁有人應佔年內虧損 | (89,049) | (139,215) |
| | | 2019 '000 千份 | 2018 '000 千份 |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares for the purpose of basic loss per share | 就每股基本虧損而言的普通股加權平均數 | 1,469,376 | 1,469,376 |

No diluted loss per share for both 2019 and 2018 were presented as there were no potential ordinary shares in issue for both 2019 and 2018.

16. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during 2019, nor has any dividend been proposed since the end of the reporting period (2018: Nil).

15. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據計算：

由於2019年及2018年均無潛在已發行普通股，故並無呈列該兩個年度之每股攤薄虧損。

16. 股息

於2019年，董事會不派發或不建議派發任何股息予本公司普通股股東，而自報告期末以來亦無建議派發任何股息(2018年：無)。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

| | | Leasehold improvement 租賃裝修 RMB'000 人民幣千元 | Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 RMB'000 人民幣千元 | Motor vehicles 汽車 RMB'000 人民幣千元 | Construction in progress 在建工程 RMB'000 人民幣千元 | Total 總額 RMB'000 人民幣千元 |
|--|-------------------------|---|---|--|--|---------------------------------|
| COST | 成本 | | | | | |
| At 1 January 2018 | 於2018年1月1日 | 23 | 177 | 1,459 | - | 1,659 |
| Additions | 添置 | 134 | 118 | - | - | 252 |
| Acquired on acquisitions of subsidiaries (Note 37(c)) | 收購附屬公司時獲得 (附註37(c)) | - | - | - | 48,581 | 48,581 |
| Exchange adjustments | 匯兌調整 | 1 | 1 | - | - | 2 |
| At 31 December 2018 | 於2018年12月31日 | 158 | 296 | 1,459 | 48,581 | 50,494 |
| Acquired on acquisition of subsidiary (Note 37(a)) | 於收購附屬公司時收購 (附註37(a)) | 20 | 127 | - | - | 147 |
| Reclassified as held for sale (Note 24) | 重新分類為持作銷售 (附註24) | (20) | (127) | - | - | (147) |
| Exchange adjustments | 匯兌調整 | 3 | 2 | - | - | 5 |
| Written-off | 撤銷 | - | (105) | - | - | (105) |
| At 31 December 2019 | 於2019年12月31日 | 161 | 193 | 1,459 | 48,581 | 50,394 |
| ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT | 累計折舊及累計減值 | | | | | |
| At 1 January 2018 | 於2018年1月1日 | 14 | 148 | 554 | - | 716 |
| Provided for the year (Note) | 年內撥備(附註) | 11 | 18 | 131 | - | 160 |
| Exchange adjustments | 匯兌調整 | - | 1 | - | - | 1 |
| At 31 December 2018 | 於2018年12月31日 | 25 | 167 | 685 | - | 877 |
| Provided for the year (Note) | 年內撥備(附註) | 95 | 46 | 131 | - | 272 |
| Reclassified as held for sale (Note 24) | 重新分類為持作銷售 (附註24) | (56) | (10) | - | - | (66) |
| Written-off | 撤銷 | - | (100) | - | - | (100) |
| At 31 December 2019 | 於2019年12月31日 | 64 | 103 | 816 | - | 983 |
| CARRYING VALUES | 賬面值 | | | | | |
| At 31 December 2019 | 於2019年12月31日 | 97 | 90 | 643 | 48,581 | 49,411 |
| At 31 December 2018 | 於2018年12月31日 | 133 | 129 | 774 | 48,581 | 49,617 |

Note: Included in depreciation provided for the year of approximately RMB2,000 (2018: RMB4,000) is capitalised in contract costs in the consolidated statement of financial position as at 31 December 2019, as these furniture, fixtures and office equipment and motor vehicles are used at the construction site.

附註：年內折舊撥備中約人民幣2,000元(2018年：人民幣4,000元)於2019年12月31日的綜合財務狀況表中合約成本項下資本化，原因是該等傢俬、裝置及辦公室設備以及汽車乃於施工現場使用。

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17. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above item of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

| | |
|--|---|
| Leasehold improvement | Over the shorter of the lease term or 20% |
| Furniture, fixtures and office equipment | 8–20% |
| Motor vehicles | 8–20% |

18. RIGHT-OF-USE ASSETS

| | | Leasehold lands 租賃土地 RMB'000 人民幣千元 | Leased properties 租賃物業 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|--|---|---|---------------------------------|
| As at 1 January 2019 | 於2019年1月1日 | | | |
| Carrying amount | 賬面值 | 9,000 | 1,904 | 10,904 |
| As at 31 December 2019 | 於2019年12月31日 | | | |
| Carrying amount | 賬面值 | 14,959 | 875 | 15,834 |
| For the year ended 31 December 2019 | 截至2019年12月31日止年度 | | | |
| Depreciation charge | 折舊開支 | 491 | 1,029 | 1,520 |
| Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS16 | 與短期租賃及租期於首次應用香港財務報告準則第16號日期起計12個月內結束之其他租賃有關的開支 | | | 184 |
| Total cash outflow for leases | 租賃之現金流出總額 | | | 7,573 |
| Additions to right-of-use assets | 使用權資產添置 | | | 6,450 |
| Additions through acquisition of subsidiary | 透過出售附屬公司收購 | | | 43 |
| Reclassified as held for sale | 重新分類為持作銷售 | | | (43) |

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of 1 year and 3 years, Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancelled period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

17. 物業、廠房及設備(續)

以上物業、廠房及設備項目乃以直線法及下列年利率計提折舊：

| | |
|-------------|---------------------|
| 租賃裝修 | 按租期或20% (以較短者為準) |
| 傢俬、裝置及辦公室設備 | 8–20% |
| 汽車 | 8–20% |

18. 使用權資產

就該兩個年度，本集團租賃多個辦公室用於營運。租賃合約以固定租期1年及3年訂立。租賃條款乃按個別基準磋商，包含各種不同條款及條件。於釐定租期及評估不可撤銷期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。

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19. PREPAID LEASE PAYMENTS FOR LAND USE RIGHTS LOCATED IN THE PRC

Analysed for reporting purposes as:

| | |
|-------------------|--------------------------|
| | 2018 RMB'000 人民幣千元 |
| Non-current asset | 9,000 |

At 31 December 2018, the prepaid lease payments for land use right held for own use are located in the PRC and the Group is in the process of obtaining the land use right certificates.

20. INVESTMENT PROPERTIES

The Group leases out retail store under operating lease with rental payable monthly. The leases typically run for an initial period of 3 years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

19. 就位於中國的土地使用權的預付租賃付款

就報告目的作出分析：

| | |
|-------|--------------------------|
| | 2018 RMB'000 人民幣千元 |
| 非流動資產 | 9,000 |

於2018年12月31日，持作自用的土地使用權的預付租賃付款位於中國，本集團正獲得土地使用權證。

20. 投資物業

本集團根據經營租賃出租零售商店，租金須每月支付。租賃一般初始為期3年。

由於所有租賃均按集團實體各自的功能貨幣計值，故本集團不會因租賃安排而承受外幣風險。租賃合約於租期結束時不包含餘值擔保及／或承租人購買物業的選擇權。

| | | |
|--|----------------------------------|------------------|
| | | RMB'000 人民幣千元 |
| FAIR VALUE | 公允價值 | |
| At 1 January 2018, 31 December 2018 and 1 January 2019 | 於2018年1月1日、2018年12月31日及2019年1月1日 | - |
| Acquired on an acquisition of a subsidiary (Note 37(b)) | 收購一間附屬公司時獲得(附註37(b)) | 20,130 |
| Net decrease in fair value recognised in profit or loss | 於損益內確認的公允價值減少淨額 | (730) |
| At 31 December 2019 | 於2019年12月31日 | 19,400 |
| Unrealised loss on property revaluation included in profit or loss | 計入損益的物業重估未變現虧損 | (730) |

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20. INVESTMENT PROPERTIES (Continued)

The fair value of the Group's investment properties as at 31 December 2019 has been arrived at on the basis of a valuation carried out on the respective date by Grant Sherman Appraisal Limited, an independent qualified professional valuers not connected to the Group.

The Directors work closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The fair values of certain investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

20. 投資物業(續)

本集團投資物業於2019年12月31日的公允價值乃按與本集團並無關連的獨立合資格專業估值師中證評估有限公司於各自日期進行的估值釐定。

董事與合資格外聘估值師緊密合作，以建立合適的估值技術及模型輸入數據。

於估計該等物業的公允價值時，物業之最高及最佳用途為其目前用途。若干投資物業的公允價值已調整至撇除預付或應計經營租賃收入以避免重複計算。

| | Valuation technique 估值技術 | Significant unobservable inputs 不可觀察之重要輸入數據 | Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允價值的關係 |
|---|-----------------------------|--|--|
| Retail store located in PRC – completed properties 位於中國的零售商店 — 已竣工物業 | Direct comparison 直接比較法 | Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which is RMB38,500 per square meter (“s.qm”) 經計及同類物業近期交易價格(已就物業性質、地點及狀況作出調整)的市場單價每平方米(「平方米」)人民幣38,000元 | A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa 所採用的市場單價大幅上升將導致公允價值顯著增加，反之亦然 |
| 2019: RMB19,400,000 (2018: Nil) 2019年：人民幣19,400,000元 (2018年：無)(附註) | | | |

There were no transfers into or out of Level 3 during the year.

於年內，並無轉入或轉出第三級。

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20. INVESTMENT PROPERTIES (Continued)

Reconciliation of Level 3 fair value measurements of investment properties on recurring basis:

| | | Investment properties classified as Level 3 分類為第三級之投資物業 RMB'000 人民幣千元 |
|---|----------------------|--|
| At 1 January 2019 | 於2019年1月1日 | — |
| Acquired on acquisition of a subsidiary (Note 37(b)) | 收購一間附屬公司時收購(附註37(b)) | 20,130 |
| Net decrease in fair value recognised in profit or loss | 於損益內確認的公允價值減少淨額 | (730) |
| At 31 December 2019 | 於2019年12月31日 | 19,400 |

The above net decrease in fair value recognised in profit or loss in the consolidated statement of profit or loss is attributable to the change in fair value of investment properties at the end of the reporting period.

20. 投資物業(續)

按經常性基準之投資物業第三層級公允價值計量之對賬：

以上於綜合損益表中損益內確認的公允價值減少淨額乃由於報告期末投資物業之公允價值變動所致。

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21. GOODWILL

21. 商譽

| | | Acquisition of Zhongfong Chaozhou 收購 中房潮州 RMB'000 人民幣千元 | Acquisition of Chung Hwa Finance Limited 收購 中華信貸 有限公司 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|--|--|--|---------------------------------|
| COST | 成本 | | | |
| At 1 January 2018, 31 December 2018 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及 二零一九年十二月三十一日 | 44,459 | 1,320 | 45,779 |
| ACCUMULATED IMPAIRMENT | 累計減值 | | | |
| At 1 January 2018 | 於二零一八年一月一日 | 44,459 | - | 44,459 |
| Impairment loss recognised | 已確認減值虧損 | - | 1,320 | 1,320 |
| At 31 December 2018 and 31 December 2019 | 於二零一八年十二月三十一日及 二零一九年十二月三十一日 | 44,459 | 1,320 | 45,779 |
| CARRYING VALUES | 賬面值 | | | |
| At 31 December 2019 | 於二零一九年十二月三十一日 | - | - | - |
| At 31 December 2018 | 於二零一八年十二月三十一日 | - | - | - |

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21. GOODWILL (Continued)

Impairment test on goodwill

For the purposes of impairment testing, goodwill with indefinite useful lives set out above have been allocated to two cash-generating units (“CGU”), comprising one subsidiary engaged in the construction of infrastructure and development properties segment and one subsidiary engaged in the credit business segment.

Construction of infrastructure and development of properties – Zhongfong Chaozhou (“Unit A”)

The principal activity of the Unit A is the land development project in Chaozhou (the “Project”). The Project cover three construction phases (ie. phase I, phase II and phase III).

During the year ended 31 December 2017, the profitability of Unit A was adversely affected due to the following factors: (1) there are no acceptance of completion of the constructed land during the year; (2) the trade receivables are long outstanding and the settlement is slow; and (3) country government has yet to be entered the procedures of bidding of phase II and phase III of the Project, the timetable for construction of phase II and phase III of the Project cannot be determined and the Group was uncertain on the timing of acceptance schedule of the remaining land area of 624 acres of the Project which is far beyond the original timeframe.

Under these circumstances, the Directors decided to fully impair the goodwill arose from the acquisition of Unit A and impairment loss of approximately RMB24,459,000 has been recognised in profit or loss for the year ended 31 December 2017.

Credit business – Chung Hwa Finance Limited (“Unit B”)

The principal activity of the Unit B is provision of credit business with the money lender license in Hong Kong.

During the year ended 31 December 2018, the Company had determined not to renew the money lender license in Hong Kong and scale down the credit business upon the expiration of the money lender license on 12 September 2018. Under this circumstance, the Directors decided to fully impair the goodwill arose from the acquisition of Unit B and impairment loss of approximately RMB1,320,000 has been recognised in profit or loss for the year ended 31 December 2018.

21. 商譽(續)

商譽減值測試

就減值測試而言，如上文所述具有無限可使用年期的商譽已分配至兩個現金產生單位(「現金產生單位」)，包括一間從事基礎設施建設及物業發展分部的附屬公司以及一間從事信貸業務的附屬公司。

基礎設施建設及物業發展 – 中房潮州(「A單位」)

A單位之主要業務為於潮州進行土地開發項目(「項目」)。項目分三期建設(即一期、二期及三期)。

截至2017年12月31日止年度，由於：(1)於年內並無接獲已建設土地完成；(2)應收賬款長期尚未償還及結算進度緩慢；及(3)國家政府尚未進入項目二期及三期的招標程序，故無法釐定建築項目二期及三期的時間表且本集團不確定項目餘下土地面積624畝之驗收時間表之時間(其遠超原定時間表)，A單位的盈利能力受到不利影響。

在此等情況下，董事決定就收購A單位產生之商譽作出悉數減值，並於截至2017年12月31日止年度的損益內確認減值虧損約人民幣24,459,000元。

信貸業務 – 中華信貸有限公司(「B單位」)

B單位之主要業務為於香港提供信貸業務，並持有放債人牌照。

截至2018年12月31日止年度，本公司決定不重續香港的放債人牌照，並於2018年9月12日放債人牌照屆滿後縮減信貸業務。在此情況下，董事決定就收購B單位產生的商譽作出悉數減值，並於截至2018年12月31日止年度的損益內確認減值虧損約人民幣1,320,000元。

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22. INTERESTS IN ASSOCIATES

22. 於聯營公司的權益

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------------------|--------------------------|--------------------------|
| Cost of investment | 投資成本 | 238,549 | 150,000 |
| Share of post-acquisition loss and other comprehensive income | 分佔收購後虧損及其他全面收入 | (7,366) | (85,161) |
| | | 231,183 | 64,839 |
| Less: Accumulated impairment loss recognised | 減：已確認累計減值虧損 | – | (3,561) |
| | | 231,183 | 61,278 |
| Reclassification as assets classified as held for sale (Note 24) | 重新分類分類為持作銷售之資產(附註24) | (231,183) | – |
| | | – | 61,278 |

Details of the Group's associate at the end of the reporting period are as follow:

本集團於報告期末的聯營公司的詳情如下：

| Name of entity 實體名稱 | Country of registration 登記國家 | Principal place of business 主要營業地點 | Proportion of ownership interest held by the Group 本集團持有 擁有權益比例 | | Proportion of voting rights held by the Group 本集團持有 投票權比例 | | Principal activity 主要業務 |
|--|---------------------------------|---------------------------------------|---|------|---|------|--|
| | | | 2019 | 2018 | 2019 | 2018 | |
| Shishi Shen Guo Tou Commercial Property Company Limited ("Shishi Shen Guo Tou") (Note a) 石獅深國投商用置業有限公司(「石獅深國投」)(附註a) | PRC 中國 | PRC 中國 | – | 30% | – | 30% | Operation of commercial complex 營運商業綜合大廈 |
| Shenzhen Zhong De Logistics Company Limited ("Zhong De Logistics") (Note b) 深圳市眾德物流有限公司 (「眾德物流」)(附註b) | PRC 中國 | PRC 中國 | 30% | – | 30% | – | Domestic logistics, freight forwarding, warehousing and distribution services 國內物流、貨運代理、倉儲及分銷服務 |

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綜合財務報表附註

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22. INTERESTS IN ASSOCIATES (Continued)

Notes:

- (a) On 27 August 2018, Putian Licheng Branch of Industrial and Commercial Bank of China (“**ICBC**”) submitted an arbitration (the “**Arbitration**”) to the Xiamen Arbitration Commission, against Shishi Shen Guo Tou to recover a bank loan with an outstanding principal and the financing interest amounting to RMB141,569,000 and RMB720,000, respectively, as well as the expenses incurred for realising creditor’s right (collectively, the “**Legal Proceeding**”). Shenzhen Zhonghe Chuangjian Investment Development Company Limited (“**Shenzhen Zhonghe**”), an indirect wholly-owned subsidiary of the Company, being the guarantor to the loan, was named as defendant in the Arbitration. Details of the Legal Proceeding has been disclosed in the Company’s announcement dated 11 September 2018.

On 1 April 2019, Shenzhen Shen He Chuang Jian Investment Development Company Limited (“**Shenzhen Shen He**”), an indirect wholly-owned subsidiary of the Company, entered into a disposal agreement with an independent third party (the “**Purchaser I**”), whereby Purchaser I has conditionally agreed to purchase and Shenzhen Shen He has conditionally agreed to sell the entire equity interests of Shenzhen Zhonghe which holds 30% equity interests in Shishi Shen Guo Tou to Purchase I at a consideration of RMB13,200,000. The disposal has been completed on 30 April 2019. Details of the disposal are disclosed in Note 38 (a).

- (b) During the year ended 31 December 2019, Shenzhen Shenxi Investment & Development Company Limited (“**Shenzhen Shenxi**”) acquired 66.67% equity interest in Shenzhen He Hui Huang Development Company Limited (“**SHHH Development**”). SHHH Development held 30% equity interest in Zhong De Logistic. The acquisition of SHHH Development has been completed on 22 January 2019. Details of the acquisition are disclosed in Note 37(a).

22. 於聯營公司的權益(續)

附註:

- (a) 於2018年8月27日，中國工商銀行股份有限公司莆田荔城支行(「**工商銀行**」)向廈門仲裁委員會提出仲裁(「**仲裁**」)，要求石獅深國投償還尚未償還一筆銀行貸款的本金及融資利息分別人民幣141,569,000元及人民幣720,000元，以及就變現債權人權利產生的開支(統稱「**法律訴訟**」)。深圳市眾合創建投資發展有限公司(「**深圳眾合**」，本公司間接全資附屬公司)，即該筆貸款的擔保人，為仲裁的答辯人。有關法律訴訟的詳情於本公司日期為2018年9月11日的公告披露。

於2019年4月1日，深圳市沈和創建投資發展有限公司(「**深圳沈和**」，本公司間接全資附屬公司)與獨立第三方(「**買方I**」)訂立出售協議，據此，買方I有條件同意購買，而深圳沈和有條件同意出售於石獅深國投持有30%股權的深圳眾合的全部股權予買方I，代價為人民幣13,200,000元。出售事項已於2019年4月30日完成。出售事項的詳情於附註38(a)披露。

- (b) 截至2019年12月31日止年度，深圳市沈璽投資發展有限公司(「**深圳沈璽**」)收購深圳市合輝煌發展有限公司(「**深圳合輝煌發展**」)66.67%股權。深圳合輝煌發展持有眾德物流30%股權。深圳合輝煌發展收購事項已於2019年1月22日完成。收購事項的詳情於附註37(a)中披露。

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22. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of associates

Summarised financial information in respect of the Group's associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs.

The associates are accounted for using the equity method in these consolidated financial statements.

| Shishi Shen Guo Tou 石獅深國投 | | 2018 RMB'000 人民幣千元 |
|------------------------------|-------|--------------------------|
| Current assets | 流動資產 | 749 |
| Non-current assets | 非流動資產 | 429,058 |
| Current liabilities | 流動負債 | (64,444) |
| Non-current liabilities | 非流動負債 | (161,100) |

| Shishi Shen Guo Tou 石獅深國投 | | 2019 RMB'000 人民幣千元 (Note) (附註) | 2018 RMB'000 人民幣千元 |
|---|--------------|--|--------------------------|
| Revenue | 收益 | 3,044 | 9,744 |
| Loss for the year | 年內虧損 | (3,943) | (286,466) |
| Other comprehensive income for the year | 年內其他全面收入 | – | – |
| Total comprehensive expense for the year | 年內全面開支總額 | (3,943) | (286,466) |
| Dividends received from the associate during the year | 年內自聯營公司收取的股息 | – | – |

Note: From 1 January 2019 to 30 April 2019 (date of disposal)

附註：自2019年1月1日起至2019年4月30日(出售日期)止

22. 於聯營公司的權益(續)

聯營公司的財務資料概要

本集團聯營公司的財務資料概要載列下文。以下財務資料概要指聯營公司根據香港財務報告準則編製的財務報表所示的金額。

聯營公司以權益法於該等綜合財務報表入賬。

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22. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of associate (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

| | | 2018 RMB'000 人民幣千元 |
|---|------------------|--------------------------|
| Net assets of Shishi Shen Guo Tou | 石獅深國投淨資產 | 204,263 |
| Proportion of the Group's ownership interest in Shishi Shen Guo Tou | 本集團於石獅深國投的擁有權益比例 | 30% |
| Carrying amount of the Group's interest in Shishi Shen Guo Tou | 本集團於石獅深國投的權益的賬面值 | 61,278 |

| Zhong De Logistics 眾德物流 | | 2019 RMB'000 人民幣千元 |
|----------------------------|-------|--------------------------|
| Current assets | 流動資產 | 5,319 |
| Non-current assets | 非流動資產 | 1,645,223 |
| Current liabilities | 流動負債 | (879,933) |
| Non-current liabilities | 非流動負債 | - |

| Zhong De Logistics 眾德物流 | | 2019 RMB'000 人民幣千元 (Note) (附註) |
|---|--------------|--|
| Revenue | 收益 | - |
| Loss for the period | 期內虧損 | (24,553) |
| Other comprehensive income for the period | 期內其他全面收入 | - |
| Total comprehensive expense for the period | 期內全面開支總額 | (24,553) |
| Dividends received from the associate during the period | 期內自聯營公司收取的股息 | - |

Note: From 21 January 2019 (date of acquisition) to 31 December 2019.

22. 於聯營公司的權益(續)

聯營公司的財務資料概要(續)

上述財務資料概要與於綜合財務報表確認於一間聯營公司權益的賬面值對賬：

附註：自2019年1月21日(收購日期)至2019年12月31日。

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22. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of associate (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

| | | 2019 RMB'000 人民幣千元 |
|--|-----------------|--------------------------|
| Net assets of Zhong De Logistics | 眾德物流淨資產 | 770,609 |
| Proportion of the Group's ownership interest in Zhong De Logistics | 本集團於眾德物流的擁有權益比例 | 30% |
| Carrying amount of the Group's interest in Zhong De Logistics | 本集團於眾德物流的權益的賬面值 | 231,183 |

22. 於聯營公司的權益(續)

聯營公司的財務資料概要(續)

上述財務資料概要與於綜合財務報表確認於聯營公司權益的賬面值對賬：

23. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|----------------------|--------------------------|--------------------------|
| Unlisted investments: – Equity securities (Note) | 非上市投資： – 股本證券(附註) | 52,743 | 49,000 |

23. 按公允價值計入其他全面收入的股本工具

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23. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Note: As at 31 December 2019, the unlisted equity investment represents 1.38% equity interest in a PRC private limited company which is principally engaged in banking business in the PRC. The Directors have elected to designate this investment at FVTOCI as it is the Group's strategy to hold these investments for long-term purposes.

As at 31 December 2019, an aggregate of 21,310,344 shares, which represented approximately 0.81% equity interest in that PRC private limited company, has not been registered under the name of the Group by the relevant banking company due to the restriction on restructuring. The Directors are of the opinion that the Group has acquired the beneficial interest of the equity interest at the end of the reporting period, and the registration can be performed upon the relevant restriction released.

As at 31 December 2018, the unlisted equity investment represents 9.26% equity interest in a PRC private company engaged in banking business. The Directors have elected to designate this investment at FVTOCI as it is the Group's strategy to hold these investments for long-term purposes.

During the year ended 31 December 2018, the Group disposed of its certain unlisted equity securities at a consideration of RMB5,400,000, which was also the fair value as at the date of disposal. A cumulative gain on disposal of RMB112,000 has been transferred to accumulated losses.

24. ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 December 2019

On 4 July 2019, Shenzhen Shenxi entered into a disposal agreement with an independent third party (the "Purchaser II"), whereby the Purchaser II has conditionally agreed to purchase and Shenzhen Shenxi has conditionally agreed to sell 66.67% equity interests and the shareholder's loan of SHHH Development at the consideration of RMB173,000,000. The assets and liabilities attributable to SHHH Development, which is expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position (see below). The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

Deposit of RMB20,000,000 has been received from the Purchaser II and was recognised as deposit received as at 31 December 2019.

23. 按公允價值計入其他全面收入的股本工具(續)

附註：於2019年12月31日，非上市股本投資指一間主要於中國從事銀行業務的中國私人有限公司1.38%的股權。董事選擇將此投資指定為按公允價值計入其他全面收入計量，原因是本集團的策略是將該等投資持作長期投資。

於2019年12月31日，由於重組限制，相關銀行公司尚未以本集團名義登記合共21,310,344股股份，相當於該中國私人有限公司約0.81%股權。董事認為本集團於報告期末已收購股權的實益權益，而有關登記可於相關限制獲解除後進行。

於2018年12月31日，非上市股本投資指一間從事銀行業務的中國私人公司9.26%的權益。董事選擇將此投資指定為按公允價值計入其他全面收入計量，原因是本集團的策略是將該等投資持作長期投資。

截至2018年12月31日止年度，本集團出售其於若干非上市股本證券，代價為人民幣5,400,000元，亦相當於出售日期的公允價值。出售的累計收益人民幣112,000元已轉撥至累計虧損。

24. 分類為持作銷售的資產

截至2019年12月31日止年度

於2019年7月4日，深圳沈璽與獨立第三方(「買方II」)訂立出售協議，據此，買方II有條件同意購買而深圳沈璽有條件同意出售深圳合輝煌發展66.67%股權及股東貸款，代價為人民幣173,000,000元。預計深圳合輝煌發展應佔的資產及負債將於十二個月內出售，分類為持作銷售的出售組別，並於綜合財務狀況表單獨呈列(見下文)。預計出售所得款項淨額超出相關資產及負債的賬面淨值，故並無確認減值虧損。

於2019年12月31日，已自買方II收取訂金人民幣20,000,000元並已確認為已收訂金。

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截至2019年12月31日止年度

24. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

During the year ended 31 December 2019 (Continued)

The major classes of assets and liabilities of SHHH Development classified as held for sale are as follows:

24. 分類為持作銷售的資產(續)

截至2019年12月31日止年度(續)

分類為持作銷售的深圳合輝煌發展的主要資產及負債類別如下：

| | | 2019 RMB'000 人民幣千元 |
|--|------------------|--------------------------|
| Property, plant and equipment (Note 17) | 物業、廠房及設備(附註17) | 81 |
| Right-of-use assets (Note 18) | 使用權資產(附註18) | 43 |
| Interest in an associate (Note 22) | 於一間聯營公司的權益(附註22) | 231,183 |
| Bank balances and cash | 銀行結餘及現金 | 17 |
| Amount due from an associate | 應收一間聯營公司款項 | 8,000 |
| Other receivables | 其他應收款 | 130 |
| Total assets classified as held for sale | | 239,454 |
| Amount due to the Company | 應付本公司款項 | 8,000 |
| Trade payable | 應付賬款 | 38 |
| Other payables | 其他應付款 | 6,443 |
| Lease liabilities | 租賃負債 | 44 |
| Total liabilities (before intra-group elimination) | | 14,525 |
| Less: Intra-group elimination | | (8,000) |
| Total liabilities classified as held for sale | | 6,525 |

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24. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

During the year ended 31 December 2018

On 12 September 2018, Shenzhen Tai He Chuang Jian Investment Development Company Limited* 深圳市泰合創建投資發展有限責任公司 (“**Tai He Chuang Jian**”), being a wholly-owned subsidiary of the Company, entered into a disposal agreement (the “**Disposal Agreement I**”) with the purchaser (the “**Purchaser III**”), whereby the Purchaser III has conditionally agreed to purchase and Tai He Chuang Jian has conditionally agreed to sell 20% equity interests of Guangzhou Hai Yue Real Estate Development Company Limited (“**Hai Yue Real Estate**”) at the consideration of RMB133,000,000 (the “**Disposal I**”). The investment in 20% equity interests of Hai Yue Real Estate, which is expected to be sold within twelve months after the reporting date, has been classified as assets classified as held for sale and is presented separately in the consolidated statement of financial position. The net proceeds of disposal are expected to exceed the net carrying amount of the assets and accordingly, no impairment loss has been recognised.

Deposit of RMB20,000,000 had been received from the Purchaser III and was recognised as deposit received as at 31 December 2018. Details of the Disposed I have been disclosed in the Company’s announcement dated 12 September 2018, 5 October 2018, 1 November 2018, 6 December 2018, 28 December 2018 and the Company’s circular dated 18 January 2019.

Disposal I was completed on 4 March 2019. A cumulative gain on disposal of RMB3,000,000 has been transferred to accumulated losses.

* For identification purpose only

24. 分類為持作銷售的資產(續)

截至2018年12月31日止年度

於2018年9月12日，深圳市泰合創建投資發展有限責任公司(「**泰合創建**」，本公司全資附屬公司)與買方(「**買方III**」)訂立出售協議(「**出售協議I**」)，據此，買方III有條件同意購買而泰合創建有條件同意出售廣州海粵房地產發展有限公司(「**海粵房地產**」)20%股權，代價為人民幣133,000,000元(「**出售事項I**」)。預計於海粵房地產20%股權的投資將於報告日期後十二個月內出售，分類為持作銷售的資產，並於綜合財務狀況表單獨呈列。預計出售所得款項淨額超出資產賬面淨值，故並無確認減值虧損。

於2018年12月31日，已從買方III收取訂金人民幣20,000,000元並已確認為已收訂金。有關出售事項I的詳情於本公司日期分別為2018年9月12日、2018年10月5日、2018年11月1日、2018年12月6日、2018年12月28日的公告及本公司日期為2019年1月18日的通函中披露。

出售事項I已於2019年3月4日完成。出售累計收益人民幣3,000,000元已轉撥至累計虧損。

* 僅供識別

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25. DEPOSITS PAID FOR ACQUISITION OF PROPERTIES

25. 收購物業所支付的訂金

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|--------------------------|--------------------------|--------------------------|
| Deposit paid for acquisition of Properties I (defined in Note a) | 收購物業I(定義見附註a) 所支付的訂金 | 147,100 | 140,000 |
| Deposit paid for acquisition of Properties II (defined in Note b) | 收購物業II(定義見附註b) 所支付的訂金 | - | 96,736 |
| | | 147,100 | 236,736 |

Notes:

- (a) On 15 November 2016, Beijing Shen Shang Investment & Consulting Company Limited* (“Beijing Shen Shang”), a wholly-owned subsidiary of the Company, entered into an acquisition agreement (the “Properties Acquisition Agreement I”) with a vendor (the “Vendor I”), pursuant to which Vendor I agreed to sell, and Beijing Shen Shang agreed to acquire a commercial premise with the construction area of 2,800 square meters (with the right to use 5,000 square meters of car parks at the basement level two, being part of Phase 3 of the ancillary facility project of Beijing International Zone Convention Center* to be constructed in Beijing Shunyi District Tianzhu Airport Commercial Zone* (the “Properties I”) at the cash consideration of RMB152,800,000. Details of the acquisition of the Properties I has been disclosed in the Company’s announcement dated 15 November 2016.

At 31 December 2019, the balance of RMB147,100,000 (2018: RMB140,000,000) represented a refundable deposit paid for the acquisition. The acquisition is expected to be completed on 30 June 2021.

* For identification purpose only

附註：

- (a) 於2016年11月15日，北京瀋商投資諮詢有限公司(「北京瀋商」，本公司全資附屬公司)與賣方I(「賣方I」)訂立收購協議(「物業收購協議I」)，據此，賣方I同意出售及北京瀋商同意收購一項商用物業。物業為建築面積2,800平方米並有權使用地下負二層5,000平方米停車場之商用物業，即位於北京市順義區天竺空港商務區將興建的北京會展國際港展館配套設施項目3期的一部分(「物業I」)，現金代價為人民幣152,800,000元。有關收購物業I的詳情於本公司日期為2016年11月15日的公告中披露。

於2019年12月31日，結餘人民幣147,100,000元(2018年：人民幣140,000,000元)指就收購事項已付可退回訂金。預期收購事項於2021年6月30日完成。

* 僅供識別

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25. DEPOSITS PAID FOR ACQUISITION OF PROPERTIES (Continued)

Notes: (Continued)

(b) On 9 February 2018 and 17 August 2018, Beijing Shen Shang and San He Jing Jiao Property Development Company Limited* (the “Vendor II” or “San He Jing Jiao”) entered into a property acquisition agreement and a supplemental agreement (collectively referred to as the “Properties Acquisition Agreements II”) pursuant to which Vendor II has conditionally agreed to sell, and Beijing Shen Shang has conditionally agreed to acquire, the properties (the “Properties II”) at the cash consideration of RMB110,000,000. As at 31 December 2018, the balance of RMB96,736,000 represented a refundable deposit paid for the acquisition.

On 18 March 2019, Vendor II and Beijing Shen Shang entered into a compensation agreement (the “Compensation Agreement”) pursuant to which it is agreed that the Vendor II shall additionally deliver the rights to use one car parking space to Beijing Shen Shang as compensation for delay in processing the property ownership certificate of Properties II.

Subsequently, the Board has changed the acquisition plan. On 5 August 2019, Vendor II and Beijing Shen Shang entered into a termination agreement (the “Termination Agreement”) pursuant to which both parties mutually agreed to terminate the Properties Acquisition Agreements II and the Compensation Agreement with immediate effect and the transactions contemplated thereunder will not proceed. At as the date of signing the Termination Agreement, Beijing Shen Shang has paid consideration of RMB110,000,000 to the Vendor II.

Details of the termination has been disclosed in the Company’s announcement dated 5 August 2019.

Subsequent to the termination and before 31 December 2019, the deposit paid of RMB110,000,000 was set off against the consideration payable for the acquisition of 78% equity interest of San He Jing Jiao. Details of the acquisition has been disclosed in Note 26(a).

* For identification purpose only

26. DEPOSITS PAID FOR POTENTIAL INVESTMENT

25. 收購物業所支付的訂金(續)

附註：(續)

(b) 於2018年2月9日及2018年8月17日，北京瀋商與三河京郊房地產開發有限公司(「賣方II」或「三河京郊」)訂立物業收購協議及補充協議(合稱「物業收購協議II」)，據此，賣方II有條件同意出售而北京瀋商有條件同意收購物業(「物業II」)，現金代價為人民幣110,000,000元。於2018年12月31日，結餘人民幣96,736,000元指就收購事項已付可退回訂金。

於2019年3月18日，賣方II與北京瀋商訂立補償協議(「補償協議」)，據此，約定賣方II額外交付一個停車位使用權予北京瀋商作為延期辦理物業II的物業不動產權證書的補償。

其後，董事會變更收購計劃。於2019年8月5日，賣方II與北京瀋商訂立終止協議(「終止協議」)，據此，訂約雙方互相協定即時終止物業收購協議II及補償協議，及其項下擬進行的交易將不會進行。於簽訂終止協議日期，北京瀋商已向賣方II支付代價人民幣110,000,000元。

有關終止的詳情於本公司日期為2019年8月5日的公告中披露。

終止後及於2019年12月31日前，已支付訂金人民幣110,000,000元已而就收購三河京郊78%股權應付的代價所抵銷。有關收購的詳情於附註26(a)中披露。

* 僅供識別

26. 潛在投資所支付的訂金

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|----------------------|--------------------------|--------------------------|
| Deposit paid for acquisition of San He Jing Jiao (Note a) | 收購三河京郊(附註a)所支付的訂金 | 110,000 | — |
| Deposit paid for potential investments II (defined in Note b) | 潛在投資II(定義見附註b)所支付的訂金 | 56,000 | — |
| | | 166,000 | — |

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26. DEPOSITS PAID FOR POTENTIAL INVESTMENTS (Continued)

Notes:

- (a) On 28 October 2019, Shenzhen Shenhe Chuangli Investment and Development Company Limited* (“**Shenhe Chuangli**”), a wholly-owned subsidiary of the Company, Beijing Shen Shang, San He Jing Jiao and vendor A, vendor B and vendor C, (collectively referred to as “**Vendors III**”) entered into a sale and purchase agreement, pursuant to which Shenhe Chuangli has conditionally agreed to purchase and the Vendors III have conditionally agreed to sell 78% equity interest of San He Jing Jiao at the consideration of RMB321,000,000 (the “**San He Jing Jiao Acquisition Agreement**”). Details of the acquisition of San He Jing Jiao has been disclosed in the Company’s announcements dated 28 October 2019, 18 November 2019, 20 December 2019, 6 February 2020, 11 March 2020 and 15 April 2020.

Pursuant to the San He Jing Jiao Acquisition Agreement, Beijing Shen Shang and San He Jing Jiao mutually agreed to transfer the deposit received from Beijing Shen Shang at the amount of RMB110,000,000 in relation to the Properties Acquisition Agreements II (Note 25(b)) to the vendor A.

As at 31 December 2019, the balance of RMB110,000,000 (2018: Nil) represented the deposit paid for the acquisition of San He Jing Jiao. As at the date of this report, the acquisition has not been completed.

- (b) On 30 December 2019, Shenhe Chuangli, and a vendor (“**Vendor IV**”) entered into a sale and purchase agreement, pursuant to which Shenhe Chuangli has conditionally agreed to purchase and the Vendor IV has conditionally agreed to sell 95% equity interest of eight companies, collectively (1) Beijing Herun wānwù Technology Co., Ltd.*, (2) Beijing Wanxiang Shengrun Technology Co., Ltd.*, (3) Ningyun Runyu Technology (Beijing) Co., Ltd.*, (4) Yueyu Wanrun (Beijing) Culture Communication Co., Ltd.*, (5) Jiao Yanpengda Technology (Beijing) Co., Ltd.*, (6) Beijing Shuying Wanyu Culture Communication Co., Ltd.*, (7) Wu Ruo Yue Xiu (Beijing) Cultural Communication Co., Ltd.*, and (8) Beijing Ronghui Guangyi Technology Co., Ltd.* (collectively the “**Target Companies**”) at the consideration of RMB71,000,000.

Target Companies comprises of companies established under the Target Companies laws of the PRC with limited liability, which are principally engaged in the investment holding. Target Companies hold a total of 125 subsidiaries, each of which has entered into a Beijing Commercial Real Estate Sale and Purchase Contract* (the “**Contract**”) with an independent third party, involving acquisitions of total 125 properties (the “**Properties III**”). The Properties III are located in the Zhiying Commercial Center in Liangxiang Higher Education Park, Fangshan, Beijing, adjacent to Liangxiang University City North Station. Details of the acquisition has been disclosed in the Company’s announcement dated 30 December 2019.

As at 31 December 2019, RMB56,000,000 represented deposits paid for the acquisition of the Target Companies. The acquisition has been completed on 7 April 2020.

* For identification purpose only

26. 潛在投資所支付的訂金(續)

附註：

- (a) 於2019年10月28日，深圳市深合創立投資發展有限公司(「**深合創立**」，本公司全資附屬公司)、北京瀋商、三河京郊與賣方A、賣方B及賣方C(統稱「**賣方III**」)訂立買賣協議。據此，深合創立有條件同意購買而賣方III有條件同意出售三河京郊78%權益，代價為人民幣321,000,000元(「**三河京郊收購協議**」)。有關三河京郊收購協議的詳情於本公司日期分別為2019年10月28日、2019年11月18日、2019年12月20日、2020年2月6日、2020年3月11日及2020年4月15日的公告中披露。

根據三河京郊收購協議，北京瀋商及三河京郊互相同意轉撥已自北京瀋商收取有關物業收購協議II(附註25(b))的訂金人民幣110,000,000元予賣方A。

於2019年12月31日，結餘人民幣110,000,000元(2018年：無)指就收購三河京郊所支付的訂金。於本報告日期，該收購事項尚未完成。

- (b) 於2019年12月30日，深合創立與一名賣方(「**賣方IV**」)訂立買賣協議。據此，深合創立有條件同意購買而賣方IV有條件同意出售八間公司95%股權，即(1)北京和潤萬物科技有限公司、(2)北京萬祥盛潤科技有限公司、(3)凝雲潤宇科技(北京)有限公司、(4)月鈺萬潤(北京)文化傳播有限公司、(5)郊燕鵬達科技(北京)有限公司、(6)北京疏影婉玉文化傳播有限公司、(7)緲若粵秀(北京)文化傳播有限公司及(8)北京融匯廣益科技有限公司(統稱「**目標公司**」)，代價為人民幣71,000,000元。

目標公司包括根據中國法例成立的多間有限公司，主要從事投資控股業務。目標公司持有合共125間附屬公司，其各自與獨立第三方訂立《北京市商品房現房買賣合同》(「**該合同**」)，涉及收購合共125項物業(「**物業III**」)。物業III位於北京房山良鄉高教園內的智盈商業中心，毗鄰良鄉大學城北站。有關收購事項的詳情於本公司日期為2019年12月30日的公告中披露。

於2019年12月31日，人民幣56,000,000元指就收購目標公司所支付的訂金。收購事項已於2020年4月7日完成。

* 僅供識別

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27. CONTRACT COSTS

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|------------|--------------------------|--------------------------|
| Construction costs and expenditure capitalised | 建築成本及資本化開支 | 128,124 | 136,921 |

Contract costs capitalised as at 31 December 2019 and 2018 are mainly related to land leveling cost, road facilities and electricity supply, rainwater and wastewater facilities and land requisition cost.

Contract costs are recognised as part of the cost of sales in the consolidated statement of profit or loss in the period in which revenue from the related project is recognised. The amount of capitalised costs recognised in profit or loss during the year was RMB20,853,000 (2018: RMB63,651,000). There was no impairment in relation to the opening balance of capitalised costs or the costs capitalised during the year.

27. 合約成本

於2019年及2018年12月31日撥充資本的合約成本主要與土地平整費、道路設施及供電、雨水污水設施和土地徵用費有關。

合約成本於確認相關項目收益期間於綜合損益表中確認為部分銷售成本。年內於損益中確認的資本化成本金額為人民幣20,853,000元(2018年：人民幣63,651,000元)。年內並無有關資本化成本期初結餘或資本化成本的減值。

28. LOAN AND INTEREST RECEIVABLES

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-----------|--------------------------|--------------------------|
| Fixed-rate loan and interest receivables | 定息應收貸款及利息 | 31,812 | 119,181 |
| Less: Allowance for credit losses | 減：信貸虧損撥備 | (17,473) | (11,464) |
| | | 14,339 | 107,717 |

As at 31 December 2019, included in the Group's loan and interest receivables balance are debtors with aggregate carrying amount of RMB14,339,000 which are past due more than 90 days or more as at the reporting date. The Directors are in the view that there been no significant increase in credit risk nor default of the remaining RMB14,339,000 based on the repayment history and creditworthiness of the debtors.

28. 應收貸款及利息

於2019年12月31日，計入本集團的應收貸款及利息結餘為於報告日期已逾期90日或以上賬面總值為人民幣14,339,000元的應收賬款。董事認為，根據還款記錄及債務人的信譽，信貸風險並無顯著上升，亦無拖欠餘下人民幣14,339,000元。

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28. LOAN AND INTEREST RECEIVABLES (Continued)

At 31 December 2019, the loan receivables arising from credit business are unsecured, bear fixed interest at 6% (2018: 8%) per annum.

The exposure to the Group's fixed-rate loan receivables to interest rate risks and their contractual maturity dates are as follows:

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|------------|--------------------------|--------------------------|
| Fixed-rate loan and interest receivables: | 應收定息貸款及利息： | | |
| On demand | 按要求 | 14,339 | — |
| Within 3 months | 3個月內 | — | 6,606 |
| Over 3 months but less than 1 year | 超過3個月但少於1年 | — | 101,111 |
| | | 14,339 | 107,717 |

The loan and interest receivables outstanding as at 31 December 2019 and 2018 are denominated in Hong Kong dollars.

Details of impairment assessment are set out in Note 6(b).

28. 應收貸款及利息(續)

於2019年12月31日，信貸業務產生的應收貸款為無抵押、按固定年利率6% (2018年：8%)計息。

本集團應收定息貸款的利率風險及其合約到期日如下：

於2019年及2018年12月31日，尚未償還的應收貸款及利息以港元計值。

有關減值評估的詳情載於附註6(b)。

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綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

29. DEPOSITS AND OTHER RECEIVABLES

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-----------------------------------|----------|--------------------------|--------------------------|
| Other receivables | 其他應收款 | 146,480 | 16,514 |
| Deposits | 訂金 | 133 | 55 |
| | | 146,613 | 16,569 |
| Less: Allowance for credit losses | 減：信貸虧損撥備 | (71,615) | (124) |
| | | 74,998 | 16,445 |

Notes:

At 31 December 2019, other receivables mainly include:

- (a) approximately RMB14,827,000, net of impairment loss of RMB173,000 (2018: RMB15,000,000) represented a loan to Guangzhou Leyou Internet Technology Co. Ltd* (“Guangzhou Leyou”), an independent third party. On 5 August 2019, the Company and Guangzhou Leyou entered into a supplementary agreement, pursuant to which the Company and Guangzhou Leyou agreed to extend the loan period for seven months to 6 March 2020.

The unsecured loan bear interest rate at 6% (2018: 8%) per annum with a term of seven months (2018: eight months).

- (b) approximately RMB10,266,000, net of impairment loss of RMB684,000 (2018: Nil) represented the consideration receivable from Purchaser I, in relation to the disposal of the entitled equity interest of Shenzhen Shen He which was completed on 28 June 2019. Details of the disposal are disclosed in Note 38(a).

- (c) approximately RMB43,087,000, net of impairment of RMB69,913,000 (31 December 2018: Nil) represented the consideration receivable from Purchaser III, in relation to the Disposal I which was completed on 4 March 2019. Details of the Disposal I are disclosed in Note 24.

- (d) approximately RMB5,701,000, net of impairment loss of RMB380,000 (2018: Nil) represented a loan to an independent third party. The unsecured loan bear interest rate at 6% per annum with a term of one year.

Details of impairment assessment are set out in Note 6(b).

* For identification purpose only

29. 訂金及其他應收款

附註：

於2019年12月31日，其他應收款主要包括：

- (a) 約人民幣14,827,000元(扣除減值虧損人民幣173,000元)(2018年：人民幣15,000,000元)指授予獨立第三方廣州樂遊互聯網科技有限公司(「廣州樂遊」)的貸款。於2019年8月5日，本公司與廣州樂遊訂立補充協議，據此，本公司與廣州樂遊同意延長貸款期間至2020年3月6日，為期七個月。

該筆無抵押貸款按年利率6%(2018年：8%)計息，為期七個月(2018年：八個月)。

- (b) 約人民幣10,266,000元(扣除減值虧損人民幣684,000元)(2018年：無)指應收買方I代價，內容有關於2019年6月28日完成的出售深圳沈和全部股權。有關出售事項的詳情於附註38(a)披露。

- (c) 約人民幣43,087,000元(扣除減值人民幣69,913,000元)(2018年12月31日：無)指應收買方III代價，內容有關於2019年3月4日完成的出售事項I。有關出售事項I的詳情於附註24披露。

- (d) 約人民幣5,701,000元(扣除減值虧損人民幣380,000元)(2018年：無)指授予一名獨立第三方的貸款。無抵押貸款按年利率6%計息，為期一年。

減值評估的詳情載於附註6(b)。

* 僅供識別

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綜合財務報表附註

For the year ended 31 December 2019
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30. BANK BALANCES AND CASH

The bank balances are mainly denominated in RMB and deposited with banks in the PRC. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Bank balances carry interest at market rates ranged from the 0.01% to 0.35% (2018: 0.01% to 0.35%) per annum. The bank balances are deposited in creditworthy banks with no recent history of default.

For the year ended 31 December 2019, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

31. RESTRICTED BANK BALANCES

The amount represents advanced payments received from the Sole Customer in respect of Project and restricted for settlement of various costs upon approval by the Sole Customer.

Details of impairment assessment of restricted bank balances are set out in Note 6(b).

30. 銀行結餘及現金

銀行結餘主要以人民幣計值，並存放在位於中國的銀行。人民幣不能自由兌換成其他貨幣。然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。

銀行結餘按年市場利率介乎0.01%至0.35%（2018年：0.01%至0.35%）計算利息。銀行結餘存於近期無違約紀錄且信譽良好的銀行。

截至2019年12月31日止年度，本集團對銀行結餘進行減值評估，並總結對手方銀行違約可能性甚微，因此並無就信貸虧損作出撥備。

31. 受限制銀行結餘

該金額指就項目預收唯一客戶的款項，並須取得唯一客戶批准方可償付各項費用。

有關受限制銀行結餘的減值評估詳情載於附註6(b)。

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For the year ended 31 December 2019
截至2019年12月31日止年度

32. TRADE PAYABLES

Trade payables represented construction payables in relation to construction costs and other project-related expenses which are payable based on project progress measured by the Group. The suppliers have not specified the credit period granted to the Group.

The following is an aged analysis of trade payables at the end of the reporting period:

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|----------------|-------|--------------------------|--------------------------|
| Within 90 days | 90天內 | 9,907 | — |
| Over 90 days | 90天以上 | 57,324 | 85,324 |
| | | 67,231 | 85,324 |

33. FINANCIAL GUARANTEE CONTRACTS

As at 31 December 2018, a bank loan provided by ICBC to Shishi Shen Guo Tou is guaranteed by Shenzhen Zhonghe. The maximum amount guaranteed by Shenzhen Zhonghe under the financial guarantee contract was RMB49,787,000.

During the year ended 31 December 2018, the bank loan was expired and ICBC has filed the Arbitration against Shishi Shen Guo Tou. Details of the Arbitration were disclosed in the announcement of the Company dated 11 September 2018. The Directors have performed impairment assessment and concluded that there has been a significant increase in credit risk since initial recognition of the financial guarantee contract. Accordingly, a loss allowance of RMB49,787,000 has been recognised for financial guarantee contract during the year ended 31 December 2018. Details of the impairment assessment are set out in Note 6(b).

During the year ended 31 December 2019, Shenzhen Zhonghe has been disposed of and the financial guarantee contract has been disposed accordingly. Details of the disposal are disclosed in Note 38(a).

32. 應付賬款

應付賬款為與建築費用及其他項目相關開支相關的應計建築開支，乃根據本集團計量的項目進度支付。供應商並無授予本集團指定信貸期。

以下為於報告期末的應付賬款的賬齡分析：

33. 財務擔保合約

於2018年12月31日，工商銀行向石獅深國投提供的一筆銀行貸款由深圳眾合擔保。深圳眾合根據財務擔保合約所擔保的最高金額為人民幣49,787,000元。

截至2018年12月31日止年度，該筆銀行貸款已到期，及工商銀行對石獅深國投提出仲裁。有關仲裁的詳情於本公司日期為2018年9月11日的公告中披露。董事已進行減值評估，並確定信貸風險自財務擔保合約初步確認以來顯著增加。因此，截至2018年12月31日止年度，已就財務擔保合約確認虧損撥備人民幣49,787,000元。減值評估的詳情載於附註6(b)。

截至2019年12月31日止年度，深圳眾合已被出售，而財務擔保合約已出售。有關出售事項的詳情於附註38(a)披露。

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截至2019年12月31日止年度

34. CONTRACT LIABILITIES

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-------------|--------------------------|--------------------------|
| Current liabilities | 流動負債 | | |
| Construction of infrastructure and development of properties | 基礎設施建設及物業發展 | 61,749 | 84,299 |

There was no balance of contract liabilities as at 1 January 2018. As at 31 December 2019, RMB61,749,000 (2018: RMB84,299,000) represents the advance payments made by the Sole Customer.

The Sole Customer made advance payments to the Group while the acceptance and transfer procedure is still ongoing. The advance payments result in contract liabilities being recognised throughout the construction and development period until the completion of the acceptance and transfer procedure and the Sole Customer obtains control of the completed infrastructure and property.

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 in prior periods.

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|-------------------|--------------------------|--------------------------|
| Revenue recognised that was included in the contract liabilities balance at the beginning of the year | 於年初計入合約負債結餘的已確認收益 | 21,893 | - |

34. 合約負債

於2018年1月1日並無合約負債結餘。於2019年12月31日，人民幣61,749,000元（2018年：人民幣84,299,000元）指唯一客戶作出的預付款項。

唯一客戶在驗收交付程序仍在進行時向本集團作出預付款項。預付款項導致合約負債於整個建設及發展期間內確認，直至驗收交付程序完成及唯一客戶獲得已竣工基礎設施及物業的控制權為止。

下表載列於已確認收益與結轉合約負債相關的程度及與於過往期間已履行的履約責任相關的程度。

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For the year ended 31 December 2019
截至2019年12月31日止年度

35. OTHER PAYABLES AND ACCRUALS

35. 其他應付款及應計費用

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|---------------------------|--------------------------|--------------------------|
| Other payables and accruals (Note a) | 其他應付款及應計費用 (附註a) | 18,717 | 21,977 |
| Payable for construction cost of office | 就辦公室建築成本的應付款 項 | 4,209 | 12,920 |
| Amount due to former shareholders of Guangdong Xinmao and Chaozhou Jiafu (Note b) | 應付廣東鑫茂及潮州佳富前 股東款項(附註b) | – | 17,467 |
| | | 22,926 | 52,364 |

Notes:

- (a) As at 31 December 2019, approximately RMB10,962,000 (2018: RMB10,962,000) represented a government grant with unfulfilled condition received by Guangdong Xinmao and Chaozhou Jiafu (as defined in Note 37(c)).
- (b) As at 31 December 2018, the amount due to former shareholders of Guangdong Xinmao and Chaozhou Jiafu are unsecured, non-interest-bearing and have no specific terms of repayment. The balance has been fully settled during the year ended 31 December 2019.

附註：

- (a) 於2019年12月31日，約人民幣10,962,000元（2018年：人民幣10,962,000元）指廣東鑫茂及潮州佳富（定義見附註37(c)）所收取的附有未達成條件的政府補助金。
- (b) 於2018年12月31日，應付廣東鑫茂及潮州佳富前股東的款項為無抵押、不計息及並無特定還款期。截至2019年12月31日止年度，該結餘已獲悉數結清。

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綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

36. LEASE LIABILITIES

36. 租賃負債

| | | 2019 RMB'000 人民幣千元 |
|--|------------------------|--------------------------|
| Lease liabilities payable: | 須於以下期間支付的租賃負債： | |
| Within one year | 一年內 | 754 |
| Within a period of more than one year but not more than two years | 超過一年但不超過兩年 | 264 |
| | | 1,018 |
| Less: Amount due for settlement with 12 months shown under current liabilities | 減：12個月內到期償付的款項(列為流動負債) | (754) |
| Amount due for settlement after 12 months shown under non-current liabilities | 12個月後到期償付的款項(列為非流動負債) | 264 |

37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

37. 透過收購附屬公司收購資產

During the year ended 31 December 2019

截至2019年12月31日止年度

- (a) On 11 May 2017, Shenzhen Shenxi, a wholly-owned subsidiary of the Company, entered into a capital contribution agreement with SHHH Development and Shenzhen Newpont Investment Group Limited (“**SNP Investment**”), pursuant to which Shenzhen Shenxi, being the new investor, agreed to make capital contribution in the total sum of RMB155,000,000 to Zhong De Logistics. Upon completion of capital contribution, Shenzhen Shenxi will hold 20% equity interest in Zhong De Logistics.

- (a) 於2017年5月11日，深圳沈璽（本公司全資附屬公司）與深圳合輝煌發展及深圳市新邦投資集團有限公司（「**深圳新邦投資**」）訂立注資協議，據此，深圳沈璽（作為新投資者）同意向眾德物流注資總額人民幣155,000,000元。於注資完成後，深圳沈璽將持有眾德物流20%股權。

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37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2019 (Continued)

(a) (Continued)

RMB150,000,000 has been paid to Zhong De Logistics during the year ended 31 December 2017. As at 31 December 2018, the acquisition has not been completed and RMB150,000,000 was recognised as deposit paid.

On 12 March 2019, Shenzhen Shenxi, SNP Investment, SHHH Development, Zhong De Logistics, Lu Hancui and Ma Xinan (both being independent third parties) entered into a supplemental agreement, pursuant to which, the capital contribution in Zhong De Logistics through capital injection by Shenzhen Shenxi was changed to acquisition of 66.67% equity interest in SHHH Development by Shenzhen Shenxi from Lu Hancui and Ma Xinan. After the completion of the acquisition, the Group has held 66.67% equity interest in SHHH Development.

SHHH Development is engaged in domestic logistics, freight forwarding, warehousing and distribution services in the PRC.

The above acquisition has been accounted for acquisition of assets.

Consideration transferred

| | | RMB'000 人民幣千元 |
|--------------|------|------------------|
| Cash | 現金 | 5,000 |
| Deposit paid | 已付訂金 | 150,000 |
| Total | 總計 | 155,000 |

37. 透過收購附屬公司收購資產(續)

截至2019年12月31日止年度(續)

(a) (續)

截至2017年12月31日止年度，已向眾德物流支付人民幣150,000,000元。於2018年12月31日，收購事項尚未完成，並已確認人民幣150,000,000元作為已付訂金。

於2019年3月12日，深圳沈璽、深圳新邦投資、深圳合輝煌發展、眾德物流、獨立第三方盧漢才及馬喜南訂立補充協議，據此，將深圳沈璽向眾德物流注資更改為深圳沈璽向盧漢才及馬喜南收購深圳合輝煌發展66.67%股權。於收購事項完成後，本集團於深圳合輝煌發展持有66.67%股權。

深圳合輝煌發展主要於中國從事國內物流、貨運代理、倉儲及分銷服務業務。

上述收購事項已以資產收購入賬。

所轉讓代價

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For the year ended 31 December 2019
截至2019年12月31日止年度

37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2019 (Continued)

(a) (Continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

| | | Total 總計 RMB'000 人民幣千元 |
|---|----------------|---------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 147 |
| Interest in an associate | 於一間聯營公司的權益 | 238,549 |
| Bank balances and cash | 銀行結餘及現金 | 93 |
| Other receivables | 其他應收款 | 10,092 |
| Other payables | 其他應付款 | (16,393) |
| Net assets acquired of | 所收購淨資產 | 232,488 |
| Non-controlling interest in SHHH Development | 於深圳合輝煌發展的非控股權益 | (77,488) |
| Total consideration | 總代價 | 155,000 |

Net cash outflow on acquisition of assets through acquisition of SHHH Development

透過收購深圳合輝煌發展收購資產的現金流出淨額

| | | RMB'000 人民幣千元 |
|---------------------------------------|--------------|------------------|
| Cash paid | 已付現金 | (5,000) |
| Less: Bank balances and cash acquired | 減：所收購銀行結餘及現金 | 93 |
| | | (4,907) |

37. 透過收購附屬公司收購資產(續)

截至2019年12月31日止年度(續)

(a) (續)

於收購日期確認的所收購資產及負債如下：

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37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2019 (Continued)

- (b) On 24 June 2019, Shenhe Chuangli acquired 100% equity interest of Beijing Yufeng at the consideration of RMB10,660,000 in cash. Beijing Yufeng is mainly holding an investment property in the PRC. The acquisition has been accounted for an acquisition of assets.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

| | | RMB'000 人民幣千元 |
|-------------------------------|------------|------------------|
| Investment property (Note 20) | 投資物業(附註20) | 20,130 |
| Bank balances and cash | 銀行結餘及現金 | 154 |
| Other payables | 其他應付款 | (284) |
| Amount due to Shenhe Chuangli | 應付深合創立款項 | (9,340) |
| Net assets acquired of | | 10,660 |

Net cash outflow on acquisition of assets through acquisition of Beijing Yufeng:

| | | RMB'000 人民幣千元 |
|--------------------------------------|--------------|------------------|
| Cash consideration paid | 已付現金代價 | (10,660) |
| Less: Bank balance and cash acquired | 減：所收購銀行結餘及現金 | 154 |
| | | (10,506) |

37. 透過收購附屬公司收購資產(續)

截至2019年12月31日止年度(續)

- (b) 於2019年6月24日，深合創立收購北京御風100%股權，現金代價為人民幣10,660,000元。北京御風主要於中國持有投資物業。收購事項已以資產收購入賬。

於收購日期確認的所收購資產及負債如下：

透過收購北京御風收購資產的現金流出淨額：

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綜合財務報表附註

For the year ended 31 December 2019
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37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2018

- (c) On 16 November 2018, Shenzhen Tong He Chuangjian Investment Development Company Limited* (“**Shenzhen Tong He**”), a wholly-owned subsidiary of the Company, acquired 90% equity interest of Guangdong Xinmao Biotechnology Company Limited* (“**Guangdong Xinmao**”) at a consideration of RMB8,800,000 (the “**Share Transfer Agreement I**”). Guangdong Xinmao was acquired so as to continue the expansion of the Group’s construction of infrastructure and development of properties operations.

On 16 November 2018, Shenzhen JuSheng Chuang Jian Investment and Development Limited*, (“**Shenzhen JuSheng**”), a wholly-owned subsidiary of the Company acquired 90% equity interest of Chaozhou Jiafu Packaging Materials Company Limited* (“**Chaozhou Jiafu**”) at a consideration of RMB3,000,000 (the “**Share Transfer Agreement II**”). Chaozhou Jiafu was acquired so as to continue the expansion of the Group’s construction of infrastructure and development of properties operations.

The above acquisitions have been accounted for acquisition of assets.

* For identification purpose only

37. 透過收購附屬公司收購資產(續)

截至2018年12月31日止年度

- (c) 於2018年11月16日，深圳市同合創建投資發展有限責任公司(「**深圳同合**」，本公司全資附屬公司)收購廣東鑫茂生物科技股份有限公司(「**廣東鑫茂**」)90%股權，代價為人民幣8,800,000元(「**股份轉讓協議I**」)。收購廣東鑫茂旨在繼續擴充本集團的基礎設施建設及物業發展業務。

於2018年11月16日，深圳市聚璽投資發展有限公司(「**深圳聚璽**」，本公司全資附屬公司)收購潮州市佳富包裝材料有限公司(「**潮州佳富**」)90%股權，代價為人民幣3,000,000元(「**股份轉讓協議II**」)。收購潮州佳富旨在繼續擴充本集團的基礎設施建設及物業發展業務。

上述收購事項已以資產收購入賬。

* 僅供識別

Notes to the Consolidated Financial Statements

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For the year ended 31 December 2019
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37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2018 (Continued)

(c) (Continued)

Consideration transferred

| | | Guangdong Xinmao 廣東鑫茂 RMB'000 人民幣千元 | Chaozhou Jiafu 潮州佳富 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|------|----|---|---|---------------------------------|
| Cash | 現金 | 8,800 | 3,000 | 11,800 |

Assets acquired and liabilities recognised at the date of acquisition are as follows:

| | | Guangdong Xinmao 廣東鑫茂 RMB'000 人民幣千元 | Chaozhou Jiafu 潮州佳富 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|---------------|---|---|---------------------------------|
| Prepaid lease payments | 預付租賃付款 | 1,500 | 1,500 | 3,000 |
| Construction in progress (Note 17) | 在建工程(附註17) | 18,651 | 29,930 | 48,581 |
| Bank balances and cash | 銀行結餘及現金 | 14,807 | 25,203 | 40,010 |
| Amount due to former shareholder | 應付前股東款項 | (7,371) | (10,096) | (17,467) |
| Amount due to Shenzhen Tong He and Shenzhen JuSheng | 應付深圳同合及深圳聚璽款項 | (11,000) | (22,200) | (33,200) |
| Payable for construction cost of office | 就辦公室建築成本的應付款項 | - | (12,920) | (12,920) |
| Other payables | 其他應付款 | (6,787) | (7,980) | (14,767) |
| Net assets acquired of Non-controlling interests | 所收購淨資產非控股權益 | 9,800 (1,000) | 3,437 (437) | 13,237 (1,437) |
| Total consideration | 總代價 | 8,800 | 3,000 | 11,800 |

37. 透過收購附屬公司收購資產(續)

截至2018年12月31日止年度(續)

(c) (續)

所轉讓代價

於收購日期確認的所收購資產及負債如下：

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37. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES (Continued)

During the year ended 31 December 2018 (Continued)

(c) (Continued)

Net cash inflow on acquisition of Guangdong Xinmao and Chaozhou Jiafu

| | | Guangdong Xinmao 廣東鑫茂 RMB'000 人民幣千元 | Chaozhou Jiafu 潮州佳富 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|------------------|---|---|---------------------------------|
| Cash consideration paid | 已付現金代價 | (8,800) | (3,000) | (11,800) |
| Less: Bank balance and cash acquired | 減：所收購銀行 結餘及現金 | 14,807 | 25,203 | 40,010 |
| | | 6,007 | 22,203 | 28,210 |

As of 31 December 2018, Guangdong Xinmao and Chaozhou Jiafu has not commenced its business or operation and is still in progress of construction of plant.

37. 透過收購附屬公司收購資產(續)

截至2018年12月31日止年度(續)

(c) (續)

收購廣東鑫茂及潮州佳富時的現金流入淨額

於2018年12月31日，廣東鑫茂及潮州佳富尚未展開其業務或營運，並仍在建造廠房中。

38. DISPOSALS OF SUBSIDIARIES

(a) During the year ended 31 December 2019

On 1 April 2019, Shenzhen Shen He entered into a disposal agreement with the Purchaser I, pursuant to which Shenzhen Shen He sell the entire equity interests of Shenzhen Zhonghe and its 30% equity interests in Shishi Shen Guo Tou to the Purchaser I at a consideration of RMB13,200,000. The disposal was completed on 30 April 2019.

On 24 June 2019, the Company entered into a disposal agreement with the Purchaser I, pursuant to which the Company sell the entire equity interests of Shenzhen Shen He and its wholly-owned subsidiaries, Shenzhen Shen Shang Chuang Jian Investment Development Company Limited, Sichuang Overseas Investment Development Corporation Limited (“Sichuang Overseas”) and Sichuang International Ltd (the “Disposal Group I”) to the Purchase I at a consideration of RMB13,950,000. The disposal was completed on 28 June 2019.

38. 出售附屬公司

(a) 截至2019年12月31日止年度

於2019年4月1日，深圳沈和與買方I訂立出售協議，據此，深圳沈和向買方I出售深圳眾合全部股權及其於石獅深國投30%股權，代價為人民幣13,200,000元。該出售事項已於2019年4月30日完成。

於2019年6月24日，本公司與買方I訂立出售協議，據此，本公司出售深圳市沈和全部股權及其全資附屬公司深圳市沈商創建投資發展有限公司、思創海外投資發展有限公司(「思創海外」)及思創國際有限公司(「出售集團I」)予買方I，代價為人民幣13,950,000元。該出售事項已於2019年6月28日完成。

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綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

38. DISPOSALS OF SUBSIDIARIES (Continued)

(a) During the year ended 31 December 2019 (Continued)

Consideration received:

| | | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 |
|-------------------|-------|---|--|
| Other receivables | 其他應收款 | 13,200* | 13,950 |

Analysis of assets and liabilities over which control was lost:

| | | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 |
|--------------------------|----------------|---|--|
| Interest in an associate | 於一間聯營公司的 權益 | 60,096 | - |
| Bank balance and cash | 銀行結餘及現金 | 17 | 465 |
| Other receivables | 其他應收款 | 1,676 | 13,646* |
| Other payables | 其他應付款 | - | (35) |
| Financial guarantee | 財務擔保 | (49,787) | - |
| Net assets disposed of | 所出售資產淨值 | 12,002 | 14,076 |

* This consideration has been included in other receivable in Disposal Group I and was disposed of during the year ended 31 December 2019.

38. 出售附屬公司(續)

(a) 截至2019年12月31日止年度 (續)

已收代價：

| | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 |
|-------------------|---|--|
| Other receivables | 13,200* | 13,950 |

已失去控制權的資產及負債分析：

| | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 |
|--------------------------|---|--|
| Interest in an associate | 60,096 | - |
| Bank balance and cash | 17 | 465 |
| Other receivables | 1,676 | 13,646* |
| Other payables | - | (35) |
| Financial guarantee | (49,787) | - |
| Net assets disposed of | 12,002 | 14,076 |

* 此代價已計入出售集團I的其他應收款並已於截至2019年12月31日止年度出售。

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38. DISPOSALS OF SUBSIDIARIES (Continued)

(a) During the year ended 31 December 2019 (Continued)

Gain (loss) on disposals of subsidiaries:

| | | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|------------------|---|--|---------------------------------|
| Consideration receivable | 應收代價 | 13,200 | 13,950 | 27,150 |
| Net assets disposed of | 所出售資產淨值 | (12,002) | (14,076) | (26,078) |
| Gain (loss) on disposal of subsidiaries | 出售附屬公司收益 (虧損) | 1,198 | (126) | 1,072 |

Net cash outflow arising on disposals:

| | | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|--------------|---|--|---------------------------------|
| Cash received | 已收現金 | - | - | - |
| Less: bank balances and cash disposed of | 減：所出售銀行結餘及現金 | (17) | (465) | (482) |
| | | (17) | (465) | (482) |

(b) During the year ended 31 December 2018

On 23 July 2018, the Company entered into a disposal agreement with an independent third party (the "Purchaser IV"), pursuant to which the Company sell the entire equity interests of Shenzhen Shen Jian and its wholly-owned subsidiary, Xiaoma Chuang Fu Internet Information Service Company Limited* (the "Disposal Group II") to the Purchaser IV at a consideration of RMB130,000. The disposal was completed on 17 September 2018.

38. 出售附屬公司(續)

(a) 截至2019年12月31日止年度 (續)

出售附屬公司收益(虧損)：

| | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|---|--|---------------------------------|
| Consideration receivable | 13,200 | 13,950 | 27,150 |
| Net assets disposed of | (12,002) | (14,076) | (26,078) |
| Gain (loss) on disposal of subsidiaries | 1,198 | (126) | 1,072 |

出售產生的現金流出淨額：

| | Shenzhen Zhonghe 深圳眾合 RMB'000 人民幣千元 | Disposal Group I 出售集團I RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---|--|---------------------------------|
| Cash received | - | - | - |
| Less: bank balances and cash disposed of | (17) | (465) | (482) |
| | (17) | (465) | (482) |

(b) 截至2018年12月31日止年度

於2018年7月23日，本公司與獨立第三方(「買方IV」)訂立出售協議，據此，本公司出售深圳沈建及其全資附屬公司小馬創富互聯網信息服務有限公司(「出售集團II」)全部股權予買方IV，代價為人民幣130,000元。該出售事項已於2018年9月17日完成。

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38. DISPOSALS OF SUBSIDIARIES (Continued)

(b) During the year ended 31 December 2018 (Continued)

Consideration received:

| | | RMB'000 人民幣千元 |
|---------------|------|------------------|
| Cash received | 已收現金 | 130 |

Analysis of assets and liabilities over which control was lost:

| | | RMB'000 人民幣千元 |
|------------------------|---------|------------------|
| Other receivables | 其他應收款 | 2 |
| Bank balances and cash | 銀行結餘及現金 | 82 |
| Net assets disposed of | 所出售資產淨值 | 84 |

Gain on disposal of a subsidiaries:

| | | RMB'000 人民幣千元 |
|------------------------|---------|------------------|
| Consideration received | 已收代價 | 130 |
| Net assets disposed of | 所出售資產淨值 | (84) |
| Gain on disposal | 出售收益 | 46 |

Net cash inflow arising on disposal:

| | | RMB'000 人民幣千元 |
|--|--------------|------------------|
| Cash received | 已收現金 | 130 |
| Less: Bank balances and cash disposed of | 減：所出售銀行結餘及現金 | (82) |
| | | 48 |

38. 出售附屬公司(續)

(b) 截至2018年12月31日止年度 (續)

已收代價：

| | | RMB'000 人民幣千元 |
|--|--|------------------|
| | | 130 |

已失去控制權的資產及負債分 析：

| | | RMB'000 人民幣千元 |
|--|--|------------------|
| | | 2 |
| | | 82 |
| | | 84 |

出售附屬公司收益：

| | | RMB'000 人民幣千元 |
|--|--|------------------|
| | | 130 |
| | | (84) |
| | | 46 |

出售產生的現金流入淨額：

| | | RMB'000 人民幣千元 |
|--|--|------------------|
| | | 130 |
| | | (82) |
| | | 48 |

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39. SHARE CAPITAL

39. 股本

| | 2019 | | 2018 | |
|--|---|------------------------------------|--------------------------|----------------------------------|
| | Number of shares 股份數目 | Amount 金額 RMB'000 人民幣千元 | Number of shares 股份數目 | Amount 金額 RMB'000 人民幣千元 |
| Authorised, issued and fully paid: | | | | |
| – Domestic shares of RMB1 each At 1 January and 31 December | 法定、已發行及已繳足： —每股面值人民幣1元的內資股 於1月1日及12月31日 | 864,000,000 864,000 | 864,000,000 | 864,000 |
| – H-shares of RMB1 each At 1 January and 31 December | —每股面值人民幣1元的H股 於1月1日及12月31日 | 605,376,000 605,376 | 605,376,000 | 605,376 |
| Total | 總計 | 1,469,376,000 1,469,376 | 1,469,376,000 | 1,469,376 |

40. NON-CONTROLLING INTERESTS

40. 非控股權益

| | Share of net assets of subsidiaries 分佔附屬公司淨資產 RMB'000 人民幣千元 |
|---|--|
| At 1 January 2018 | 22,038 |
| Acquisition of subsidiaries (Note 37(c)) | 1,437 |
| Share of other comprehensive income | 1,568 |
| Share of profit for the year | 154 |
| At 31 December 2018 | 25,197 |
| Acquisition of a subsidiary (Note 37(a)) | 77,488 |
| Share of other comprehensive income | 364 |
| Share of loss for the year | (5,391) |
| Dividend paid to non-controlling interest | (9,070) |
| At 31 December 2019 | 88,588 |

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41. DEFERRED TAX ASSETS

The following is the deferred tax asset recognised and the movements thereon during the current and prior years:

| | | ECL provision 預期信貸 虧損撥備 RMB'000 人民幣千元 |
|------------------------------------|---------------------|---|
| At 1 January 2018 | 於2018年1月1日 | — |
| Credit to profit or loss (Note 12) | 計入損益(附註12) | 1,888 |
| At 31 December 2018 | 於2018年12月31日 | 1,888 |
| Charge to profit or loss (Note 12) | 自損益扣除(附註12) | (1,066) |
| Exchange adjustments | 匯兌調整 | 17 |
| At 31 December 2019 | 於2019年12月31日 | 839 |

In accordance with the PRC laws and regulations, tax losses could be carried forward for five years to offset against its future taxable profits. Deferred tax assets relating to unutilised tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available to allow such deferred tax assets to be utilised.

At the end of the reporting period, the Group had estimated unused tax losses of approximately RMB19,621,000 (2018: RMB6,113,000) and approximately of HK\$10,492,000 (2018: HK\$10,334,000) available for offset against future profits in the PRC and Hong Kong respectively. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profits stream. The tax losses arising from the PRC operations will expire in five years after the relevant accounting year end. The tax losses arising from other operations do not expire under current tax legislation in the relevant tax jurisdiction.

41. 遞延稅項資產

以下為已確認的遞延稅項資產及其於本年度及過往年度的變動情況：

根據中國法律及法規，稅務虧損可結轉五年以抵銷其日後的應課稅溢利。有關尚未動用稅項虧損的遞延稅項資產，只會在很可能將有足夠應課稅溢利以使該等遞延稅項資產獲得動用時方會確認。

於報告期末，本集團可供抵銷中國及香港的未來溢利的估計未動用稅務虧損分別約人民幣19,621,000元（2018年：人民幣6,113,000元）及約10,492,000港元（2018年：10,334,000港元）。由於難以預測未來溢利流，故未就未動用稅務虧損確認遞延稅項資產。中國業務產生的稅務虧損將於有關會計年結後五年屆滿。因其他業務產生的稅務虧損根據有關稅項司法權區的現行稅法不會屆滿。

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42. RETIREMENT BENEFITS PLANS

The Group maintains various retirement schemes for its employees. The retirement scheme for employees of the Company and its PRC subsidiaries is a mandatory central pension scheme organised by the PRC government, the assets of which are held separately from those of the Group. Contributions made are based on a percentage of the eligible employees' salaries and charged as expenses when the employees have rendered services entitling them to the contribution. The employer contributions vest fully once they are made. The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in fund under the control of trustees. The Company contributes 5% (2018: 5%) of relevant payroll costs, capped at HK\$1,500 (2018: HK\$1,500) per month, to the Mandatory Provident Fund Scheme, in which contribution is matched by employees.

43. OPERATING LEASE

The Group as lessee

| | 2018 RMB'000 人民幣千元 |
|--|--------------------------|
|--|--------------------------|

| | |
|--|-----|
| Minimum lease payments paid under operating leases during the year | 352 |
|--|-----|

The Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

| | 2018 RMB'000 人民幣千元 |
|--|--------------------------|
|--|--------------------------|

| | |
|--|--------------|
| Within one year | 1,020 |
| In the second to fifth years inclusive | 1,051 |
| | <u>2,071</u> |

42. 退休福利計劃

本集團為其僱員設立不同的退休計劃。本公司及其中國附屬公司為其僱員參與一項由中國政府組織之強制性中央退休金計劃，該計劃之資產與本集團之資產分開存放。供款乃按合資格僱員薪酬之百分比釐定，並於僱員提供令其享有供款之服務時列作開支扣除。僱主供款一旦作出，便全歸僱員所有。本集團為香港全部合資格僱員設立強積金計劃。計劃的資產存置於一個由受託人控制的基金，與本集團資產分開持有。本公司與僱員均須每月對強積金計劃按相關薪金成本5% (2018年：5%) 作出供款，上限為1,500港元 (2018年：1,500港元)。

43. 經營租賃

本集團作為承租人

| | 2018 RMB'000 人民幣千元 |
|--|--------------------------|
|--|--------------------------|

| | |
|--|-----|
| Minimum lease payments paid under operating leases during the year | 352 |
|--|-----|

本集團根據不可撤銷經營租賃於下列到期日之未來最低應付租金承擔如下：

| | 2018 RMB'000 人民幣千元 |
|--|--------------------------|
|--|--------------------------|

| | |
|--|--------------|
| Within one year | 1,020 |
| In the second to fifth years inclusive | 1,051 |
| | <u>2,071</u> |

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44. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following capital commitments:

44. 資本承擔

於報告期末，本集團有以下資本承擔：

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|---|---------------------------------|--------------------------|--------------------------|
| Capital expenditure contracted for but not provided in the consolidated financial statements in respect of: | 有關下列事項的已訂約但尚未於綜合財務報表內撥備的資本開支： | | |
| (i) Capital contribution to Zhong De Logistics (Note 37(a)) | (i) 向眾德物流注資 (附註37(a)) | – | 5,000 |
| (ii) Capital contribution to Shenhe Chuangli (Note 46) | (ii) 向深合創立注資 (附註46) | 500 | 200,000 |
| (iii) Acquisition of Properties I (Note 25(a)) | (iii) 收購物業I (附註25(a)) | 5,700 | 12,800 |
| (iv) Acquisition of Properties II (Note 25(b)) | (iv) 收購物業II (附註25(b)) | – | 13,264 |
| (v) Acquisition of San He Jing Jiao (Note 26(a)) | (v) 收購三河京郊 (附註26(a)) | 211,000 | – |
| (vi) Acquisition of Target Companies (Note 26(b)) | (vi) 收購目標公司 (附註26(b)) | 15,000 | – |
| (vii) Capital contribution to Chaozhou Jiafu (Note 46) | (vii) 向潮州佳富注資 (附註46) | 5,850 | – |
| (viii) Capital contribution to 深圳深合星創投資發展有限公司 (Note 46) | (viii) 向深圳深合星創投資發展有限公司注資 (附註46) | 1,000 | – |
| | | 239,050 | 231,064 |

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For the year ended 31 December 2019
截至2019年12月31日止年度

45. RELATED PARTY TRANSACTIONS

- (a) During the years ended 31 December 2019 and 2018, the identified related parties which have transactions with the Group were as follows:

Name of the Company
企業名稱

Chung Hwa Finance Holdings Limited
中華信貸集團有限公司

Shishi Shen Guo Tou
石獅深國投

Beijing Luchuang Future
Technology Company Limited
北京力創未來科技有限公司

Relationships with the Company
與本集團的聯繫

A non-controlling interest of the Group
本集團非控股股東

An associate of the Group
本集團聯營公司

A shareholder of the Group
本集團股東

During the years ended 31 December 2019 and 2018, the Group entered into the following transaction with related party:

截至2019年及2018年12月31日止年度，本集團與關連方進行以下交易：

| Name of related party 關連方名稱 | Nature 性質 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|---------------------------------|--------------------------|--------------------------|
| Chung Hwa Finance Holdings Limited 中華信貸集團有限公司 | Management fee expense 管理費開支 | 203 | 1,315 |

The Directors are of the opinion that the above transactions were negotiated on a normal commercial terms and conditions that would be available to third party.

董事認為，上述交易乃按第三方將獲得的正常商業條款及條件磋商。

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截至2019年12月31日止年度

45. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

At the end of the reporting period, the balances of related parties are as follows:

| Name of related party 關連方名稱 | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------------------------------|--------------------------|--------------------------|
| Amount due from an associate – Shishi Shen Guo Tou (Note b) | 應收一間聯營公司款項 – 石獅深國投(附註b) | – | 1,676 |
| Amount due to a non-controlling interest – Chung Hwa Finance Holdings Limited (Note a) | 應付一名非控股股東款項 – 中華信貸集團有限公司(附註a) | (2,625) | (2,061) |
| Amount due to a shareholder – Beijing Lichuang Future Technology Company Limited (Note b) | 應付一名股東款項 – 北京力創未來科技有限公司(附註b) | (5,219) | (1,540) |

Notes:

- The above balance is trade in nature, unsecured, non-interest bearing and repayable on demand.
- The above balance is non-trade in nature, unsecured, non-interest bearing and repayable on demand.

(b) Compensation of key management personnel

The key management comprises all the Directors, chief executive officer and supervisors, details of their remuneration are disclosed in Note 14 to the consolidated financial statements.

The remuneration of Directors and key executives are determined by the remuneration committee having regard to the performance of individuals and market trends.

45. 關連方交易(續)

(a) (續)

於報告期末，關連方的結餘如下：

| Name of related party 關連方名稱 | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|----------------------------------|--------------------------|--------------------------|
| Amount due from an associate – Shishi Shen Guo Tou (Note b) | 應收一間聯營公司款項 – 石獅深國投(附註b) | – | 1,676 |
| Amount due to a non-controlling interest – Chung Hwa Finance Holdings Limited (Note a) | 應付一名非控股股東款項 – 中華信貸集團有限公司(附註a) | (2,625) | (2,061) |
| Amount due to a shareholder – Beijing Lichuang Future Technology Company Limited (Note b) | 應付一名股東款項 – 北京力創未來科技有限公司(附註b) | (5,219) | (1,540) |

附註：

- 上述結餘為貿易性質，並為無抵押、免息及須於要求時償還。
- 上述結餘為非貿易性質，並為無抵押、免息及須於要求時償還。

(b) 主要管理人員的薪酬

主要管理人員包括全體董事、行政總裁及監事，彼等之薪酬詳情於綜合財務報表附註14披露。

董事及主要行政人員的薪酬乃經考慮個人表現及市況後由薪酬委員會釐定。

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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46. PARTICULARS OF SUBSIDIARIES

General information of subsidiaries

Particulars of the subsidiaries held by the Company at 31 December 2019 and 2018 are as follows:

46. 附屬公司詳情

有關附屬公司的一般資料

於2019年及2018年12月31日本公司持有的附屬公司的詳情如下：

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ registration/ operation 註冊成立/ 登記/ 營業地點 | Class of shares held 所持股份類別 | Paid-up/issued registered capital 已繳足/ 發行的註冊資本 | Proportion ownership interest held by the Company 本公司持有擁有權權益比例 | | | | Proportion of voting power held by the Company 本公司持有投票權比例 | | Principal activities 主要業務 |
|--|---|--------------------------------|--|---|------|------------------|------|--|------|-------------------------------|
| | | | | Directly 直接 | | Indirectly 間接 | | | | |
| | | | | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | |
| Zhongfang Chaozhou** 中房潮州* | PRC 中國 | N/A 不適用 | RMB200,000,000 人民幣200,000,000元 | 100% | 100% | - | - | 100% | 100% | Property development 物業發展 |
| Chaozhou Construction and Development Company Limited** 潮州市中創建設開發有限公司* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | 100% | 100% | 100% | 100% | Not commence business 暫無營業 |
| Beijing Shen Shang** 北京瀋商* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | 100% | 100% | - | - | 100% | 100% | Investment holding 投資控股 |
| Shenzhen Shen Wu Investment & Development Company Limited** 深圳市沈物投資發展有限公司* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | 100% | 100% | - | - | 100% | 100% | Inactive 暫無營業 |
| Shenzhen Shen He* (Note v) 深圳沈和(附註v)* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | 100% | - | - | - | 100% | Inactive 暫無營業 |
| Shenzhen Shen Shang Chuang Jian Investment Development Company Limited** (Note v) 深圳市沈商創建投資發展有限公司*(附註v) | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | - | 100% | - | 100% | Inactive 暫無營業 |
| Shenzhen Juxi Chuangjian Investment and Development Company Limited** 深圳市聚鑫創建投資發展有限公司* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | 100% | 100% | 100% | 100% | Inactive 暫無營業 |

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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 (Continued)

46. 附屬公司詳情(續)

General information of subsidiaries (Continued)

有關附屬公司的一般資料(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ registration/ operation 註冊成立/ 登記/ 營業地點 | Class of shares held 所持股份類別 | Paid-up/issued registered capital 已繳足/ 發行的註冊資本 | Proportion ownership interest held by the Company 本公司持有擁有權益比例 | | | | Proportion of voting power held by the Company 本公司持有投票權比例 | | Principal activities 主要業務 |
|---|---|--------------------------------|--|--|------|------------------|------|--|------|------------------------------|
| | | | | Directly 直接 | | Indirectly 間接 | | 2019 | 2018 | |
| | | | | 2019 | 2018 | 2019 | 2018 | | | |
| Shenzhen Shenxi Chuangjian Investment and Development Company Limited** 深圳市沈鑫創建投資發展有限公司* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | 100% | 100% | 100% | 100% | Investment holding 投資控股 |
| Shenhe** (Note ii & Note vii) 深合創立*(附註ii及附註vii) | PRC 中國 | N/A 不適用 | 2019: RMB500,000 2018: RMB200,000,000 2019年: 人民幣500,000元 2018年: 人民幣200,000,000元 | 100% | 100% | - | - | 100% | 100% | Inactive 暫無營業 |
| Shenzhen Zhonghe** (Note v) 深圳眾合*(附註v) | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | - | 100% | - | 100% | Investment holding 投資控股 |
| Shenzhen Tonghe** 深圳同合* | PRC 中國 | N/A 不適用 | RMB10,000,000 人民幣1,000,000元 | - | - | 100% | 100% | 100% | 100% | Investment holding 投資控股 |
| Tai He Chuang Jian** 泰合創建* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | 100% | - | - | 100% | 100% | 100% | Investment holding 投資控股 |

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綜合財務報表附註

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46. PARTICULARS OF SUBSIDIARIES (Continued)

46. 附屬公司詳情(續)

General information of subsidiaries (Continued)

有關附屬公司的一般資料(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ registration/ operation 註冊成立/ 登記/ 營業地點 | Class of shares held 所持股份類別 | Paid-up/issued registered capital 已繳足/ 發行的註冊資本 | Proportion ownership interest held by the Company 本公司持有擁有權權益比例 | | | | Proportion of voting power held by the Company 本公司持有投票權比例 | | Principal activities 主要業務 |
|--|---|--------------------------------|--|---|------|------------------|------|--|------|-------------------------------|
| | | | | Directly 直接 | | Indirectly 間接 | | 2019 | 2018 | |
| | | | | 2019 | 2018 | 2019 | 2018 | | | |
| Shenzhen Ju Sheng Chuang Jian Investment and Development Limited** 深圳市聚晟創建投資發展有限公司* | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | 100% | 100% | 100% | 100% | Investment holding 投資控股 |
| Guangdong Xinmao** 廣東鑫茂* | PRC 中國 | N/A 不適用 | RMB8,800,000 人民幣8,800,000元 | - | - | 90% | 90% | 90% | 90% | Not commence business 暫無營業 |
| Chaozhou Jiafu** (Note iii) 潮州佳富*(附註iii) | PRC 中國 | N/A 不適用 | RMB10,000,000 人民幣10,000,000元 | - | - | 90% | 90% | 90% | 90% | Not commence business 暫無營業 |
| Kingma Overseas 金馬海外 | HK 香港 | Ordinary 普通股 | US\$20,000 20,000美元 | - | - | 100% | 100% | 100% | 100% | Securities investment 證券投資 |
| Chung Hwa Finance 中華信貸 | HK 香港 | Ordinary 普通股 | HK\$50,000,000 50,000,000港元 | - | - | 55% | 55% | 55% | 55% | Credit business 信貸業務 |
| Sichuang Overseas (Note v) 思創海外(附註v) | HK 香港 | Ordinary 普通股 | US\$20,000 20,000美元 | - | - | - | 100% | - | 100% | Securities investment 證券投資 |
| Kingma International Ltd. 金馬國際有限公司 | BVI 英屬處女群島 | Ordinary 普通股 | US\$1 1美元 | - | - | 100% | 100% | 100% | 100% | Not commence business 暫無營業 |

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46. PARTICULARS OF SUBSIDIARIES (Continued)

46. 附屬公司詳情(續)

General information of subsidiaries (Continued)

有關附屬公司的一般資料(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ registration/ operation 註冊成立/ 登記/ 營業地點 | Class of shares held 所持股份類別 | Paid-up/issued registered capital 已繳足/ 發行的註冊資本 | Proportion ownership interest held by the Company 本公司持有擁有權益比例 | | | | Proportion of voting power held by the Company 本公司持有投票權比例 | | Principal activities 主要業務 |
|---|---|--------------------------------|--|--|------|------------------|------|--|------|--|
| | | | | Directly 直接 | | Indirectly 間接 | | | | |
| | | | | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | |
| Sichuang International Ltd. (Note v) 思創國際有限公司(附註v) | HK 香港 | Ordinary 普通股 | US\$1 1美元 | - | - | - | 100% | - | 100% | Not commence business 暫無營業 |
| Modern Key International Limited 現基國際有限公司 | BVI 英屬處女群島 | Ordinary 普通股 | US\$1,000 1,000美元 | - | - | 100% | 100% | 100% | 100% | Not commence business 暫無營業 |
| World Ease Investment Limited 濶怡投資有限公司 | BVI 英屬處女群島 | Ordinary 普通股 | HK\$1,000 1,000美元 | - | - | 100% | 100% | 100% | 100% | Not commence business 暫無營業 |
| Beijing Yufeng*# (Note iv) 北京御風*(附註iv) | PRC 中國 | N/A 不適用 | RMB100,000 人民幣100,000元 | - | - | 100% | - | 100% | - | Property investment 物業投資 |
| SHHH Development*# (Notes iv and vi) 深圳合輝發展*(附註iv及vi) | PRC 中國 | N/A 不適用 | RMB12,000,000 人民幣12,000,000元 | - | - | 66.67% | - | 66.67% | - | Domestic logistics, freight forwarding, warehousing and distribution services 國內物流、貨運代理、倉儲及分銷服務 |
| 深圳市深合星創投資發展有限公司*# (Note i & Note ii) 深圳市深合星創投資發展有限公司*(附註i及附註ii) | PRC 中國 | N/A 不適用 | RMB1,000,000 人民幣1,000,000元 | - | - | 100% | - | 100% | - | Not commence business 暫無營業 |

* English name for identification purpose only

* 英文名稱僅供識別

Wholly domestic owned enterprise

境內全資企業

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46. PARTICULARS OF SUBSIDIARIES (Continued)

General information of subsidiaries (Continued)

All of the above subsidiaries are limited company which the places of operations are the same as their places of incorporation.

None of the subsidiaries had issued any debt securities outstanding at the end of the reporting period or at any time during the year.

Notes:

- (i) It was newly incorporated during the year ended 31 December 2019.
- (ii) The registered capital has not been paid up at 31 December 2019.
- (iii) The registered capital has not been fully paid up at 31 December 2018.
- (iv) It was acquired of during the year ended 31 December 2019. Details are disclosed in Notes 37(a) and 37(b).
- (v) It was disposed of during the year ended 31 December 2019. Details are disclosed in Note 38(a).
- (vi) SHHH Development is expected to be sold within twelve months after the year ended December 2019, and has been classified as assets held for sale (Note 24) and are presented separately in the statement of financial position.
- (vii) During the year end 31 December 2019, due to the implementation of the Group's overall development strategy, the Board approved the resolution regarding the reduction of the registered capital of Shenzhen Shenhe Chuangli Investment and Development Company Limited from RMB200,000,000 to RMB500,000.

46. 附屬公司詳情(續)

有關附屬公司的一般資料(續)

所有上述附屬公司均為有限公司，其營業地點與註冊成立地點相同。

概無附屬公司發行任何於報告期末或於年內任何時間未償還的債務證券。

附註：

- (i) 於截至2019年12月31日止年度新註冊成立。
- (ii) 於2019年12月31日，註冊資本尚未繳足。
- (iii) 於2018年12月31日，註冊資本尚未悉數繳足。
- (iv) 其已於截至2019年12月31日止年度收購。詳情載於附註37(a)及37(b)。
- (v) 其已於截至2019年12月31日止年度售出。詳情載於附註38(a)。
- (vi) 深圳合輝煌發展預期將於截至2019年12月止年度後十二個月內售出，並分類為持作銷售的資產(附註24)，並於財務狀況表單獨呈列。
- (vii) 截至2019年12月31日止年度，由於本集團實施整體發展策略，董事會批准有關減少深圳市深合創立投資發展有限公司的註冊資本的決議案，即由人民幣200,000,000元減至人民幣500,000元。

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綜合財務報表附註

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46. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiary of the Group that have material non-controlling interests:

| Name of subsidiary 附屬公司名稱 | Place of incorporation and principal place of business 註冊成立地點及主要營業地點 | Proportion of ownership interest and voting rights held by non-controlling interests 非控股權益持有者權益及投票權比例 | | (Loss) profit allocated to non-controlling interests 分配至非控股權益的(虧損)溢利 | | Accumulated non-controlling interests 累計非控股權益 | |
|--|---|--|------------------|---|------------------|--|------------------|
| | | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | | 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 |
| Chung Hwa Finance 中華信貸 | HK 香港 | 45% | 45% | (2,823) | 154 | 12,231 | 23,760 |
| Guangdong Xinmao 廣東鑫茂 | PRC 中國 | 10% | 10% | (25) | - | 975 | 1,000 |
| Chaozhou Jiafu 潮州佳富 | PRC 中國 | 10% | 10% | (24) | - | 413 | 437 |
| SHHH Development (Note) 深圳合輝煌發展(附註) | PRC 中國 | 33.33% | - | (2,519) | - | 74,969 | - |
| | | | | (5,391) | 154 | 88,588 | 25,197 |

Note: On 4 July 2019, Shenzhen Shenxi entered into the disposal agreement with the Purchaser II, whereby the Purchaser II has conditionally agreed to purchase and Shenzhen Shenxi has conditionally agreed to sell 66.67% equity interests and the shareholder's loan of SHHH Development at the consideration of RMB173,000,000. Details of the assets and liabilities attributable to SHHH Development are disclosed on Note 24.

46. 附屬公司詳情(續)

擁有重大非控股權益的非全資附屬公司的詳情

下表載列本集團擁有重大非控股權益的非全資附屬公司的詳情：

附註：於2019年7月4日，深圳沈璽與買方II訂立出售協議，據此，買方II有條件同意購買而深圳沈璽有條件同意出售深圳合輝煌發展66.67%股權及股東貸款，代價為人民幣173,000,000元。有關深圳合輝煌發展應佔資產及負債的詳情於附註24披露。

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綜合財務報表附註

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46. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

Chung Hwa Finance

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|------------------|--------------------------|--------------------------|
| Current assets | 流動資產 | 375,495 | 383,181 |
| Non-current assets | 非流動資產 | – | 11 |
| Current liabilities | 流動負債 | (337,114) | (319,195) |
| Non-current liabilities | 非流動負債 | – | – |
| Equity attributable to owners of the Company (Note a) | 本公司擁有人應佔權益 (附註a) | 26,150 | 40,237 |
| Non-controlling interest of Chung Hwa Finance (Note b) | 中華信貸的非控股權益 (附註b) | 12,231 | 23,760 |

Notes:

- (a) On 2 December 2019, Chung Hwa Finance declared a dividend with approximately RMB20,153,000 (equivalent to HKD22,867,252) to its shareholders.
- (b) As per the capital contribution agreement, non-controlling interest will not share the pre-acquisition reserve of approximately RMB11,198,000.

46. 附屬公司詳情(續)

擁有重大非控股權益的非全資附屬公司的詳情(續)

有關本集團擁有重大非控股權益的附屬公司的財務資料概要載列下文。以下財務資料概要指集團內公司間對銷前的金額。

中華信貸

附註：

- (a) 於2019年12月2日，中華信貸向其股東宣派股息約人民幣20,153,000元（相當於22,867,252港元）。
- (b) 根據注資協議，非控股權益將不會分佔收購前儲備約人民幣11,198,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

46. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Chung Hwa Finance (Continued)

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-----------------------|--------------------------|--------------------------|
| Revenue | 收益 | 4,537 | 10,188 |
| Expenses | 開支 | (10,809) | (9,846) |
| (Loss) profit for the year | 年內(虧損)溢利 | (6,272) | 342 |
| (Loss) profit attributable to owners of the Company | 本公司擁有人應佔(虧損)溢利 | (3,449) | 188 |
| (Loss) profit attributable to the non-controlling interest of Chung Hwa Finance | 中華信貸非控股權益應佔(虧損)溢利 | (2,823) | 154 |
| (Loss) profit for the year | 年內(虧損)溢利 | (6,272) | 342 |
| Other comprehensive income attributable to owners of the Company | 本公司擁有人應佔其他全面收入 | 446 | 1,915 |
| Other comprehensive income attributable to the non-controlling interest of Chung Hwa Finance | 中華信貸非控股權益應佔其他全面收入 | 364 | 1,568 |
| Other comprehensive income for the year | 年內其他全面收入 | 810 | 3,483 |
| Total comprehensive (expense) income attributable to owners of the Company | 本公司擁有人應佔全面(開支)收入總額 | (3,003) | 2,103 |
| Total comprehensive (expense) income attributable to the non-controlling interest of Chung Hwa Finance | 中華信貸非控股權益應佔全面(開支)收入總額 | (2,459) | 1,722 |
| Total comprehensive (expense) income for the year | 年內全面(開支)收入總額 | (5,462) | 3,825 |

46. 附屬公司詳情(續)

擁有重大非控股權益的非全資附屬公司的詳情(續)

中華信貸(續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

46. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Chung Hwa Finance (Continued)

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|--|-----------------|--------------------------|--------------------------|
| Dividend paid to non-controlling interest of Chung Hwa Finance | 已付予中華信貸非控股權益的股息 | (9,070) | — |
| Net cash (outflow) inflow from operating activities | 經營活動現金(流出)流入淨額 | (678) | 71,872 |
| Net cash outflow from investing activities | 投資活動現金流出淨額 | — | (77,583) |
| Net cash inflow from financing activities | 融資活動現金流入淨額 | 345 | 1,609 |
| Net cash (outflow) inflow | 現金(流出)流入淨額 | (333) | (4,102) |

SHHH Development

| | | 2019 RMB'000 人民幣千元 |
|---|--------------|--------------------------|
| Current assets | 流動資產 | 8,147 |
| Non-current assets | 非流動資產 | 231,307 |
| Current liabilities | 流動負債 | (14,525) |
| Non-current liabilities | 非流動負債 | — |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 149,960 |
| Non-controlling interests of SHHH Development | 深圳合輝煌發展非控股股東 | 74,969 |

46. 附屬公司詳情(續)

擁有重大非控股權益的非全資附屬公司的詳情(續)

中華信貸(續)

深圳合輝煌發展

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

46. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

SHHH Development (Continued)

| | | 2019 RMB'000 人民幣千元 |
|--|-------------------------|--------------------------|
| Revenue | 收入 | - |
| Expenses | 開支 | (7,558) |
| Loss and total comprehensive expense for the period | 期內虧損及全面開支總額 | (7,558) |
| Loss and total comprehensive expense attributable to owners of the Company | 本公司擁有人應佔虧損及全面開支總額 | (5,039) |
| Loss and total comprehensive expense attributable to the non-controlling interests of SHHH Development | 深圳合輝煌發展非控股股東應佔虧損及全面開支總額 | (2,519) |
| Loss and total comprehensive expense for the period | 期內虧損及全面開支總額 | (7,558) |

46. 附屬公司詳情(續)

擁有重大非控股權益的非全資附屬公司的詳情(續)

深圳合輝煌發展(續)

| | | 2019 RMB'000 人民幣千元 |
|--|-------------|--------------------------|
| Dividend paid to non-controlling interests | 已付予非控股股東之股息 | - |
| Net cash outflow from operating activities | 經營業務之現金流出淨額 | (76) |
| Net cash inflow from investing activities | 投資業務之現金流入淨額 | - |
| Net cash inflow from financing activities | 融資業務之現金流入淨額 | - |
| Net cash outflow | 現金流出淨額 | (76) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

47. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

47. 本公司財務狀況及儲備表

| | Note 附註 | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 |
|-------------------------------|------------|--------------------------|--------------------------|
| NON-CURRENT ASSETS | | | |
| Investments in subsidiaries | | 248,698 | 443,698 |
| Deferred tax assets | | 31 | 31 |
| | | 248,729 | 443,729 |
| CURRENT ASSETS | | | |
| Amounts due from subsidiaries | | 99,698 | 436,200 |
| Other receivables | | 33,066 | 15,061 |
| Bank balances and cash | | 649 | 142 |
| | | 133,413 | 451,403 |
| CURRENT LIABILITIES | | | |
| Other payables and accruals | | 34,950 | 32,065 |
| Amount due to a subsidiary | | 245,100 | 378,310 |
| Tax liabilities | | 4,799 | 4,799 |
| | | 284,849 | 415,174 |
| NET CURRENT ASSETS | | (151,436) | 36,229 |
| NET ASSETS | | 97,293 | 479,958 |
| CAPITAL AND RESERVES | | | |
| Share capital | | 1,469,376 | 1,469,376 |
| Reserves | (a) | (1,372,083) | (989,418) |
| TOTAL EQUITY | | 97,293 | 479,958 |

The Company's statement of financial position was approved and authorised for issue by the Board on 29 May 2020 and are signed on its behalf by:

本公司的財務狀況表，經董事會於2020年5月29日核准及授權發出，並由下列董事代表簽署：

Zhang Jing Ming
張敬明
Director
董事

Leng Xiao Rong
冷小榮
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

47. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Notes:

(a) Reserves

| | | Share premium | Statutory surplus reserve | Accumulated losses | Total |
|--|------------------------|----------------|---------------------------|--------------------|--------------------|
| | | 股份溢價 | 法定盈餘公積金 | 累計虧損 | 總計 |
| | | 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 |
| At 1 January 2018 | 於2018年1月1日 | 320,476 | 103,215 | (894,942) | (471,251) |
| Loss for the year, representing total comprehensive expense for the year | 年內虧損，代表年內全面開支總額 | - | - | (518,167) | (518,167) |
| At 31 December 2018 and 1 January 2019 | 於2018年12月31日及2019年1月1日 | 320,476 | 103,215 | (1,413,109) | (989,418) |
| Loss for the year, representing total comprehensive expense for the year | 年內虧損，代表年內全面開支總額 | - | - | (382,665) | (382,665) |
| At 31 December 2019 | 於2019年12月31日 | 320,476 | 103,215 | (1,795,774) | (1,372,083) |

47. 本公司財務狀況及儲備表(續)

附註：

(a) 儲備

48. EVENTS AFTER THE END OF THE REPORTING PERIOD

(i) Completion of the acquisition of Target Companies

As disclosed in Note 26(b), the acquisition of the Target Companies has been completed on 7 April 2020.

(ii) Extension of loans to Guangzhou Leyou

As disclosed in Note 29(a), the loan due from Guangzhou Leyou was approximately RMB15,000,000 (before provision for credit loss) as at 31 December 2019. Guangzhou Leyou settled RMB1,000,000 on 28 April 2020. On 20 May 2020, the Company and Guangzhou Leyou entered into a supplementary agreement, pursuant to which the Company extends the loan period for the remaining principal of RMB14,000,000 to Guangzhou Leyou. The loan bear interest rate at 6% per annum with a term of 12 months to 6 March 2021.

48. 報告期後事項

(i) 完成收購目標公司

誠如附註26(b)所披露，於2020年4月7日已完成收購目標公司。

(ii) 廣州樂游貸款延期

誠如附註29(a)所披露，於2019年12月31日，應收廣州樂游貸款約為人民幣15,000,000元(於信貸虧損撥備前)。廣州樂游於2020年4月28日償還人民幣1,000,000元。於2020年5月20日，本公司與廣州樂游訂立補充協議，據此，本公司延長廣州樂游餘下本金人民幣14,000,000元的貸款期。貸款按年利率6%計息，年期為12個月直至2021年3月6日。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

48. EVENTS AFTER THE END OF THE REPORTING PERIOD (Continued)

(iii) Extension of the acquisition of Properties I

As disclosed in Note 25(a), the acquisition of Properties has yet to be completed as at 31 December 2019. On 20 May 2020, Beijing Shen Shang and Vendor I entered into a supplementary agreement, pursuant to which Beijing Shen Shang agreed to extend the completion date of the acquisition of Properties I due to the outbreak of coronavirus. The acquisition is expected to be completed on or before 30 June 2021.

49. RECONCILIATION OF LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

The table below details changes in the Groups' liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

| | | Lease liabilities 租賃負債 RMB'000 人民幣千元 | Amount due to a shareholder 應付一名股東款項 RMB'000 人民幣千元 |
|---|---------------------|---|---|
| At 1 January 2018 | 於2018年1月1日 | – | – |
| Changes from cash flow | 現金流量變動 | | |
| Advance from a shareholder | 預收一名股東款項 | – | 1,540 |
| At 31 December 2018 | 於2018年12月31日 | – | 1,540 |
| Adjustment upon application of HKFRS 16 | 應用香港財務報告準則第16號後的調整 | 1,904 | – |
| As at 1 January 2019 (restated) | 於2019年1月1日(經重列) | 1,904 | 1,540 |
| Non-cash changes | 非現金變動 | | |
| Finance cost | 融資成本 | 53 | – |
| Changes from cash flow | 現金流量變動 | | |
| Advance from a shareholder | 預收一名股東款項 | – | 3,679 |
| Repayment of leases | 償還租賃 | (939) | – |
| At 31 December 2019 | 於2019年12月31日 | 1,018 | 5,219 |

48. 報告期後事項(續)

(iii) 延期收購物業I

誠如附註25(a)所披露，於2019年12月31日，收購物業尚未完成。於2020年5月20日，北京瀋商與賣方I訂立補充協議，據此，由於爆發新冠病毒疫情，北京瀋商同意延期收購物業I的完成日期。收購事項預期於2021年6月30日或之前完成。

49. 因融資活動產生負債的對賬

下表載列本集團因融資活動產生負債的變動(包括現金及非現金變動)詳情。因融資活動產生負債為過往或日後將於本集團綜合現金流量表分類為融資活動所得現金流量的現金流量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
截至2019年12月31日止年度

50. MAJOR NON-CASH TRANSACTIONS

Year ended 31 December 2019

- (i) Part of the consideration for acquisition of the Subsidiaries II (Note 26(b)) of RMB56,000,000 have been settled by the outstanding loan and interest receivables of RMB56,000,000.
- (ii) Part of the consideration for the acquisition of San He Jing Jiao (Note 26(a)) of RMB110,000,000 have been settled by the deposit paid for acquisition of Properties II (Note 25(b)).
- (iii) Other receivables of approximately RMB8,711,000 have been off-set by payable for construction cost of office.

51. COMPARATIVE FIGURES

During the year ended 31 December 2019, for enhancing the relevance of the presentation of the consolidated financial statements, reclassifications have been made to certain comparative figures presented in the consolidated financial statements in respect of the prior year to achieve comparability with the current year's presentation. As a result, the following line items regarding comparative figures have been amended and adjusted, together with the related notes to conform to the current year's presentations:

| | | Previous reported 如前所述 RMB'000 人民幣千元 | Reclassification 重新分類 RMB'000 人民幣千元 | As restated 重列 RMB'000 人民幣千元 |
|---|---------------------|---|--|---------------------------------------|
| Impairment losses on other receivables | 其他應收款的減值虧損 | (124) | 124 | - |
| Impairment losses on loan and interest receivables | 應收貸款及利息的減值虧損 | (1,826) | 1,826 | - |
| Impairment losses on amount due from an associate | 應收一間聯營公司款項的減值虧損 | (5,679) | 5,679 | - |
| Financial guarantee | 財務擔保 | (49,787) | 49,787 | - |
| Impairment loss under expected credit loss model, net of reversal | 預期信貸虧損模型下的減值虧損，扣除撥回 | - | (57,416) | (57,416) |

50. 主要非現金交易

截至2019年12月31日止年度

- (i) 就收購附屬公司II(附註26(b))的部分代價人民幣56,000,000元以尚未償還應收貸款及利息人民幣56,000,000元抵銷。
- (ii) 就收購三河京郊(附註26(a))的部分代價人民幣110,000,000元以就收購物業II(附註25(b))所支付的訂金抵銷。
- (iii) 其他應收款約人民幣8,711,000元以就辦公室建築成本的應付款項抵銷。

51. 比較數字

截至2019年12月31日止年度，為提升呈列綜合財務報表的相關性，已重列就上年度綜合財務報表所呈列的若干比較數字，以達致本年度呈列的可比性。因此，以下有關比較數字的單項已予修訂及調整連同相關附註，以符合本年度的呈列：

Financial Summary 財務摘要

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

| | | 2019 RMB'000 人民幣千元 | 2018 RMB'000 人民幣千元 | 2017 RMB'000 人民幣千元 | 2016 RMB'000 人民幣千元 | 2015 RMB'000 人民幣千元 |
|---|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenue | 收入 | 26,560 | 80,091 | 15,499 | 108,370 | 311,400 |
| Sales taxes on turnover | 營業額銷售稅 | - | - | - | (468) | (765) |
| Cost of sales | 銷售成本 | (21,330) | (64,966) | (2,066) | (78,707) | (293,945) |
| Other income | 其他收入 | 1,316 | 257 | 3,013 | 538 | 2,077 |
| Impairment losses under expected credit loss model, net of reversal | 預期信貸虧損模型下的減值虧損，扣除撥回 | (77,614) | (57,416) | - | - | - |
| Impairment losses on goodwill | 商譽之減值虧損 | - | (1,320) | (24,459) | (20,000) | - |
| Impairment losses recognised in respect of interest in an associate | 就於一間聯營公司權益確認之減值虧損 | - | - | - | (3,561) | - |
| Finance cost | 財務成本 | (53) | - | - | (51) | (531) |
| Exchange gain (loss), net | 匯兌收益(虧損)淨額 | 90 | 1,532 | (9,861) | 16,898 | 11,578 |
| Loss on disposal of convertible instruments designed as financial asset as fair value through profit or loss | 出售指定為按公允價值計入損益的財務資產的可換股工具的虧損 | - | - | - | (1,141) | - |
| Fair value change on convertible instruments designed as financial asset at fair value through profit or loss | 指定為按公允價值計入損益的財務資產的可換股工具的公允價值變動 | - | - | - | - | 1,084 |
| Loss from charge in fair value of held-for-trading investments | 持作買賣投資之公允價值變動的虧損 | - | - | (42) | (30) | (7,917) |
| Loss from change in fair value of fixed assets through profit or loss | 計入損益的固定資產公允價值變動的虧損 | - | (30) | - | - | - |
| Loss from changes in fair value of investment properties | 投資物業公允價值變動的虧損 | (730) | - | - | - | - |
| Gain (loss) on disposal of subsidiaries, net | 出售附屬公司收益(虧損)淨額 | 1,072 | 46 | (2,003) | - | - |
| Loss on disposal of held-for trading investments | 出售持作買賣投資的虧損 | - | - | - | (993) | (9,377) |
| Administrative and other operating expenses | 行政及其他經營開支 | (14,047) | (9,536) | (8,533) | (8,864) | (9,880) |
| Share of (loss) profit of an associate | 應佔一間聯營公司(虧損)溢利 | (8,548) | (85,940) | 738 | 41 | - |
| (Loss) profit before tax | 除稅前(虧損)溢利 | (93,284) | (137,282) | (27,714) | 12,032 | 3,724 |
| Income tax expenses | 所得稅開支 | (1,156) | (1,779) | (1,877) | (5,881) | (6,497) |
| (Loss) profit for the year | 年內(虧損)溢利 | (94,440) | (139,061) | (29,591) | 6,151 | (2,773) |
| Non-controlling interests | 非控股權益 | (5,391) | 154 | 3,241 | 3,802 | - |
| (Loss) profit attributable to owners of the Company | 本公司擁有人應佔(虧損)溢利 | (89,049) | (139,215) | (32,832) | 2,349 | (2,773) |

Financial Summary 財務摘要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

| | | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------|------------------|-----------|-----------|-----------|-----------|
| | | 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 |
| Non-current assets | 非流動資產 | 451,327 | 557,519 | 617,871 | 516,734 | 334,997 |
| Current assets | 流動資產 | 545,084 | 629,473 | 524,968 | 755,668 | 588,349 |
| Current liabilities | 流動負債 | 188,634 | (297,059) | (116,228) | (151,734) | (134,624) |
| Net current assets | 流動資產淨額 | 356,450 | 332,414 | 408,740 | 603,934 | 453,725 |
| Total assets less current liabilities | 總資產減流動負債 | 80,777 | 889,933 | 1,026,611 | 1,120,668 | 788,722 |
| Non-current liability | 非流動負債 | 264 | - | - | - | - |
| Net assets | 資產淨值 | 807,513 | 889,933 | 1,026,611 | 1,120,688 | 453,725 |
| Capital and reserves: | 資本及儲備： | | | | | |
| Share capital | 股本 | 1,469,376 | 1,469,376 | 1,469,376 | 1,469,376 | 1,224,480 |
| Reserves | 儲備 | (750,451) | (604,640) | (468,260) | (433,975) | (435,758) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 718,925 | 864,736 | 1,001,116 | 1,035,401 | 788,722 |
| Non-controlling interests | 非控股權益 | 88,588 | 25,197 | 25,495 | 85,267 | - |
| Total equity | 總權益 | 807,513 | 889,933 | 1,026,611 | 1,120,668 | 788,722 |

Particulars of the Investment Property 投資物業詳情

PROPERTY HELD FOR INVESTMENT

持作投資物業

| Location 地點 | Type 類別 | Lease term 租期 |
|--|------------|-------------------|
| Shop of No. 15 Guang An Road, No. 138 He Sha Road, Da Tan Sha Island Li Wan District, Guangzhou City, Guangzhou Province, The PRC | Commercial | Medium-term lease |
| 中國 廣東省 廣州市 荔灣區大坦沙島 河沙路138號 廣安路15號商舖 | 商業 | 中期租約 |

Glossary 專用詞彙

In this report (other than the Financial Statements), unless the context otherwise requires, the following expressions shall have the following respective meanings.

於本報告(財務報表除外), 除文義另有所指, 以下詞彙具有以下涵義。

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| “2018 Corresponding Period” [2018年同期] | for the year ended 31 December 2018 截至2018年12月31日止年度 |
| “2019 Financial Year” [2019年財政年度] | for the year ended 31 December 2019 截至2019年12月31日止年度 |
| “Articles” [公司章程] | The Articles of Association of the Company 本公司組織章程細則 |
| “Beijing Hua Xia Ding” [北京華夏鼎] | Beijing Hua Xia Ding Technology Company Limited* 北京華夏鼎科技有限公司 |
| “Beijing Lichuang Future” [北京力創未來] | Beijing Lichuang Future Technology Company Limited* 北京力創未來科技有限公司 |
| “Beijing Shen Shang” [北京瀋商] | Beijing Shen Shang Investment & Consulting Company Limited*, a wholly-owned subsidiary of the Company 北京瀋商投資諮詢有限公司, 本公司全資附屬公司 |
| “Beijing Zhong Tou” [北京中投] | Beijing Zhong Tou Chuang Zhan Property Limited* 北京中投創展置業有限公司 |
| “Board” [董事會] | the board of Directors 董事會 |
| “Chaozhou Jiafu” [潮州佳富] | Chaozhou Jiafu Packaging Materials Company Limited* 潮州市佳富包裝材料有限公司 |
| “Chaozhou Jinshan” [潮州金山] | Chaozhou Jinshan Investment and Development Company Limited* 潮州市金山投資開發有限公司 |
| “Chung Hwa Finance” [中華信貸] | Chung Hwa Finance Limited (formerly known as Newpont Finance Limited), a licensed money lender in Hong Kong under the Money Lenders Ordinance 中華信貸有限公司(前稱新邦信貸有限公司), 根據《放債人條例》的香港持牌放債人 |
| “Company” [本公司] | Shenyang Public Utility Holdings Company Limited* 瀋陽公用發展股份有限公司 |
| “Director(s)” [董事] | the directors of the Company 本公司董事 |

Glossary 專用詞彙

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| “Domestic Shares” 「內資股」 | domestic shares with a nominal value of RMB1 each in the share capital of the Company which are subscribed for in RMB 本公司股本中每股面值人民幣1元的內資股，以人民幣認購 |
| “Group” 「本集團」 | the Company and its subsidiaries 本公司及其附屬公司 |
| “Guangdong Xinmao” 「廣東鑫茂」 | Guangdong Xinmao Biotechnology Company Limited* 廣東鑫茂生物科技有限公司 |
| “Guangzhou Leyou” 「廣州樂游」 | Guangzhou Leyou Internet Technology Co., Ltd* 廣州樂游互聯網科技有限公司 |
| “Hai Yue Real Estate” 「海粵房地產」 | Guangzhou Hai Yue Real Estate Development Company Limited* 廣州海粵房地產發展有限公司 |
| “Hong Kong” 「香港」 | the Hong Kong Special Administrative Region of the People’s Republic of China 中華人民共和國香港特別行政區 |
| “Hou Feng Trading” 「厚豐貿易」 | Hou Feng Trading Company Limited* 深圳市厚豐貿易有限公司 |
| “H-Shares” 「H股」 | overseas listed foreign ordinary share(s) of the Company with a nominal value of RMB1 each, all of which are listed on the main board of the Stock Exchange and subscribed for and traded in Hong Kong dollars 本公司每股面值人民幣1元之境外上市外資普通股，全部在聯交所主板上市及以港元認購及買賣 |
| “Independent Third Party(ies)” 「獨立第三方」 | the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of the Company and its connected persons (as defined under the Listing Rules) 於作出一切合理查詢後，就董事深知、得悉及確信，獨立於本公司及其關連人士(定義見上市規則)的獨立第三方 |

Glossary 專用詞彙

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| “Kingma Overseas” 「金馬海外」 | Kingma Overseas Investment Development Corporate Limited 金馬海外投資發展有限公司 |
| “Listing Rules” 「上市規則」 | the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則 |
| “Model Code” 「標準守則」 | Model Code for Securities Transactions by Directors of Listed Issuers 上市發行人董事進行證券交易的標準守則 |
| “PRC” 「中國」 | the People’s Republic of China 中華人民共和國 |
| “RMB” 「人民幣」 | Renminbi, the lawful currency of the PRC 中國法定貨幣人民幣 |
| “San He Jing Jiao” 「三河京郊」 | San He Jing Jiao Property Development Company Limited* 三河京郊房地產開發有限公司 |
| “SFO” 「證券及期貨條例」 | Securities and Futures Ordinance (Chapter 571 of the law of Hong Kong) 證券及期貨條例(香港法例571章) |
| “Share” 「股份」 | H-Share(s) and Domestic Share(s) H股及內資股 |
| “Shareholders” 「股東」 | holders of the H-Shares and Domestic Shares H股及內資股持有人 |
| “Shen Wu Investment” 「沈物投資」 | Shenzhen Shen Wu Investment & Development Company Limited*, a wholly-owned subsidiary of the Company 深圳市沈物投資發展有限公司，本公司全資附屬公司 |
| “Shenzhen Shen He” 「深圳沈和」 | Shenzhen Shen He Chuang Jian Investment Development Company Limited* 深圳市沈和創建投資發展有限公司 |
| “Shenzhen Shen Jian” 「深圳沈建」 | Shenzhen Shen Jian Investment Development Company Limited*, a wholly-owned subsidiary of the Company 深圳市沈建投資發展有限公司，本公司全資附屬公司 |

Glossary 專用詞彙

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| “Shenzhen Shenxi” 「深圳沈璽」 | Shenzhen Shenxi Investment & Development Company Limited*, a wholly-owned subsidiary of the Company 深圳市沈璽投資發展有限公司，本公司全資附屬公司 |
| “Shenzhen Tong He” 「深圳同合」 | Shenzhen Tong He Chuangjian Investment Development Company Limited*, a wholly-owned subsidiary of the Company 深圳市同合創建投資發展有限責任公司，本公司全資附屬公司 |
| “Shenzhen Wan Zhong Run Long” 「深圳萬眾潤隆」 | Shenzhen Wan Zhong Run Long Investment Company Limited* 深圳市萬眾潤隆投資有限公司 |
| “SHHH Development” 「深圳合輝煌發展」 | Shenzhen He Hui Huang Development Company Limited* 深圳市合輝煌發展有限公司 |
| “Shishi Shen Guo Tou” 「石獅深國投」 | Shishi Shen Guo Tou Commercial Property Company Limited*, an associate of the Company 石獅深國投商用置業有限公司，本公司之聯營公司 |
| “SNP Investment” 「深圳新邦投資」 | Shenzhen Newpont Investment Group Limited* 深圳市新邦投資集團有限公司 |
| “Stock Exchange” 「聯交所」 | The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司 |
| “Tai He Chuang Jian” 「泰合創建」 | Shenzhen Tai He Chuang Jian Investment Development Company Limited*, a wholly-owned subsidiary of the Company 深圳市泰合創建投資發展有限責任公司，本公司全資附屬公司 |
| “Zhongfang Chaozhou” 「中房潮州」 | Zhongfang Chaozhou Investment Development Company Limited* 中房潮州投資開發有限公司 |
| “Zhongfang Chaozhou Jing Nan Industrial Park Project” 「中房潮州徑南工業園項目」 | a infrastructure construction project in Jing Nan Industrial Park, in Chaozhou 位於潮州徑南工業園的基礎設施建設項目 |
| “Zhong De Logistics” 「眾德物流」 | Shenzhen Zhong De Logistics Company Limited* 深圳市眾德物流有限公司 |

* For identification purpose only

* 僅供識別

**SHENYANG PUBLIC UTILITY
HOLDINGS COMPANY LIMITED**

瀋陽公用發展股份有限公司

Stock code 股份代號：747