



HENGDELI HOLDINGS LIMITED

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 3389



2019

ANNUAL REPORT 年報









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CORPORATE PROFILE  
公司簡介



Hengdeli Holdings Limited (the “Company” or “Hengdeli”) and its subsidiaries (collectively as the “Group”) are prestigious retailers of internationally renowned watch brands and manufacturers of watch accessories. Its shareholders primarily include the Zhang family and SWATCH Group, a watch manufacturer and distributor of international repute.

As of 31 December 2019, the Group owned a retail network comprising: Elegant (high-end internationally renowned watch brands), Hengdeli/Watchshoppe (mid-end and mid-to-high-end internationally renowned watch brands) and single-brand boutiques. The Group had 77 retail outlets, selling watches from more than 50 internationally renowned brands in Hong Kong, Macau, Taiwan and Malaysia. Meanwhile, the Group provides integrated after-sales warranty maintenance for internationally renowned-brand watches.

The Group owns a number of watch accessories manufacturing enterprises, of which the business covers manufacturing of furniture and items used for watch sales and watch packaging products, commercial space design, production and decoration, serving customers throughout the Greater China Region, Asia Pacific and other countries and regions including Switzerland and the United States etc.

The Group maintains sound and in-depth collaboration with many world-renowned premier brand suppliers including SWATCH Group, LVMH Group, RICHMONT Group and KERING Group.

The Company has been listed on the Main Board of the Hong Kong Stock Exchange since 2005 with stock code 3389. The stock name is Hengdeli in short.

亨得利控股有限公司（「本公司」或「亨得利」）及其子公司（「本集團」或「集團」）為負有盛名的國際名錶銷售及手錶配套產品製造集團，股東主要包括：張氏家族、享有國際聲譽的手錶製造及分銷商斯沃琪集團等。

截至二零一九年十二月三十一日止，本集團銷售體系主要包括：三寶名錶（高檔國際名錶）、亨得利／Watchshoppe（中檔及中高檔國際名錶）以及單一品牌專門店；於香港、澳門、台灣及馬來西亞等地擁有77間零售門店，經銷逾50個國際知名品牌手錶；同時為客戶提供全方位的國際名錶售後服務。

本集團擁有多間手錶配套產品製造企業，業務涵蓋手錶銷售之家具、道具及錶盒製作、商業空間設計及製作與裝修等；客戶覆蓋大中華區、亞太區及瑞士、美國等多個國家和地區。

本集團與國際頂級品牌供貨商有著良好而深入的合作，其中包括斯沃琪集團、路威酩軒集團、歷峰集團及開雲集團等。

本公司於二零零五年在香港聯合交易所主板上市，股份代號：3389，簡稱：亨得利。



# SOLD AT HENGDELI GROUP

## 亨得利集團部份經銷品牌

**BREGUET**  
寶璣



**BLANCPAIN**  
寶珀



**GLASHÜTTE ORIGINAL**  
格拉蘇蒂



**OMEGA**  
歐米茄



**LONGINES**  
浪琴

**SWATCH Group**  
斯沃琪集團

• CALVIN KLEIN

• HAMILTON  
漢米爾頓

• MIDO  
美度

• CERTINA  
雪鐵納

• JAQUET DROZ  
雅克德羅

• RADO  
雷達

**CARTIER**  
卡地亞



**PIAGET**  
伯爵



**VACHERONCONSTANTIN**  
江詩丹頓



**PANERAI**  
沛納海

**RICHEMONT Group**  
歷峰集團

• A. LANGE & SÖHNE  
朗格

• IWC  
萬國

• MONTBLANC  
萬寶龍

• BAUME & MERCIER  
名士

• JAEGER-LECOULTRE  
積家

• ROGER DUBUIS  
羅傑杜彼

**BVLGARI**  
寶格麗



**HUBLOT**  
宇舶

**LVMH Group**  
路威酩軒集團

- TAG HEUER  
豪雅
- ZENITH  
真力時

**GUCCI**  
古馳



**GIRARD-PERREGAUX**  
芝柏

**KERING Group**  
開雲集團

- JEANRICHARD  
尚維沙

**FRANCK MULLER**  
法穆蘭



**CHOPARD**  
蕭邦



**MB&F**



**Independent  
Brands**  
獨立品牌

- ARMIN STROM
- BELL & ROSS  
柏萊士
- BREITLING  
百年靈
- CORUM  
昆侖
- CHRISTOPHE CLARET  
柯賴天音
- GREUBEL FORSEY  
高珀富斯
- HARRY WINSTON  
海瑞溫斯頓
- H. MOSER  
亨利慕時
- HYT
- MORITZ GROSSMANN  
格羅斯曼
- ORIS  
豪利時
- PARMIGIANI  
帕瑪強尼
- ULYSSE NARDIN  
雅典



CHAIRMAN'S STATEMENT  
主席報告書

ELEGANT



Zhang Yuping  
張瑜平  
Chairman 主席



Sound, steady and long-term operations,  
creating greater value for shareholders and the society.  
行穩致遠，持續經營，為股東和社會創造更高的價值。

Dear Shareholders,

On behalf of the board of directors (the "Board"), I am pleased to present the annual report of Hengdeli Holdings Limited (the "Company") and its subsidiaries (the "Group"), for the year ended 31 December 2019 (the "year" or the "year under review"), for your review.

In 2019, world economic growth remained weak amid continuing global turmoil and significantly higher levels of risk exposure. Due to the various unfavorable factors, including China-US trade friction, the downward pressure on China's economy increased. Hong Kong's economy suffered severely amid the geopolitical unrest. These have brought about various risks and challenges in the course of corporate operations, especially in the second half of the year. The Group adhered to its established strategy of healthy and stable growth. In the first half of the year, the Group achieved satisfactory results, however, the Group was in the doldrums and recorded a notable decline in its performance for the second half of the year.

As of 31 December 2019, the Group recorded revenue of RMB2,417,181,000 (2018: RMB2,687,248,000), representing a year-on-year decrease of 10.0%; among which retail sales amounted to RMB1,678,209,000 (2018: RMB2,093,852,000), representing a year-on-year decrease of 19.9%; the revenue from the industrial group and others amounted to RMB738,972,000 (2018: RMB593,396,000), representing a year-on-year increase of 24.5%. Due to the decline in retail revenue in Hong Kong, impairment of goodwill and impairment of right-of-use assets related to the retail business in Hong Kong; impairment of other assets and provision of inventory, the Group recorded a loss of RMB324,117,000 (2018: profit of RMB79,249,000), and loss attributable to equity shareholders amounted to RMB332,520,000 (2018: profit of RMB68,746,000).

各位股東：

本人謹代表董事會（「董事會」），欣然提呈亨得利控股有限公司（「本公司」）及其子公司（「本集團」或「集團」）截至二零一九年十二月三十一日止年度（「本年度」、「年度」或「回顧年度」）之年度報告，敬請各位股東審閱。

二零一九年，全球動蕩不斷，風險點明顯增多，世界經濟增長亦持續放緩。在中美貿易摩擦等諸多不利因素影響下，中國經濟下行壓力加大。香港地緣政治局勢動蕩不安，經濟遭受了極大的衝擊。企業經營，特別是下半年的經營，充滿了艱險和挑戰。本集團堅持既定策略，以健康穩定為根本，上半年取得了比較好的經營業績，但下半年則陷入較大的困局之中，業績下滑較為嚴重。

截至二零一九年十二月三十一日止，本集團收入錄得2,417,181,000元（人民幣•下同）（二零一八年：2,687,248,000元），較去年同期下降10.0%；零售銷售額錄得1,678,209,000元（二零一八年：2,093,852,000元），較去年同期下降了19.9%；工業集團等收入為738,972,000元（二零一八年：593,396,000元），較去年同期上升了24.5%。因香港零售收入下降、商譽減值及與香港零售業務有關的使用權資產減值；其他資產的減值及庫存撥備等影響，集團本年度錄得虧損達324,117,000元（二零一八年：溢利79,249,000元），而股東應佔虧損達332,520,000元（二零一八年：溢利68,746,000元）。



## CHAIRMAN'S STATEMENT 主席報告書

Sales of renowned watches in Hong Kong faced significant problems given in view of the unfavorable factors in global politics, economy and geopolitical factors. Malaysia and Taiwan, where the proportions of sales were relatively small, have not suffered from the same factors as Hong Kong, yet they also faced overwhelming challenges arising from industry risks. As of 31 December 2019, the Group operated a total of 77 retail outlets in Hong Kong, Macau, Taiwan and Malaysia. The overall sales decreased significantly, a 19.9% decrease as compared to the same period last year.

During the year under review, the industrial group adopted an aggressive strategy. On the basis of regular standardization, automation, informatization and continuous improvement of service standards, the Group started to set up new and high-standard production bases, vigorously expanded production scale, and initiated innovation in production model, thereby winning extensive praise from customers. The Group further extended and deepened cooperation with brands so as to facilitate expansion of the related businesses and further increase profits. The overall strength of the industrial group will continue to enhance, which will become a powerful engine for the future development of the Group.

The Group's core values of "respect, commitment, cooperation and innovation" have enabled us to build a solid foundation for corporate governance and fulfilment of social responsibilities. Believing that business exists as a part of society and prospers along with it, the Group, apart from its efforts in achieving business results and creating brand value, has been improving its social values by protecting the environment, managing environmental quality, conserving resources and developing talents. The Group also actively participated in public welfare activities with an aim of growing together and sharing with the community.

At present, the global political turmoil is growing more severely. World economic growth continues to slow down, while Hong Kong's economy is still suffering from unprecedented pressure, which makes business operations difficult. Due to the impact of the epidemic, China's economy is also facing certain challenges. However, the sound and stable fundamentals of China's economic development

名錶銷售方面：在全球政治經濟諸多不利因素及地緣政局等的影響下，香港名錶銷售面臨極大的困擾，銷售額較去年同期有較大幅度的下降。分量佔比較小的馬來西亞及台灣等地雖未遭香港地區同等境遇，但同樣面臨著行業風險的巨大挑戰。截至二零一九年十二月三十一日止，集團於香港、澳門、台灣及馬來西亞等地擁有77間零售門店，總體銷售下降明顯，與去年同期相比下降了19.9%。

回顧年度內，工業集團仍取積極進取之戰略。在常規的規範化、自動化、信息化及服務水準不斷提升的前提下，集團開始著手建立新的、高標準的生產基地，大力拓展生產規模，並開啟生產模式的創新，贏得了客戶們的廣泛讚譽；與品牌的合作亦更加廣泛深入，從而帶動相關業務不斷擴展，利潤得以進一步增長。工業集團整體實力繼續增強，或將成為集團未來發展的強大引擎。

本集團以「尊重、承擔、合作、創新」為核心價值，並以此作為企業管理和履行社會責任的堅實基礎。本集團始終堅持企業與社會共存及共榮之價值理念，堅持在創造企業利益、實現品牌價值的同時不斷提升在環境保護、環境質素建造、資源使用、人才培養等各方面的社會價值；本集團亦積極參與社會公益活動，與社會共同發展，共同分享。

當前，全球政治動蕩不安的特徵更趨明顯，世界經濟增長亦持續放緩，而香港經濟則仍在遭受前所未有的衝擊，企業經營舉步維艱。由於「疫情」的影響，中國經濟也面臨著一定的挑戰。但是，中國經濟發展健康穩定的基本面沒有改變，長期穩中向好的總體勢頭也沒有改變。本集團相信，有超大規模的市場優勢和內



remain unchanged, while the overall steady and rising momentum in the long-term continues as well. The Group believes that with significantly extensive market advantages and potential for domestic demand, China's high-speed economic growth will continue with the upgrading of consumption. By continuously leveraging its core competitiveness, the Group will progress with innovations and constantly seek new business opportunities in order to keep the enterprise healthy and move forward steadily.

In 2020, the Group will continue to adhere to the principle of "sound, steady and long-term operations." Based on the long-term stability and sustainable development of the overall business, we will explore and practice the new development model of the Group with an open mind and innovative thinking. By adjusting the structure, we will safeguard healthy development and seek sustainability. To exploit China's long-term and stable economic development environment, we will concentrate on expanding the production of watch accessories that can bring stable and sustainable income to the Group and conduct deeper cooperation with brand suppliers and international peers in various ways. At the same time, with the new industrial production bases, the limited diversification process of industrial production will be fully extended to seek a newer and broader development model for the Group, so as to achieve a new breakthrough in the development of the Group, and create more value for shareholders and society.

On behalf of the Group, I would like to express my sincere gratitude to our shareholders, suppliers, customers and other business partners for their ongoing trust and support, as well as to all our staff members for their dedication and wholehearted contributions over the past year.

By order of the Board  
Zhang Yuping  
Chairman

Hong Kong, 5 June 2020

需潛力，伴隨著消費升級，中國經濟中高速增長的發展態勢仍將繼續。本集團將繼續憑藉自身的核心競爭力，以創新引領未來，不斷尋找新的商機，以保企業健康並穩步向前。

新的一年，本集團將繼續堅持「行穩致遠、持續經營」之原則，立足於整體業務的恒久穩定及可持續發展；以開放的心態、創新的思維深入探索與實踐集團新的發展模式；調結構、保健康、求持續。本集團將背靠中國長久穩定的經濟發展環境，集中力量擴充發展可為集團帶來穩定持久收入的手錶配套產品的生產，以多種方式與品牌供應商及國際同行進行更深層次的合作。同時，以新的工業生產基地為中心，全力展開工業生產的有限多元化進程，謀求集團更新、更廣的發展模式，實現集團發展的新突破，為股東和社會創造更高的價值。

本人謹代表集團向廣大股東、供應商、客戶及其他合作夥伴對本集團長期以來的信任與支持，及全體同仁在過去一年中的積極努力與貢獻，致以最衷心的感謝！

承董事會命  
主席  
張瑜平

香港，二零二零年六月五日





 亨得利  
HENGDELI

ELEGANT 三寶





# REPORT OF DIRECTORS

## 董事會報告書

The directors of the Company are pleased to present to you this report and the audited accounts of the Company for the year ended 31 December 2019.

### BUSINESS REVIEW

During the year under review, the Group's business was primarily focused on the sale of internationally renowned-brand watches, comprehensive related customer services and maintenance in Hong Kong, Macau, Taiwan and Malaysia, watch accessories manufacturing and e-commerce, etc.

#### Retail Network

The Group's retail network is mainly located in Hong Kong, Macau, Taiwan and Malaysia where retail stores mainly included "Elegant", "Hengdeli"/"Watchshoppe", and certain single-brand boutiques. "Elegant" stores are mainly located in Hong Kong, selling high-end internationally renowned-brand watches, while "Hengdeli"/"Watchshoppe" stores are mainly located in Taiwan and Malaysia, selling mid-end and mid-to-high-end internationally renowned-brand watches. Following the adjustments and optimization, the Group operated a total of 77 retail outlets in above-mentioned regions as of 31 December 2019, details of which are set out below:

本公司董事欣然提呈本報告，連同本公司截至二零一九年十二月三十一日止年度經審核之賬目。

#### 業務回顧

回顧年度內，本集團之業務主要專注於以港澳、台灣及馬來西亞等地之國際名錶銷售及全面的相關客戶服務暨維修、手錶配套產品製造、電子商務等。

#### 零售網絡

本集團零售網絡主要分佈於香港、澳門、台灣及馬來西亞等地，其零售店類型主要包括「三寶名錶」、「亨得利」／「Watchshoppe」以及單一品牌專賣店。「三寶名錶」主要設於香港等地，銷售高檔國際名錶；「亨得利」／「Watchshoppe」主要設於台灣及馬來西亞等地，銷售中檔和中高檔國際名錶。經調整及優化，截至二零一九年十二月三十一日止，本集團在上述各地合共經營77間零售門店，其佈局詳情基本如下：

		As of 31 December 2019		
		截至二零一九年十二月三十一日止		
		Hong Kong and Macau	Taiwan/ Malaysia 台灣/ 馬來西亞	Total
		港澳		總計
Elegant	三寶名錶	7	1	8
Hengdeli/Watchshoppe	亨得利／Watchshoppe	1	37	38
Brand boutiques	品牌專賣店	13	18	31
<b>Total</b>	<b>總計</b>	<b>21</b>	<b>56</b>	<b>77</b>



The Group has maintained sound business relationships with many world-renowned-brand watch suppliers over the years, including SWATCH Group, LVMH Group, RICHEMONT Group and KERING Group, etc. As of 31 December 2019, the Group was engaged in the distribution of over 50 international brands from the above four major brand suppliers and other independent watchmakers, including Breguet, Blancpain, Bulgari, Cartier, Girard-Perregaux, Harry Winston, IWC, Jaeger-LeCoultre, Longines, Mido, Omega, Parmigiani, Vacheron-Constantin, Tissot, Zenith, and Hublot, etc. During the year under review, the Group continued to step up its efforts in adjusting the brands to optimise its brand portfolio, paving the way for long-term business development and stabilizing overall sales performance.

In 2019, world economic growth remained weak amid continuing global turmoil and significantly higher levels of risk exposure. Due to the various unfavorable factors, including China-US trade friction, the downward pressure on China's economy increased. These have brought various risks and challenges to the corporate operations, especially in the second half of the year. Hong Kong's economy suffered severely amid the geopolitical unrest. As a result, the Group's overall sales of renowned watches dropped significantly and we recorded a notable decline in performance, a decrease of 19.9% as compared to the same period last year.

#### Hong Kong and Macau

The Group's retail business in Hong Kong mainly focuses on high-end brands, including Blancpain, Breguet, Bulgari, Cartier, Chopard, Franck Muller, Girard-Perregaux, Harry Winston, IWC, Jaeger-LeCoultre, Omega, Panerai, Piaget, Parmigiani, Vacheron Constantin, Zenith, Glashutte Original, Ulysse Nardin, Jaquet Droz, Breitling, etc. In order to adapt to diverse consumer preference and changes in the structure and consumption patterns of visitors to Hong Kong in recent years, the Group also started to deploy multi-layer brand positioning in Hong Kong, introducing certain mid-to-high-end brands and marketing some well-known brands from independent international watchmakers such as HYT, Christophe Claret, Greubel Forsey, MB&F, Armin Strom, Moritz Grossmann, in order to expand its market share and maintain its leading position in Hong Kong.

多年來，本集團與眾多國際著名手錶品牌供應商一直保持良好的合作關係，其中包括斯沃琪集團、路威酩軒集團、歷峰集團及開雲集團等。截至二零一九年十二月三十一日止，本集團共經銷含上述四大品牌供應商所屬及其他獨立製錶人所屬之超過50個國際知名品牌，包括：寶璣、寶珀、寶格麗、卡地亞、芝柏、海瑞溫斯頓、萬國、積家、浪琴、美度、歐米茄、帕馬強尼、江詩丹頓、天梭、真力時、宇舶等。回顧年度內，本集團仍致力加強所經銷品牌的調整，不斷優化品牌組合，以有利於業務的長遠發展和整體業績的穩定。

二零一九年，全球動蕩不斷，風險點明顯增多，世界經濟增長亦持續放緩。在中美貿易摩擦等諸多不利因素影響下，中國經濟下行壓力加大，企業經營，特別是下半年的經營，充滿了艱險和挑戰。香港地緣政治局勢動蕩不安，經濟遭受了極大的衝擊，致集團名錶整體銷售陷入較大的困局之中，業績下滑極為嚴重，較去年同期下降了19.9%。

#### 港澳地區

本集團在香港的零售定位主要為高端品牌，包括寶珀、寶璣、寶格麗、卡地亞、蕭邦、法穆蘭、芝柏、海瑞溫斯頓、萬國、積家、歐米茄、沛納海、伯爵、帕馬強尼、江詩丹頓、真力時、格拉蘇蒂、雅典、雅克德羅、百年靈等。為適應消費者喜好的多樣性及近年訪港人士結構和消費模式的變化，集團在香港也開始進行多層面的品牌佈局，適當引進了部份中高檔品牌，及營銷部份知名的國際獨立製錶人之品牌，如，HYT、Christophe Claret、Greubel Forsey、MB&F、Armin Strom、Moritz Grossmann等，以期擴大市場份額，保持集團在香港的領先地位。



亨得利  
HENGDELI









## REPORT OF DIRECTORS 董事會報告書

As of 31 December 2019, the Group operated a total of 20 retail outlets in Hong Kong, including 7 multi-brand Elegant shops and 13 single-brand boutiques or image stores, mainly located in prime commercial districts such as Tsim Sha Tsui, Central and Causeway Bay. During the year under review, the Group opened several new shops in K11 MUSEA and other shopping malls in Tsim Sha Tsui. These shops were planned to be invested during the first half of the year, when Hong Kong's business environment was still favorable. Considering that these shops are located in prosperous commercial districts in Hong Kong, with prime locations and excellent brands, they will not only enrich the retail brands of watches, but also greatly help the Group to improve its overall sales in Hong Kong. However, it was unexpected that Hong Kong's geopolitical conditions would suddenly change during the second half of the year and the business would plunge. As of now, there is still no sign of easing off.

During the year under review, the political and economic situation in Hong Kong was extremely grim. The continuous China-US trade disputes, the geopolitical unrest, the rise in commodity prices caused by the devaluation of the RMB and the downturn in the global economy continually weakened the sentiment in Hong Kong's consumer market. The number of visitors thus continued to decrease, while local consumers and a very small number of visitors maintained a cautious consumption attitude. In such an environment, the Group's sales of renowned watches in Hong Kong have been significantly affected, with a decrease of 23.0% compared with the same period last year.

Despite the unfavorable business environment, the Group remained committed to intensive operation management, continuously strengthened the training of employees at all levels. The Group improved the services at the front-line, strengthened talent reservoir and segmenting, and strived to reform the management model. In addition, the Group has continuously strengthened its marketing, actively allocated more resources in marketing, and worked more closely with more international brands in advertising, VIP activities and other promotional activities. Through social networking platforms such as Facebook, Weibo and WeChat, we established and maintained good interactions with consumers, to seize opportunities.

截至二零一九年十二月三十一日止，集團在香港合共經營20間零售門店，其中7間為多品牌的「三寶名錶」店，13間為單品牌專賣店或形象店，主要集中在尖沙咀、中環及銅鑼灣等一線商業地段。回顧年度內，集團在位於尖沙咀的「K11 MUSEA」等商場開設了幾間新門店，該等店舖基本為上半年確定投資開設。其時，香港經營環境尚佳，並考慮該等店舖均位於香港商業旺地，地理優越，品牌卓越，不僅可豐富手錶零售品牌，也將十分有助於集團在香港整體銷售的提升。但未曾料到下半年香港地緣政局突變，經營形勢急轉直下，及至當前仍無緩和跡象。

回顧年度內，香港政治及經濟形勢極為嚴峻：中美貿易糾紛的持續，地緣政治局勢的動蕩，人民幣貶值導致商品價格上升以及全球經濟放緩等因素，令香港消費市場持續放緩，訪港人士不斷減少，本地消費者及極少數訪港人士也都保持著謹慎的消費態度。在此環境下，集團於香港的名錶銷售受到了極大的影響，與去年同期相比下降了23.0%。

經營環境不佳，此間，集團致力於營運管理的精耕細作，不斷加強各層級員工的培訓，提高前線人員服務水平，加強梯隊建設，致力革新管理模式。此外，集團亦不斷加強市場營銷，在市場推廣上積極投入資源，與更多國際品牌商在廣告、貴賓活動及其他宣傳活動中更緊密合作；通過FACEBOOK、微博、微信等社交網絡平台，廣泛與消費者建立並保持良好的互動，以待時機。



The global political turmoil has been growing more severely recently, world economy has not yet recovered from its slowdown, and the geopolitical unrest that has been troubling Hong Kong society has not shown any sign of easing off. Coupled with the impact of epidemic, Hong Kong economy is still suffering from unprecedented pressure, which makes business operations difficult. The Group will adapt to market conditions, take advantage of the situation and actively seek breakthroughs to ensure the long-term stability of the Group.

During the year under review, the operation of the “Hengdeli” store in Macau was basically similar to that in Hong Kong, with no significant increase in sales.

#### Taiwan and Malaysia

During the year under review, the Group's retail business in Taiwan was in the process of network building and nurturing. The Group operated a total of 50 retail outlets in Taiwan as of 31 December 2019, mainly located in prime districts including Taipei, Taichung, Kaohsiung, Hsinchu and Chiayi. Except for one “Elegant” shop which sells top-end watches, all other retail outlets are brand boutiques and “Hengdeli” shops which sell mid-end and mid-to-high-end watch brands. Brands of watches sold are mostly mid-end and mid-end to high-end, which mainly include Omega, IWC, Certina, Hamilton, Longines, Rado, TAG Heuer, Tissot and Gucci, etc.

During the year, sales in Taiwan remained basically stable and did not have much change compared to that of last year. The sales target is still mainly local customers. In view of the current political and other situations, it is anticipated that there will still be no breakthroughs in sales in Taiwan in 2020. The Group will strive for stable development and improve its management.

The Group operates six stores in Malaysia, selling mid-to high-end brands, mainly including Certina, Hamilton, Longines, Rado, TAG Heuer, Tissot, Montblanc, Mido, Maurice Lacroix, Oris, and Bell & Ross. During the year under review, Malaysia team continued to strengthen its management, improved brand portfolio, and enhanced sales staff's knowledge of products and sales skills. As a result of these efforts, our sales of renowned-brand watches in Malaysia maintained a good momentum of increase during the first half of the year. However, in the second half of the year, as the surrounding political situation and brand operations have brought about significant adverse effects on the sales, profits from main operations have declined.

目前，全球政治動蕩不安的特徵更趨明顯，世界經濟亦未見明顯起色，而困擾香港社會的地緣政局仍未有緩和跡象，再加上「疫情」等的影響，香港經濟仍在遭受前所未有的衝擊，企業經營舉步維艱。本集團將順應市場，因勢利導，積極尋求突破，以保集團的長治久安。

回顧年度內，位於澳門的一間「亨得利」店舖情況與香港情形基本相似，銷售平平，未見起色。

#### 台灣及馬來西亞

回顧年度內，集團於台灣的零售依舊處於佈局及培養時期。截至二零一九年十二月三十一日，集團在台灣共經營50間零售門店，主要分佈於台北、台中、高雄、新竹及嘉義等主要地區，除一間銷售頂級手錶的「三寶名錶」外，其他店舖均為品牌專賣店和銷售中檔及中高檔手錶的「亨得利」錶店。其所售品牌以中檔和中高檔手錶為主，主要包括歐米茄、萬國、雪鐵納、漢米爾頓、浪琴、雷達、豪雅、天梭、古馳等。

年度內，台灣地區銷售基本平穩，較去年未有太大變化，銷售對象仍主要為當地顧客。有鑑於當前的政治等形勢，預計，二零二零年台灣銷售仍不會有新的突破。本集團將在穩健中求發展，提升管理水平。

集團於馬來西亞經營6間店舖，銷售品牌為中檔及中高檔，主要包括雪鐵納、漢米爾頓、浪琴、雷達、豪雅、天梭、萬寶龍、美度、艾美、豪利時和柏萊士等。回顧年度內，馬來西亞的經營管理團隊不斷強化管理，改善品牌組合，加強銷售人員的產品知識及銷售能力的提升。有賴於其積極努力，上半年馬來西亞的名錶銷售保持了較好的增加勢頭；但下半年，周邊政局及品牌運營等對其銷售產生了較大的不利影響，主營利潤有所下降。



### Customer Service and Maintenance

“Cutting-edge technology, efficient management, and considerate services” are the solemn commitments made by the Group to consumers, providing customers with assurance and confidence. The continuing training provided by brand suppliers to the Group’s technical personnel and the human resources policy of recruiting talents worldwide have ensured the Group to have its own elite technicians and maintain the world-class cutting edge of maintenance expertise.

The real-time repair and maintenance networks in retail stores of all regions and the watch repair and maintenance centers located in Hong Kong, Taiwan and Malaysia ensure timely delivery of all-round after-sale services to customers. Top international watch technicians and high-end maintenance equipments have provided international top quality watch repair and maintenance services to customers so as to strive for perfection in customer services. The Group has maintained good cooperation relationship with brand suppliers. As of 31 December 2019, the Group has become the maintenance agent for 108 international brands, of which the Group is the exclusive maintenance agent for 5 brands.

### Industrial Group

The Group has a relatively mature industry value chain for watch accessories, mainly spanning from the manufacturing of watch accessories and packaging products to commercial space design, production and decoration. The relevant subsidiary companies are mainly located in Shanghai, Suzhou, Guangzhou and Dongguan. The subsidiaries have earned a solid reputation in their respective fields, forming tight relationships, mutual trust and interest sharing with brand suppliers. A wide customer base covering China, Switzerland, the United States and other nations in the Asia Pacific region etc. has been established.

### 客戶服務暨維修

「技術先進、管理高效和服務貼心」是本集團之於消費者的鄭重承諾，也是本集團給予消費者的最佳信心保證。品牌供貨商給予集團技術人員的持續培訓以及國際範圍人才招募的人力資源政策，確保了本集團能夠始終擁有精英技師及保持國際最先進的維修技術。

本集團於各地零售店均設有實時維修網點，並在香港、台灣及馬來西亞設有手錶維修中心，為客戶提供及時全面的售後服務。國際頂尖手錶技師及高端維修設備向客戶提供國際一流的手錶維修及保養服務，務求做到精益求精。本集團一直與品牌供應商保持著良好的合作關係，截至二零一九年十二月三十一日止，本集團為108個國際品牌的維修代理，其中獨家維修代理5個。

### 工業集團

本集團擁有比較成熟的手錶配套產品產業鏈，相關子公司分別位於上海、蘇州、廣州及東莞等地，業務範圍主要涵蓋手錶附屬產品及包裝產品的製作、商業空間設計和製作及裝修等。多間子公司均在各自的領域建立了良好的口碑；與品牌商合作極為緊密，建立了互信、共享的良好合作關係；客戶覆蓋中國、瑞士、美國、亞太區其他各國等。



During the year under review, the industrial group adopted an aggressive strategy by vigorously expanding its scale, enriching its business model, updating its product design, improving its services as well as automation and informatization, and took the lead in using advanced information management systems in the industry, including ERP (Enterprise Resource Planning), BIM (Building Information Modeling) and MES (Manufacturing Execution System). With the progress and extensive application of R&D on automation, each company has further improved its technological workflow and significantly enhanced the product quality and production efficiency. As a result, the companies won high praise from brand customers and thereby consolidated their leading positions in the market. The continuous deepening of informatization has effectively improved the enterprise's ability in cost management and benefit analysis, providing a solid foundation for enterprise's data analysis and strategic decision-making.

Despite the unfavorable operating environment, progressive strategy and scientific management have enabled various businesses of the industrial group to make major breakthroughs during the period under review. While sales continued to rise, the profit of the main business increased by 7.3% over last year. The major companies showed great improvement in technology level and scale efficiency, achieving further improvement of development potential and competitiveness. During the year under review, the Group had acquired a piece of land in Hunan, China, and a larger industrial base is under construction, with an aim of constantly enhancing the capacity and profits of the industrial group, laying a solid foundation for the Group's sustainable development.

Under the background of the strong industrial strategy of the Chinese government, the Group will seek opportunities to conduct industry integration of the upstream and downstream products, as well as strive for improving leadership in the industry through fully seizing the development opportunities, further strengthening the industrial management together with technical R&D and innovation, taking quality as the priority and driving growth by innovation. Meanwhile, the Group will also further explore the limited diversification of business to expand the business model and enhance its product pipelines other than watch accessories. The Group firmly believes that, under the guidance of proactive strategies, the industrial group will achieve a further rapid development and become a powerful engine for the Group's sustainable development.

回顧年度內，工業集團仍取積極進取的戰略，大力拓展規模，豐富業務模式，進行產品設計的更新換代，服務水平精益求精，不斷提升自動化及信息化水平，在行業中率先使用ERP（企業資源計劃）、BIM（建築資訊模型）、MES（製造執行系統）等先進信息管理系統。隨著自動化研發水平的提升及應用的廣泛，各間公司的工藝流程得到進一步改善，大大提高了產品質量和生產效率，贏得了品牌客戶的高度讚賞，從而使得其在市場上之主導地位不斷提升。信息化的不斷深入有效地提高了企業在成本管理和效益分析上的能力，為企業的數據分析及戰略決策提供了堅實的基礎。

儘管經營環境並不十分有利，但進取的戰略及科學的管理等令工業集團各項業務在回顧年度內均有較大的突破，在銷售額繼續有所上升的同時，主營業務利潤較去年再上升了7.3%。主要公司無論在技術水平，還是在規模效益上均有較大的再提升，發展潛力及競爭力進一步壯大。回顧年度內，集團還斥資於中國湖南購得土地，正在興建較大規模的工業基地，冀不斷大力提升工業集團的產能和利潤，為集團永續發展奠定良好基礎。

在中國政府強大的工業戰略背景下，本集團將充分把握發展良機，進一步加強產業管理及技術方面的研發與創新，以質量為先，以創新驅動，尋找時機進行產品上下游的產業整合，著力提升在行業內的領導地位。同時，集團也將深入探討業務的有限多元化，擴大產業模式，豐富手錶配套產品之外的產品線。本集團深信，在積極戰略的引導下，工業集團將會得到進一步快速的發展，成為集團持續發展的巨大引擎。











## MAJOR RISKS AND UNCERTAINTIES

The Group's operations, financial condition, business directions and prospects may be affected by various risk factors and uncertainties. The major risks and uncertainties for the Group are identified below. Except as stated below, there may exist other risks and uncertainties which are unknown to the Group or are not material at present but could become material in the future.

### Strategy Risk

The business environment in the market keeps changing over time. Setbacks in economic activities pose particularly adverse effect on the sale of high-end products. If our strategies are unable to avert the impact in a timely manner and be revised according to the situation, the Group may suffer from uncertainty risk. In this regard, the Group will closely monitor the market and revise our strategic approaches from time to time in order to put us on track for healthy growth.

### Commodity Risk

Currently, the Group's business and operating results to some extent rely on brand suppliers. If brand suppliers no longer appoint the Group as their dealer, or maintenance agent, or there arise quality issues regarding their products, there will be a risk that the Group's operating results may fluctuate vigorously. The Group has maintained good cooperative relationships with many international brand suppliers, so that the risk of reliance on any single brand can be reduced, which attributes to the continuous health of the Group's business.

### Operation Risk

Operation risk refers to the risk that losses will be incurred because of the shortage or failure of an internal business process, staffing or system, or attributable to an external event. Managing the operating risk is, in general, the duty of each functional department. The Group is of the opinion that operating risk cannot be eliminated entirely and will have an impact on our operating results and profits.

## 主要風險及不明朗因素

本集團之運營、財務狀況、業務方向及展望可能受多種風險及不確定因素影響。下文為本集團所識別的主要風險和不確定因素。除下文所述外，或會存在集團尚未知或現時並不重大但可能會在未來變得重大之其他風險和不明朗因素。

### 策略風險

市場經營環境不斷發生變化，經濟下滑對高檔產品的銷售影響尤甚，倘若所制定的策略未能適時預防及跟進，集團將會陷入不穩定風險。據此，集團會緊貼市場，不時檢討策略方向，以令集團健康發展。

### 商品風險

現時，集團的業務及經營業績在某種程度上來說對品牌供應商依賴度較高。倘若品牌供應商不再委任本集團為其經銷商或維修代理商，及或所提供的品牌出現質量問題等，將會給本集團帶來無法保障穩定業績之風險。本集團與眾多國際品牌供應商均保持良好的合作關係，以期降低對單一品牌依賴所帶來的風險，從而令集團持續健康。

### 營運風險

營運風險指因內部業務程序、人員配備或制度不足及缺失，及或因外部事件導致損失的風險。管理運營風險之責任基本上由各個功能的部門負責。本集團認為運營風險不能完全消除，並會影響業績和盈利。



The Group has issued guidance about internal standard operating procedures, authorities and reporting hierarchy. Internal audit department will identify and assess major operating risks and report any such risk to senior management for appropriate countermeasures. Take inventory control as an example, besides scientific management and stringent controls on its operating process, the Group will also make provisions so as to control risk to the greatest extent.

### Financial Risk

The Group's financial risks mainly include market risk and liquidity risk. Monetary condition, interest rates and interest rate cycles may pose a risk to the financial position, operating results and business of the Group.

Market risk refers to the risk that the Group's earnings and capital or the ability to achieve the desired business goals may be adversely affected by changes in exchange rates and interest rates, etc. The Group timely monitors the relative foreign exchange positions of assets and liabilities and makes appropriate adjustments to minimize foreign exchange risk. Interest rate risk is regularly managed and monitored by the Group's senior management.

Liquidity risk refers to the risk that the Group is unable to obtain sufficient funds or realize assets, leading to failure of meeting its contractual obligation when it falls due. In managing liquidity risk, the Group monitors cash flow and maintains adequate capital and credit facilities to ensure the supply of funds for the Group's operations and reduce the impact of fluctuations in cash flow.

### Talent Pool Risk

Recruiting the right people is an essential factor for the development of an enterprise. Competition is intense in the industry and regions in which the Group operates its business. The shortage or loss of personnel with appropriate skills or experience could pose a potential risk impacting the Group's ability to achieve its goals. The Group provides competitive salaries and benefits as well as various incentives to attract the right talent so as to satisfy the needs of corporate development.

本集團對內部標準運營程序、權限及匯報框架做出指引。內部審核部門會識別及評估主要運營風險，並盡早將該等風險問題向高層管理人員匯報，以便採取適當應對措施。例如集團的存貨管控，除了運營流程上的科學管理和嚴格控制，也會做出撥備，最大程度控制風險。

### 財務風險

本集團的財務風險主要包括市場風險和流動資金風險。貨幣環境、利率及利率周期等均可能對集團之財務狀況、經營業績及業務構成風險。

市場風險指本集團盈利及資本或達成業務目標所需之能力因匯率、利率等變動而受到的不利影響。本集團適時監察資產及負債之相對外匯狀況，做出相應調整，以盡量減低外匯風險。利率風險由本集團高層管理人員定期管理及監察。

流動資金風險是指本集團未能取得充足資金或變現資產，在責任到期時未能履約。管理流動資金風險時，本集團監察現金流量，並維持充足資金及信貸融資水平，以確保為本集團運營提供資金及降低現金流波動之影響。

### 人才儲備風險

合適的人才是企業發展的根本之一。本集團所處的行業和地區競爭較為激烈，具備適當技能、經驗的人才的不足或流失，也將成為影響集團達成目標的潛在風險。本集團提供具有競爭力的薪酬福利及各種激勵機制吸引合適人才以順應企業發展需求。



## OUTLOOK

At present, the global political turmoil is growing more severely. World economic growth continues to slow down, while Hong Kong's economy is still suffering from unprecedented pressure, which makes business operations difficult. Due to the impact of the epidemic, China's economy is also facing certain challenges. However, the sound and stable fundamentals of China's economic development remain unchanged, while the overall trend of steady and rising momentum on a long-term basis continues as well. The Group believes that with significantly large market scale and domestic demands potential, China's medium to high speed economic growth will continue with the upgrading of consumption. By continuously leveraging its core competitiveness, the Group will progress with innovations and constantly seek new business opportunities in order to keep the enterprise healthy and move forward steadily.

In 2020, the Group will continue to adhere to the principle of "sound, steady and long-term operations." Based on the long-term stability and sustainable development of the overall business, we will explore and practice the new development model of the Group with an open mind and innovative thinking. By adjusting the structure, we will safeguard healthy development and seek sustainability. To exploit China's long-term and stable economic development environment, we will concentrate on expanding the production of watch accessories that can bring stable and sustainable income to the Group and conduct deeper cooperation with brand suppliers and international peers in various ways. At the same time, with the new industrial production bases, the limited diversification process of industrial production will be fully extended to seek a newer and broader development model for the Group, so as to realize a new breakthrough in the development of the Group, and create more value for shareholders and society.

## 未來展望

當前，全球政治動蕩不安的特徵更趨明顯，世界經濟增長亦持續放緩，而香港經濟則仍在遭受前所未有的衝擊，企業經營舉步維艱。由於「疫情」的影響，中國經濟也面臨著一定的挑戰。但是，中國經濟發展健康穩定的基本面沒有改變，長期穩中向好的總體勢頭也沒有改變。本集團相信，有超大規模的市場優勢和內需潛力，伴隨著消費升級，中國經濟中高速增長的發展態勢仍將繼續。本集團將繼續憑藉自身的核心競爭力，以創新引領未來，不斷尋找新的商機，以保企業健康並穩步向前。

新的一年，本集團將繼續堅持「行穩致遠、持續經營」之原則，立足於整體業務的恒久穩定及可持續發展；以開放的心態、創新的思維深入探索與實踐集團新的發展模式；調結構、保健康、求持續。本集團將背靠中國長久穩定的經濟發展環境，集中力量擴充發展可為集團帶來穩定持久收入的手錶配套產品的生產，以多種方式與品牌供應商及國際同行進行更深層次的合作。同時，以新的工業生產基地為中心，全力展開工業生產的有限多元化進程，謀求集團更新、更廣的發展模式，實現集團發展的新突破，為股東和社會創造更高的價值。



## COMPLIANCE OF LAWS AND REGULATIONS

To the knowledge of the Company, there was no major change to the relevant laws and regulations that have major impacts on the business and operation of the Group for the year. Also, the Group has complied with such laws and regulations in all major respects covering sale of products, protection offered by online platforms to brand suppliers, labor standards, environment protection and anti-corruption and bribery prevention policies.

## FINANCIAL REVIEW

The Group maintained a sound and stable financial position.

### Revenue

For the year ended 31 December 2019, the Group recorded revenue of RMB2,417,181,000 (2018: RMB2,687,248,000), representing a year-on-year decrease of 10.0%, among which retail sales amounted to RMB1,678,209,000 (2018: RMB2,093,852,000), representing a year-on-year decrease of 19.9%; the revenue from the industrial group and others amounted to RMB738,972,000 (2018: RMB593,396,000), representing a year-on-year increase of 24.5%.

In 2019, the global situation was turbulent, risks increased significantly, and the global economic growth continued to slow down. Downward pressure on the economy of China increased due to the impacts of trade frictions between China and the United States, as well as many other unfavorable factors. The economy of Hong Kong was greatly impacted by the geopolitical turmoil, which led to a rather significant drop in our results. However, sales of the industrial group still managed to increase due to the favourable operating environment in China and the wholehearted dedication of the Group.

## 遵守法律法規

就本公司所知，對本集團業務及營運有重大影響之相關法律及規例於本年度並無重大變更且本集團於各重大方面已經遵守，包括在商品售賣、網絡平台對品牌供應商的維護、勞工準則、環境保護及貪污和反賄賂政策等方面。

## 財務回顧

本集團維持穩健的財務狀況。

### 收入

截至二零一九年十二月三十一日止年度，本集團收入錄得2,417,181,000元（人民幣•下同）（二零一八年：2,687,248,000元），較去年同期下降10.0%；零售銷售額達1,678,209,000元（二零一八年：2,093,852,000元），較去年同期下降了19.9%；工業集團等收入為738,972,000元（二零一八年：593,396,000元），同比上升了24.5%。

二零一九年，全球動蕩不斷，風險點明顯增多，世界經濟增長亦持續放緩。在中美貿易摩擦等諸多不利因素影響下，中國經濟下行壓力加大。香港地緣政治局勢動蕩不安，經濟遭受了極大的衝擊，業績下滑較為嚴重。而工業集團則因中國良好的經營環境，及本集團的積極努力，銷售仍有所上升。

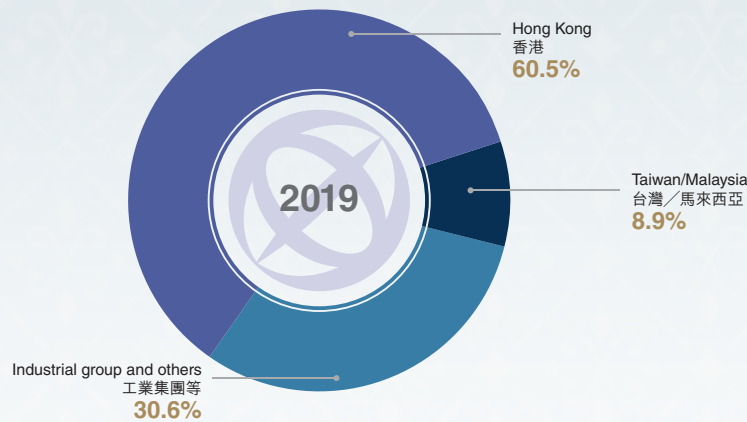


## REPORT OF DIRECTORS 董事會報告書

Breakdown of revenue: (for the year ended 31 December 2019)

收入分佈：(截至二零一九年十二月三十一日止年度)

		2019 二零一九年		2018 二零一八年	
		RMB'000	%	RMB'000	%
		人民幣(千元)	百分比	人民幣(千元)	百分比
Retail Business	零售業務				
Hong Kong	香港	1,461,994	60.5	1,898,353	70.6
Taiwan/Malaysia	台灣／馬來西亞	216,215	8.9	195,499	7.3
Industrial Group and others	工業集團等	738,972	30.6	593,396	22.1
Total	總計	2,417,181	100	2,687,248	100



### Gross profit and gross profit margin

As of 31 December 2019, the Group's gross profit amounted to approximately RMB390,504,000 (2018: RMB461,546,000), representing a year-on-year decrease of 15.4%. Gross profit margin was approximately 16.2% (2018: 17.2%), representing a year-on-year decrease of 100bps. The decrease in gross profit and gross profit margin was mainly due to the decrease in the retail revenue resulted from the impact of the economic environment and other factors such as the increase in the inventory provisions.

### 毛利及毛利率

截至二零一九年十二月三十一日止，本集團之毛利約為人民幣390,504,000元（二零一八年：人民幣461,546,000元），較去年同期下降15.4%；毛利率約16.2%（二零一八年：17.2%），較去年同期下降了100bps。毛利及毛利率的下降主要緣於受到經濟大環境影響導致零售收入下降以及庫存撥備增加等因素。

### Loss for the year

The Group recorded loss of approximately RMB324,117,000 during the year (profit for 2018 amounted to RMB79,249,000). Loss attributable to equity shareholders amounted to approximately RMB332,520,000 (profit attributable to equity shareholders for 2018 amounted to approximately RMB68,746,000). The loss was mainly due to the decrease in retail revenue in Hong Kong influenced by the political situation and economic environment, the impairment of goodwill of the Hong Kong retail business and the impairment of the right-of-use assets related to the Hong Kong retail business, the impairment of property, plant and equipment, and the inventory provisions.

### Financial status and net debt to equity ratio

The Group maintained a sound and stable financial position. As at 31 December 2019, the Group had total equity of RMB3,981,587,000 (2018: RMB4,447,689,000) and net current assets of RMB2,930,548,000 (2018: RMB3,516,775,000), with cash and cash equivalents and deposits with 1,713,284,000 (2018: RMB2,189,214,000) and total bank loans of RMB216,617,000 (2018: RMB143,752,000). As at 31 December 2019, the bank loan amounted to RMB102,733,000 (2018: RMB35,000,000) bore interests at a fixed rate of 3.59% to 5.10% (2018: 5.22%), and the remaining bank loans bore interests at floating rates of 1.70% to 3.06% (2018: 1.70% to 1.89%). As at 31 December 2019, approximately 18% (2018: 24%), 29% (2018: 0%), 47% (2018: 76%) and 6% (2018: 0%) of bank loans were denominated in RMB, HKD, NTD and USD, respectively. The maturity profile of bank loans is set out in note 21 to the accompanying financial statements. During the year under review, there was no sign of significant changes in the Group's demand for loans in a particular quarter.

As at 31 December 2019, the Group's total debt amounted to RMB216,617,000 (2018: RMB143,752,000). The net debt to equity ratio of the Group was approximately zero (2018: zero) (Net debt is defined as total debt (which includes total interest-bearing borrowings) less cash and cash equivalents), which established a solid foundation for the further business expansion of the Group.

### 年度虧損

本集團本年度錄得虧損，虧損額約為人民幣324,117,000元（二零一八年溢利為人民幣79,249,000元），股份持有人應佔虧損約為人民幣332,520,000元（二零一八年股份持有人應佔溢利約為人民幣68,746,000元）。虧損的主要原因為：政局及經濟環境影響導致香港零售收入下降、香港零售業務的商譽減值及與香港零售業務有關的使用權資產減值；物業、廠房及設備的減值及庫存撥備等。

### 財務狀況及淨負債權益率

本集團維持穩健的財務狀況。於二零一九年十二月三十一日，本集團之權益總額達3,981,587,000元（二零一八年：4,447,689,000元）（人民幣•下同），流動資產淨值為2,930,548,000元（二零一八年：3,516,775,000元），其中現金及現金等價物和銀行存款為1,713,284,000元（二零一八年：2,189,214,000元），而銀行貸款則合共為216,617,000元（二零一八年：143,752,000元）。於二零一九年十二月三十一日，按固定利率計息的銀行貸款合共人民幣102,733,000元（二零一八年：35,000,000元），其利率為3.59%至5.10%（二零一八年：5.22%），其餘銀行貸款按浮動利率計息，其利率為1.70%至3.06%（二零一八年：1.70%至1.89%）。於二零一九年十二月三十一日，銀行貸款中約18%（二零一八年：24%）以人民幣計值，29%（二零一八年：0%）以港元計值，47%（二零一八年：76%）以新台幣計值，6%（二零一八年：0%）以美元計值。銀行貸款到期償還概況載於隨附之財務報表附註21。回顧年度內，並無觀察到本集團之借貸需求有特定的季度大變化趨勢。

於二零一九年十二月三十一日，本集團合共負債為人民幣216,617,000元（二零一八年：人民幣143,752,000元），其淨負債權益比率約為零（二零一八年：零）。淨負債定義為：負債總額（包括計息借貸總額）減現金及現金等價物，為集團業務的下一步拓展奠定了堅實的基礎。



## REPORT OF DIRECTORS 董事會報告書

The Group adopts prudent treasury policies in financial and cash management, manages bank credit availability and monitors risks of credit cost centrally in various ways. The Group maintains a good partnership with a number of banks which provide financing facilities, and reviews its funding liquidity and financing needs regularly.

### Foreign exchange risk

The Group's transactions are mainly denominated in HKD, RMB and NTD. During the year under review, the foreign exchange movements of such currencies were managed properly. Accordingly, the Group was not exposed to significant risks associated with foreign exchange fluctuations. The Group has not entered into foreign exchange hedging arrangements to manage foreign exchange risk but has been actively monitoring its foreign exchange risk.

### Pledge of assets

As at 31 December 2019, the Group had land and buildings equivalent to RMB142,163,000 (2018: RMB159,374,000) pledged as securities for mortgage.

### Contingent liabilities

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

### Current assets

As at 31 December 2019, the current assets of the Group amounted to approximately RMB3,441,497,000 (2018: RMB3,904,184,000), comprising inventories of approximately RMB1,309,758,000 (2018: RMB1,403,251,000), trade and other receivables of approximately RMB416,263,000 (2018: RMB311,719,000), current tax recoverable of approximately RMB2,192,000 (2018: RMB nil), cash and cash equivalents and deposits with banks of approximately RMB1,713,284,000 (2018: RMB2,189,214,000).

As at 31 December 2019, cash and cash equivalents of approximately 11% (2018: 7%), 77% (2018: 90%) and 12% (2018: 3%) were denominated in RMB, HKD and other currencies, respectively.

本集團對財務及現金採取審慎管理的庫務政策，通過集團集中處理，以多種方式管理銀行可用信貸額度及監察信貸成本風險。本集團與多家提供融資的銀行維持良好的合作夥伴關係，並對其資金流動性及融資要求做出定期檢討。

### 外匯風險

本集團之買賣主要以港幣、人民幣及新台幣為單位。於回顧年度內，該等貨幣之間的匯率變動已做出妥善處理，故本集團並無面對重大外匯波動風險。本集團並無訂立外匯對沖安排管理外匯風險，而是一直積極關注及監察匯率風險。

### 資產質押

於二零一九年十二月三十一日，本集團有等值於人民幣142,163,000元（二零一八年：人民幣159,374,000元）的土地和樓宇作為按揭抵押。

### 或然負債

於二零一九年十二月三十一日，本集團無任何重大或然負債（二零一八年：無）。

### 流動資產

於二零一九年十二月三十一日，本集團之流動資產約為3,441,497,000元（人民幣•下同）（二零一八年：3,904,184,000元），其中包括存貨約為1,309,758,000元（二零一八年：1,403,251,000元）、應收貿易賬款及其它應收賬款約416,263,000元（二零一八年：311,719,000元）、本期可收回稅項約2,192,000元（二零一八年：零元）、現金及現金等價物和銀行存款約1,713,284,000元（二零一八年：2,189,214,000元）。

於二零一九年十二月三十一日，現金及現金等價物約11%（二零一八年：7%）以人民幣計值，77%（二零一八年：90%）以港元計值，12%（二零一八年：3%）以其他貨幣計值。

### Current liabilities

As at 31 December 2019, the current liabilities of the Group amounted to approximately RMB510,949,000 (2018: RMB387,409,000), comprising bank loans of approximately RMB142,094,000 (2018: RMB60,429,000), trade and other payables of approximately RMB221,453,000 (2018: RMB309,666,000), lease liabilities of approximately RMB121,586,000 (2018: RMB nil) and current taxation of approximately RMB25,816,000 (2018: RMB17,314,000).

### Capital structure

The Company's capital structure is composed of issued share capital, reserves and accumulated profits. As at 31 December 2019, the issued share capital of the Company was 4,662,666,959 shares (2018: 4,662,666,959 shares), with reserves and accumulated profits of RMB3,872,278,000 (2018: RMB4,347,114,000) in total.

### Significant investment, material acquisition and disposal

The Company has no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year under review, except as disclosed in the notes to the financial statements.

Except as disclosed in the notes to the financial statements, the Company did not hold other significant investments during the year under review.

### COVID-19

Subsequent to the end of the reporting period, the outbreak of COVID-19 in January 2020 has caused disruptions to many industries, including retail industry in Hong Kong. These disruptions have inevitably posed a significant threat to the global economy in 2020. Despite the challenges, governments and international organisations have implemented a series of measures to contain the epidemic. The time duration and scope of these disruptions cannot be accurately assessed at this point in time. Given the dynamic nature of these circumstances, the financial impact will be reflected in the Group's subsequent financial statements. The Group will closely monitor the development of the epidemic and assess its impact on its operations.

### 流動負債

於二零一九年十二月三十一日，本集團之流動負債約510,949,000元（人民幣•下同）（二零一八年：387,409,000元），其中包括銀行貸款約142,094,000元（二零一八年：60,429,000元）、應付貿易賬款及其它應付賬款約221,453,000元（二零一八年：309,666,000元）、租賃負債約121,586,000元（二零一八年：零元）、本期應繳稅項約25,816,000元（二零一八年：17,314,000元）。

### 資本結構

本公司的資本結構包括已發行股本、儲備及累計溢利。於二零一九年十二月三十一日，本公司已發行股本為4,662,666,959股（二零一八年：4,662,666,959股）；儲備及累計溢利總額人民幣3,872,278,000元（二零一八年：人民幣4,347,114,000元）。

### 重大投資、收購及出售

除財務報表附註所披露之外，本公司於回顧年度內概無附屬公司、聯營公司及合營企業的重大收購或出售。

除財務報表附註所披露之外，本公司於回顧年度內無持有其他重大投資。

### COVID-19

於報告期末後，二零二零年一月爆發的COVID-19疫情已對許多行業（包括香港的零售業）造成影響。此等影響無可避免地對二零二零年全球經濟造成重大威脅。儘管面臨挑戰，政府與國際組織已實施一系列措施以控制疫情。目前，尚無法準確評估影響的時長及範圍。鑑於該等情況不斷變化的性質，財務影響將反映於本集團後續的財務報表中。本集團將密切關注疫情的發展，並評估其對營運的影響。



## REPORT OF DIRECTORS 董事會報告書

### THE COMPANY

The Group is engaged in the distribution of mid-to-high-end consumer goods including internationally renowned-brand watches, related customer services and manufacturing of related accessory products.

The principal activities of each of the subsidiaries of the Company which materially affect the results, assets and liabilities of the Group are set out in note 14 to the accompanying financial statements.

### DISTRIBUTABILITY OF RESERVES

As at 31 December 2019, the aggregate amount of distributable reserves of the Company was RMB1,338,806,000 (2018: RMB1,341,317,000), which is set out in note 26 to the financial statements in this annual report.

### DIVIDEND POLICY AND FINAL DIVIDEND

The Company's ability to pay dividends depends on, among other things, the Group's current and future operations, liquidity position and capital requirements. The payment of dividends by the Company is also subject to compliance with any restrictions under the Laws of the Cayman Islands, the memorandum and articles of association of the Company and any applicable laws, rules and regulations. The Board will review the dividend policy from time to time and may exercise at its absolute and sole discretion to update, amend, and/or modify the policy at any time as it deems fit and necessary. There is no assurance that dividends will be paid in any particular amount for any specific period.

The Board does not recommend the payment of any final dividend for the year ended 31 December 2019 (2018: RMB1.2 cents per share).

### PRE-EMPTIVE RIGHTS

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

### FINANCIAL HIGHLIGHTS

The summary of the Group's results and assets and liabilities in the last five financial years (for the year ended 31 December) are set out on page 84 of this annual report.

### 本公司

本集團專注於經銷國際知名品牌手錶等其他中、高端消費品，以及與此相關的客戶服務及配套延伸產品製造等。

對本集團業績、資產及負債有主要影響的本公司各附屬公司之主要業務活動等載於隨附之財務報表附註14。

### 可供分派儲備

本公司於二零一九年十二月三十一日止可供分派儲備總額為人民幣1,338,806,000元（二零一八年：人民幣1,341,317,000元），載於本年報財務報表附註26。

### 股息政策及末期股息

本公司派付股息之能力取決於本集團現時及未來營運、流動資金狀況及資本需求等情況。本公司股息的派付亦須遵守開曼群島法律、本公司組織章程大綱及章程細則以及任何適用法例、規則及法規項下的任何限制。董事會將不時檢討股息政策，並在其認為合適及必要的情況下可隨時全權酌情更新、修訂及／或更改該政策。本公司概不能保證於任何特定期間派付任何特定金額之股息。

董事會不建議派發截至二零一九年十二月三十一日之末期股息（二零一八年：每股人民幣1.2分）。

### 優先購買權

本公司組織章程及開曼群島法例並無載有優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股。

### 財務概要

本集團於過去五個財政年度（截至十二月三十一日止年度）之業績及資產負債之概要載於本年報第84頁。

## PURCHASE, SALE OR REPURCHASE OF SECURITIES

During the year under review, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities (2018: 21,860,000 shares repurchased).

As of 31 December 2019, the issued share capital of the Company was 4,662,666,959 shares (2018: 4,662,666,959 shares).

## EQUITY-LINKED AGREEMENTS

### Share Award Scheme

On 25 March 2015, a share award scheme (the "Share Award Scheme") was adopted by the Company to recognize the contributions of certain participants to the Company and to attract suitable personnel for the growth and further development of the Company.

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid for a term of ten (10) years commencing on the adoption date. The Board may select any participants, other than any excluded participant, for participation in the Share Award Scheme and determine the award amount for the purchase of the awarded shares to be awarded to the selected participants. The Board is entitled to impose any conditions (including a period of continued service within the Group), as it deems appropriate in its absolute discretion with respect to the entitlement of the selected participants to the awarded shares. No consideration for the awarded shares is needed to be paid by the selected participants to the Company. The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company as at the adoption date. The maximum number of shares which may be awarded to a selected participant under the Share Award Scheme in a 12-month period shall not exceed 0.5% of the issued share capital of the Company as at the adoption date or such number of shares as determined by the Board from time to time.

## 購買、出售或購回證券

於回顧年度內，本公司及其附屬公司概無購買、出售或贖回任何本公司上市證券（二零一八年：購回21,860,000股）。

截至二零一九年十二月三十一日止，公司已發行股本為4,662,666,959股（二零一八年：4,662,666,959股）。

## 股份掛鈎協議

### 股份獎勵計劃

本公司於二零一五年三月二十五日採納股份獎勵計劃（「股份獎勵計劃」），以表揚若干參與人為公司所做出的貢獻，並吸引合適的人員以進一步推動本公司的發展。

除在董事會可能決定提前終止的規限下，股份獎勵計劃的有效期為採納日期起計十(10)年。董事會可挑選任何參與人（不包括被排除參與人）參與股份獎勵計劃及釐定授予入選參與人的購買獎勵股份的獎勵金額。董事會可全權酌情在其認為合適的情況下就入選參與人所享有的獎勵股份權利施加任何條件（包括於繼續為本集團服務的期限）。入選參與人不需要就獎勵股份支付任何代價予本公司。倘若進一步授予獎勵股份將致使董事會根據股份獎勵計劃所授予的股份面值超過本公司於採納日期已發行股本的10%，則不會做出進一步授予。根據股份獎勵計劃，授予選定參與人的股份數目於每12個月內最高不得超過本公司於採納日期已發行股本的0.5%，或董事會不時決定之股份數目。



## REPORT OF DIRECTORS 董事會報告書

The Share Award Scheme shall terminate on the earlier of the tenth anniversary date of the adoption date or such date of early termination (whichever is earlier) as determined by the Board.

During the year, the Company granted 30,000,000 awarded shares to the employees of the Group (three of them were the executive directors of the Company) on 24 April 2019. The closing price of the awarded shares of the Company on the reference date was HKD0.405. The vesting date of the awarded shares was 26 April 2019. Details of the grant of awarded shares are as follows:

股份獎勵計劃須於採納日期第十週年之日或董事會決定提早終止之日期(以較早者為準)終止。

本年度內，本公司於二零一九年四月二十四日向本集團員工(其中三人為本公司執行董事)授出獎勵股份30,000,000股，其參考日期收市價為0.405港元，歸屬日期為二零一九年四月二十六日。有關授出獎勵股份的具體情況如下：

		Number of awarded shares (share) 獎勵股份數目(股)
Independent third parties	獨立第三方	10,000,000
Connected persons	關連人士	
– Mr. Zhang Yuping	– 張瑜平先生	12,000,000
– Mr. Huang Yonghua	– 黃永華先生	4,000,000
– Mr. Lee Shu Chung, Stan	– 李樹忠先生	4,000,000
Total	總計	30,000,000

Details of the Share Award Scheme are set out in the announcements of the Company dated 25 March 2015 and 24 April 2019.

股份獎勵計劃之詳情載列於本公司日期為二零一五年三月二十五日及二零一九年四月二十四日之公告。

### Share Option Scheme

At the annual general meeting held on 15 May 2015, the share option scheme of the Company was adopted conditionally. The share option scheme of the Company (the "Share Option Scheme") was adopted to grant options to selected participants including but not limited to directors and employees of the Group as incentives or rewards for their contributions to the Group. Subject to any early termination as may be determined by the Board, the Share Option Scheme shall be valid and effective for a term of ten years commencing on the adoption date.

### 購股權計劃

本公司於二零一五年五月十五日召開之股東週年大會，有條件採納購股權計劃。本公司採納的購股權計劃(「購股權計劃」)，可向選定之參與者(包括但不限於本集團董事及僱員)授出購股權，作為彼等為本集團所作貢獻之獎勵或報酬。除在董事會可能決定提前終止的規限下，購股權計劃的有效期為採納日期起計十年。

Under the Share Option Scheme, subject to the discretion of the directors, there is no minimum period for which an option must be held before it can be exercised. Each option has a maximum valid period of ten years after which the option shall lapse. The total number of shares issued and to be issued upon exercise of the options (including share options exercised and outstanding) granted to the eligible participants in any 12-month period must not exceed 1% of the shares in issue. The exercise price shall not be less than the higher of: (i) the closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of offer; (ii) the average of the closing prices per shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer; and (iii) the nominal value of the shares.

Under the Share Option Scheme, the grantee shall accept the option within ten days from the date of the offer to grant the share option and pay HKD1.00 to the Company as consideration for the grant upon acceptance of the option.

As of 31 December 2019, the issued share capital of the Company was 4,662,666,959 shares, and there was no option outstanding (as at 31 December 2018: nil).

## DIRECTORS

The names of Directors of the Company during year 2019 are as follows:

Zhang Yuping, Huang Yonghua, Lee Shu Chung, Stan, Cai Jianmin, Wong Kam Fai, William, Liu Xueling, Shi Zhongyang.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in this annual report, during the year under review and as of the date of this report, none of the Directors were considered to have any interests in any business which competed or may compete, either directly or indirectly, with the business of the Group required to be disclosed under the Listing Rules.

於購股權計劃下，受限於董事的酌情權，於購股權可行使前並無最短持有期的限制。各購股權之有效期最長為十年，其後將告失效。在任何為期12個月的時間內，行使已向每名合資格參與者授出之購股權（包括已行使及尚未行使之購股權）時已發行及將予發行之股份總數不得超過已發行股份之1%。行使價不得低於以下較高者：(i)於要約日期在聯交所刊發之每日報價表所列之股份收市價；(ii)緊接要約日期前五個營業日在聯交所刊發之每日報價表所列之股份平均收市價；及(iii)股份面值。

根據購股權計劃，承授人需於本公司授出購股權要約的日期起計十日內接納，於接納購股權時，承授人須支付港幣1.00元予本公司作為有關購股權的授予之代價。

截至二零一九年十二月三十一日止，本公司已發行股本為4,662,666,959股，無尚未行使的購股權（二零一八年十二月三十一日：無）。

## 董事

二零一九年度本公司董事名單如下：

張瑜平、黃永華、李樹忠、蔡建民、黃錦輝、劉學靈、史仲陽。

## 董事於競爭業務之權益

除本年報披露外，回顧年度內及截至本報告日期止，概無董事被認為於任何直接或間接與本集團之業務造成競爭或可能構成競爭之業務中擁有根據上市規則須予披露之權益。



### DIRECTORS' SERVICE CONTRACTS

The Company has entered into service contracts with each of the executive Directors, non-executive Directors and independent non-executive Directors for a term of three years. The Company did not enter into service contracts that cannot be terminated without payment of compensation (other than statutory compensation) within one year.

Save as disclosed in this annual report, no Director has entered into any service agreement with any member of the Group.

### DIRECTORS' LIABILITY INSURANCE

A directors' and officers' liability insurance is in place to protect the Directors and officers of the Group against any potential liability arising from the Group's activities which such Directors and officers may be held liable.

### DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND THE CONTROLLING SHAREHOLDER'S MATERIAL INTERESTS IN CONTRACTS

During the year, save as disclosed under the section headed "Continuing Connected Transactions" in this annual report and related party transactions disclosed in note 28 to the consolidated financial statements, no Directors or any entities connected with Directors had a material interest, whether directly or indirectly, in any transactions, arrangements or contracts of significance in relation to the Group's business, subsisted during the year under review.

Save as described in this annual report, during the year under review, there was no contract of significance between the Company or its subsidiaries and the controlling shareholder of the Company or any of its subsidiaries.

### 董事之服務合約

本公司與各執行董事、非執行董事及獨立非執行董事均訂有服務合約，為期三年。本公司沒有訂立不可於一年內不予賠償（除法定賠償外）而終止的服務合約。

除本年報披露外，董事概無與本集團任何成員公司訂立任何服務協定。

### 董事之責任保險

本公司已投保董事及高級職員責任保險，以就本集團董事及高級職員可能需要承擔任何因本集團業務而產生之潛在責任而向彼等提供保障。

### 董事於交易、安排或合約中及控股股東於合約中之重大權益

於本年度，除本年報「持續關連交易」一節所披露者及綜合財務報表附註28所披露關連方交易外，概無董事或與該董事有關連的實體於回顧年度內存在的任何對本集團業務而言屬重大之交易、安排或合約中擁有重大權益（不論直接或間接）。

除本年報所述外，於回顧年度內，本公司或其任何附屬公司與本公司控股股東或其任何附屬公司概無訂立重大合約。

## REMUNERATION OF THE DIRECTORS AND THE FIVE HIGHEST PAID DIRECTORS/EMPLOYEES

Details of remuneration of the Directors made in accordance with specific basis during the year under review are set out in note 7 to the accompanying financial statements.

Details of remuneration of the five highest paid individuals during the year under review are set out in note 8 to the accompanying financial statements.

Details of remuneration of the senior management during the year under review are set out in note 28(a) to the accompanying financial statements.

The remuneration policies of the Group are as follows:

- The amount of remuneration for the Directors or the employees is determined according to their relevant experience, responsibilities, workload and years of service in the Group;
- The non-monetary benefits are determined by the Board and are provided in the remuneration package of the Directors or the employees;
- The Directors and the eligible employees shall be granted with options or awarded shares of the Company as determined by the Board to be part of their remuneration package.

## EMPLOYEE RETIREMENT BENEFIT SCHEME

Details of the Group's employee retirement benefit scheme are set out in note 23 to the accompanying financial statements.

## 董事及五位最高薪之董事／僱員之酬金

有關回顧年度內，根據指定基準呈列之董事酬金詳情載於隨附之財務報表附註7。

有關回顧年度內之五位最高薪人士之詳情載於隨附之財務報表附註8。

有關回顧年度內之高級管理人士薪酬之詳情載於隨附之財務報表附註28(a)。

本集團之薪酬政策如下：

- 薪酬數額根據董事或僱員的相關經驗、職責、工作量及在集團服務年限等而確定；
- 非現金福利由董事會決定，於董事或僱員的薪酬待遇中提供；
- 董事及合資格僱員，將由董事會決定可能獲授本公司期權或獎勵股份作為其部份薪酬待遇。

## 僱員退休福利計劃

本集團退休福利計劃之詳情載於隨附之財務報表附註23。



**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS**

As at 31 December 2019, the interests or short positions of each of the Directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the "SFO" (including interests or short positions which they are deemed or taken to have under such provisions of the SFO); and were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules were as follows:

**董事及最高行政人員持有本公司或任何相聯法團股份、相關股份及債權證之權益及淡倉**

於二零一九年十二月三十一日，董事及最高行政人員於本公司及其相聯法團（定義見《證券及期貨條例》（香港法例第571章）「證券及期貨條例」第XV部）股份、相關股份及債權證中，擁有根據證券及期貨條例第352條紀錄於本公司須予存置之登記冊內之權益或淡倉；或根據「證券及期貨條例」第XV部第7及第8分部，須通知本公司及聯交所之權益或淡倉（包括根據證券及期貨條例的該等條文、彼等被當作或視作擁有的權益或淡倉）；及根據上市規則所載上市公司董事進行證券交易的標準守則規定，須通知本公司及聯交所之權益及淡倉如下：

Name of Director	Nature of Interest	Number of shares	Approximate Percentage (Note 2) 約百分比 (附註2)
董事姓名	權益性質	股份數目	
Mr. Zhang Yuping 張瑜平先生	Interest of Controlled Corporation and Beneficial Owner (Note 1) 受控制法團權益及實益擁有人 (附註1)	1,597,556,501 (L)	34.26%
Mr. Huang Yonghua 黃永華先生	Beneficial Owner 實益擁有人	56,172,800 (L)	1.20%
Mr. Lee Shu Chung, Stan 李樹忠先生	Beneficial Owner 實益擁有人	5,920,000 (L)	0.13%

The letter “L” denotes the person’s long positions in the Shares.

「L」代表有關人士於股份持有之好倉。

*Note 1:* Mr. Zhang Yuping owned 100% of the issued share capital of Best Growth International Limited (“Best Growth”), which in turn held 1,505,832,901 shares of the Company as at 31 December 2019. During the year under review, Mr. Zhang Yuping held 91,723,600 shares of the Company under his name. Accordingly, Mr. Zhang Yuping held 1,597,556,501 shares of the Company in aggregate, representing 34.26% of the issued share capital.

*附註1:* 張瑜平先生擁有佳增國際有限公司(「佳增」)100%的已發行股本，而該公司於二零一九年十二月三十一日持有本公司1,505,832,901股份；張瑜平先生於回顧年度內以個人名義持有本公司股份91,723,600股。故而，張瑜平先生合共持有本公司股份1,597,556,501股，佔已發行股本的34.26%。

*Note 2:* Shareholding percentage is based on 4,662,666,959 issued shares of the Company as at 31 December 2019.

*附註2:* 持股百分比乃根據二零一九年十二月三十一日本公司有4,662,666,959股已發行股份計算。

Save as disclosed above, as far as the Directors and chief executives of the Company were aware, as at 31 December 2019, none of the Directors and chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are deemed or taken to have under such provisions of the SFO); and were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules.

除上文所披露者外，於二零一九年十二月三十一日，據本公司任何董事及最高行政人員所知，董事及最高行政人員概無於本公司或其任何相聯法團的任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條紀錄於本公司須予存置之登記冊內之權益及淡倉；或根據證券及期貨條例第XV部第7及第8分部，須通知本公司及聯交所之權益及淡倉（包括根據證券及期貨條例的該等條文、彼等被當作或視作擁有的權益或淡倉）；及根據上市規則所載上市公司董事進行證券交易的標準守則規定，須通知本公司及聯交所之權益及淡倉。

## **SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

## **主要股東持有本公司股份、相關股份及債權證之權益及淡倉**

As far as the Directors were aware, as at 31 December 2019, the interests or short positions of the persons in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

就董事所知悉，於二零一九年十二月三十一日，於本公司股份、相關股份及債權證中擁有根據證券及期貨條例第336條記錄，於本公司須予存置之登記冊內之權益或淡倉的人士如下：



## REPORT OF DIRECTORS 董事會報告書

Name of Shareholders 股東姓名	Number of shares 股份數目	Approximate Percentage (Note 3) 約百分比 (附註3)
Best Growth (Note 1) 佳增 (附註1)	1,505,832,901 (L)	32.30%
Mr. Zhang Yuping (Note 1) 張瑜平先生 (附註1)	1,597,556,501 (L)	34.26%
The Swatch Group (Hong Kong) Limited (Note 2) The Swatch Group (Hong Kong) Limited (附註2)	437,800,000 (L)	9.39%
The Swatch Group Limited (Note 2) The Swatch Group Limited (附註2)	437,800,000 (L)	9.39%

The letter "L" denotes the person's long positions in the Shares.

「L」代表有關人士於股份持有之好倉。

*Note 1:* Mr. Zhang Yuping owned 100% of the issued share capital of Best Growth International Limited ("Best Growth"), which in turn held 1,505,832,901 shares of the Company as at 31 December 2019. During the period under review, Mr. Zhang Yuping held 91,723,600 shares of the Company under his name. Accordingly, Mr. Zhang Yuping held 1,597,556,501 shares of the Company in aggregate, representing 34.26% of the issued share capital.

*附註1:* 張瑜平先生擁有佳增國際有限公司(「佳增」) 100%的已發行股本，而該公司於二零一九年十二月三十一日持有本公司1,505,832,901股份；張瑜平先生於回顧期內以個人名義持有本公司股份91,723,600股。故而，張瑜平先生合共持有本公司股份1,597,556,501股，佔已發行股本的34.26%。

*Note 2:* These 437,800,000 shares were held in the name of and registered in the capacity of The Swatch Group (Hong Kong) Limited as a beneficial owner. The entire issued share capital of The Swatch Group (Hong Kong) Limited was beneficially owned by The Swatch Group Limited. The Swatch Group Limited was taken to be interested in all the shares held by The Swatch Group (Hong Kong) Limited under the SFO.

*附註2:* 該等437,800,000股股份為The Swatch Group (Hong Kong) Limited以實益擁有人名義登記且由其持有；The Swatch Group (Hong Kong) Limited之全部已發行股本由The Swatch Group Limited實益擁有。根據證券及期貨條例，The Swatch Group Limited視作於The Swatch Group (Hong Kong) Limited持有之所有股份中擁有權益。

*Note 3:* Shareholding percentage is based on 4,662,666,959 issued shares of the Company as at 31 December 2019.

*附註3:* 持股百分比乃根據二零一九年十二月三十一日本公司有4,662,666,959股已發行股份計算。

Save as disclosed above, as at 31 December 2019, the Company had not been notified by any persons, other than Directors or chief executives of the Company, who had any interests or short positions in the shares, underlying shares or debentures of the Company which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

除上文披露者外，於二零一九年十二月三十一日，本公司並無獲任何人士(本公司董事或最高行政人員除外)知會，其於本公司股份、相關股份或債權證中擁有任何須記錄於根據證券及期貨條例第336條存置的登記冊的權益或淡倉。

## ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the section headed “Equity-Linked Agreements” above, at no time during the twelve months ended 31 December 2019 was the Group, holding company of the Company or its subsidiaries a party to any arrangements which enabled the Directors (including their respective spouses or children under 18 years of age) to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisting during the year under review.

## SIGNIFICANT CONTRACTS WITH CONTROLLING SHAREHOLDERS OR ITS SUBSIDIARIES

Save as disclosed in this annual report, there had been no contract or service contract of significance between the Company or any of its subsidiaries and controlling shareholders of the Company or any of its subsidiaries during the year.

## CORPORATE GOVERNANCE

The Company is committed to ensuring high standards of corporate governance practices. Corporate governance report of the Company is set out on pages 49 to 63 of this annual report.

## ENVIRONMENT, SOCIAL AND GOVERNANCE

The environment is the foundation for corporate presence and development. For many years, environmental protection has been regarded as one of its top corporate governance priorities by the Company. The Group implements a series of mechanisms and measures relating to environmental management and energy conservation in its daily operations to strive to protect the environment and conserve energy, with a view to promoting harmonious development in terms of economic, social and ecological benefits, which has achieved significant results. Environment, social and governance report of the Company is set out on pages 64 to 83 of this annual report.

## 購買股份或債權證之安排

除上述「股份掛鈎協議」一節披露者外，截至二零一九年十二月三十一日止十二個月內，本集團、本公司控股公司或其附屬公司概無安排董事（包括其配偶或未滿十八歲之子女）以透過收購本公司或任何其他法人團體之股份或債權證之方法獲得利益。

## 管理層合約

回顧年度內，概無訂立或存在任何與本公司整體或重要業務有關之管理及行政工作合約。

## 與控股股東或其附屬公司之重要合同

除本年報披露外，本年度概無本公司或其任何附屬公司與本公司之控股股東或其任何附屬公司訂立重要合同或服務合同。

## 企業管治

本公司承諾奉行高質素之企業管治常規。本公司之企業管治報告載於本年報第49頁至第63頁。

## 環境、社會及管治

環境是企業賴以生存和發展的基礎。多年來，本公司一直將環境保護作為企業管理的重點之一，在日常營運中採取一系列環境管理及節約資源的機制和措施，努力做好環境保護和資源節約，致力保證經濟效益、社會效益和生態效益的和諧發展，並取得顯著的成效。本公司之環境、社會及管治報告載於本年報第64頁至第83頁。



## RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group has always been committed to advocating the “people-oriented” core culture and strives to practice an entrepreneurial spirit of “mutual respect, shouldering responsibility, close collaboration and ongoing innovations”. We will continue to utilise this philosophy as the cornerstone of both our corporate management and corporate social responsibility policies. As at 31 December 2019, the Group had a total of 1,831 (2018: 1,846) employees in Mainland China, Hong Kong, Macau, Taiwan and Malaysia.

The Group has always been committed to developing and adding value to human resources. The Group implements a standard recruitment system and allocates resources to various kinds of training for our managers, front-line service staff and maintenance technicians, which covers, among others, the art of management, sales skills, brand knowledge and service awareness, with an aim of enhancing knowledge, marketing skills and service capabilities of our staff. The Group also works with our brand suppliers to provide front-line service staff and maintenance technicians with regular training in brand knowledge and maintenance expertise.

The Group offers a competitive remuneration package and various incentives to all employees, as well as regularly reviews the structure of relevant mechanisms to cope with corporate development needs. Options and awarded shares are granted to the general management staff and associates of the Company in recognition of their contributions to the Group and as an incentive for their greater future commitment. Meanwhile, the Group also offers various other benefits to its employees, including pension plans, mandatory provident fund scheme, insurance scheme, housing and meal allowances.

Under a solid human resource assurance system, the Group is enabled to create a high level of harmony among employees of different nationalities and cultural backgrounds under one shared vision. The Group has a number of senior salespersons and repair technicians.

## 與僱員、供應商及客戶之關係

本集團一貫倡導「以人為本」的核心價值，努力踐行「相互尊重、勇於承擔、緊密協作、不斷創新」的企業精神，並以此作為企業管理和履行社會責任的堅實基礎。於二零一九年十二月三十一日，本集團在中國內地、港澳、台灣及馬來西亞合共聘用1,831名員工（二零一八年：1,846名）。

本集團一貫重視人力資源的開發及增值，採用規範化的招聘體系，並有計劃地為管理人員、前線服務人員及維修技術人員的各類培訓投入資源，涵蓋範疇包括管理的藝術、銷售技巧、品牌知識及服務意識等，以提升其知識水平、營銷技能及服務能力；並與品牌供貨商合作，常規性地對前線服務人員及維修技術人員進行品牌知識及維修技術之培訓。

本集團提供具有競爭力的薪酬及各種激勵機制，並定期檢討相關機制架構，以更加順應企業發展的需要。本集團可向公司一般管理層及有關人士發出認股權證及獎勵股份，以表彰其對集團所作的貢獻，並激勵其今後更好的表現。同時，本集團亦為僱員提供其它多種福利，包括退休金供款計劃、強積金、保險計劃、房屋及膳食津貼等。

基於良好的人力資源保障體系，本集團員工來自不同國家和地區，不同膚色與國籍的員工在同一願景下愉快工作。本集團擁有多個高級銷售人員及維修技師。

The Group has maintained good and well-coordinated partnerships with brand suppliers and various retailers. Backed by our partners' wide and strong support, our operations have been able to achieve mutually beneficial, harmonious and win-win development. During the year under review, there was no material and significant dispute between the Group and its suppliers and customers. For further details of relationships between the Company and its employees, suppliers and customers, please refer to the Company's environment, social and governance report set out on pages 64 to 83 of this annual report.

本集團始終保持與品牌供應商以及眾多零售商之協調良好的合作關係，得到了各方廣泛及大力的支持，從而實現互惠互利、和諧共贏。回顧年度內，本集團與其供應商及客戶之間概無重要及重大之糾紛。就本公司與僱員、供應商及客戶之關係的進一步詳情，請參考本公司載於本年報第64頁至第83頁之環境、社會及管治報告。

## MAJOR CUSTOMERS AND SUPPLIERS

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

## 主要客戶及供應商

於回顧年度內，來自本集團主要供貨商及客戶之採購及銷售分別佔購貨額及收入百分比如下：

Purchase	採購	
– the largest supplier	– 最大供應商	29%
– five largest suppliers combined	– 五大供應商合計	49%
Sales	銷售	
– the largest customer	– 最大客戶	17%
– five largest customers combined	– 五大客戶合計	25%

The Swatch Group Limited constituted one of the five largest suppliers through its subsidiary. Save as disclosed above, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors own more than 5% interest of the Company's share capital) had an interest in the above major suppliers or customers.

The Swatch Group Limited透過其附屬公司構成五大供應商之其中之一。除此披露者外，概無董事、其聯繫人士或任何股東（就董事知悉於本公司股本中擁有5%以上權益者）於上述之主要供應商及客戶中擁有權益。



## CONTINUING CONNECTED TRANSACTION

During the year under review, the Company renewed a continuing connected transaction. On 29 March 2019, the Company (for itself and on behalf of its subsidiaries) and Xinyu (for itself and on behalf of its subsidiaries) entered into a renewal agreement of the master services agreement. Xinyu is an indirect and non-wholly owned company of Mr. Zhang Yuping, the chairman and an executive Director of the Company. Pursuant to the master services agreement, the Group provided the shop design and decoration services to Xinyu Group and its subsidiaries from 1 January 2019 to 31 December 2019 with a cap of RMB30 million while the actual amount incurred was RMB22.23 million.

The above continuing connected transaction is in consistent with the Group's past business and operation and the Company (for itself and on behalf its subsidiaries) entered into the master services agreement, which is in the interests of the Company and the shareholders as a whole.

Such continuing connected transaction is subject to announcement, annual review and annual reporting requirements but exempts from the circular (including independent financial advice) and independent shareholders' approval requirements and has been annually reviewed by independent non-executive Directors. The independent non-executive Directors confirm that the above continuing connected transaction is: (a) entered into in the ordinary course of business of the Group; (b) entered into on normal commercial terms or more favorable terms; and (c) entered into according to the agreement of the relevant transaction with fair and reasonable terms, which is in the interests of the shareholders of the Company as a whole.

## 持續關連交易

於回顧年度，本公司重續一宗持續關連交易。於二零一九年三月二十九日，本公司（為其本身及代表其附屬公司）與新宇（為其本身及代表其附屬公司）重續總服務協議。新宇是由本公司主席及執行董事張瑜平先生間接及非全資擁有之公司。根據該總服務協議，本集團於二零一九年一月一日至二零一九年十二月三十一日期間向新宇集團及其附屬公司提供店舖設計及裝修服務，上限為人民幣3,000萬元，實際發生金額為人民幣2,223萬元。

上述持續關連交易與本集團過往提供的業務及營運保持一致，本公司（為其本身及代表其附屬公司）訂立總服務協議，符合本公司及股東之整體利益。

該持續關連交易須遵守公告、年度審核及年度申報規定，但獲豁免遵守通函（包括獨立財務意見）及獨立股東批准的規定，並已經獨立非執行董事年度審核。獨立非執行董事確認上述持續關連交易是：(a)在本集團的日常業務中訂立；(b)按照一般商務條款或更佳條款進行；及(c)根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

The Board has engaged the auditor of the Company to carry out a review of the continuing connected transaction of the Group in accordance with Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. Pursuant to Rule 14A.56 of the Listing Rules, the auditor has confirmed that: (a) nothing has come to its attention that causes it to believe that the disclosed continuing connected transaction has not been approved by the Board; (b) for transaction involving the provision of goods or services by the Group, nothing has come to its attention that causes it to believe that the disclosed continuing connected transaction was not, in all material respects, in accordance with the pricing policies of the Group; (c) nothing has come to its attention that causes it to believe that the disclosed continuing connected transaction was not entered into, in all material respects, in accordance with the relevant agreements governing such transaction; and (d) with respect to the aggregate amount of the continuing connected transaction, nothing has come to its attention that causes it to believe that the disclosed continuing connected transaction has exceeded the annual cap as set by the Company.

## DONATIONS

During the year, the charitable and other donations made by the Group amounted to approximately RMB1,024,000 (2018: approximately RMB744,000).

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors’ knowledge, as at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

董事會已經委聘本公司核數師按照鑑證業務準則第3000號「非審核或審閱過往財務資料之鑑證工作」及參照香港會計師公會頒佈的實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」審查本集團之持續關連交易。根據上市規則第14A.56條，核數師已確認：(a)其並未注意到任何事情可使其認為已披露的持續關連交易未獲董事會批准；(b)就涉及由本集團提供貨品或服務的交易，其並未注意到任何事情可使其認為已披露的持續關連交易在各重大方面沒有按照本集團的定價政策進行；(c)其並未注意到任何事情可使其認為已披露的持續關連交易在各重大方面沒有根據規管該交易的協議進行；及(d)就持續關連交易的合計金額而言，其並未注意到任何事情可使其認為已披露的持續關連交易超逾本公司設立的年度上限。

## 捐款

本年度內本集團之慈善及其他捐款約為人民幣1,024,000元（二零一八年：人民幣約744,000元）。

## 公眾持股量

根據本公司獲得之公開資料及據董事所知，於本年報刊發日期，本公司已發行股份之公眾持股量符合上市規則指定水平。



## AUDITORS

As the Company could not reach consensus with previous auditor, KPMG, for the incremental fees incurred or expected to be incurred arising from the extended audit procedures for the year ended 31 December 2019, KPMG resigned as auditor of the Company on 6 May 2020. The resignation letter of KPMG further stated that they were unable to complete the audit as further information in respect of certain deposits and outstanding overdue receivables was pending to be provided by the management of the Company. In addition, the authorisation of the issuance of the relevant bank confirmation was pending due to the renewal of the reserved seal.

On 7 May 2020, the Board resolved to appoint ZHONGHUI ANDA CPA Limited (“ZHONGHUI”) as the auditor of the Company to fill the casual vacancy following the resignation of KPMG. During the course of their audit, the management of the Company provided the required outstanding information and documents in relation to the said deposits and receivables. Also, the relevant bank confirmation was issued after the completion of the renewal process of the reserved seal.

The financial statements of the Company for the year under review have been audited by ZHONGHUI. Save for the above, there were no other changes in the Company’s auditor in the past three years. ZHONGHUI will retire and, being eligible, offer themselves for re-appointment at the forthcoming Annual General Meeting. A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint ZHONGHUI as the auditor of the Company.

## 核數師

由於本公司與過往核數師畢馬威無法就截至二零一九年十二月三十一日止年度之延伸的核數程序發生或預計發生的增加費用達成一致，畢馬威已辭任本公司核數師，自二零二零年五月六日起生效。畢馬威於其辭職函進一步表示，因某些存款和未付逾期應收賬款的進一步信息仍待本公司管理層提供，故彼等無法完成核數工作。此外，因預留印章更新，故尚未授權發出有關銀行的確認函。

於二零二零年五月七日，董事會決議委任中匯安達會計師事務所有限公司（「中匯」）為本公司核數師，以填補畢馬威辭任後之臨時空缺。於彼等的核數過程中，本公司管理層就上述存款和應收賬款提供尚未提交之所須信息及文件。此外，有關銀行確認函已於預留印章更新程序完成後發行。

本公司於回顧年度內之財務報表經中匯審核。除上述外，本公司核數師於過往三年並無其他變動。中匯將在應屆股東週年大會結束時退任，且符合資格願意於應屆股東週年大會上續聘。有關續聘中匯為本公司核數師之決議案將於股東週年大會提呈。

**PROCEDURES PERFORMED BY ZHONGHUI ANDA CPA LIMITED IN RESPONSE TO THE OUTSTANDING MATTERS IDENTIFIED BY KPMG**

With reference to the matters identified by KPMG set out in the Company's announcement dated 7 May 2020, ZHONGHUI ANDA CPA Limited ("ZHONGHUI") has performed the following audit procedures, included but not limited to the following in addressing the matters:

- a. Discussed with management regarding the purpose of the guarantee deposits and obtained and reviewed relevant documents/agreements;
- b. Checked the subsequent discharge of guarantee deposit and the deposit slips regarding the return of money;
- c. Arranged confirmations for bank balances and obtained directly from the banks;
- d. Conduct on-site-visit through staff who are based in the PRC;
- e. Arranged confirmations for overdue trade receivables and checked the subsequent settlements up to the reporting date; and
- f. Assessed the sufficiency of loss allowances for the long overdue trade receivables.

In light with the procedures performed, ZHONGHUI considered that the matters identified by KPMG were properly addressed in forming their audit opinion.

Based on the results of the above procedures performed by ZHONGHUI, the audit committee of the Company also considered that the matters identified by KPMG were properly addressed.

**中匯安達會計師事務所有限公司就畢馬威會計師事務所識別的未完成事項履行的程序**

就本公司日期為二零二零年五月七日之公告所載畢馬威會計師事務所識別的事項，中匯安達會計師事務所有限公司（「中匯」）已履行（包括但不限於）以下處理事項的核數程序：

- a. 與管理層討論擔保存款的目的，及獲取和審閱相關文件／協議；
- b. 了解擔保存款的解除，及有關歸還款項的存款單據；
- c. 安排銀行餘額的確認函，及直接從銀行獲取該等確認函；
- d. 安排在中國的員工開展現場拜訪；
- e. 安排逾期應收賬款的確認函，及了解截至報告日期的償付情況；及
- f. 評估長期逾期應收賬款損失撥備的充足性。

根據履行的核數程序，中匯認為畢馬威識別的事項已獲妥當處理，以形成其核數意見。

根據中匯已履行的上述核數程序，本公司的審核委員會認為畢馬威識別的事項已獲妥當處理。



## CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Wednesday, 24 June 2020 to Tuesday, 30 June 2020 (both days inclusive) to confirm the members on the register of members who are eligible to attend and vote at the annual general meeting. In order to establish entitlements to attend and vote at the annual general meeting, all transfers together with the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 23 June 2020.

## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

### Executive Directors

Mr. Zhang Yuping (alias Cheung Yu ping) (張瑜平), aged 59, is the chairman and an executive Director of the Company. He is the founder of the Group and is in charge of the Group's strategic development and overall management. He has over 30 years of management experience in mid-to-high-end internationally renowned-brand watches and other consumer goods distribution industry. Mr. Zhang is also the director of Best Growth International Limited, the substantial shareholder of the Company.

Mr. Huang Yonghua (黃永華), aged 49, is an executive Director. He joined the Group in 2001 and is in charge of the Group's operational supervision and customer service. Mr. Huang has over 20 years of experience in the watch distribution industry and in management.

Mr. Lee Shu Chung, Stan (李樹忠), aged 60, is an executive Director. He joined the Group in 2007 and is responsible for the Group's business including retail and watch related manufacturing segment. He obtained a Bachelor of Arts degree and has pursued further studies in business administration. He has nearly 30 years of experience in watch manufacturing and distribution.

## 暫停辦理股東登記手續

本公司將於二零二零年六月二十四日(星期三)至二零二零年六月三十日(星期二)(首尾兩日包括在內)暫停辦理股份過戶登記,以確定參加股東大會及於會上投票之股東名冊。為符合參加股東大會及於會上投票之資格,所有股份過戶表格連同有關股票須不遲於二零二零年六月二十三日(星期二)下午四時三十分前送交本公司之股份過戶登記處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

## 董事及高級管理層簡歷

### 執行董事

張瑜平先生, 59歲, 本公司主席兼執行董事。彼為本集團創始人, 負責本集團策略發展及整體管理。張先生於中高端國際名錶等其他消費品分銷行業擁有逾30年之管理經驗。張先生亦為本公司主要股東佳增國際有限公司的董事。

黃永華先生, 49歲, 執行董事。彼於二零零一年加入本集團, 負責本集團業務監控及客戶服務。黃先生於鐘錶分銷業及管理工作積逾20年之經驗。

李樹忠先生, 60歲, 執行董事, 於二零零七年加入本集團, 負責本集團零售及其配套生產等業務。李先生大學本科學歷, 獲文學學士學位, 參加過工商管理課程高級進修。李先生有近30年鐘錶製造及分銷經驗。

### Non-executive Directors

Mr. Shi Zhongyang (史仲陽), aged 45, is a non-executive Director. Mr. Shi graduated from Nanjing University in the PRC and University of Goetting in Germany with a master degree in law. Mr. Shi joined The Swatch Group Limited in 2000 and joined the Group in 2006. He is currently a legal counsel of the legal department of The Swatch Group Limited.

### Independent Non-executive Directors

Mr. Cai Jianmin (蔡建民), aged 76, is an independent non-executive Director. He graduated from the industrial accounting faculty (工業會計系) of Shanghai College of Finance and Economics (上海財經學院). Mr. Cai holds a Certificate for Professional Accountants (會計從業資格證書) in the PRC. He was senior financial management for various companies including Shanghai Hualian (Group) (上海華聯(集團)). Mr. Cai joined the Group in 2005. He is currently an independent director of Jiangsu Guotai International Group Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 002091). In the past 3 years, Mr. Cai was an independent director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600635, and The Stock Exchange of Hong Kong, stock code: 01635) and Shanghai Kaichuang Marine International Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600097) respectively. He had retired from these positions.

Mr. Wong Kam Fai, William (黃錦輝), aged 60, is an independent non-executive Director. He graduated from University of Edinburgh, Scotland with a bachelor degree and a doctorate degree in Electrical Engineering. Mr. Wong is currently a professor in the Department of Systems Engineering and Engineering Management in the Chinese University of Hong Kong and a member of the 13th national committee of CPPCC. He obtained the qualification as a Chartered Engineer (CEng) in 1991, and is now a member of the Institution of Electrical Engineers and a professional member of the Association for Computing Machinery. Mr. Wong joined the Group in 2005.

Mr. Liu Xueling (劉學靈), aged 62, is an independent non-executive Director. He graduated from East China Normal University in Shanghai with a doctorate degree in history. At present, he is a senior lawyer in Shanghai Tongyan Law Firm (上海市通研律師事務所). He joined the Group in 2007. He is currently an independent director of Shanghai Qiangsheng Holding Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600662).

### 非執行董事

史仲陽先生，45歲，非執行董事。史先生畢業於中國南京大學及德國Goetting大學，獲得法律碩士學位；二零零零年加入The Swatch Group Limited。彼於二零零六年加入本集團，現任The Swatch Group Limited法律部顧問。

### 獨立非執行董事

蔡建民先生，76歲，獨立非執行董事。彼畢業於上海財經學院工業會計系。蔡先生持有中國會計從業資格證書，曾於上海華聯(集團)等多家公司擔負高級財務管理工作。蔡先生於二零零五年加入本集團，現亦任江蘇國泰國際集團股份有限公司(於上海證券交易所上市且股票代號為002091)獨立董事。彼於過去三年曾分別擔任上海大眾公用事業(集團)股份有限公司(於上海證券交易所上市且股票代號為600635，及於香港聯合交易所上市且股票代碼為01635)及上海開創國際海洋資源股份有限公司(於上海證券交易所上市且股票代號為600097)獨立董事，現已退任。

黃錦輝先生，60歲，獨立非執行董事。彼畢業於蘇格蘭愛丁堡大學，取得電機工程學士及博士學位。黃先生為香港中文大學系統工程與工程管理學系教授及第十三屆全國政協委員，彼自一九九一年取得特許工程師(CEng)資格，為英國電氣工程師學會會員及美國電腦學會專業會員。黃先生於二零零五年加入本集團。

劉學靈先生，62歲，獨立非執行董事。彼畢業於上海華東師範大學，取得史學博士學位。劉先生現為上海市通研律師事務所主任，一級律師。彼於二零零七年加入本集團，現亦任上海強生控股股份有限公司(於上海證券交易所上市且股份代號為600662)獨立董事。



## REPORT OF DIRECTORS 董事會報告書

### Senior Management

Ms. Tan Li (談麗), aged 55, is the vice president and secretary to the Board and is in charge of the Board office and human resources of the Group. Ms. Tan graduated from Nanjing Normal University (南京師範大學) with a Master of Arts degree. She joined the Group in 2001. Before joining the Group, Ms. Tan taught at the branch colleges of Peking University in China.

Mr. Ng Man Wai (吳文偉), aged 49, is the company secretary and financial controller of the Company. Mr. Ng graduated from the University of Toronto with a bachelor degree in commerce. He joined the Group in 2004. Mr. Ng is a fellow of the Association of Chartered Certified Accountants (ACCA) and a member of the Hong Kong Institute of Certified Public Accountants (HKICPA).

### DISCLOSURE OF INFORMATION ON THE WEBSITES OF THE COMPANY AND THE HONG KONG STOCK EXCHANGE

An annual report for the year ended 31 December 2019 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to the shareholders of the Company and published on the website of the Company and the website of the Hong Kong Stock Exchange in due course.

### ACKNOWLEDGEMENT

The Directors would like to take this opportunity to express our sincere thanks to all the shareholders for their continuous support and to all our staff for their dedication and contribution to the Group during the year under review.

### GENERAL INFORMATION

As at the date of this report, the executive directors are Mr. Zhang Yuping (Chairman), Mr. Huang Yonghua and Mr. Lee Shu Chung, Stan; the non-executive director is Mr. Shi Zhongyang, and the independent non-executive directors are Mr. Cai Jianmin, Mr. Wong Kam Fai, William and Mr. Liu Xueling.

By order of the Board  
Zhang Yuping  
Chairman

Hong Kong, 5 June 2020

### 高級管理層

談麗女士，55歲，副總裁及董事會秘書，負責本集團董事會辦公室及人力資源等。談麗女士畢業於中國南京師範大學，持有文學碩士學位，於二零零一年加入本集團。加入本集團前，談麗女士在中國北京大學分校任教。

吳文偉先生，49歲，本公司的公司秘書及財務總監。吳先生畢業於多倫多大學，持有商業學士學位，於二零零四年加入本集團。吳先生為英國特許公認會計師公會資深會員及香港會計師公會會員。

### 在公司網站及香港聯交所網站披露資料

載有上市規則附錄16所規定的一切資料，截至二零一九年十二月三十一日止年度之報告將會寄發予本公司股東，並且於適當時候刊載於本公司網站及香港聯交所網站。

### 鳴謝

董事藉此機會感謝全體股東一直以來的鼎力支持，以及感謝本集團全體員工於回顧年度內為本集團付出之努力和貢獻。

### 一般事項

於本報告日期，本公司有主席兼執行董事張瑜平先生、執行董事黃永華先生及李樹忠先生；非執行董事史仲陽先生；獨立非執行董事蔡建民先生、黃錦輝先生及劉學靈先生。

承董事會命  
主席  
張瑜平

香港，二零二零年六月五日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INTRODUCTION

Since its establishment, the Company has been committed to maintaining a high standard of corporate governance practice to ensure transparency of the Group's management, so that the long term development of our shareholders, customers, employees as well as the Group can be safeguarded. The Group has established the Board, an audit committee, a remuneration committee and a nomination committee that are up to the requirements as being diligent, accountable and professional. ZHONGHUI ANDA CPA Limited has been appointed as the Group's external auditors.

### Compliance with the Corporate Governance Code

The Company has adopted the Code on Corporate Governance Practices (the "Corporate Governance Code") set out in Appendix 14 to the Listing Rules. The Directors are of the opinion that the Company had complied with the Corporate Governance Code except for a deviation from provision A.2.1 during the year under review. Given the existing corporate structure, the roles of the chairman and chief executive have not been separated, and both are performed by Mr. Zhang Yuping. Although the roles and duties of the chairman and chief executive officer have been performed by the same individual, all major decisions would only be made after consultation with the Board and, where applicable, by the Board. There are three independent non-executive Directors in the Board. All of them possess adequate independence and therefore the Board considers that the Company has achieved balance of power and provided sufficient assurance for scientific decision-making.

### Composition of the Board

To maintain a high level of independence and objectivity in decision making, and to exercise its power of supervising the management of the Group in a comprehensive and equitable manner, the Board of the Group comprises three executive Directors (Messrs. Zhang Yuping (Chairman of the Group), Huang Yonghua and Lee Shu Chung, Stan), one non-executive Director (Mr. Shi Zhongyang) and three independent non-executive Directors (Messrs. Cai Jianmin, Wong Kam Fai, William and Liu Xueling).

### 緒言

本公司自成立以來，致力保持高標準的公司管治機制，確保集團管理的透明度，以保障股東、客戶、員工及集團的長遠發展。為此，本公司已建立一個盡職、負責、且具有專業精神的董事會、審核委員會、薪酬委員會及提名委員會。本集團亦已聘請中匯安達會計師事務所有限公司為集團的外部核數師。

### 企業管治守則遵行概況

本公司已採納上市規則附錄十四所載之企業管治守則(「企業管治守則」)。董事認為，本公司於回顧年度內一直遵守企業管治守則，惟偏離A.2.1項條文。鑑於現有企業結構，主席及行政總裁之角色並無分開，均由張瑜平先生擔任。儘管主席及行政總裁之角色責任乃歸屬一人，但所有重要決策均經諮詢董事會及經(在適用情況下)董事會做出。董事會有三名極具獨立性之獨立非執行董事。因此，董事會認為，本公司已具備充分權力平衡及保障科學決策的作出。

### 董事會組成

為保持董事會決策獨立、客觀及對管理層實行全面及公正的監控，集團的董事會由三名執行董事(張瑜平先生(集團主席)、黃永華先生及李樹忠先生)、一名非執行董事(史仲陽先生)及三名獨立非執行董事(蔡建民先生、黃錦輝先生及劉學靈先生)組成。



## CORPORATE GOVERNANCE REPORT 企業管治報告

To ensure the Board operates in an independent and accountable manner, the three executive Directors have been assigned with different responsibilities within our operation. Mr. Zhang Yuping, the Chairman, is in charge of the Group's overall management and strategic development, while Mr. Lee Shu Chung, Stan is in charge of the overall business operation of the Group, and Mr. Huang Yonghua is responsible for coordination and supervision.

The three independent non-executive Directors have professional expertise and extensive experience in the areas of accounting, economics, law, computing control and management, and business administration, respectively. They can adequately act for the benefits of our shareholders. Their terms of office are as follows:

Cai Jianmin: 26/9/2017-25/9/2020;  
Wong Kam Fai, William: 26/9/2017-25/9/2020;  
Liu Xueling: 01/6/2019-31/5/2022.

The one non-executive Director has professional expertise and extensive experience in the areas of law and business management. He can offer supervision to the Company's daily operation, and provide corresponding opinions and recommendations in a timely manner, which is beneficial to the standardised operation of the Company and the safeguarding of the interests of our shareholders. His term of office is as follows:

Shi Zhongyang: 15/2/2018-14/2/2021.

### Duties of the Board

The Board of the Company is accountable to the general meetings and performs the following major duties: report duties to the general meetings; execute the resolutions of the general meetings; determine investment solutions and profit distribution solutions of the Company; formulate solutions as to increase or decrease of the capital of the Company; prepare plans in respect of the split-up, consolidation, alteration and dissolution of the Company; appoint and dismiss the general manager of the Company and determine his or her remuneration.

為確保董事會運作具獨立性及問責性，三名執行董事分別負責不同的工作範疇，主席張瑜平先生負責集團整體管理及策略發展，李樹忠先生負責集團整體業務的運營，而黃永華先生則負責協調與監控。

本公司三名獨立非執行董事分別在會計、經濟、法律、計算機控制與管理及工商管理範疇擁有專業知識及豐富經驗，能充分代表公司股東的權益。其任期分別為：

蔡建民：26/9/2017-25/9/2020；  
黃錦輝：26/9/2017-25/9/2020；  
劉學靈：01/6/2019-31/5/2022。

本公司一名非執行董事於法律、工商管理等方面擁有專業知識及豐富經驗，對本公司日常運營實時監察，並及時提出其相應意見及建議，有利於公司的規範化運作及保障股東之權益。其任期為：

史仲陽：15/2/2018-14/2/2021。

### 董事會職責

本公司董事會對股東會負責，行使以下主要職責：向股東會報告工作；執行股東會的決議；決定公司的投資方案及利潤分配方案；制定公司增加或減少資本的方案；擬定公司分立、合併、變更、解散等方案；聘任和解聘公司總經理並決定其報酬等事項等。

In respect of the corporate governance functions, during the year under review, the Board discharged corporate governance duties in accordance with the terms of reference. To be specific, the Board mainly discharged the following corporate governance duties during the year under review:

- To review the Company's policies and practices on corporate governance;
- To review and monitor the training and continuous professional development of Directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To review and monitor the code of conduct applicable to Directors and employees; and
- To review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

Members of the Board are provided with appropriate and sufficient information in a timely manner for their understanding of the latest developments of the Group, which in turn supports the discharge of their duties.

The management of the Company is accountable to the Board and performs the following major duties: report duties to the Board, execute the resolutions of the Board, and complete all the tasks assigned by the Board.

### Risk Management and Internal Control

The Group has established effective risk management and internal control systems to provide reasonable (though not absolute) assurance against material misstatement or loss and to manage (rather than eliminate) risks of failing to achieve business objectives. The Board shall be responsible for the risk management and internal control systems and reviewing their effectiveness.

企業管治職能方面，董事會於回顧年度內按照職權範圍所載履行了企業管治職責。具體而言，董事會於回顧年度內主要履行了下列企業管治職責：

- 檢討本公司的企業管治政策及常規；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定等方面的政策及常規；
- 檢討及監察董事及僱員的操守準則；及
- 檢討本公司遵守企業管治守則的情況及在《企業管治報告》內的披露。

董事會成員會適時取得適當及充足之資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

本公司管理層對董事會負責，行使以下主要職責：向董事會報告工作、執行董事會決議、完成董事會下達的各項任務。

### 風險管理及內部控制

本集團已設立有效的風險管理及內部控制系統，提供合理但非絕對的保證，以防止重大錯誤陳述或損失，以及管理（而非消除）未達業務目標的風險。董事會負責風險管理及內部控制系統以及檢討其效用。



## CORPORATE GOVERNANCE REPORT 企業管治報告

In order to ensure the interests of our shareholders, the Group established an enterprise risk management framework to provide top-down and bottom-up approaches to identify, assess, mitigate and monitor key risks in a proactive and structured manner. The Group established departments dedicated to the supervision and risk control of finance and business operation including an internal audit department. Such departments set up annual internal audit plan and are responsible for performing daily and special internal control procedures in aspects relating to business operation, financial reporting and compliance control and in accordance with the targets set by the senior management, which includes conducting audits and examination of all aspects and at all departments once or twice a year, so as to enhance internal control and ensure the sound development of the enterprise. Such departments will report the audits and examinations results to the audit committee and the Board for them to assess the internal control of the Company and the effectiveness of risk management, any significant failing or weaknesses in internal control, and to take necessary actions promptly to remedy any significant failings or weaknesses. If necessary, such departments will follow up regularly on remedial actions in response to significant internal control failings or weaknesses.

The Company has established a disclosure mechanism regarding the procedures of proper information disclosure to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

The audit committee and the Board have reviewed the effectiveness of the internal control systems of the Group and completed the annual review on the risk management and internal control systems (including their effectiveness). Based on the reviews made by independent review organisation and the Group's self-assessment of the risk management and internal control systems of the Group, the Group considers that, these systems are effective and adequate, and will continue to review the effectiveness of these systems as well as to further improve the internal administration and control systems of the Company if required.

為確保股東利益，本集團設有一套企業風險管理架構，提供由上而下及由下而上之風險管理方法，以及積極有序的方法識別、評估、減低和監察主要風險。本集團專門成立財務與業務風控及監督部門（包括一個內部審計部門）。該等部門訂立年度內部審計計劃，負責就業務營運、財務報告、合規監控方面及根據高級管理層所訂立的目標履行日常及特別內部監控程序，包括每年1-2次對集團所屬各層面、各部門進行審計及稽查，以加強內部監控，確保企業健康發展。該等部門向審核委員會及董事會報告審計及稽查結果，以供審核委員會及董事會評核本公司的監控情況及風險管理的成效、重大內部監控失誤或弱項、並迅速採取必要行動以糾正任何重大失誤或弱項。如需要，該等部門對重大內部監控失誤的糾正行動作出定期跟進。

本公司已採納有關進行適當的信息披露程序的披露機制，以確保內幕消息在獲適當批准披露前一直保密，並確保有效及一致地發佈有關消息。

審核委員會及董事會已審視本集團內部監控系統的有效性，並完成年度內對集團風險管理及內部監控系統（包括其有效性）的檢討。根據獨立審核機構及本集團通過自我評估對本集團風險管理及內部控制體系所作出的檢討，本集團認為該等系統有效及足夠，但本集團將繼續審視該等系統的有效性並會在需要時進一步完善本公司的內部管理以及監控制度。

## ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

In 2019, a total of five full Board meetings were held by the Company. Further, an annual general meeting was held. The attendance of the Directors at the meetings was as follows:

Name	姓名	Frequency of attendance at the Board meetings 董事會會議 出席次數	Rate of attendance 出席率	Remarks 備註	Frequency of attendance at the annual general meeting 股東週年大會 出席次數	Rate of attendance 出席率	Remarks 備註
Zhang Yuping	張瑜平	4	80%	Abstained 回避	1	100%	
Huang Yonghua	黃永華	5	100%		1	100%	
Lee Shu Chung, Stan	李樹忠	4	80%	By proxy 委派	1	100%	
Cai Jianmin	蔡建民	5	100%		1	100%	
Shi Zhongyang	史仲陽	3	60%	By proxy 委派	1	100%	
Wong Kam Fai, William	黃錦輝	5	100%		1	100%	
Liu Xueling	劉學靈	5	100%		1	100%	

Members of the Board are provided with appropriate and sufficient information in a timely manner for their understanding of the latest developments of the Group, which in turn supports the discharge of their duties.

## CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director will be given an introductory session so as to ensure that he/she will gain appropriate understanding of the Group's business and of his/her duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements. The Company provides regular updates on the business development of the Group. The Directors are continually updated on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance with and upkeep of good corporate governance practices.

## 董事的會議出席情況

於二零一九年，本公司共召開五次全體董事會議，另召開了一次股東週年大會。各董事出席詳情如下：

董事會成員會適時取得適當及充足資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

## 持續專業發展

每名新委任之董事將獲安排簡介，以確保彼能根據上市規則以及相關法定及監管規定適當掌握本集團之業務及彼之職責及責任。本公司定期更新本集團之業務發展，董事定期獲得有關上市規則及其他適用法定規定之最新發展，以確保符合及維持良好企業管治常規。



## CORPORATE GOVERNANCE REPORT 企業管治報告

The Directors are committed to complying with the requirements under provision A.6.5 of the Corporate Governance Code on Directors' training so as to ensure that their contribution to the Board remains informed and relevant. During the year under review, the Directors of the Company attended relevant training in accordance with the Listing Rules and provided the relevant records of training to the Company. According to the records, details of Directors' attendance at the training sessions during the year under review are as follows:

董事致力遵守於企業管治守則條文A.6.5之董事培訓之要求，以確保彼等繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。回顧年度內，本公司董事已按上市規則要求進行了相關培訓，並已向本公司提供相關培訓記錄。根據紀錄，以下為各董事於回顧年度內所進行的培訓概況：

Name	姓名	Updates on corporate governance, laws and regulations 企業管治、法例法規更新		Accounting/financial/management and other professional expertise 會計／財務／管理及 其他專業技能	
		Material reading 資料閱讀	Seminar/training attending 參與講座／ 培訓	Material reading 資料閱讀	Seminar/training attending 參與講座／ 培訓
Zhang Yuping	張瑜平	✓	✓	✓	✓
Huang Yonghua	黃永華	✓	✓	✓	✓
Lee Shu Chung, Stan	李樹忠	✓	✓	✓	✓
Shi Zhongyang	史仲陽	✓	✓	✓	✓
Cai Jianmin	蔡建民	✓	✓	✓	✓
Wong Kam Fai, William	黃錦輝	✓	✓	✓	✓
Liu Xueling	劉學靈	✓	✓	✓	✓

### INDEPENDENCE OF THE BOARD

The Board has received confirmation from all independent Directors regarding their independence made in accordance with Rule 3.13 of the Listing Rules. The Board considers that all current independent Directors have met the requirements of the guidelines set out in Rule 3.13 of the Listing Rules and remained independent.

### 董事會獨立性

董事會已收到所有獨立董事按照上市規則第3.13條就其獨立性而提交的確認函，認為現任獨立董事均符合上市規則第3.13條所載的相關指引，仍然屬於獨立。

## SECURITIES TRANSACTIONS BY DIRECTORS

The Board had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the Company's code for securities transactions by its Directors. Following specific enquiry made by the Company with all Directors, the Company has confirmed that during the year under review, all Directors of the Company had complied with the standard as required by the above code.

## ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the financial reports of the Group in accordance with the Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards.

The statement of the auditors of the Company on their reporting responsibilities on the financial statements of the Group is set out on pages 85 to 90 of this annual report.

## AUDITORS' REMUNERATION

The audit fee to be received by the auditors of the Company for the year ended 31 December 2019 will be approximately RMB3,174,000 (2018: approximately RMB2,708,000). During the year under review, in addition to auditing services, the Company's auditors also provided the Group with services such as taxation planning and due diligence. The total non-auditing service fees were RMB446,000 (2018: RMB529,000) in total.

## 董事的證券交易

本公司董事會採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》，作為本公司董事進行證券交易的守則。本公司在向所有董事做出特定查詢後，本公司確定，本公司董事於回顧年度內均有遵守上述守則所規定的有關標準。

## 問責及審核

董事了解彼等有責任根據香港財務報告準則及香港會計準則編撰本集團的財務報告。

本公司核數師就彼等於本集團財務報表申報責任的聲明，載於本年報第85至第90頁。

## 核數師酬金

本公司截至二零一九年十二月三十一日止年度的（將由本公司核數師收取的）審計費用約為人民幣3,174,000萬元（二零一八年：約人民幣2,708,000元）。回顧年度內，除核數外，本公司核數師亦向集團提供稅務安排及盡職調查等服務，收取該等非核數服務費合共人民幣446,000元（二零一八年：人民幣529,000元）。



## AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Listing Rules. The audit committee comprises three independent non-executive Directors, namely, Messrs. Cai Jianmin (Chairman), Wong Kam Fai, William and Liu Xueling. According to the terms of reference of the audit committee adopted and implemented by the Company, the audit committee is responsible for reviewing the accounting principles and practices adopted by the Company as well as significant or unusual items, internal controls, financial reporting, risk management and control matters, which included a review on the audited annual results for the year ended 31 December 2018 and the 2019 interim report.

During the year, the audit committee of the Company held meetings on 20 March and 16 August 2019 to review the annual and interim financial reports of the Group respectively. All members of the committee namely, Messrs. Cai Jianmin, Wong Kam Fai, William and Liu Xueling, attended the meetings.

The audit opinions from the audit committee in respect of the Group's financial report, risk management and control for the year are summarised as follows:

The 2019 financial and accounting report of the Company is objective in the material aspects, and gives a fair view of the financial position of the Company as at 31 December 2019 as well as the operating results and cash flow in 2019. During the reporting period, the Company's operation and financial position has remained stable and structured. Amid the complex and changeable external environment with increasing uncertainty and unstable factors, the Company's year-on-year sales, cost of sales, gross profit and other key financial indicators basically remained unchanged or slightly decreased, which was a challenging achievement. In 2019, the Company also effectively promoted the implementation of its internal control work. Facing the grim economic environment, the Company's management is expected to seize opportunities and proactively take actions with risk awareness in mind at all times, so as to ensure the stable operation of the Company.

## 審核委員會

本公司已遵循上市規則成立審核委員會。審核委員會由三位獨立非執行董事蔡建民先生(主席)、黃錦輝先生及劉學靈先生組成。根據本公司已採納及執行的審核委員會職權範圍，審核委員會負責審閱本公司採納的會計原則及實務、重大或不尋常項目、內部監控、財務報告、風險管理及監控等事宜，其中包括審閱截至二零一八年十二月三十一日止年度經審核的全年業績及二零一九年度中期報告。

本年度，本公司審核委員會分別於二零一九年三月二十日和八月十六日召開會議，分別審議集團年度、半年度財務報告等，均為全體成員(蔡建民先生、黃錦輝先生及劉學靈先生)出席。

本年度，審核委員會就集團財務報告、風險管理及監控的審核意見基本內容如下：

公司二零一九年度財務會計報告在重大方面客觀、公允反映了公司二零一九年十二月三十一日的財務狀況，以及二零一九年度的經營成果和現金流量狀況。報告期內經營狀況、財務狀況平穩有序，在外部環境複雜多變、不確定、不穩定因素日趨加劇的大環境下，公司的銷售額、銷售成本、毛利等重要財務指標同比基本持平或略有小幅下降，實屬不易。二零一九年，公司的內控工作也在有效推進。面對嚴峻的經濟環境，冀公司管理層審時度勢，積極應對，時時保持風險意識，確保公司的平穩運行。

## REMUNERATION COMMITTEE

The Company has established a remuneration committee in compliance with the Listing Rules. During the year under review, the remuneration committee comprises three Directors including Messrs. Liu Xueling (Chairman) and Cai Jianmin, both of whom are independent non-executive Directors, and Mr. Zhang Yuping, the Chairman and an executive Director of the Group. The primary duties of the remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of the Group.

The remuneration committee held a total of one meeting during the year to review matters related to the remuneration structure of the Directors and senior management of the Company. All members, namely Messrs. Liu Xueling, Cai Jianmin and Zhang Yuping, attended the meeting.

According to the terms of reference of the remuneration committee adopted by the Company, the remuneration committee acts as a consultant regarding the remuneration matters of the Directors and senior management of the Company, while the Board retains the ultimate power to approve the remuneration of the Directors and senior management.

## NOMINATION COMMITTEE

The Company has established a nomination committee in compliance with the Listing Rules. During the year under review, the nomination committee comprises three Directors including Mr. Zhang Yuping (Chairman), an executive Director and the Chairman of the Group, and independent non-executive Directors Messrs. Cai Jianmin and Liu Xueling. The Company has adopted and implemented the terms of reference of the nomination committee. The nomination committee is mainly responsible for making recommendations to the Board on the appointment of Directors and succession planning for the Board.

## 薪酬委員會

本公司已遵循上市規則成立薪酬委員會。回顧年度內，薪酬委員會由獨立非執行董事劉學靈先生（主席）、蔡建民先生及集團主席兼執行董事張瑜平先生三名董事組成。薪酬委員會的主要職責為審閱及釐定本集團薪酬組成條款、花紅及其他應付予董事及高級管理層的補償等。

本年度，薪酬委員會合共召開一次會議，審議公司董事及高級管理人員薪酬結構等相關事宜。全體成員（劉學靈先生、蔡建民先生及張瑜平先生）出席。

根據本公司已採納的薪酬委員會職權範圍，薪酬委員會就公司董事及高級管理人員薪酬事宜擔當顧問角色，董事會則保留有批准董事及高級管理人員薪酬的最終權力。

## 提名委員會

本公司已遵循上市規則成立提名委員會。回顧年度內，提名委員會由執行董事兼集團主席張瑜平先生（主席）、獨立非執行董事蔡建民先生及劉學靈先生三位董事組成。本公司已採納及執行提名委員會職權範圍。提名委員會的主要負責為就任命董事及安排董事會的承繼向董事會提出推薦等。



## NOMINATION POLICY

The Company adopts the nomination and selection policies for the Board members, including the criteria and procedures for appointment, by-election and re-election of Directors.

### Selection and Recommendation Criteria

In determining the suitability of the candidates for Directors, the factors the nomination committee and the Board should consider shall include integrity, professional ability, business experience, independence and potential contribution that the candidate can make to the Company and the Board and diversity in terms of age, culture, race, and gender, under the laws and regulations of Cayman islands, Listing Rules and other applicable laws and regulations. These criteria shall mainly include:

- candidates shall be persons of integrity, honesty, good reputation and professional status;
- candidates should be able to meet the needs of the current Board structure, size, diversity and talent mix;
- candidates' business experience and professional knowledge and ability in the operation of the Board;
- candidates can devote sufficient time to ensure proper performance of their duty as a Director;
- candidates for independent non-executive Directors must meet the independence requirements of the Listing Rules, possess independent character and judgment, and be able to effectively handle the Company's affairs in a manner that is in line with and represents the best interests of all shareholders of the Company.

These criteria are not to be exhaustive or decisive. The nomination committee and the Board will fully take into consideration any other factors that are in the best interests of the Company and its shareholders when selecting candidates for Directors.

## 董事提名政策

本公司採納董事會成員提名及遴選政策，包括委任、補選及重選董事的準則及程序等。

### 遴選及推薦準則

在確定董事候選人是否適合時，在符合開曼群島法例法規、上市規則及其他適用法律法規的前提下，提名委員會及董事會將考慮候選人在誠信、專業才能、企業經驗、獨立性及年齡、文化、種族和性別等多元化方面可為本公司及董事會帶來的貢獻。主要包括：

- 候選人應為正直、誠實、聲譽良好及具有專業地位的人士；
- 候選人需可配合董事會現有架構、規模、多元化情況及才能組合等因素的需要；
- 候選人之業務經驗及於董事會運作的專業知識和才能；
- 候選人對本公司可付出的充裕時間以確保妥善履行董事之職責；
- 獨立非執行董事候選人必須符合上市規則的獨立性規定，其應具有獨立品格及判斷力，並能夠切實以符合及代表本公司全體股東最佳利益的方式處理本公司事務。

此等原則並非詳盡徹底或具決定性。提名委員會及董事會在遴選董事候選人時將會充分考慮對本公司及本公司股東最佳利益的任何其他因素。

## Nomination Procedure

When the Board determines that it is necessary to appoint additional or replacement Directors, the nomination committee shall adopt such methods and channels as it deems appropriate to find suitable candidates for Directors, including recommendations from Directors, shareholders, management and external headhunters. After preparing the list of potential candidates, the nomination committee shall draw up a shortlist of candidates for discussion by the Board based on the selection criteria and other factors it deems appropriate. The nomination committee and the Board will ensure that the composition of Directors complies with laws and regulations of Cayman Islands, Listing Rules and other applicable laws and regulations.

Where a retiring Director, being eligible, offers himself for re-election, the Board may recommend such retiring Director to stand for re-election at a general meeting. A circular containing the requisite information on such retiring Director shall be sent to shareholders prior to the general meeting in accordance with the Listing Rules.

The nomination committee and the Board shall review the above nomination policy from time to time to ensure that the Company is always able to comply with relevant regulatory requirements and maintains a good corporate governance standard.

One meeting was held by the nomination committee during the year to review matters related to the structure, size and composition of the Board as well as matters related to retirement by rotation and re-election of Directors. All members (namely Messrs. Zhang Yuping, Cai Jianmin, and Liu Xueling) attended the meeting.

## 提名程序

當董事會確定需要委任額外增加或替補董事時，提名委員會將採取其認為合適的方法及渠道物色合適的董事候選人，亦包括董事、股東、管理層及外部獵頭公司的推薦等。在編寫准候選人名單後，提名委員會將根據遴選準則及其認為適合的其他因素，擬定入圍候選人名單以供董事會討論。提名委員會和董事會將確保董事的組成符合開曼群島法例法規、上市規則及其他適用法律法規。

當重選董事時，如退任董事符合資格並願意膺選連任，董事會將建議該名退任董事在股東大會上重選連任。載有該名退任董事必需資料的通函將根據上市規則於股東大會舉行前寄發予股東。

提名委員會及董事會將不時檢討上述提名政策，以確保本公司能夠始終遵守相關監管規定及擁有良好的企業管治水平。

本年度，提名委員會召開過一次會議，審議本公司董事會架構、人數及組成；董事輪值告退及重選等相關事宜。全體成員（張瑜平先生、蔡建民先生及劉學靈先生）出席。



## SUMMARY OF BOARD DIVERSITY POLICY

To improve the performance quality of the Company, the Board has adopted the board diversity policy. The Board believes that board diversity can be achieved by considering various factors, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge, term of services and other talents. All Board appointments are made with reference to the Company's business models and specific needs from time to time, and candidates will be considered with due regard for the benefits of diversity on the Board by objective business conditions. The nomination committee will be mainly responsible for identifying suitable and competent candidates for Board members, and considering such candidates in light of objective conditions. As a part of the annual performance review for the efficiency of the Board, considerations made by the nomination committee will balance the skills and experience as required by business targets of the Company with diversity factors. To achieve board diversity, the nomination committee will discuss and develop measurable objectives from time to time, and propose the above to the Board for adoption and implementation. Generally speaking, selection of candidates by the nomination committee shall be based on a range of diversity perspectives including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge and term of services. However, the final decision will depend on the strengths of candidates and their prospective contributions to the Board. The Board may improve one or more diversified perspectives from time to time, and measure the progress on such basis. The nomination committee will review the policy from time to time, including conducting assessments on the effectiveness of the policy. The nomination committee will also discuss any amendment that may be necessary, and submit amendment proposals to the Board for approval.

## 董事會成員多元化政策摘要

本公司為提升公司的表現質素，董事會已採納董事會成員多元化政策。董事會相信董事會成員多元化可透過考慮多方面因素達致，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、服務任期及其他才能。董事會所有委任均根據本公司之商業模式及不時之特定需要，並在考慮人選時以商業客觀條件充分顧及董事會成員多元化的裨益。提名委員會將首要負責找出適合及勝任擔任董事會成員的人選，並按客觀條件考慮有關人選。作為檢討董事會效率的週年表現檢討的一部份，提名委員會將考慮就適合本公司業務目標要求的技能、經驗及多元化因素作出平衡。為達致董事會成員多元化，提名委員會將不時討論及開展可計量目標，並向董事會提出，由董事會採納及實施。一般來說，提名委員會須根據一系列多元化觀點甄選人選，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。然而，最終決定將取決於人選的長處及可為董事會帶來的貢獻。董事會可能不時改進一個或以上多元化角度，並按其計量達標的進度。提名委員會將不時檢討本政策，包括對本政策的成效作出評估。提名委員亦將會討論任何或需作出的修訂，再向董事會提出修訂建議，由董事會審批。

### COMPANY SECRETARY

Mr. Ng Man Wai was appointed as the company secretary of the Company in 2004. His biographical details are set out in the section headed “Biographies of Directors and Senior Management”. For the financial year ended 31 December 2019, Mr. Ng attended relevant professional training for not less than 15 hours in compliance with Rule 3.29 of the Listing Rules.

### 公司秘書

吳文偉先生於二零零四年獲委任為本公司公司秘書。吳先生之履歷詳情載於「董事及高級管理層簡歷」一節。根據上市規則3.29條，吳先生於截至二零一九年十二月三十一日止財政年度已接受不少於15個小時之相關專業培訓。

### SENIOR MANAGEMENT’S REMUNERATION

The remuneration payment of the Group’s Directors and senior management for the year ended 31 December 2019 falls within the following bands:

### 高級管理層的薪酬

截至二零一九年十二月三十一日止年度，本集團董事及高級管理層的薪酬支付在以下幅度內：

	Number of individuals 人數
Nil to RMB1,000,000 零至人民幣1,000,000元	4
RMB1,000,001 to RMB2,000,000 人民幣1,000,001元至人民幣2,000,000元	0
RMB2,000,001 to RMB3,000,000 人民幣2,000,001元至人民幣3,000,000元	1
RMB3,000,001 to RMB4,000,000 人民幣3,000,001元至人民幣4,000,000元	1
RMB4,000,001 to RMB5,000,000 人民幣4,000,001元至人民幣5,000,000元	1
RMB5,000,001 to RMB6,000,000 人民幣5,000,001元至人民幣6,000,000元	0
RMB7,000,001 to RMB8,000,000 人民幣7,000,001元至人民幣8,000,000元	1
RMB8,000,001 to RMB9,000,000 人民幣8,000,001元至人民幣9,000,000元	1



## RIGHTS OF SHAREHOLDERS

### How the Shareholders Convene Extraordinary General Meeting and Make Recommendations at General Meetings

According to the articles of association of the Company, any shareholder holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The letter demanding the calling of an extraordinary general meeting mentioned above shall be sent to the principal office of the Company stating the Board or the company secretary of the Company as the addressee.

### How to Make Enquiry to the Board

Shareholders may send letters to the principal office of the Company for any enquires stating the Board or the company secretary of the Company as the addressee.

## SIGNIFICANT CHANGES ON THE ARTICLES OF ASSOCIATION

During the year under review, there is no significant change to the articles of association of the Company

## 股東權利

### 股東召開股東特別大會及於股東大會提出建議的方式

根據本公司的公司章程，於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內，董事會未有召開該大會，則遞呈要求人士可以相同方式自發作出此舉，遞呈要求人士因董事會未能召開大會而產生的一切合理開支均可要求本公司報銷。

上述有關要求召開股東特別大會的信函應寄送本公司的總辦事處；收件人列明本公司董事會或公司秘書。

### 向董事會提出查詢的方式

股東若有任何查詢，可致函本公司總辦事處；收件人列明本公司董事會或公司秘書。

## 公司章程重大變動

回顧年度內，本公司的公司章程並無重大變更。

## INVESTORS RELATIONS

The Company firmly believes the importance of effective communication with the investors and the shareholders in attaining a high level of transparency in the Group. Since its listing, the Group has maintained close communications with the shareholders, mass media, analysts and fund managers through various communication channels such as one-on-one meetings, roadshows, seminars, press conferences, press releases, telephone communications and emails. The Company endeavours to provide accurate and timely information to the investors, so as to enhance the understanding of our investors about the status of the sales of renowned-brand watch and the production of renowned-brand watch accessories, as well as the business development strategy and direction of the Group.

During the year under review, the Group's management proactively held regular and ad hoc meetings with different analysts and investors, including the meetings on investor relations in major investment centres including Hong Kong, Shanghai and Singapore. In addition, the Group also took investors to visit our outlets in Hong Kong and factories in Guangzhou, Shanghai, Suzhou and Dongguan. Through various forms of communication, we helped the investors from various countries and regions to have a timely and in-depth understanding of the Group.

In the future, the Group will continue to maintain a close relationship with investors and boost international investors' understanding of the Group so as to enhance investors' confidence in the Group.

## 投資者關係

本公司深信與投資者及股東保持有效的溝通，有助集團保持高透明度。本集團自上市以來，一直堅持以多種溝通渠道，如透過一對一會議、路演、研討會、新聞發佈會、發放新聞稿，電話交流、電郵等與股東、媒體、分析員及基金經理等保持密切聯繫，致力為投資者提供準確、及時信息，以進一步提升投資者對名錶銷售及名錶配套產品生產等行業、集團發展策略和動向的了解。

於回顧年度內，集團管理層積極與不同的分析員及投資者舉行定期及不定期會議，在香港、上海及新加坡等主要投資中心舉行投資者關係會議。此外，集團亦帶投資者參觀位於香港等地門店及廣州、上海、蘇州及東莞等地工廠。通過各種形式的交流溝通，以令各國及各地區的投資者對集團有及時而深入的了解。

未來，集團將繼續維持與投資者緊密的關係，及加強國際投資者對本集團的認識，以增強投資者對本集團之信心。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### GROUP PHILOSOPHY

Following Hengdeli's motto a hundred years ago and believing that businesses exist as a part of society and prosper along with it, the Group has been shouldering social responsibility in terms of environmental protection, environment quality management, use of resources, and talent development, all of which are contributing to the Group's healthy development.

As a prestigious retailer of internationally renowned watch brands and manufacturers of watch accessories, Hengdeli has always regarded corporate social responsibility as an essential part of the Group's activities, and attached great importance to the benefits and relationships that its corporate social responsibility actions generate among its customers, employees, local communities, shareholders, business partners and supervisory authorities. We are fully aware that strengthening social responsibility is not only crucial for Hengdeli's future development, but is also a compelling obligation as a part of Hengdeli's participation in civil society.

Over the years, the Group has been concerning ourselves with environmental protection and committed ourselves to achieving an ecological balance as part of our efforts towards becoming a green enterprise. We have been maintaining integrity in our operations in providing quality and safe products to customers, which has earned us social credibility and made us a reliable company. We have been attaching great importance to the talent of our employees, and aimed at creating an environment that offers a win-win development outcome for both employees and the enterprise. The care of our employees' working conditions and career development has driven us to create a welcoming, harmonious and mutually beneficial corporate culture for employees, in which we share with them the success brought by the company's growth and thus integrate individual, corporate and social values. We have also been expanding our involvement in public welfare activities, actively participating in a range of social undertakings such as education and social welfare activities, serving the community with sincerity and bringing new hope to those in need. Hengdeli has been striving to establish itself as a responsible and reliable company that customers, employees, shareholders and society can trust, and one that is committed to sustainable development.

In 2019, as usual, Hengdeli enhanced its social corporate responsibility activities and further integrated the concept of social corporate responsibility into its daily operations. We continued to provide quality and safe products and services to its customers, while also ensured the mutual benefits and common development of customers, employees and the society.

### 集團理念

秉承百年前亨得利創世之祖訓，亨得利集團始終堅持企業與社會共存及共榮之價值理念，在環境保護、環境質素建造、資源使用、人才培養等社會價值提升方面，不忘社會責任之使命，恒以「承擔」為己任，努力造就亨得利發展之長青之路。

作為著名的國際名錶銷售及手錶配套產品製造集團，亨得利始終堅持把企業的社會責任作為集團管理不可或缺的組成部份，重視包括客戶、員工、社區、股東、合作夥伴及監管機構等各方人士的利益和關係。我們深知，強化社會責任不僅是亨得利存續和壯大的需要，更是作為「社會公民」的亨得利不可推卸的公民義務。

多年來，本集團始終關注自然環境的保護，堅持生態平衡之建設，打造綠色企業是我們的努力方向；我們誠信經營，以求實的態度致力將優質、安全的產品奉獻給客戶，從而獲得令人滿意的社會之公信，成為一間值得信賴的企業；我們尊重和重視人才，始終堅持員工與企業共贏發展的目標，關注員工的工作環境和職業生涯的建造，為員工打造溫馨、和諧及共同進步的企業氛圍，讓員工分享企業成長所帶來的成果，努力做到個人價值、企業價值以及社會價值的融合；我們熱心社會公益，積極參與教育、社會保障等社會工作，誠意為社區服務，堅持用我們的愛心給需要幫助的社群帶來新的希望。亨得利一直努力進取，致力讓社會各界了解，亨得利是一間負責任、有擔當的公司，是一間致力在持續發展中希望客戶、員工、股東和社會均信賴的公司。

二零一九年，亨得利集團一如既往，在不同層面加強企業社會責任方面的工作，將社會責任之理念融入企業日常運營之中，為顧客提供優質安全的產品及服務，確保企業與客戶、員工及社會的共同利益及共同發展。



## ENVIRONMENT

The environment is the foundation for corporate presence and development. With the improvement of society's awareness of environmental protection, more laws and regulations were introduced for various industries to regulate and deal with environmental problems in various countries. For many years, Hengdeli has made environmental protection one of its top corporate governance priorities. The Group implements a series of mechanisms and measures relating to environmental management and energy conservation in its daily operations aimed at protecting the environment and conserving energy, with a view to promoting harmonious balance and sustainable development in terms of economic, social and ecological benefits.

### Emissions

Most of the Group's emissions are produced from the industrial production processes of companies under the industrial group located in Mainland China. The branches and subsidiaries of the industrial group are all in strict compliance with national and local regulations regarding emissions of pollutant gas, sewage and greenhouse gas and disposal of hazardous and non-hazardous waste produced in the production process, including but not limited to the Environmental Protection Law of the PRC, the Environmental Protection Law for Solid Waste Pollution, the Water Pollution Prevention Law, the Air Pollution Prevention Law, and the Environmental Protection Tax Law. To facilitate the effective implementation of ISO14001 environmental management system, the Group entered into contracts with relevant nationally recognized professional industrial waste treatment companies for the recycling of industrial wastes. The Group launched the internal self-development and testing of the "water-based paint replacing oil-based paint" solution in respect of industrial coatings with the aim of replacing oil-based paint currently in use gradually by water-based paint so as to effectively reduce the emission of formaldehyde in industrial coatings. By adding industrial sodium carbonate and other treatment agents, the Group filtered, purified and recycled the industrial wastewater to reduce the overall sewage discharge. By absorbent carbon adsorption, the Group also effectively reduced the dust contamination in the production rooms. The Group is inspected regularly by the Environmental Protection Bureau, and this year the monitored results of all polluting emissions (including sewage and gas) for each of the relevant factories passed the annual inspection and met national standards, with no incident of non-compliance. Under the circumstances of expansion of the industrial segments' scale of production and sales growth, the Group will make efforts to further explore measures to reduce various emissions in the future.

## 環境

環境是企業賴以生存和發展的基礎。隨著人類社會對環境保護意識的提高，各國家之各行業相繼出台各類法律、法規來監管和處理環境問題。多年來，亨得利一直將環境保護作為企業管理的重點之一，在日常營運中採取一系列環境管理及節約資源的機制和措施，努力做好環境保護和資源節約，致力保證經濟效益、社會效益和生態效益的和諧平衡與可持續發展。

### 排放物

本集團大部份排放物來自於位於中國內地的工業集團所屬各間公司的工業生產過程中。工業集團各分、子公司嚴格遵守國家及各地區對生產過程中產生的廢氣、廢水、溫室氣體的排放以及有害及無害廢棄物處理的相關規定，包括但不限於中國內地的環境保護法、固體廢物污染環境防治法、水污染防治法、大氣污染防治法及環境保護稅法等。集團與相關專業工業廢物處理公司訂立合同，由通過國家認可的專業公司進行回收，以配合ISO14001環境管理體系的有效實施；集團內部已啟動自主研發測試工業塗料油改水方案，計劃用水性漆逐步取代現用的油性漆，有效減少工業塗料中的甲醛排放量；通過添加工業純鹼及其他處理劑的方式，將工業生產廢水有效過濾淨化並進行循環利用，以減低整體污水排放量；並通過活性炭吸附，有效降低生產車間的粉塵污染。集團定期接受環保局的檢測，本年度，各相關工廠的污水、廢氣等污染排放監測結果均通過年檢，符合國家標準，亦未有相關違規事件發生。未來，集團將致力於進一步探討研究在工業板塊生產規模擴大及銷售額增長的情況下，爭取有效降低各項排放。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

In 2019, the emission of pollutant gas of the Group was as follows: 二零一九年，集團廢氣排放數據如下：

Type of emissions	排放物種類	2018 2018年	2019 2019年
Nitrogen oxides (NOx) (g)	氮氧化物(NOx) (克)	1,029,728	1,079,401
Sulfur oxides (SOx) (g)	硫氧化物(SOx) (克)	1,495	1,233

In 2019, the main sources of the Group's greenhouse gas emissions were industrial group production, electricity consumption, office paper use, and company vehicles: 二零一九年，集團的溫室氣體排放源主要包括工業集團生產，耗電，辦公用紙，公司車輛等：

Item	名稱	2018 2018年	2019 2019年
Total volume (tonnes CO2-eq)	總量 (二氧化碳當量噸)	9,428	8,309
Density (tonnes CO2-eq/ HKD one million revenue)	密度 (二氧化碳當量噸/ 每一百萬港元收益)	3.51	3.44

Emission of hazardous and non-hazardous waste is mainly generated by the Group's industrial group. The total volume of waste emissions in 2019 was as follows: 有害廢棄物和無害廢棄物排放主要集中於集團的工業集團，二零一九年總排放如下：

Type of emissions	排放物種類	Volume (tonnes)		Density (waste produced per sales unit)	
		量 (噸)		密度 (每銷售單位所產生的廢棄物)	
		2018 2018年	2019 2019年	2018 2018年	2019 2019年
Hazardous industrial waste	工業有害廢棄物	1,761	2,480	0.66	1.03
Non-hazardous industrial waste	工業無害廢棄物	481	414	0.18	0.17

Since 2017, the Group collaborated with a well-known university in the UK on a project to explore the feasibility of transforming the existing sawdust waste from wood into usable materials by mixing these waste with other materials. After two years of development and internal testing, we have made a partial success in the trial, demonstrating that the blended material achieved satisfactory performance in effectively reducing the Group's industrial waste emissions. During the year under review, the Group and the university carried out a new experiment to explore the feasibility of using a new steel that advances the production level of automation. The success of the experiment is expected to improve production efficiency and effectively reduce waste emissions.

集團自二零一七年開始與一間英國知名學府開展合作項目，探討研究將現有工廠木屑廢棄物混合其他材料之後變為可利用材料的可行性。經過兩年的研發和內部測試，試驗取得階段性成功，證明該混合材料在有效降低集團工業廢棄物排放量方面可獲得理想性能。回顧年度內，集團與該學府開展了一項新實驗，探討研究使用一種新鋼材以協助促進自動化生產水平的可行性，此實驗的成功料可提高生產效率及有效減少廢棄物的排放。

## Use of Resources

The Group actively promotes the concept of environmental protection and to this end, implements various policies to optimise its working environment, which emphasizes green operations and green initiatives in the workplace. The Group has adopted an eco-friendly approach to the interior design of its office and retail outlets. Our open-space designs maximise use of outdoor natural light and shared light. Original furniture is retained, remodelled or reinstated as much as possible during renovation to make rational use of existing resources and to reduce waste. To keep the retail outlets bright, significant energy is consumed in lighting. To reduce remarkably the consumption of electrical energy, the Group gradually replaced the traditional high-energy-consuming incandescent light bulbs in its retail outlets with energy-saving LED light bulbs that enjoy higher efficiency and longer life cycle.

In addition, the Group encourages employees to use public transport for business trips, and constantly reviews and makes adjustments on the inventory transfer process, so as to reduce vehicle fuel consumption. A Group-wide campaign that promotes turning off lights when leaving has been launched to integrate environmental awareness into the everyday work life of employees. The Group's retail outlets have replaced traditional packaging with reusable bags, and replaced paper cups with glasses. Moreover, during the year under review, smart finger print attendance machines gradually replaced traditional paper attendance cards. Our Hong Kong office regularly sends the coffee capsules used in the pantry to brand suppliers for recycling, and encourages employees to recycle and reuse red packets. The Group has also formulated internal operational guidelines containing detailed requirements regarding water and electricity consumption and the operating hours and temperature setting of air-conditioners. In particular, the Group recycled water by using water curtain booth during production process, which effectively saved water resources for industrial use.

An overview of resource consumption:

## 資源使用

集團積極宣傳環保理念，制定多項優化辦公環境的規章制度，強調綠色運營、綠色辦公。在辦公室及零售門店的裝修設計方面，集團注入環保概念，採用開放式的設計，最大限度利用室外自然光源及共享同區燈光照明；裝修時也盡可能保留原有家具或對其進行改裝翻新，合理利用現有資源，減少浪費；由於零售門店需保持一定亮度，往往在燈光照明上消耗大量能源。為大幅降低電力能源消耗，集團陸續在門店採用效率較高、壽命較長、耗電量較低的LED燈源取代耗能較大的傳統鎢絲燈源。

同時，集團亦建議員工多利用公共交通工具出外公幹並在店舖調貨運送流程上不斷檢討及作出調整，從而降低車輛燃油使用；在全集團範圍內倡導隨手熄燈行動，將環保意識融入員工的日常工作生活之中；零售門店全力推廣使用環保袋取代傳統包裝袋，將奉客茶水紙杯改為玻璃杯，並在回顧年度內陸續更換了指紋智能打卡機取代傳統紙質打卡；香港辦公室更將茶水間使用過的咖啡膠囊定期送交品牌商回收，並鼓勵員工循環再用利是封。集團亦制定了內部操作指引，對用水、用電以及空調開放的溫度時間均有詳細規定。特別是在集團工業生產中通過使用水簾櫃將水循環再用，有效節省了工業用水資源消耗。

資源消耗情況概覽：

Item	名稱	Total volume 總量		Density 密度	
		2018	2019	2018	2019
		2018年	2019年	2018年	2019年
Electricity consumption (kWh)	耗電 (千瓦時)	9,767,953	8,612,838	3,635.26	3,563.44
Office paper used (kg)	辦公用紙 (千克)	1,462	1,663	0.54	0.69
Vehicle fuel (L)	車輛汽油燃油 (公升)	97,448	80,306	36.27	33.23
Gas (kg)	煤氣 (千克)	27,874	26,476	10.37	10.95
Water consumption (m <sup>3</sup> )	耗水 (立方米)	177,189	117,030	65.94	48.42
Packaging materials for finished goods (tonnes)	製成品包裝材料 (噸)	636	550	0.24	0.23



## Environment and Natural Resources

The Group actively promotes the concept of environmental protection and to this end, implements various policies to optimise its working environment, which emphasizes green operations and green initiatives in the workplace. The Group thoroughly implements a number of measures designed to reduce emissions and cut down its consumption of energy and natural resources, for example, printing office paper on both sides and reusing waste paper, used envelopes and kraft envelopes. Waste paper recycling bins are placed in office to regularly recycle used paper and old newspapers and magazines, and employees are encouraged to read and send files electronically to reduce printing. The Group actively embraces the concept of a “paperless” office and puts it into practice, in which most office documents are digitalised to save space and reduce paper use. Search and use of documents, after classification and archiving, is more efficient, and human errors in the process are avoided effectively. This not only protects the environment, but also reduces the administrative burden and the daily operating costs. The Group uses an online office automation system to improve its administrative functions, such as the filing and approval processes for applications for business trips and expenses reimbursement. It also uses an online platform to publish the Group’s notices, policies and regulations to share information, which not only improves work efficiency but also significantly conserves energy. Meanwhile, the use of innovative cloud technology facilitates the sharing of data and seamless collaboration among different departments across the offices, which maintains the business continuity of the Group and improves its resource efficiency and competitiveness. During the year under review, the Group successfully completed the upgrade and integration of internal ERP system, which has improved our corporate business processes, optimised enterprise resources, created a better communication channel among the headquarter, branches and subsidiaries, and further enhanced our corporate core competitiveness.

The Group aims for sustainable development by constantly monitoring the environmental impact of its operations and implementing appropriate measures to minimise harm to the environment, while at the same time integrating the concepts of conserving natural resources and reducing waste into the corporate culture.

## 環境及天然資源

集團積極宣傳環保理念，制定多項優化辦公環境的規章制度，強調綠色運營、綠色辦公。集團貫徹執行各項減排及減少能源和天然資源消耗的措施，實施辦公用紙雙面打印及廢紙、舊信封、公文袋等循環再利用。辦公室設有可循環廢紙回收箱以定期回收舊文件用紙及舊報紙雜誌等；鼓勵員工採用電子檔案閱覽及發送文件，減少文件打印；集團積極提倡並大力推行「無紙化」辦公，大部份辦公文件採用電子方式儲存，紙張文件數碼化，以節省儲存空間及用紙量。各項文件統一分類及存檔後，搜索及應用不但更有效率，流程上也大大避免了人為錯誤，不但環保，更減輕了行政上的負擔，降低了日常運營成本；通過網上辦公系統，完善各項行政辦公職能，如差旅申請、費用報銷等審批流程；並通過網絡平台發佈集團通告、規章制度等，實現信息共享，既提高了辦公效率，也顯著節省了資源；與此同時，創新科技雲端的運用，方便多個辦公室不同部門之間數據共享，無縫協作，維持了集團業務的連續性，提高了其資源效益以及競爭力。回顧年度內，集團順利完成對內部ERP系統的更新與整合，此舉改善了企業業務流程，優化了企業資源，令總部與各分、子公司間的溝通渠道更通暢，將進一步提高企業的核心競爭力。

集團希望通過持續監察來監管集團運營對環境的影響、採取相應措施來盡量減低對環境的破壞，將保護天然資源和減少浪費融入企業文化中，從而實現可持續發展。

## SOCIETY

### Employment and Labour Practices

The Group has always regarded its employees as critically valuable assets of corporate operation and development. Under its “people-oriented” core culture, the Group strictly complies with all local labour standards and relevant employment regulations, and implements a standardised recruitment system. Its goal is to provide its employees with a healthy, safe and welcoming working environment, to protect its employees’ rights to rest days, statutory holidays, paid annual leaves and maternity leaves according to laws, and to build a fair, just and transparent working platform so as to create a promising development prospect for its employees.

#### Employment

The Group places great emphasis on upholding the basic rights of its employees. It respects diversity in its employees and adheres to the principle of equal opportunities in employment, recruiting and cultivating talents regardless of race, religion, color, nationality, gender or age. The Group also continually revises its mechanism and structure in different aspects in order to adapt to the development of the enterprise and, at the same time, to benefit the employees’ development. During the year under review, the Group held a number of professional seminars and job fairs, in the hope of enhancing the Company’s image and strengthening the public’s understanding of the history and culture of watches and clocks, in order to recruit outstanding talents to join the Group.

The Group has adopted a comprehensive work assessment management system, under which it regularly reviews its recruitment system and its internal policy for grooming talents so as to ensure transparency and to maintain fairness and equality.

The Group implements scientific remuneration management and various other incentives, and regularly reviews its remuneration packages and promotion opportunities for different positions to guarantee their market competitiveness. To attract talents, the Group also offers various welfare incentives to its employees, including pension plans, MPF plans, medical insurance schemes, and housing and meal allowances.

## 社會

### 僱傭及勞工常規

集團始終將員工視為企業運營和發展的寶貴財富，在「以人為本」之核心價值觀指導下，集團嚴格遵守所屬地區勞工標準和相關僱傭法律規定，採用規範化的招聘體系，致力為員工提供健康、安全及溫馨的工作環境，依法保障員工休息日、法定假日、有薪年假及產假等，建立公平、公正及透明的工作平台，為其創建良好的發展前景。

#### 僱傭

集團重視並積極落實員工的各項基本權益，尊重員工的多元化發展，堅持僱傭平等化原則；招聘及培養人才不分種族、信仰、膚色、國籍、性別、年齡等因素；亦不時檢討各方面機制架構，使其在適應企業發展的同時，有利於員工的發展。回顧年度內，集團舉辦了多場職業講座及招聘會，希望藉此提升公司形象，加強公眾對鐘錶歷史文化的了解等，以招聘優秀的人才加盟公司。

集團設有完善的工作考核管理制度，定期檢討招聘制度及人才培養內部準則，以確保其透明度及維持其公平與公正。

集團制定了科學的薪酬管理及其他多種激勵機制，並會定期檢討各職務崗位的薪酬和晉升機會，以確保有關的薪酬福利具備市場競爭力。集團亦為員工提供多種其他福利，包括退休金供款計劃、強積金、醫療保險計劃、房屋及膳食津貼等，以吸引優秀人才。



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Further, the Group grants awarded shares and share options to the senior management staff (including but not limited to directors, executives and manager-level employees) and relevant persons of the Company in recognition of their contributions to the Group, and as an incentive encouraging initiative and good performance in the workplace.

集團還向高級管理層（包括但不限於董事、行政人員及經理級僱員）及有關人士授出獎勵股份及購股權，以表彰其對集團所作的貢獻，並激勵其工作積極性及良好表現。

As of 31 December 2019, the Group had a total of 1,831 employees (2018: 1,846) in Mainland China, Hong Kong, Macau, Taiwan and Malaysia shown as follows:

截至二零一九年十二月三十一日，集團於中國內地、香港、澳門、台灣及馬來西亞等地僱用共計1,831名員工（二零一八年：1,846名），基本分佈如下：

		No. of staff 員工數目	
		2018 2018年	2019 2019年
Hong Kong and Macau	港澳	202	190
Taiwan/Malaysia	台灣／馬來西亞	251	241
Accessories business, etc.	配套產業等	1,393	1,400
<b>Total</b>	<b>總計</b>	<b>1,846</b>	<b>1,831</b>

		No. of staff 員工數目	
		2018 2018年	2019 2019年
Aged 18-25	18-25歲	173	144
Aged 26-55	26-55歲	1,621	1,628
Aged 56 or above	56歲以上	52	59
<b>Total</b>	<b>總計</b>	<b>1,846</b>	<b>1,831</b>

		No. of staff 員工數目	
		2018 2018年	2019 2019年
Male	男	892	902
Female	女	954	929
<b>Total</b>	<b>總計</b>	<b>1,846</b>	<b>1,831</b>

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		No. of staff 員工數目	
		2018 2018年	2019 2019年
Full-time	全職	1,827	1,809
Part-time	兼職	19	22
<b>Total</b>	<b>總計</b>	<b>1,846</b>	<b>1,831</b>

Employees are among Hengdeli's most valuable assets. The Group places particular emphasis on employees' sense of belonging to the Company, and is committed to providing them with a pleasant and harmonious working environment.

In addition, the Group actively launches and implements work that is favourable for building a harmonious relationship between the enterprise and the employees as well as facilitating the enterprise's sound development, so as to care for employees and strengthen their sense of belonging and their solidarity with the Group.

During the year under review, the labour unions at different levels organised various activities, such as holding monthly employee birthday parties and holiday dinner parties, and arranging employees' participation in social sports events. These activities enhanced employees' physical and psychological well-being and strengthened their sense of belonging and overall team spirit.

#### Health and Safety

The Group is deeply committed to its employees' well-being and organises regular health check-ups for them, as well as providing various medical insurance schemes.

員工是亨得利存在和發展成長的寶貴財富，集團尤為重視員工之於公司的歸屬感，努力為其營造愉快和諧的工作環境。

此外，集團也積極開展和落實各項有利於構建企業和諧勞動關係、促進企業健康發展的工作，關愛員工，增強員工的歸屬感和集團的凝聚力。

回顧年內，集團各層級公會也組織了多次員工活動，例如每月舉辦員工生日會、節日聚餐、組織員工參與社會運動賽事等。活動既提升了員工之身心健康，也加強了其歸屬感及團隊精神的培養。

#### 健康與安全

集團十分關心員工之健康，定期組織員工體檢，並為員工提供多種醫療保險。



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The Group maintains high manufacturing safety standards. To provide its employees with a safe and comfortable working environment, the Group ensures it is in strict compliance with all international labour standards and the relevant laws of Mainland China, Hong Kong, Macau, Taiwan and Malaysia. It also implements internal guidelines and policies on occupational health and safety for different working conditions and positions to ensure the health and safety of its employees. The Group purchases labour insurance for its employees, equips each workplace with first aid kit with basic first aid supplies, arranges employees for regular participation in courses on first-aid skills and strain prevention organised by the Occupational Safety and Health Council, provides employees with training courses and drills on manufacturing safety, fire and disaster prevention awareness at the Group's industrial segment subsidiaries, equips employees in the position exposing to occupational hazards with protective gears in line with national and industry standards, and checks whether they wear the gears on an irregular basis. The Group arranges regular occupational disease checkups and maintains health surveillance archives for its employees. The Group's industrial group also conducts regular assessments of occupational hazards in the workplace, and, based on the assessment reports by third parties, improves the environment of workplace through the transformation of system engineering facilities. Guangzhou Artdeco Decorating and Packaging Co. Ltd. even installed dust collection alarm system to provide a safer working environment for employees. During the year under review, the Group had a very low rate of work-related injuries, while the lost days due to work-related injuries were 245 days (2018: 352 days), and there were no cases of work-related deaths (the last three years: nil).

With regard to Hong Kong's economic and political environment, during the year under review, the Group held a number of positive psychological talks for our staff in Hong Kong to improve their psychological well-being, so that they can better cope with the complex social situations.

集團維持高素質的生產安全標準。為使員工能在安全與舒適的環境中工作，集團嚴格遵守國際勞工標準和中國內地、港澳台及馬來西亞等地的相關法例，並按照各項業務不同的工作環境，制定了內部職業健康安全指引和政策，確保員工的健康與安全。集團為員工購買勞工保險，在各工作地點配置存有簡單急救用品的急救箱，安排員工定期參加由職業安全健康局舉辦的急救及預防勞損課程，也為旗下工業集團各子公司的員工提供安全生產、防火防災意識方面的培訓課程和演習，為存在職業危害因素的員工配發符合國家及行業標準的個人勞動防護用品並不定期檢查其佩戴情況；定期安排員工職業病體檢並建立其健康監護檔案等。集團旗下工業集團亦定期對員工作業場所進行職業危害因素檢測，以第三方檢測報告為依據，通過系統工程設施改造來改善員工作業場所的環境，廣州雅迪公司更安裝了粉塵收集警報系統，為員工作業環境更添安全保障。回顧年度內，集團之工傷率極低，因工傷而損失的工作日數為245天（2018年：352天）且並無因工死亡個案（過去三年：無因公死亡個案）。

因應香港的經濟和政治環境，回顧年度內，集團亦向香港員工舉辦了多場正向心理講座，以提高員工的心理素質，應對複雜的社會形勢。

### Development and Training

Employee development drives the progress of a company. While developing its business and safeguarding the basic rights of its employees, the Group also provides a platform for employees to develop their careers, which includes offering a comprehensive learning and training system that helps them grow quickly and strengthens their sense of belonging. The Group formulates suitable training courses according to the needs of its different departments and businesses. It also implements an internal recruitment system, in which employees can choose their career path based on their interests and strengths.

Every year, the Group offers comprehensive induction training covering an overview of the Group's business, information about business partners, product knowledge, corporate culture and core values and business-related policies and regulations to new recruits as well as pre-service safety training for new recruits of factories to help them integrate into the Hengdeli family.

The Group employs two professional trainers who provide our front-line staff with regular (once a month) and irregular internal training programs. The Group is committed to developing a professional sales team so as to adapt to the increasingly specialised timepiece market and volatile environment. The training sessions are provided mainly in the form of knowledge teaching, skill training, shop tours and assignment reports. The content of the training covers knowledge of watches and watch brands, basic watch repair, customer service skills, complaint handling skills, retail management, retail sector analysis, retail-related laws and regulations, oral Mandarin and English training and so forth. During the year under review, the Group organised certain staff to attend large-scale international watch exhibitions overseas and to visit the headquarters and factories of certain watch brands, deepening their knowledge of watches and brands in the most direct way possible, so that they can inherit new knowledge and rich experience in a more effective way. The Group also arranged and invited employees to participate in training and workshops organised by different companies and institutions. The training covers a wide range of topics, including reshaping the retail customer experience, consultancy sales skills, e-retail and network security. During the year under review, through participating in various

### 發展與培訓

員工的發展是企業進步的推動力，在發展業務及保障員工基本權益的同時，集團也積極為員工提供職業發展的平台，同時輔之以全面的學習培訓體系，從而幫助員工快速成長並增強其歸屬感。集團按不同部門業務的需要，制定合適的培訓課程。集團亦採取內部招聘制度，員工可以根據自身興趣和專長來選擇其職業方向。

集團每年為新聘員工提供全面的入職培訓，內容涵蓋業務概況、合作夥伴、產品知識、企業文化、企業價值觀，向其介紹與業務經營有關的政策及法例，以及工廠新入職員工的崗前安全培訓等，協助新入職員工融入亨得利集團大家庭。

集團聘有兩位專業培訓導師為前線員工提供定期（每月一次）及不定期的內部培訓項目，致力發展專業的銷售團隊，以配合現時日趨專業化的鐘錶市場及千變萬化的市場環境。培訓主要通過知識講授、技能訓練、巡店參觀及作業匯報等形式，內容包括鐘錶知識、鐘錶品牌知識、基本鐘錶維修、客戶服務技巧、投訴處理技巧、零售管理、零售行業分析、零售相關法規知識、普通話及英文口語訓練等。回顧年度內，集團安排了部份員工赴海外參加了大型國際鐘錶展及參觀個別手錶品牌的總部和廠房，令員工以最直接的形式深入其對鐘錶及各品牌的認知，將新的知識和更豐富的經驗用更有效的方式傳承。集團亦安排及邀請員工參加由不同公司及機構舉辦的培訓及工作坊，培訓內容廣泛，包括重塑零售客戶體驗、顧問式銷售技巧、電子零售及網絡安全等。通過參加不同的培訓，回顧年度內，集團有兩名銷售員工獲得



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training sessions, two sales staff of the Group were awarded the Gold Award and Silver Award in 2019 Service & Courtesy Award (New Participating Brands Category) organised by the Hong Kong Retail Management Association, and one of the sales staff was even awarded the honor of Excellent Service Star.

由香港零售管理協會舉辦的2019傑出服務獎新秀組別的金獎及銀獎，其中一位銷售員工更加獲得優質服務之星的榮譽。

Training and team building activities of various kinds held within each branch and subsidiary of the Group during the year under review enhanced communication, mutual trust and solidarity and collaboration amongst employees holding different roles in different regions.

回顧年度內，集團各分、子公司內部亦均開展了不同類別的培訓、團建等活動，增強了來自不同地區、不同崗位員工之間的良好溝通、相互信任以及團結協作的精神。

The Group also provides its directors and senior managerial staff with regular trainings, so as to maintain continuing professional development and enhance their knowledge and skills. The training includes regular updates on rules for listed companies, and information about relevant laws and regulations, corporate governance, inside information, anti-corruption and bribery, internet risk and international accounting standards as well as risk management accountability for directors.

集團亦為董事及高級管理人員提供定期培訓，以保持其持續專業發展，更新其知識與技能。培訓內容主要包括上市公司條例、相關法律條例、企業管治、內幕消息、反貪污賄賂、網絡風險、國際會計準則的持續更新及董事風險管理責任等。

During the year under review, the average training hours per person provided by the Group were as follows:

回顧年度內，集團平均培訓時數如下：

Type	類別	Average hours per person 人均時數	
		2018 2018年	2019 2019年
Middle to senior management	中高層管理人員	13.6	11.9
Frontline staff	一線員工	15.9	17.4
Other employees	其他職員	14.2	12.7

### Training by type

### 按僱員類別劃分

Type	類別	Number of employees under each type 每類別人數		Number of employees trained 其中受訓人數		Percentage of employees trained 受訓人數百分比	
		2018 2018年	2019 2019年	2018 2018年	2019 2019年	2018 2018年	2019 2019年
		Middle to senior management	中高層管理人員	51	51	25	26
Frontline staff	一線員工	1,391	1,442	783	862	56%	60%
Other employees	其他職員	404	338	310	293	77%	87%
Total	總計	1,846	1,831	1,118	1,181	61%	65%

### Labour Standards

The Group has employees in Mainland China, Hong Kong, Macau, Taiwan and Malaysia. The Group is in strict compliance with international labour standards and all relevant local labour and employment laws and regulations. All of its employees and job applicants enjoy equal opportunities and fair treatment.

The Group adopts a comprehensive work assessment management system, and revises its recruitment system and internal training standards on a regular basis to ensure transparency and to maintain fairness and impartiality.

During the year under review, the Group was not involved in any issues relating to child labour or forced labour. The Group will continue to comply with the strict recruitment and internal management system to deter child labour and forced labour.

### Operation Practices

As a prestigious retailer of internationally renowned-brand watch and manufacturers of watch accessories, the Group, as always, cooperates closely with manufacturers and suppliers to deliver quality and safe products to customers, and is dedicated to maintaining a high level of industrial production transparency and product responsibility. Throughout its operations, the Group ensures that it maintains and carries forward a good social reputation by complying with all national and regional anti-corruption and anti-bribery policies.

### Supply Chain Management

The Group implements an efficient supply chain management system that optimises links between manufacturers, suppliers and retail outlets to optimise the allocation of social resources. Meanwhile, the Group realizes an effective link between production and sales as well as a reasonable flow of logistics, information and capital through an efficient information network, and delivers quality products and considerate services to consumers in a timely manner at reasonable prices.

The Group has maintained sound business relationships with many internationally renowned-brand watch suppliers and engaged in the distribution of over 50 internationally renowned brands from four major brand suppliers including SWATCH Group, LVMH Group, RICHMONT Group and KERING Group and other independent watchmakers, the places of origin of which are mainly Switzerland.

### 勞工準則

集團的僱員分佈在中國內地、香港、澳門、台灣及馬來西亞等地。集團嚴格遵守國際勞工標準和員工所屬地相關勞動及僱傭法律法規，所有僱員與職位申請人都享有平等機會及公平待遇。

集團設有完善的工作考核管理機制，亦定期檢討招聘制度及人才培養內部準則，以確保其透明度及維持其公平與公正。

回顧年度內，集團未牽涉任何童工及強制勞工問題。集團將繼續遵守嚴謹的招聘及內部管理制度，杜絕童工與強制勞工。

### 營運慣例

作為著名的國際名錶銷售及手錶配套產品製造集團，一直以來，集團與生產商和供貨商通力合作，致力將優質、安全的產品送到客戶手中；及在本企業工業生產中，努力達至高度的透明度和產品質量問責性。在整體業務運營中，集團時刻遵守所在國及地區反貪污和反賄賂政策，以保持及發揚集團優良的社會聲譽。

### 供應鏈管理

集團實施高效的供應鏈管理，致力優化生產商、供應商及零售店舖等各個環節，使社會資源得到優化配置。同時，集團透過高效的信息網絡實現了生產及銷售的有效鏈接以及物流、信息流、資金流的合理流動，把優質的產品，以合理的價格及周到的服務及時送到消費者手中。

本集團與眾多國際著名手錶品牌供貨商一直保持良好的合作關係，共經銷來自斯沃琪集團、路威酩軒集團、歷峰集團及開雲集團四大品牌供應商所屬及其他獨立製錶人所屬之超過50個國際知名品牌，手錶品牌產地以瑞士為主。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group's industrial group subsidiaries have each formulated an appropriate supplier code for raw materials. Each factory has a detailed supplier survey, assessment sheet, as well as a standardised supplier management process and procurement control procedure. When selecting a supplier for raw materials, an assessment on products of suppliers will be carried out by the examination and approval department of each factory according to various criteria including relevant national certifications (such as the ISO quality management system) for the Group's final approval. The Group also regularly verifies, gives feedback on and evaluates each supplier's products in areas such as quality, pricing and environmental protection. Those suppliers which do not meet the Group's standards will be disqualified.

During the year under review, the Group was not aware of any major non-compliance incidents or potential significant adverse effects of any major suppliers in the aspects of environmental protection, business ethics, employment and labour practices.

### Product Responsibility

The Group believes that providing quality products and excellent after-sales service is a crucial part of its successful corporate presence. The Group is engaged in the distribution of more than 50 internationally renowned watch brands. When it comes to selecting brands for distribution, the Group prioritises the brand's quality and after-sales service, apart from its market demand. The Group has maintained sound business relationships with suppliers of some of the world's premier brands, mainly including the Swatch Group, the LVMH Group, the Richemont Group and the Kering Group, etc. These brands implement strict policies regarding production and sustainable development and enjoy an extremely high international reputation, which provides the Group with reliable, stable and quality product sources and in turn helps guarantee the Group's own reputation.

The Group's subsidiaries engaged in watch accessories manufacturing carry out strict quality management in line with national quality standards. The watch boxes and other packaging products manufactured by factories of Guangzhou Artdeco Decorating and Packaging Co. Ltd. have all achieved national FSC and ISO9001:2008 or ISO9001:2015 and SA8000 certifications, and have also complied with EU Regulation (EC) No. 1907/2006 (REACH). During the year under review, none of the products sold or delivered by the Group was recalled on safety and health grounds. However, customers may submit complaints, and the Group will conduct an independent investigation and deal with it in accordance with the internal guidelines.

集團屬下之工業集團生產企業均制定了相應的原材料供應商守則。每間工廠均有其詳細的供貨商調查表、評審考核表以及標準化的供應商管理流程及採購控制程序。在選擇原材料供貨商時，各間工廠審核部門會根據國家相關認證（如ISO質量管理體系）等多方面標準，對供貨商的產品進行評核，而最終由集團確認批准。集團也會定期對供貨商產品在質量、價格、環保等方面進行驗證、溝通與評級，不合格的供貨商將會被適時取消供貨資格。

回顧年度內，集團並不知悉有任何主要供應商於環境保護、商業道德、僱傭及勞工常規方面存在或潛在任何重大的不合規事件或造成任何重大的負面影響。

### 產品責任

集團相信，優質的產品和良好的售後服務是企業存續的重要元素。本集團經銷逾50個國際知名品牌手錶，在品牌的選擇上，除了市場需求因素外，集團尤為重視的是品牌的質素和售後服務。一直以來，集團與國際頂級品牌供貨商均有著良好而深入的合作關係，主要包括斯沃琪集團(Swatch Group)、路威酩軒集團(LVMH Group)、歷峰集團(Richemont Group)、開雲集團(Kering Group)等。該等企業在產品製造及可持續發展上均有其嚴格的政策，並享有極高的國際聲譽。此等為集團提供了可靠、穩定及高質量的貨品來源，也是集團良好聲譽的重要保證。

集團所屬之手錶配套生產企業，均按國家相關質量標準實施嚴格的質檢管理。其中雅迪裝飾包裝工廠生產的錶盒等包裝產品全部通過國家FSC和ISO9001:2008或ISO9001:2015及SA8000認證，同時也均達到歐盟第1907/2006號REACH法規之驗收標準。回顧年度內，其已售或已運送產品並無任何因安全或健康理由而回收個案。然而，客戶可呈交有關投訴，本集團將根據內部指引作出獨立調查及處理。

During the year under review, the Group received 12 customer complaints (2018: 16) over product quality. Upon timely communication with and explanation offered to the customers, they were satisfied with our clarification and arrangements.

The Group attaches great importance to respecting and safeguarding the rights of consumers. It is in strict compliance with the regulations and laws relating to sale of products to safeguard the interests of consumers. The Group also fully complies with the provisions of the Supply of Services (Implied Terms) Ordinance and the Personal Data (Privacy) Ordinance in collecting consumer information and privacy protection, and offers trainings for relevant employees on how to protect personal data. In order to ensure that the privacy protection measures are implemented more effectively and comply with relevant laws and regulations, the Group also reviews and amends its measures on safeguarding personal data privacy from time to time. When collecting customer information, the Group will provide a “Personal Data Collection Statement” and explain to customers the purpose of personal data collection. Hengdeli will not use the personal data without the voluntary and express consent of the relevant parties.

The Group has established and protected its intellectual properties, including its trademarks and domain names. Trademarks “Hengdeli” and “Elegant” have been applied for registration or registered in Hong Kong, Macau, Taiwan, Malaysia, Thailand and other overseas jurisdictions in respect of a number of categories. In addition, the Group’s domain names are subject to continuous monitoring and renewal upon expiry.

To protect intellectual property, the Group also follows the guidance including that of the Copyright Ordinance and requires employees not to use or illegally download and install pirated computer software. The Group’s IT department is responsible for monitoring relevant matters.

During the year under review, the Group was not aware of any violations of the regulations governing the provision and use of the Group’s products and services and had material effect on the Group, including product and service information and labels, marketing communications (advertising, marketing and sponsorship) and intellectual property.

回顧年度內，集團共接獲12起客戶對於產品質量之投訴（2018年：16起）。但經過及時的溝通與解釋，客戶最終對集團的解釋及安排感到滿意。

集團高度重視保障消費者權利。在商品售賣方面，集團嚴格遵守與銷售商品有關的法規及條例，以維護消費者利益。在收集消費者資料以及私隱保障方面，集團亦全力遵守「服務提供（隱含條款）條例」及「個人資料（私隱）條例」的規定，並會向有關僱員提供保障個人資料的培訓，不時檢討及修訂有關集團保障個人資料私隱的措施，以確保私隱保障措施更有效地執行並符合相關法規。當收集客戶資料時，集團會提供「收集個人資料聲明」，並向客戶解釋收集個人資料的用途。亨得利只會在當事人自願和明確的同意之下才會使用當事人的個人資料。

本集團已建立及保障其知識產權，當中包括其商標及域名。商標「亨得利」及「三寶」等已分別於港澳台、馬來西亞及泰國等其他境外相關司法權區就多個類別申請或註冊。此外，本集團域名獲持續監控及於屆滿時續期。

為保護知識產權，集團亦根據「版權條例」等指引，規定僱員不得擅自使用或非法下載及安裝盜版電腦軟件，集團信息技術部門負責監察相關事宜。

回顧年度內，集團並不知悉有任何違反提供及使用集團產品和服務方面的規定條例並對集團產生重大影響的事件，包括產品和服務訊息及標籤、市場推廣通訊（廣告、推銷和贊助）及知識產權等。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT  
環境、社會及管治報告



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1. Branches and subsidiaries of the Group arranged a wide variety of trainings for their employees based on the needs of different departments so as to grow with their employees.
2. The Shanghai subsidiary of the Group's industrial segment organised a team building activity for employees.
3. During the year under review, two sales staff of the Group were awarded Gold Award and Silver Award from the 2019 Service & Courtesy Award (Junior Frontline Level) held by the Hong Kong Retail Management Association.
4. The Group organised monthly birthday parties for employees. Hengdeli grows together with our employees.
5. The Group organised Christmas parties and lucky lotteries for employees to enjoy the festival.
6. In August 2019, the Taiwan subsidiary of the Group organised a tour to Ha Long Bay, Vietnam for its employees.
7. Young Innovators Bazaar 2019 of "Project WeCan", an event the Group has sponsored for years.
- 8-9. To provide students access to social experience and opportunities to plan their future earlier, the Group invited students from various schools to participate in workshops and visits stores in batches.
10. The Group was invited to provide interesting lectures on watches to teachers from the schools that participated in the "Quality School Improvement Project".

1. 集團各分子公司按不同部門業務的需求，安排員工進行不同類的培訓，與員工共同進步。
2. 集團工業板塊上海子公司組織員工團建活動。
3. 回顧年度內，集團有兩名銷售員工獲得由香港零售管理協會舉辦的2019傑出服務獎新秀組別的金獎及銀獎。
4. 集團每月為員工組織生日活動，亨得利與員工共同成長。
5. 集團組織員工聖誕聚餐及抽獎活動，歡樂共度節日。
6. 2019年8月，集團台灣分公司組織了員工越南下龍灣之旅。
7. 集團連續多年贊助之「學校啟動計劃」2019「趁墟做老闆」活動。
- 8-9. 為幫助學生們體驗社會，及早規劃未來，集團邀請並分批安排了不同學校的學生前來參加工作坊及參觀門店。
10. 集團獲邀為「優質學校改進計畫」參與學校的教師提供有關鐘錶知識的趣味講座。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

“Cutting-edge technology, efficient management, and considerate services” are the solemn commitments made by the Group to consumers, providing customers with assurance and confidence. The continuing training provided by brand suppliers to the Group’s technical personnel and the human resources policy of recruiting talents worldwide have ensured the Group to have its own elite technicians and maintain the world-class cutting edge of maintenance expertise. The Group has established a watch repair service centre, service hotline and customer service mailbox to provide customers with timely and comprehensive watch repair and maintenance services, in order to strive for excellence. The Group serves consumers with superior skills and great enthusiasm.

### Anti-Corruption

The Hengdeli Group is dedicated to establishing itself as a trustworthy, law-abiding enterprise. The Group abides by applicable laws and regulations on bribery, fraud and money laundering in all regions where it operates, including but not limited to the Hong Kong Prevention of Bribery Ordinance, the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Macao Prevention and Suppression of Bribery in the Private Sector, the China Anti-Unfair Competition Law and the Interim Provisions on Banning Commercial Bribery. The Group advocates a work ethic that insists on compliance with law, integrity, honesty and professional dedication, and bans any form of acceptance of advantages or acts of bribery. Explicit rules concerning employees’ professional integrity are communicated through the employees’ guidebook, training courses as well as guidelines, for example, on conflict of interest, while the efficiency of the Group’s entire internal management system is reviewed regularly. Channels are also available for employees to report on internal misconduct. The daily operations of the Group strictly comply with established procedures; the internal audit department audits each branch and subsidiary regularly and timely reports to the audit committee while implementing appropriate measures to ensure all regulations are complied with. Further, the Group also commissions external auditors to carry out independent audits. All these measures effectively promoted the implementation and the improvement of the Group’s regulatory system. During the year under review, the Group was not aware of any violations of laws and regulations on bribery, extortion, fraud and money laundering that had a significant impact on the Group.

「技術先進，管理高效和服務貼心」是集團之予消費者的鄭重承諾，給予消費者最佳信心保證。品牌供貨商給予技術人員的持續培訓及國際範圍人才招聘的人力資源政策，確保集團能夠始終擁有精英技師及保持國際最先進的維修技術。本集團設有手錶維修服務中心，服務熱線及客服郵箱為客戶提供及時全面的手錶維修及保養服務，務求做到精益求精。本集團以高超的技術和極大的熱忱服務於消費者。

### 反貪污

亨得利集團致力成為信譽良好、遵紀守法的公司。集團恪守所在地各地有關賄賂、欺詐及洗黑錢之適用法律及法規，包括但不限於香港地區防止賄賂條例、打擊洗黑錢及恐怖分子資金籌集條例，澳門地區預防及遏止私營部門賄賂法律，中國內地反不正當競爭法及關於禁止商業賄賂行為暫行規定等，倡導守法廉潔、誠實敬業的職業道德，禁止任何形式的利益收受、貪污賄賂行為。通過員工手冊、多種培訓以及例如利益衝突指引等之於員工職業操守進行明確規定和規範，定期檢討整個集團內部管理系統的成效。集團亦提供渠道以供員工對內部不當行為進行檢舉。集團日常運營程序均需遵守嚴格的程序流程；內部審計部門定期對各分、子公司審計，並適時向審核委員會匯報，及採取相應措施以保證規範的執行。同時，集團亦外聘核數師作出獨立審計。此等均有效促進集團規範體制的執行與完善。回顧年度內，集團並不知悉有任何在賄賂、勒索、欺詐及洗黑錢方面對集團有重大影響的不符合法例及規例事故。

### Investment in Community

As a corporate citizen in international watch retailing, Hengdeli operates diligently and is actively involved in community and public welfare activities, serving the community, undertaking corporate social responsibilities proactively and contributing to society through a variety of welfare platforms with its own strength. During the year under review, the charitable and other donations made by the Group amounted to approximately RMB1,024,000.

Since 2011, Elegant, a subsidiary of the Group has been taking part in “Project WeCan” initiated by The Wharf. As of 2019, Elegant has been actively taking part in the project in the form of donation and volunteer services for eight consecutive years. The project is an on-going school supporting initiative which demonstrates the spirit of “business-in-community” and, through various activities and academic and cultural exchanges, broadens the horizons of students, enhances their self-confidence, and prepares them with a solid foundation for entering the society in the future.

During the year under review, Elegant again participated in the trade fair of “Young Innovators Bazaar”, an annual large-scale joint-school event hosted by “Project WeCan”. This year, “Young Innovators Bazaar” was held in Plaza Hollywood, Diamond Hill, Hong Kong from 22 to 24 March 2019. The students from 64 secondary schools conducted marketing activities by operating fair stalls for three consecutive days to get the experience of starting their own retail businesses from scratch. During the event, Elegant sponsored and guided the students from Caritas Ma On Shan Secondary School. It organised a corporate volunteer team with extensive experience to help the students plan for the stall marketing, including how to prepare business plans, conduct market analysis and predict cost and profit.

### 社區投資

作為國際鐘錶銷售領域之企業公民，亨得利不僅用心經營業務，更積極參與社區和社會公益事業，依據自身的力量和各種公益平台服務社群，積極承擔社會企業責任、回饋社會。回顧年度內本集團之慈善及其他捐款約為人民幣1,024,000元。

自二零一一年起，集團旗下之香港三寶公司就加入了由九倉集團發起的「學校起動計劃」(Project WeCan)，至二零一九年，三寶已連續八年通過捐款及義工等形式積極參與。此計劃是一個持續性的學校支持計劃，體現「社、企共勉」精神，通過各項活動、學術及文化交流等，拓寬學生們的視野，增強其自信，為其日後投身社會打下良好基礎。

回顧年度內，三寶公司再次參加了「學校起動計劃」之「趁墟做老闆」展銷會，此活動為一年一度的大型聯校活動。今年的「趁墟做老闆」活動於二零一九年三月二十二至二十四日假香港鑽石山荷里活廣場舉行，由64間中學的學生一連三天展開年宵攤位營銷活動，體驗由零開始籌備屬於自己的零售生意。於活動中，香港三寶全力贊助並指導了明愛馬鞍山中學，由一支經驗豐富的企業義工團隊協助學生們策劃攤位營銷，包括如何撰寫營商計劃書、進行市場分析及成本和盈利預測等。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

During the year under review, Elegant also participated in the sharing under the “Quality School Improvement Plan” provided by the “Project WeCan” for teachers from participating schools. Elegant was invited to provide interesting lectures about knowledge on watches for this project. Senior brand managers selected by the Group gave two seminars at Po Chiu Catholic Secondary School and Caritas Fanling Chan Chun Ha Secondary School respectively, which were well received by the participants.

In order to help students experience social life and make plan for the future as early as possible, during the year under review, Elegant also arranged workshops for students from Caritas Ma On Shan Secondary School, HKSVC&IA Chan Nam Chong Memorial College and HKMA David Li Kwok Po College and took them to stores in batches. Through interviews arranged by the “Project WeCan”, three students aged 16 or above, from Salesians of Don Bosco Ng Siu Mui Secondary School and Semple Memorial Secondary School, were selected for a two-week store internship, which provided them with a general understanding of the daily operations and work scope of the watch retail industry.

Hengdeli has been supporting various types of social welfare activities for many years and has actively undertaken social corporate responsibilities. In order to promote mental and physical health development of young people and stimulate the interest of young people for sports, the Group has co-hosted the “Elegant Cup Tournament” in Hong Kong for seven consecutive years since 2012. By organizing different types of sports competitions, the Group encouraged young people to raise their awareness of physical and mental health development, and at the same time created a platform for students from different regions and schools to communicate and learn from each other. Hong Kong’s rope skipping team has made many international appearances with its large pool of talents. In order to further encourage and develop rope skipping, with the assistance of Hong Kong Rope Skipping Federation, China, the Group organised the “Elegant Cup Inter-school Rope Skipping Tournament” in 2018. The tournament was divided into 14 groups under five categories, where a total of 30 schools in Hong Kong sent teams to participate in the tournament.

回顧年度內，三寶公司還參加了「學校起動計劃」為參與學校的教師提供的「優質學校改進計劃」專題分享，獲邀為此項目提供有關鐘錶知識的趣味講座。講座由集團挑選的資深品牌經理分別在天主教普照中學及明愛粉嶺陳震夏中學舉辦了兩場，獲得參與人士的好評。

為幫助學生們體驗社會，及早規劃未來，回顧年度內，三寶公司亦分批安排了明愛馬鞍山中學、香港四邑商工總會陳南昌紀念中學及香港管理專業協會李國寶中學的學生參加工作坊及參觀門店，並通過「學校起動計劃」安排的面試，挑選了三位年滿16周歲，分別來自天主教慈幼會伍少梅中學及深培中學的學生開展了為期兩星期的門店實習，令其對鐘錶零售行業的日常運營及工作範疇有了大致的了解。

亨得利多年來鼎力支持不同類型的社會公益活動，積極承擔社會企業責任。為推廣青少年的身心健康發展及激發青少年對運動的熱情，由二零一二年起，集團已連續七年在香港舉辦「三寶杯邀請賽」，通過舉辦不同類型的運動比賽，鼓勵青少年提高對身心健康發展的關注，同時給來自不同地區和學校的學生打造一個互相交流和學習的平台。香港的跳繩代表隊人才濟濟，多次揚名國際，為進一步鼓勵及發展跳繩運動，二零一八年，在中國香港跳繩體育聯會的協助下，集團成功舉辦了「三寶杯校際跳繩邀請賽」，比賽包括五個項目十四個組別，全港共三十間學校派隊參賽。

During the year under review, 43 schools were going to participate in the “2019 Elegant Cup Inter-School Rope Skipping Tournament” on 1 December according to original plan. Given the impact of the continuous social movement in Hong Kong, the Group finally decided to suspend the tournament for one year, but still sponsored four pre-tournament training courses taught by Hong Kong Rope Skipping Federation, China for each participating school.

## OUTLOOK

Come rain or shine, we have been moving ahead through ups and downs. In the future, we will continue to uphold the principle of being responsible for our customers, employees, shareholders and the society, and will seek and capture opportunities to strive for a harmonious development between the Company and the society, the Company and the environment, as well as the Company and all related parties to make our due contributions.

回顧年度內，原計劃將由四十三間學校派隊參賽、於十二月一日舉行的「二零一九三寶杯校際跳繩邀請賽」，因鑑於香港地區持續社會運動的影響，出於安全方面的考慮，集團最終決定是次邀請賽暫停一年，但仍然贊助了每間參賽學校由中國香港跳繩體育聯會教授的四堂賽前培訓課程。

## 未來展望

風雨兼程，砥礪前行。未來，我們將繼續堅持對客戶、員工、股東及社會高度負責的原則，尋找並把握各種機遇，努力創造企業與社會、企業與環境以及企業與利益相關各方的協調發展，為社會做出應有的貢獻。



# FINANCIAL SUMMARY

## 財務概要

RESULTS	業績	Year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 RMB'000 人民幣千元 Note (iii) 附註 (iii)	2018 二零一八年 RMB'000 人民幣千元 Note (ii) 附註 (ii)	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元 Note (i) 附註 (i)	2015 二零一五年 RMB'000 人民幣千元 Note (i) 附註 (i)
Revenue	收入	2,417,181	2,687,248	2,439,022	12,334,151	13,302,724
Profit/(loss) before taxation	稅前溢利/(虧損)	(337,042)	103,681	(23,858)	(50,496)	347,452
Income tax	所得稅	12,925	(24,432)	(21,790)	(225,042)	(157,288)
Profit/(loss) for the year	年度溢利/(虧損)	(324,117)	79,249	(165,080)	(275,538)	190,164
Attributable to:	應佔:					
Equity shareholders of the Company	本公司股份持有人	(332,520)	68,746	(236,382)	(321,378)	144,868
Non-controlling interests	非控股權益	8,403	10,503	71,302	45,840	45,296
Profit/(loss) for the year	年度溢利/(虧損)	(324,117)	79,249	(165,080)	(275,538)	190,164

ASSETS AND LIABILITIES	資產與負債	As at 31 December 於十二月三十一日				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Total assets	資產總額	4,641,068	4,920,029	4,803,473	12,583,118	12,198,738
Total liabilities	負債總額	659,481	472,340	369,775	6,216,669	5,658,381
Net assets	資產淨額	3,981,587	4,447,689	4,433,698	6,366,449	6,540,357
Total equity attributable to equity shareholders of the Company	本公司股份持有人應佔權益總額	3,894,615	4,369,451	4,376,504	5,746,297	5,930,787
Non-controlling interests	非控股權益	86,972	78,238	57,194	620,152	609,570
Total equity	權益合計	3,981,587	4,447,689	4,433,698	6,366,449	6,540,357

Note:

附註:

- |  |   |
|--|---|
| <p>(i) The above figures include continuing operations and discontinued operations.</p> <p>(ii) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition method chosen, comparative information is not restated, hence the Summary has not been prepared on a consistent basis.</p> <p>(iii) The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated.</p> | <p>(i) 以上數字包括持續經營以及終止經營業務。</p> <p>(ii) 本集團已於二零一八年一月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料並無重列。因此，本概要並未按一致的基準編製。</p> <p>(iii) 本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。</p> |
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# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### TO THE SHAREHOLDERS OF HENGDELI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

#### OPINION

We have audited the consolidated financial statements of Hengdeli Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 91 to 225, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

#### BASIS OF OPINION

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

### 致亨得利控股有限公司股東

(於開曼群島註冊成立之有限公司)

#### 意見

本核數師(以下簡稱「我們」)已審計列載於第91至225頁的亨得利控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，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」)真實而中肯地反映了貴集團於二零一九年十二月三十一日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》的披露要求妥為擬備。

#### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已根據守則履行其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

### 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.

#### i. Goodwill and Property, Plant and Equipment

Refer to Notes 11 and 13 to the consolidated financial statements

The Group is required to test the amount of goodwill for impairment. The Group is also required to test the amount of property, plant and equipment for impairment when there is an indication that the assets may be impaired. During the year, there was decline in revenue of the retail segment, which increases the risk that the related goodwill and property, plant and equipment may be impaired. These impairment tests are significant to our audit because the balances of goodwill and property, plant and equipment of approximately RMB66,502,000 and RMB538,087,000 as at 31 December 2019, respectively, and the impairment of goodwill and property, plant and equipment of approximately RMB168,695,000 and RMB172,157,000 for the year ended 31 December 2019, respectively, are material to the consolidated financial statements. In addition, the Group's impairment tests involve application of judgement and are based on assumptions and estimates.

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的，而我們不會對這些事項提供單獨的意見。

#### i. 商譽以及物業、廠房及設備

請參閱綜合財務報表附註11及附註13

貴集團須就商譽金額進行減值測試。倘出現資產可能減值的跡象，貴集團亦須對物業、廠房及設備的金額作減值測試。於年度內，零售分部的收入下降，使有關商譽以及物業、廠房及設備可能出現減值的風險增加。該等減值測試對我們的審計屬重要，由於於二零一九年十二月三十一日分別約為人民幣66,502,000元及人民幣538,087,000元的商譽以及物業、廠房及設備結餘，及截至二零一九年十二月三十一日止年度分別約為人民幣168,695,000元及人民幣172,157,000元的商譽以及物業、廠房及設備減值，對綜合財務報表影響重大。此外，貴集團的減值測試涉及應用判斷且乃根據假設及估計。

Our audit procedures included, among others:

- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Comparing the actual cash flows with the cash flow projections;
- Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates); and
- Checking input data to supporting evidence.

We consider that the Group's impairment tests for goodwill and property, plant and equipment are supported by the available evidence.

## ii. Inventories

Refer to Note 16 to the consolidated financial statements

The Group tested the amount of inventory for impairment. This impairment test is significant to our audit because the balance of inventory of approximately RMB1,309,758,000 as at 31 December 2019 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

我們的審計程序包括（其中包括）：

- 評估相關現金產生單位的識別；
- 評估使用價值計算的算術準確性；
- 比較實際現金流量與現金流量預測；
- 評估關鍵假設（包括收入增長、毛利率、最終增長率及貼現率）的合理性；及
- 檢查輸入數據以支持憑證。

我們認為 貴集團就商譽以及物業、廠房及設備的減值測試具有證據支持。

## ii. 存貨

請參閱綜合財務報表附註16

貴集團就存貨金額進行減值測試。該減值測試對我們的審計屬重要，由於於二零一九年十二月三十一日約為人民幣1,309,758,000元的存貨結餘，對綜合財務報表影響重大。此外，貴集團的減值測試涉及應用判斷且乃根據估計。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Our audit procedures included, among others:

- Evaluating the Group's impairment assessment;
- Assessing the aging of the inventories;
- Assessing the net realisable value of the inventories; and
- Checking subsequent sales of the inventories.

We consider that the Group's impairment test for inventories is supported by the available evidence.

### OTHER INFORMATION

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

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.

我們的審計程序包括（其中包括）：

- 評估 貴集團的減值評估；
- 評估存貨的賬齡；
- 評估存貨的可變現淨值；及
- 檢查存貨的其後銷售。

我們認為 貴集團就存貨進行的減值測試具有證據支持。

### 其他信息

董事需對其他信息負責。其他信息包括 貴公司年報內的全部信息，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信息，我們亦不對該等其他信息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信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## 董事就綜合財務報表須承擔的責任

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

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

## 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

This description forms part of our auditor's report.

有關我們就審核綜合財務報表承擔的責任的進一步說明，載於香港會計師公會的網站：

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

該說明構成核數師報告的一部分。

**ZHONGHUI ANDA CPA Limited**  
Certified Public Accountants  
Li Chi Hoi  
Audit Engagement Director  
Practising Certificate Number P07268

Hong Kong  
5 June 2020

**中匯安達會計師事務所有限公司**  
執業會計師  
李志海  
審計項目董事  
執業證書編號P07268

香港  
二零二零年六月五日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

			2019 二零一九年	2018 二零一八年
		Note 附註	RMB'000 人民幣千元	(Note) (附註) RMB'000 人民幣千元
Revenue	收入	3	2,417,181	2,687,248
Cost of sales	銷售成本		(2,026,677)	(2,225,702)
<b>Gross profit</b>	<b>毛利</b>		<b>390,504</b>	<b>461,546</b>
Other revenue	其他收益	4	47,493	41,411
Other net loss	其他虧損淨額	4	(338,066)	(4,454)
Distribution costs	分銷成本		(261,342)	(251,977)
Administrative expenses	行政費用		(164,442)	(140,414)
<b>(Loss)/profit from operations</b>	<b>經營 (虧損)/溢利</b>		<b>(325,853)</b>	<b>106,112</b>
Finance costs	財務成本	5(a)	(11,189)	(2,431)
<b>(Loss)/profit before taxation</b>	<b>除稅前 (虧損)/溢利</b>	5	<b>(337,042)</b>	<b>103,681</b>
Income tax credit/(expense)	所得稅抵免/(開支)	6	12,925	(24,432)
<b>(Loss)/profit for the year</b>	<b>年度 (虧損)/溢利</b>		<b>(324,117)</b>	<b>79,249</b>



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益表

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Attributable to:</b>	<b>應佔：</b>			
Equity shareholders of the Company	本公司股份持有人		(332,520)	68,746
Non-controlling interests	非控股權益		8,403	10,503
<b>(Loss)/profit for the year</b>	<b>年度(虧損)/溢利</b>		<b>(324,117)</b>	<b>79,249</b>
<b>(Losses)/earnings per share</b>	<b>每股(虧損)/盈利</b>			
Basic	基本	10	RMB(0.071)	RMB0.015
Diluted	攤薄		RMB(0.071)	RMB0.015

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

The notes on pages 101 to 225 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the (loss)/profit for the year are set out in note 26(b).

第101至225頁之附註屬此等財務報表一部分。應付本公司股份持有人應佔年度(虧損)/溢利之股息詳情載於附註26(b)。

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

		2019 二零一九年	2018 二零一八年 (Note) (附註)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>(Loss)/profit for the year</b>	<b>年度(虧損)/溢利</b>	<b>(324,117)</b>	<b>79,249</b>
<b>Other comprehensive income for the year (after tax and reclassification adjustments)</b>	<b>年度其他全面收入 (稅後及重新分類調整後)</b>		
Items that may be reclassified subsequently to profit or loss:	隨後可能重新分類至 損益之項目：		
Exchange differences on translation of overseas subsidiaries' financial statements	換算海外附屬公司 財務報表所產生之 匯兌差額	37,466	190,697
	9(a)	37,466	190,697
Items that will not be reclassified subsequently to profit or loss:	隨後不會重新分類至 損益之項目：		
Equity investments at fair value through other comprehensive income – net movement in fair value reserves (non-recycling)	通過其他全面收入 按公允值計量之 股本投資 – 公允值 儲備變動淨額 (不可轉入損益)	10,498	(233,654)
Exchange differences on translation of equity investments at fair value through other comprehensive income	換算通過其他全面 收入按公允值計量 之股本投資所產生 之匯兌差額	7,455	(11,070)
Exchange differences on translation of the Company's financial statements	換算本公司財務報表 所產生之匯兌差額	27,779	(2,707)
		45,732	(247,431)
<b>Total comprehensive income for the year</b>	<b>年度全面收入總額</b>	<b>(240,919)</b>	<b>22,515</b>



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

		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Attributable to:	應佔：			
Equity shareholders of the Company	本公司股份持有人		(250,314)	10,689
Non-controlling interests	非控股權益		9,395	11,826
Total comprehensive income for the year	年度全面收入總額		(240,919)	22,515

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

The notes on pages 101 to 225 form part of these financial statements.

第101至225頁之附註屬此等財務報表一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2019 於二零一九年十二月三十一日  
(Expressed in Renminbi) (以人民幣呈列)

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investment properties	投資物業	137,738	141,419
Property, plant and equipment	物業、廠房及設備	538,087	443,660
		675,825	585,079
Intangible assets	無形資產	1,724	1,956
Goodwill	商譽	66,502	233,594
Other investments	其他投資	400,184	168,696
Prepayment and deposits	預付款項及按金	21,333	19,376
Deferred tax assets	遞延稅項資產	34,003	7,144
		1,199,571	1,015,845
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	1,309,758	1,403,251
Trade and other receivables	應收貿易賬款及 其他應收款項	416,263	311,719
Current tax recoverable	本期可收回稅項	2,192	-
Deposits with banks	銀行存款	548,115	638,211
Cash and cash equivalents	現金及現金等價物	1,165,169	1,551,003
		3,441,497	3,904,184
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables and contract liabilities	應付貿易賬款及其他 應付款項以及合約負債	221,453	309,666
Bank loans	銀行貸款	142,094	60,429
Lease liabilities	租賃負債	121,586	-
Current taxation	本期應繳稅項	25,816	17,314
		510,949	387,409
<b>Net current assets</b>	<b>流動資產淨值</b>	2,930,548	3,516,775
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	4,130,119	4,532,620



CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
綜合財務狀況表

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank loans	銀行貸款	21	74,523	83,323
Lease liabilities	租賃負債	22	72,053	-
Deferred tax liabilities	遞延稅項負債	25(b)(ii)	1,956	1,608
			148,532	84,931
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>3,981,587</b>	4,447,689
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	26(c)	22,337	22,337
Reserves	儲備		3,872,278	4,347,114
<b>Total equity attributable to equity shareholders of the Company</b>	<b>本公司股份持有人應佔權益總額</b>		<b>3,894,615</b>	4,369,451
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>86,972</b>	78,238
			<b>3,981,587</b>	4,447,689

Approved and authorised for issue by the Board on 5 June 2020.

於二零二零年六月五日獲董事會批准及授權刊印。

Zhang Yuping  
Executive Director

Huang Yonghua  
Executive Director

張瑜平  
執行董事

黃永華  
執行董事

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

The notes on pages 101 to 225 form part of these financial statements.

第101至225頁之附註屬此等財務報表一部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

Attributable to equity shareholders of the Company  
本公司股份持有人應佔

	Note 附註	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Capital redemption reserve 贖回儲備 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Exchange reserve 匯兌儲備 RMB'000 人民幣千元	PRC statutory reserve 中國法定儲備 RMB'000 人民幣千元	Fair value reserve 公允價值儲備 (recycling) (non-recycling) (可轉入) (不可轉入)		Retained profits 保留溢利 RMB'000 人民幣千元	Non-controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元	
								Fair value reserve (recycling) 公允價值儲備 (可轉入) RMB'000 人民幣千元	Fair value reserve (non-recycling) 公允價值儲備 (不可轉入) RMB'000 人民幣千元				
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	22,429	2,627,172	669	(1,444)	(346,290)	20,265	350,549	-	1,703,154	4,376,504	57,194	4,433,698
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	-	-	-	-	-	-	(350,549)	350,549	(2,924)	(2,924)	(2)	(2,926)
Adjusted balance at 1 January 2018	於二零一八年一月一日之經調整結餘	22,429	2,627,172	669	(1,444)	(346,290)	20,265	-	350,549	1,700,230	4,373,580	57,192	4,430,772
Changes in equity for 2018	於二零一八年權益變動												
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	68,746	68,746	10,503	79,249
Other comprehensive income	其他全面收入	9	-	-	-	175,597	-	-	(233,654)	-	(58,057)	1,323	(56,734)
Total comprehensive income	全面收入總額	-	-	-	-	175,597	-	-	(233,654)	68,746	10,689	11,826	22,515
Dividends to holders of non-controlling interests	派付非控股權益持有人之股息	-	-	-	-	-	-	-	-	-	-	(13)	(13)
Transfer between reserves	儲備之間轉移	-	-	-	-	-	5,751	-	-	(5,751)	-	-	-
Shares repurchased	已購回股份	(92)	(6,763)	92	-	-	-	-	-	-	(6,763)	-	(6,763)
Capital injection from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	-	9,233	9,233
Shares repurchased in respect of share award scheme	就股份獎勵計劃已購回之股份	-	-	-	(8,377)	-	-	-	-	-	(8,377)	-	(8,377)
Shares granted under share award scheme	根據股份獎勵計劃授出股份	24(b)	-	-	322	-	-	-	-	-	322	-	322
Amounts transferred from fair value reserve (non-recycling) to retained profits	自公允價值儲備 (不可轉入損益) 轉撥至保留溢利之金額	-	-	-	-	-	-	-	(57,659)	57,659	-	-	-
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	22,337	2,620,409	761	(9,499)	(170,693)	26,016	-	59,236	1,820,884	4,369,451	78,238	4,447,689



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

		Attributable to equity shareholders of the Company 本公司股份持有人應佔												
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Exchange reserve	PRC statutory reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Retained profits (Note)	Total	Non-controlling interests	Total equity	
		股本	股份溢價	贖回儲備	資本儲備	匯兌儲備	中國法定儲備	公允價值儲備(可轉入損益)	公允價值儲備(不可轉入損益)	保留溢利(附註)	總計	非控股權益	權益總額	
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
附註		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	
	Balance at 31 December 2018 於二零一八年十二月三十一日之結餘	22,337	2,620,409	761	(9,499)	(170,693)	26,016	-	59,236	1,820,884	4,369,451	78,238	4,447,689	
	Changes in equity for 2019 於二零一九年權益變動													
	Profit for the year 年度溢利	-	-	-	-	-	-	-	-	(332,520)	(332,520)	8,403	(324,117)	
	Other comprehensive income 其他全面收入	9	-	-	-	71,708	-	-	10,498	-	82,206	992	83,198	
	Total comprehensive income 全面收入總額	-	-	-	-	71,708	-	-	10,498	(332,520)	(250,314)	9,395	(240,919)	
	Dividends approved and paid in respect of the previous year 就上一年度批准及派付之股息	26(b)	-	-	-	-	-	-	-	(55,952)	(55,952)	-	(55,952)	
	Dividends approved and paid in respect of the current year 就本年度批准及派付之股息	26(b)	-	-	-	-	-	-	-	(177,181)	(177,181)	-	(177,181)	
	Dividends to holders of non-controlling interests 派付非控股權益持有人之股息		-	-	-	-	-	-	-	-	-	(3,052)	(3,052)	
	Transfer between reserves 儲備之間轉移		-	-	-	-	3,456	-	-	(3,456)	-	-	-	
	Capital injection from non-controlling interests 非控股權益注資		-	-	-	-	-	-	-	-	-	3,000	3,000	
	Disposal of equity interests in a subsidiary 出售一間附屬公司之股權		-	-	-	-	(659)	-	-	-	(659)	(609)	(1,268)	
	Shares granted under share award scheme 根據股份獎勵計劃授出股份	24(b)	-	-	-	10,827	-	-	-	(1,557)	9,270	-	9,270	
	Balance at 31 December 2019 於二零一九年十二月三十一日之結餘		22,337	2,620,409	761	1,328	(98,985)	28,813	-	69,734	1,250,218	3,894,615	86,972	3,981,587

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

The notes on pages 101 to 225 form part of these financial statements.

第101至225頁之附註屬此等財務報表一部分。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣呈列)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Operating activities</b>	<b>經營活動</b>			
Cash generated from operations	營運所得現金	19(b)	191,442	269,248
Tax paid	已付稅項		(8,237)	(9,701)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>		<b>183,205</b>	<b>259,547</b>
<b>Investing activities</b>	<b>投資活動</b>			
Payment for the purchase of property, plant and equipment	購入物業、廠房及設備付款		(88,389)	(65,322)
Proceeds from sale of property, plant, equipment and intangible assets	出售物業、廠房、設備及無形資產所得款項		1,410	2,143
Payment for the purchase of intangible assets	購入無形資產付款		—	(415)
Decrease in deposits with banks	銀行存款減少		101,556	61,708
Payment for advances to third parties	支付第三方墊款		(258,107)	(76,158)
Proceeds from repayment of advances to third parties	償還第三方墊款所得款項		128,867	292,785
Payment for purchase of other investments	購入其他投資付款		(213,535)	(58,979)
Proceeds from sale of other investments	出售其他投資所得款項		—	66,423
Interest received	已收利息		31,915	32,238
Payment for acquisition of a subsidiary, net of cash acquired	收購一間附屬公司之付款，扣除收購之現金		(12,268)	—
Dividends received from equity investments	已收股本投資股息		7,309	—
Net cash proceeds from disposal of equity interests in a subsidiary	出售一間附屬公司股權所得現金款項淨額		1,224	—
<b>Net cash (used in)/generated from investing activities</b>	<b>投資活動(所耗)/所得現金淨額</b>		<b>(300,018)</b>	<b>254,423</b>



CONSOLIDATED CASH FLOW STATEMENT  
綜合現金流量表

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Financing activities</b>	<b>融資活動</b>			
Proceeds from new bank loans	新增銀行貸款所得款項	19(c)	240,140	107,370
Repayment of bank loans	償還銀行貸款	19(c)	(171,682)	(75,206)
Payment for purchase of shares under share award scheme	根據股份獎勵計劃 購買股份之付款		–	(8,377)
Capital element of lease rentals paid	已付租賃租金的資本部分	19(c)	(118,632)	–
Interest element of lease rentals paid	已付租賃租金的利息部分	19(c)	(5,678)	–
Other borrowing costs paid	已付其他借貸成本		(4,819)	(2,070)
Shares repurchased	已購回股份		–	(6,763)
Capital injection from non-controlling interests	非控股權益注資		3,000	9,233
Dividends paid to equity shareholders	已付股份持有人的股息	26(b)	(233,133)	–
Dividends paid to holders of non-controlling interests	已付非控股權益 持有人的股息		(3,052)	(13)
<b>Net cash (used in)/generated from financing activities</b>	<b>融資活動(所耗)/所得 現金淨額</b>		<b>(293,856)</b>	<b>24,174</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物 (減少)/增加淨額</b>		<b>(410,669)</b>	<b>538,144</b>
Cash and cash equivalents at the beginning of the year	於年初之現金及 現金等價物		1,551,003	964,172
Effect of foreign exchange rate changes	外幣匯率變動影響		24,835	48,687
<b>Cash and cash equivalents at the end of the year</b>	<b>於年末之現金及 現金等價物</b>	19(a)	<b>1,165,169</b>	<b>1,551,003</b>

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

The notes on pages 101 to 225 form part of these financial statements.

第101至225頁之附註屬此等財務報表一部分。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，數額以人民幣呈列)

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Exchange”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

### 1 重要會計政策

#### (a) 遵例聲明

此等財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」，該詞泛指包括所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則的規定及香港公司條例的披露規定編製。此等財務報表亦符合香港聯合交易所有限公司（「聯交所」）證券上市規則的適用披露規定。本集團所採納的重要會計政策披露如下。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提前採納的新訂及經修訂香港財務報告準則。附註1(c)列載於此等財務報表反映之現時及過往會計期間初次採納該等與本集團相關的會計準則所造成的任何會計政策變動之資料。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2019 comprise Hengdeli Holdings Limited (the “Company”) and its subsidiaries (together referred to as the “Group”).

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- equity investments (see note 1(f))

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

#### 1 重要會計政策 (續)

##### (b) 財務報表的編製基準

截至二零一九年十二月三十一日止年度的綜合財務報表包括亨得利控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)。

編製財務報表所用之計量基準為歷史成本法，惟下文所載會計政策闡明之以其公允值列賬之資產除外：

- 股本投資(請參見附註1(f))

管理層需在編製符合香港財務報告準則之財務報表時作出判斷、估計及假設，而有關判斷、估計及假設會影響政策之應用及資產與負債及收入與支出之經呈報金額。估計及相關假設乃根據過往經驗及各種在有關情況下被判斷為合理之其他因素，在沒有其他直接來源下，作為判斷資產及負債之賬面值之基礎。因此，實際結果可能與該等估計有所出入。

管理層會不斷審閱該估計及相關假設。如修訂之會計估計僅影響本期，修訂會於當期確認；如修訂同時影響本期及未來期間，修訂會於本期及未來期間確認。

管理層於應用香港財務報告準則時所作出對財務報表有重大影響之判斷，以及主要估計不明朗因素來源於附註2討論。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (c) Changes in accounting policies

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

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

#### (i) HKFRS 16, *Leases*

HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low-value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

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

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and there was no impact to the opening balance of equity at 1 January 2019 upon initial application of HKFRS 16. Comparative information has not been restated and continues to be reported under HKAS 17.

## 1 重要會計政策 (續)

### (c) 會計政策之變動

香港會計師公會已頒佈一項新訂香港財務報告準則，香港財務報告準則第16號，*租賃*，及多項香港財務報告準則之修訂，有關新訂準則及準則修訂均於本集團本會計期間首次生效。

除香港財務報告準則第16號，*租賃*外，其餘各項之修訂對本集團本期或往期已編製或呈報之業績及財務狀況並無重大影響。本集團並無採納任何於本會計期間尚未生效之任何新準則或詮釋。

#### (i) 香港財務報告準則第16號，*租賃*

香港財務報告準則第16號取代香港會計準則第17號，*租賃*，及相關詮釋，香港（國際財務報告詮釋委員會）詮釋第4號，*釐定安排是否包括租賃*、香港（常設詮釋委員會）詮釋第15號，*經營租賃－激勵*，以及香港（常設詮釋委員會）詮釋第27號，*評估涉及租賃法律形式交易之內容*。新準則就承租人引入單一會計模式，要求承租人就所有租賃確認使用權資產及租賃負債，惟租期為12個月或以下之租賃（「短期租賃」）及低價值資產租賃除外。有關出租人的會計要求乃沿用香港會計準則第17號而大致不變。

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

本集團已於二零一九年一月一日首次應用香港財務報告準則第16號。本集團已選擇採用經修訂追溯法，且首次應用香港財務報告準則第16號並無對二零一九年一月一日之期初權益結餘產生影響。比較資料並無重列及繼續按香港會計準則第17號呈報。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (c) Changes in accounting policies (Continued)

##### (i) HKFRS 16, Leases (Continued)

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

##### a. New definition of a lease

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

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

##### b. Lease accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to property, plant and equipment as disclosed in note 11(v). For an explanation of how the Group applies lessee accounting, see note 1(j)(i).

### 1 重要會計政策 (續)

#### (c) 會計政策之變動 (續)

##### (i) 香港財務報告準則第16號，租賃 (續)

有關過往會計政策變動之性質及影響以及過渡方法的進一步詳情載列如下：

##### a. 租賃之新定義

租賃定義之變動主要與控制權的概念有關。香港財務報告準則第16號定義租賃的基準為客戶是否在一段時間內控制一項已識別資產的用途（可按一定使用量釐定）。當客戶同時有權指示可識別資產之用途及自有關用途獲得絕大部分經濟利益時，即擁有控制權。

本集團僅將香港財務報告準則第16號的新租賃定義應用於二零一九年一月一日或之後訂立或變更之合約。本集團已就於二零一九年一月一日前訂立的合約使用過渡可行權宜方法豁免先前就現有安排屬於租賃或包含租賃所作之評估。因此，先前根據香港會計準則第17號評估為租賃的合約按香港財務報告準則第16號繼續列作租賃，而先前評估為非租賃服務安排的合約繼續列作未生效合約。

##### b. 租賃會計及過渡性影響

香港財務報告準則第16號取消香港會計準則第17號先前要求承租人將租賃分類為經營租賃或融資租賃的規定。反之，本集團須在其為承租人時將所有租賃資本化，包括先前根據香港會計準則第17號分類為經營租賃的租賃（惟獲豁免的短期租賃及低價值資產租賃除外）。就本集團而言，該等新資本化租賃主要與附註11(v)所披露的物業、廠房及設備有關。有關本集團如何應用承租人會計處理的解釋，請參見附註1(j)(i)。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (c) Changes in accounting policies (Continued)

#### (i) HKFRS 16, Leases (Continued)

##### b. Lease accounting and transitional impact (Continued)

At the date of transition to HKFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 3.09%.

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

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment); and
- (iii) when measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 December 2018 as an alternative to performing an impairment review.

## 1 重要會計政策 (續)

### (c) 會計政策之變動 (續)

#### (i) 香港財務報告準則第16號，租賃 (續)

##### b. 租賃會計及過渡性影響 (續)

於過渡至香港財務報告準則第16號之日(即二零一九年一月一日)，本集團釐定餘下租期的長度，並就先前分類為經營租賃的租賃按餘下租賃款項之現值計量租賃負債，並使用於二零一九年一月一日的相關增量借貸利率貼現。用於釐定餘下租賃款項之現值的增量借貸利率的加權平均為3.09%。

為便於過渡至香港財務報告準則第16號，本集團於首次應用香港財務報告準則第16號日期採用下列確認豁免及可行權宜方法：

- (i) 本集團選擇不對餘下租期於首次應用香港財務報告準則第16號日期起十二個月內屆滿(即租期於二零一九年十二月三十一日或之前屆滿)之租賃應用香港財務報告準則第16號之規定確認租賃負債及使用權資產；
- (ii) 於首次應用香港財務報告準則第16號日期計量租賃負債時，本集團對具有合理相似特徵的租賃組合(例如於類似經濟環境下的類似類別相關資產的類似餘下租期的租賃)使用單一貼現率；及
- (iii) 於首次應用香港財務報告準則第16號日期計量使用權資產時，本集團倚賴先前就於二零一八年十二月三十一日之虧損性合約撥備所作之評估，作為進行減值審核的替代方法。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Changes in accounting policies (Continued)

(i) HKFRS 16, Leases (Continued)

b. Lease accounting and transitional impact (Continued)

The following table reconciles the operating lease commitments as disclosed in note 27(b) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

1 重要會計政策 (續)

(c) 會計政策之變動 (續)

(i) 香港財務報告準則第16號，租賃 (續)

b. 租賃會計及過渡性影響 (續)

下表為於二零一八年十二月三十一日之經營租賃承擔(如附註27(b)所披露)與於二零一九年一月一日確認之期初租賃負債結餘之對賬:

		1 January 2019 二零一九年一月一日 RMB'000 人民幣千元
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日 之經營租賃承擔	197,063
Less: commitments relating to leases exempt from capitalisation:	減: 有關獲豁免資本化租賃之承擔:	
– short-term leases and other leases with remaining lease term ending on or before 31 December 2019	– 餘下租期於二零一九年十二月三十一日 或之前屆滿的短期租賃及其他租賃	(3,665)
– leases of low-value assets	– 低價值資產之租賃	(35)
		193,363
Less: total future interest expenses	減: 日後利息開支總額	(6,144)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019	餘下租賃款項之現值, 使用二零一九年 一月一日之增量借貸利率貼現	187,219

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

與先前分類為經營租賃之租賃相關的使用權資產已按就餘下租賃負債確認的金額以相等金額予以確認, 並經於二零一八年十二月三十一日之財務狀況表確認之租賃相關的任何預付或應計租賃款項金額作出調整。

**1 SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**(c) Changes in accounting policies (Continued)**

**(i) HKFRS 16, Leases (Continued)**

b. Lease accounting and transitional impact (Continued)

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

**1 重要會計政策 (續)**

**(c) 會計政策之變動 (續)**

**(i) 香港財務報告準則第16號，租賃 (續)**

b. 租賃會計及過渡性影響 (續)

下表概述採用香港財務報告準則第16號對本集團綜合財務狀況表的影響：

		Carrying amount at 31 December 2018 於二零一八年十二月 三十一日之賬面值 RMB'000 人民幣千元	Capitalisation of operating lease contracts 經營租賃合約 的資本化 RMB'000 人民幣千元	Carrying amount at 1 January 2019 於二零一九年 一月一日之賬面值 RMB'000 人民幣千元
Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:	受採用香港財務報告準則第16號影響之綜合財務狀況表會計項目：			
Property, plant and equipment	物業、廠房及設備	443,660	187,903	631,563
<b>Total non-current assets</b>	<b>非流動資產總值</b>	<b>1,015,845</b>	<b>187,903</b>	<b>1,203,748</b>
Trade and other receivables	應收貿易賬款及其他應收款項	311,719	(684)	311,035
<b>Total current assets</b>	<b>流動資產總值</b>	<b>3,904,184</b>	<b>(684)</b>	<b>3,903,500</b>
Lease liabilities (current)	租賃負債 (流動)	–	94,398	94,398
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>387,409</b>	<b>94,398</b>	<b>481,807</b>
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>3,516,775</b>	<b>(95,082)</b>	<b>3,421,693</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>4,532,620</b>	<b>92,821</b>	<b>4,625,441</b>
Lease liabilities (non-current)	租賃負債 (非流動)	–	92,821	92,821
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>84,931</b>	<b>92,821</b>	<b>177,752</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>4,447,689</b>	<b>–</b>	<b>4,447,689</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (c) Changes in accounting policies (Continued)

###### (i) HKFRS 16, Leases (Continued)

c. Impact on the financial result and cash flows of the Group

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

In the cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see note 19(c)). These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a significant change in presentation of cash flows within the cash flow statement (see note 19(d)).

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

#### 1 重要會計政策 (續)

##### (c) 會計政策之變動 (續)

###### (i) 香港財務報告準則第16號，租賃 (續)

c. 對本集團財務業績及現金流量的影響

於二零一九年一月一日初步確認使用權資產及租賃負債後，本集團（作為承租人）須確認租賃負債尚未償還之結餘所產生之利息開支及使用權資產折舊，而非根據過往政策於租賃期內按直線法確認根據經營租賃所產生之租賃開支。與倘於年內應用香港會計準則第17號的業績相比，此對本集團綜合損益表呈報的經營溢利產生正面影響。

於現金流量表中，本集團（作為承租人）須把資本化租賃項下的已付租金分為該等租金的資本部分及利息部分（請參見附註19(c)）。此等部分被分類為融資現金流出（類似於先前香港會計準則第17號項下將租賃分類為融資租賃的做法），而非經營現金流出（如同香港會計準則第17號項下有經營租賃的做法）。雖然現金流量總額不受影響，但採用香港財務報告準則第16號會因此導致現金流量表中現金流量的呈列出現重大變動（請參見附註19(d)）。

下表顯示採用香港財務報告準則第16號對本集團截至二零一九年十二月三十一日止年度的財務業績以及現金流量產生的估計影響，方法為調整該等綜合財務報表中根據香港財務報告準則第16號所呈報的金額，以計算倘香港會計準則第17號（而非香港財務報告準則第16號）繼續於二零一九年應用而根據該已被取代準則本應確認的假設金額，並將該等二零一九年假設金額與根據香港會計準則第17號編製的二零一八年實際相應金額進行比較。

**1 SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**(c) Changes in accounting policies (Continued)**

**(i) HKFRS 16, Leases (Continued)**

c. Impact on the financial result and cash flows of the Group (Continued)

**1 重要會計政策 (續)**

**(c) 會計政策之變動 (續)**

**(i) 香港財務報告準則第16號，租賃 (續)**

c. 對本集團財務業績及現金流量的影響 (續)

		2019 二零一九年				2018 二零一八年
		Amounts reported under HKFRS 16	Add back: HKFRS 16 impairment, depreciation and interest expense	Deduct: Estimated amounts related to operating leases as if under HKAS 17 (note 1)	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
		根據香港財務 報告準則第16號 呈報之金額	加上：香港財務報 告準則第16號 減值、折舊 及利息開支	扣減：猶如香港會計 準則第17號之 經營租賃相關 估計金額 (附註1)	猶如香港會計 準則第17號之 二零一九年 假設金額	與根據香港會計 準則第17號之 二零一八年 呈報金額比較
		(A)	(B)	(C)	(D=A+B-C)	
		(A)	(B)	(C)	(D=A+B-C)	
		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
Financial result for year ended 31 December 2019 impacted by the adoption of HKFRS 16:	受採用香港財務報告準則 第16號影響之截至 二零一九年十二月三十一日 止年度的財務業績：					
(Loss)/profit from operations	經營 (虧損)/ 溢利	(325,853)	230,694	124,310	(219,469)	106,112
Finance costs	財務成本	(11,189)	5,678	-	(5,511)	-
(Loss)/profit before taxation	除稅前 (虧損)/ 溢利	(337,042)	236,372	124,310	(224,980)	103,681
(Loss)/profit for the year	年度 (虧損)/ 溢利	(324,117)	236,372	124,310	(212,055)	79,249



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Changes in accounting policies (Continued)

(i) HKFRS 16, Leases (Continued)

c. Impact on the financial result and cash flows of the Group (Continued)

1 重要會計政策 (續)

(c) 會計政策之變動 (續)

(i) 香港財務報告準則第16號，租賃 (續)

c. 對本集團財務業績及現金流量的影響 (續)

		2019 二零一九年			2018 二零一八年
		Estimated amounts related to operating leases as if reported under HKFRS 16 Amounts (A)	Hypothetical amounts for 2019 as if under HKAS 17 Hypothetical amounts for 2019 as if under HKAS 17 Amounts (B)	Compared to amounts reported under HKAS 17 Amounts (C=A+B)	
		猶如香港會計準則 第17號之經營租賃 相關估計金額 (附註1&2) (A)	猶如香港會計 準則第17號之 二零一九年 假設金額 (B)	與根據香港會計 準則第17號之 呈報金額比較 (C=A+B)	
		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
Line items in the consolidated cash flow statement for the year ended 31 December 2019 impacted by the adoption of HKFRS 16:	受採用香港財務報告準則第16號影響之截至二零一九年十二月三十一日止年度綜合現金流量表會計項目：				
Cash generated from operations	營運所得現金	191,442	(124,310)	67,132	269,248
Net cash generated from operating activities	經營活動所得現金淨額	183,205	(124,310)	58,895	259,547
Capital element of lease rentals paid	已付租賃租金的資本部分	(118,632)	118,632	—	—
Interest element of lease rentals paid	已付租賃租金的利息部分	(5,678)	5,678	—	—
Net cash (used in)/generated from financing activities	融資活動(所耗)/所得現金淨額	(293,856)	124,310	(169,546)	24,174

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (c) Changes in accounting policies (Continued)

#### (i) HKFRS 16, Leases (Continued)

- c. Impact on the financial result and cash flows of the Group (Continued)

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

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

#### d. Lessor accounting

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

Under HKFRS 16, when the Group acts as an intermediate lessor in a sublease arrangement, the Group is required to classify the sublease as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, instead of by reference to the underlying asset. The adoption of HKFRS 16 does not have a significant impact on the Group's financial statements in this regard.

## 1 重要會計政策 (續)

### (c) 會計政策之變動 (續)

#### (i) 香港財務報告準則第16號，租賃 (續)

- c. 對本集團財務業績及現金流量的影響 (續)

附註1：「有關經營租賃的估計金額」為有關倘於二零一九年仍然應用香港會計準則第17號則會分類為經營租賃之租賃的二零一九年現金流量金額的估值。該估計假設租金與現金流量之間並無差額，且假設倘於二零一九年仍然應用香港會計準則第17號，則於二零一九年訂立的所有新租賃均將根據香港會計準則第17號分類為經營租賃。忽略任何潛在淨稅務影響。

附註2：於該影響表中，該等現金流出乃由融資重新分類至經營，以計算經營活動所得現金淨額及融資活動所耗現金淨額的假設金額，猶如仍然應用香港會計準則第17號。

#### d. 對出租人的會計處理方法

適用於本集團（作為出租人）的會計政策與香港會計準則第17號項下者大致維持不變。

根據香港財務報告準則第16號，當本集團於一項分租安排中擔任中介出租人時，本集團須參考主租賃所產生之使用權資產將分租分類為融資租賃或經營租賃，而非參考相關資產。採納香港財務報告準則第16號就此對本集團財務報表不會造成重大影響。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(o) or 1(p) depending on the nature of the liability.

#### 1 重要會計政策 (續)

##### (d) 附屬公司及非控股權益

附屬公司乃由本集團控制的實體。當本集團承受或享有參與實體所得的可變回報，且有能透過其對實體的權力影響該等回報時，則本集團控制該實體。於評估本集團是否擁有有關權力時，僅會考慮實質權利（由本集團及其他方持有）。

於附屬公司之投資乃由控制權開始當日起合併計入綜合財務報表內，直至控制權終止日為止。集團內公司間結餘、交易及現金流量，以及因進行集團內公司間交易而產生之任何未變現溢利，均於編製綜合財務報表時全數抵銷。集團內公司間交易產生之未變現虧損之抵銷方式與未變現收益相同，惟僅以並無減值跡象者為限。

非控股權益指並非本公司直接或間接應佔一間附屬公司之權益，而本集團並未與該等權益持有人協定任何額外條款，並因而導致本集團整體須就該等符合金融負債定義之權益負上合約責任。就每一業務組合而言，本集團可選擇以公允值或非控股權益等於附屬公司之可辨別資產淨值之比例股份計量任何非控股權益。

非控股權益於綜合財務狀況表之權益內呈列，並與本公司股份持有人應佔權益分開列示。非控股權益所佔本集團業績在綜合損益表以及綜合損益及其他全面收入表內作為年度損益總額及全面收入總額列作非控股權益與本公司股份持有人之間之分配。來自非控股權益持有人之貸款及該等持有人之其他合約責任均根據附註1(o)或1(p)於綜合財務狀況表內列示為金融負債，並視乎負債性質而定。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (d) Subsidiaries and non-controlling interests

(Continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(f)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(k)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

### (e) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(k)(ii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

## 1 重要會計政策 (續)

### (d) 附屬公司及非控股權益 (續)

本集團於附屬公司之權益變動(其不導致失去控制權)均以權益交易列賬,並以於綜合權益中控股及非控股權益之數額調整,以反映相關權益之變動,惟商譽並無調整,亦無確認損益。

當本集團失去附屬公司之控制權,會以出售該附屬公司全部權益列賬,並以其所導致之收益或虧損於損益內確認。於失去控制權當日仍保留於該前附屬公司之任何權益會以公允值確認,而此數額會被視作初步確認金融資產之公允值(請參見附註1(f))。

於本公司財務狀況表內,除獲分類為持作出售(或包括在已分類為持作出售之出售組合)外,於附屬公司之投資乃按成本扣除減值虧損(請參見附註1(k))列賬。

### (e) 商譽

商譽即下列兩者之差額

- (i) 已轉移代價之公允值、任何於被收購者之非控股權益數額及本集團之前於被收購者持有之股本權益公允值之總額;與
- (ii) 於收購日期計量之被收購者之可辨別資產及負債公允淨值。

當(ii)大於(i)時,此超出金額即於損益內確認為廉價購入之收益。

商譽按成本減累計減值虧損列賬。衍生自業務合併之商譽分配至各現金產生單位,或預期可從合併之協同效應中獲益之現金產生單位組,並須每年作減值測試(請參見附註1(k)(ii))。

在年度內出售現金產生單位,計算出售損益時計入所購入商譽之任何應佔金額。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (f) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, are as follows:

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 29(f). These investments are subsequently accounted for as follows, depending on their classification.

##### (i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 1(u)(v)).
- fair value through other comprehensive income (FVOCI) (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- fair value at profit or loss (FVPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

### 1 重要會計政策 (續)

#### (f) 於債務及股本證券之其他投資

本集團關於債務及股本證券之投資（於附屬公司之投資除外）之政策如下：

於債務及股本證券之投資乃於本集團承諾購買／出售投資當日確認／終止確認。投資初步按公允值加直接應佔交易成本列賬，惟通過損益按公允值計量之投資除外，該等投資之交易成本直接於損益內確認。有關本集團如何釐定金融工具公允值的解釋，請參見附註29(f)。該等投資其後按下列方式列賬，惟需視乎其類別而定。

##### (i) 股本投資除外之投資

本集團所持非股本投資被分類為以下計量類別之一：

- 倘所持投資用作收回合約現金流量（僅代表本金及利息付款），則以攤銷成本計量。投資利息收入按實際利率法計算（請參見附註1(u)(v)）。
- 倘投資之合約現金流量僅包括本金及利息付款，且投資乃於以實現同時收回合約現金流量及出售為目標的業務模式內持有，則通過其他全面收入按公允值計量（可轉入損益）。公允值變動於其他全面收入內確認，惟預期信貸虧損、利息收入（按實際利率法計算）及外匯收益及虧損於損益內確認。於終止確認該投資時，於其他全面收入內累計之金額由權益轉入損益。
- 倘投資不符合按攤銷成本或通過其他全面收入按公允值計量（可轉入損益）之標準，則通過損益按公允值計量。該投資之公允值（包括利息）變動於損益內確認。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (f) Other investments in debt and equity securities

(Continued)

#### (ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(u)(iv).

#### (g) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(j)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

## 1 重要會計政策 (續)

### (f) 於債務及股本證券之其他投資 (續)

#### (ii) 股本投資

股本證券投資被分類為通過損益按公允值計量，除非股本投資並非以買賣為目的持有且於初步確認該投資時，本集團選擇指定該投資通過其他全面收入按公允值計量（不可轉入損益），由此，隨後公允值之變動於其他全面收入內確認。該等選擇以個別工具為基礎作出，但僅會在發行人認為投資滿足股本之定義的情況下作出。作出該選擇後，於其他全面收入內累計之金額仍將保留在公允值儲備（不可轉入損益）內直至完成投資出售。於出售時，於公允值儲備（不可轉入損益）內累計之金額轉入保留溢利，且不會轉入損益。股本證券投資產生之股息（不論分類為通過損益按公允值計量或通過其他全面收入按公允值計量）根據附註1(u)(iv)所載政策作為其他收入於損益內確認。

#### (g) 投資物業

自有或以租約業權持有之土地及／或樓宇（請參見附註1(j)），凡其以賺取租金收入及／或實現資本增值為目的，皆列為投資物業。此等包括持作現時尚未決定未來用途之土地及現正興建或開發作為未來投資物業用途之物業。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (g) Investment properties (Continued)

Investment properties are stated at cost less accumulated depreciation and impairment losses (see note 1(k)(ii)). Depreciation is calculated to write off the cost of investment property less its estimated residual value using the straight line method over its estimated useful life. Rental income from investment properties is accounted for as described in note 1(u)(iii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis.

##### (h) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(k)(ii)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(w)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

#### 1 重要會計政策 (續)

##### (g) 投資物業 (續)

投資物業按成本減累計折舊及減值虧損(請參見附註1(k)(ii))列賬。折舊乃採用直線法按其估計可使用年期計算,以撇銷投資物業之成本(減去其估計剩餘價值)。投資物業之租金收入按附註1(u)(iii)所述列賬。

倘本集團以經營租賃持有物業權益以賺取租金收入及/或為資本增值,有關權益會按個別物業基準分類併入賬列作投資物業。

##### (h) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損(請參見附註1(k)(ii))列賬。

物業、廠房及設備等自建項目之成本包括物料、直接勞動力、初步估算(如相關)拆卸及搬遷有關項目並於該等項目所在地恢復現場之成本,及適當比例之生產間接成本及借貸成本(請參見附註1(w))。

物業、廠房及設備項目報廢或出售產生之收益或虧損為出售所得款項淨額與有關賬面值之差額,並於報廢或出售當日於損益確認。任何相關重估盈餘由重估儲備轉撥至保留溢利而不會重新分類至損益。





## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (i) Intangible assets (other than goodwill)

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable (see note 1(w)). Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 1(k)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(k)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

– Software licenses 5 – 10 years

#### 1 重要會計政策 (續)

##### (i) 無形資產 (商譽除外)

研究活動支出於其產生期間確認為開支。倘產品或程序在技術上及商業上可行，且本集團有充足資源及意願完成開發，則開發活動支出會撥作資本。撥作資本之開支包括材料成本、直接勞動力成本及適當比例之間接成本及借貸成本(如適用)(請參見附註1(w))。撥作資本之開發成本按成本減累計攤銷及減值虧損(請參見附註1(k)(ii))列賬。其他開發支出於其產生期間內確認為開支。

本集團所收購之其他無形資產按成本減累計攤銷(有確定之估計可使用年期)及減值虧損(請參見附註1(k)(ii))列賬。就內部產生商譽及品牌之開支於產生期間確認為支出。

有確定可使用年期之無形資產之攤銷以直線法按資產估計可使用年期計入損益。以下有確定可使用年期之無形資產自其可供使用當日起攤銷及其估計可使用年期如下：

– 軟件特許權 5 – 10年

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (i) Intangible assets (other than goodwill)

(Continued)

Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

### (j) Leased assets

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

## 1 重要會計政策 (續)

### (i) 無形資產 (商譽除外) (續)

攤銷期間及方法均會每年審閱。

被評為無確定可使用年期之無形資產不予攤銷。有關無形資產為無確定可使用年期之結論會每年審閱，以釐定是否有事件及情況繼續支持該資產被評為無確定可使用年期。倘確定可使用年期之結論不再成立，可使用年期由無確定被評為有確定之變動，將由變動日期起，根據上文所載有確定無形資產之攤銷政策處理。

### (j) 租賃資產

本集團於合約開始時評估合約是否屬租賃或包含租賃。倘合約為換取代價而賦予於一段時間內控制已識別資產使用權的權利，則該合約屬租賃或包含租賃。當客戶同時有權指示可識別資產之用途及自該用途獲得絕大部分經濟利益時，即擁有控制權。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Leased assets (Continued)

###### (i) As a lessee

- a. Policy applicable from 1 January 2019

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

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

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

#### 1 重要會計政策 (續)

##### (j) 租賃資產 (續)

###### (i) 作為承租人

- a. 於二零一九年一月一日起適用之政策

倘合約包含租賃部分及非租賃部分，則本集團已選擇不區分非租賃部分，並將各租賃部分及任何相關非租賃部分視作所有租賃的單一租賃部分列賬。

本集團於租賃開始日期確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值資產（就本集團而言，主要為於一年內屆滿的租作自用的物業）的租賃除外。當本集團就低價值資產訂立租賃時，本集團決定是否按個別租賃基準將租賃資本化。與該等未資本化租賃相關的租賃款項在租期內按系統化基準確認為開支。

當租賃被資本化時，租賃負債按租期內應付租賃款項之現值初步確認，並使用租賃所隱含的利率貼現，或倘利率不可輕易釐定，則使用相關增量借貸利率貼現。於初步確認後，有關租賃負債以攤銷成本計量且利息開支使用實際利率法計算。不取決於指數或利率的可變租賃款項並未包括於租賃負債之計量中，並因此於其產生之會計期間列入損益。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (j) Leased assets (Continued)

#### (i) As a lessee (Continued)

##### a. Policy applicable from 1 January 2019 (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 1(h) and 1(k)(ii)).

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

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and presents lease liabilities separately in the statement of financial position.

## 1 重要會計政策 (續)

### (j) 租賃資產 (續)

#### (i) 作為承租人 (續)

##### a. 於二零一九年一月一日起適用之政策 (續)

於租賃被資本化時確認的使用權資產初步按成本計量，包括租賃負債之初步金額加於開始日期或之前作出之任何租賃款項，以及所產生之任何初步直接成本。如適用，使用權資產之成本亦包括於資產所在地拆除及移除相關資產或恢復相關資產將產生的估計費用，貼現至其現值並扣除任何已收租賃優惠。使用權資產隨後按成本減累計折舊及減值虧損列賬（請參見附註1(h)及1(k)(ii)）。

倘指數或利率之變動導致未來租賃款項出現變動；或倘本集團預期根據剩餘價值擔保應付的估計金額發生變動；或倘本集團就是否合理肯定將行使購買、續期或終止選擇權的重新評估導致變動發生，則租賃負債將重新計量。按此方式重新計量租賃負債時，會對使用權資產的賬面值進行相應調整，或倘使用權資產的賬面值已減至零，則調整將計入損益。

本集團將不符合投資物業定義的使用權資產呈列為「物業、廠房及設備」，並將租賃負債分別呈列於財務狀況表。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Leased assets (Continued)

###### (i) As a lessee (Continued)

- b. Policy applicable prior to 1 January 2019

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

- property held under operating leases that would otherwise meet the definition of an investment property was classified as investment property on a property-by-property basis and, if classified as investment property, was accounted for as if held under a finance lease; and
- land held for own use under an operating lease, the fair value of which could not be measured separately from the fair value of a building situated thereon at the inception of the lease, was accounted for as being held under a finance lease, unless the building was also clearly held under an operating lease. For these purposes, the inception of the lease was the time that the lease was first entered into by the Group, or taken over from the previous lessee.

#### 1 重要會計政策 (續)

##### (j) 租賃資產 (續)

###### (i) 作為承租人 (續)

- b. 於二零一九年一月一日前適用之政策

於比較期間，作為承租人，倘租賃轉移擁有權之所有重大風險及回報予本集團，則本集團將租賃分類為融資租賃。並非轉移擁有權之所有重大風險及回報予本集團的租賃則分類為經營租賃，除下列項目外：

- 於經營租賃下持有之物業，如符合投資物業之界定，乃按個別物業為基準分類為投資物業，及如分類為投資物業，將列作於融資租賃下持有列賬；及
- 於經營租賃下持作自用之土地，其公允值不可於租賃開始時與位處該土地之樓宇之公允值分別計量，乃作為於融資租賃下持有列賬，除非樓宇亦明顯於經營租賃下持有。就此而言，租賃開始時間為該租賃首次由本集團訂立時，或從前承租人接管時。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (j) Leased assets (Continued)

#### (i) As a lessee (Continued)

#### b. Policy applicable prior to 1 January 2019 (Continued)

Where the Group acquired the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets were recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, were recorded as obligations under finance leases. Depreciation was provided at rates which wrote off the cost or valuation of the assets over the term of the relevant lease or, where it was likely the Group would obtain ownership of the asset, the life of the asset, as set out in note 1(h). Impairment losses were accounted for in accordance with the accounting policy as set out in note 1(k). Finance charges implicit in the lease payments were charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

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

## 1 重要會計政策 (續)

### (j) 租賃資產 (續)

#### (i) 作為承租人 (續)

#### b. 於二零一九年一月一日前適用之政策 (續)

當本集團於融資租賃下收購資產使用權，代表已出租資產公允值之數額，或該等資產最少租賃付款之現值（如更低），確認為物業、廠房及設備及相應負債，扣除融資費用，並於融資租賃下紀錄為義務。折舊以與資產成本或估值註銷相關租賃條款之比率計量，或當本集團可能會取得資產擁有權時，以資產使用年期計量（載於附註1(h)）。減值虧損根據載於附註1(k)之會計政策列賬。為租賃付款一部分之財務費用於租賃期內於損益列支，以於每一會計期間之義務餘額產生較固定之週期率。或然租金於產生之會計期間於損益列支。

倘本集團擁有經營租賃項下持有的資產使用權，則租賃付款會於租賃期涵蓋之會計期間內按等額分期於損益列支，惟倘其他基準更能清楚地反映租賃資產帶來利益之模式則除外。已收租金優惠於損益內確認為已付租金總淨額之一部份。或然租金於產生之會計期間於損益列支。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Leased assets (Continued)

##### (ii) As a lessor

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

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 1(u)(iii).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 1(j)(i), then the Group classifies the sub-lease as an operating lease.

#### (k) Credit losses and impairment of assets

##### (i) Credit losses from financial instruments, contract assets and lease receivables

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 1(m)).

Other financial assets measured at fair value, including units in bond funds, equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

### 1 重要會計政策 (續)

#### (j) 租賃資產 (續)

##### (ii) 作為出租人

倘本集團作為出租人，其於租賃開始時釐定各租賃為融資租賃或經營租賃。倘租賃轉移相關資產擁有權附帶之所有重大風險及回報予承租人，則租賃被分類為融資租賃。否則，該租賃被分類為經營租賃。

倘合約包含租賃及非租賃部分，本集團按相關獨立售價基準將合約代價分配予各部分。經營租賃所得租金收入乃根據附註1(u)(iii)確認。

倘本集團為中介出租人，分租乃參考主租賃所產生的使用權資產，被分類為融資租賃或經營租賃。倘主租賃乃短期租賃而本集團應用附註1(j)(i)所述豁免，則本集團將分租分類為經營租賃。

#### (k) 信貸虧損及資產減值

##### (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損

本集團就預期信貸虧損確認下列項目的虧損撥備：

- 以攤銷成本計量之金融資產（包括現金及現金等價物以及應收貿易賬款及其他應收款項）；及
- 香港財務報告準則第15號所界定之合約資產（請參見附註1(m)）。

其他以公允值計量之金融資產（包括債券基金單位、通過損益按公允值計量的股本證券、指定為通過其他全面收入按公允值計量（不可轉入損益）之股本證券及衍生金融資產均無須進行預期信貸虧損評估。

**1 SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**(k) Credit losses and impairment of assets**

*(Continued)*

- (i) Credit losses from financial instruments, contract assets and lease receivables *(Continued)*

*Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

**1 重要會計政策 (續)**

**(k) 信貸虧損及資產減值 (續)**

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

*預期信貸虧損之計量*

預期信貸虧損為按概率加權估計之信貸虧損。信貸虧損以所有預期現金差額 (即本集團按合約應收之現金流量與本集團預期可收取之現金流量之間的差額) 的現值計量。

倘貼現影響重大，則預期現金差額將採用以下貼現率貼現：

- 固定利率金融資產、應收貿易賬款及其他應收款項以及合約資產：於初步確認時釐定的實際利率或其近似值；
- 可變利率金融資產：當前實際利率；
- 應收租賃款項：用於計量應收租賃款項之貼現率。

於估計預期信貸虧損時所考慮的最長期間為本集團面對信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本及努力的情況下即可獲得之合理可靠資料。這包括有關過往事件、現時狀況及未來經濟條件預測的資料。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Credit losses and impairment of assets

(Continued)

- (i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

### 1 重要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

預期信貸虧損之計量 (續)

預期信貸虧損將採用以下基準之一計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件所導致的預期虧損；及
- 整個存續期預期信貸虧損：指於應用預期信貸虧損模式的項目預期存續期內所有可能發生的違約事件所導致的預期虧損。

應收貿易賬款、應收租賃款項及合約資產之虧損撥備一直以相等於整個存續期預期信貸虧損之金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團歷史信貸虧損經驗使用撥備矩陣估計，並經就對債務人屬特別之因素以及對流動及預測一般經濟狀況之評估作出調整。

就所有其他金融工具而言，本集團會確認相等於12個月預期信貸虧損的虧損撥備，除非自初步確認以來金融工具的信貸風險顯著上升，於此情況下，虧損撥備乃按相等於整個存續期預期信貸虧損的金額計量。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (k) Credit losses and impairment of assets

(Continued)

- (i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

#### Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 180 days past due. 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 since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

## 1 重要會計政策 (續)

### (k) 信貸虧損及資產減值 (續)

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

#### 信貸風險顯著上升

於評估一項金融工具的信貸風險自初步確認以來是否顯著上升時，本集團會對於報告日期所評估金融工具發生違約的風險與於初步確認日期所評估金融工具發生違約的風險進行比較。於作出該項重估時，本集團認為，於(i)本集團並無追索權採取行動(例如變現抵押(如持有))的情況下，借款人不大可能向本集團悉數償還其信貸義務；或(ii)該項金融資產已逾期180日時，即表示發生違約事件。本集團會考慮合理可靠的量化及質化資料，包括無須付出過多成本或努力即可獲得之過往經驗及前瞻性資料。

具體而言，於評估信貸風險自初步確認以來是否顯著上升時，本集團會考慮以下資料：

- 未能於本金或利息的合約到期日期作出有關付款；
- 金融工具外部或內部信貸評級(如有)的實際或預期顯著惡化；



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Significant increases in credit risk (Continued)

- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

### 1 重要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

信貸風險顯著上升 (續)

- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的當前或預期變動對債務人向本集團履行義務的能力有重大不利影響。

對信貸風險是否顯著上升的評估乃視乎金融工具的性質按個別基準或共同基準進行。於按共同基準進行評估時，本集團會根據共同信貸風險特徵（如逾期狀況及信貸風險評級）對金融工具進行分類。

**1 SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**(k) Credit losses and impairment of assets**

*(Continued)*

- (i) Credit losses from financial instruments, contract assets and lease receivables *(Continued)*

*Significant increases in credit risk (Continued)*

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

*Basis of calculation of interest income*

Interest income recognised in accordance with note 1(u) (v) 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 the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

**1 重要會計政策 (續)**

**(k) 信貸虧損及資產減值 (續)**

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

*信貸風險顯著上升 (續)*

本集團於各報告日期重新計量預期信貸虧損，以反映金融工具的信貸風險自初步確認以來發生的變動。預期信貸虧損金額的任何變動均會於損益內確認為減值收益或虧損。本集團確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面值作出相應調整（通過其他全面收入按公允值計量（可轉入損益）之債務證券投資除外，其虧損撥備於其他全面收入內確認並於公允值儲備（可轉入損益）中累計）。

*利息收入的計算基準*

根據附註1(u)(v)確認之利息收入乃按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按該金融資產的攤銷成本（即總賬面值減虧損撥備）計算。

於各報告日期，本集團會評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，即表示金融資產出現信貸減值。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

*Basis of calculation of interest income (Continued)*

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

*Write-off policy*

The gross carrying amount of a financial asset, lease receivable or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

### 1 重要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

- (i) 來自金融工具、合約資產及租賃應收款項的信貸虧損 (續)

*利息收入的計算基準 (續)*

以下可觀察事件可證明金融資產出現信貸減值：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，而對債務人有不利影響；或
- 某證券因發行人面臨財務困難而失去活躍市場。

*撇銷政策*

倘屬日後實際上不可收回金融資產、應收租賃款項或合約資產，本集團會撇銷其（部份或全部）總賬面值。該情況通常出現於本集團確定債務人並無可產生足夠現金流量的資產或收入來源以償還須撇銷金額之時。

先前撇銷之資產之隨後收回會作為減值撥回在收回期間於損益內確認。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (k) Credit losses and impairment of assets

(Continued)

#### (ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- investment property;
- property, plant and equipment (other than properties carried at revalued amounts);
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

## 1 重要會計政策 (續)

### (k) 信貸虧損及資產減值 (續)

#### (ii) 其他非流動資產的減值

本集團於每個報告期末對內部及外界資訊進行評估，以決定是否有任何跡象顯示下列資產可能出現減值虧損，或有任何跡象顯示過往已確認之減值虧損不再存在或已經減少（商譽除外）：

- 投資物業；
- 物業、廠房及設備（按重估金額列賬之物業除外）；
- 無形資產；
- 商譽；及
- 本公司財務狀況表內於附屬公司之投資。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Credit losses and impairment of assets (Continued)

##### (ii) Impairment of other non-current assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

##### – Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

##### – Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

### 1 重要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (ii) 其他非流動資產的減值 (續)

倘出現上述任何減值跡象，則該資產之可收回金額須予以評估。此外，對於商譽及尚未可供使用及無確定可使用年期之無形資產，每年均會評估可收回金額以確定是否有任何減值跡象。

##### – 計算可收回金額

資產之可收回金額按其公允值減出售成本與使用價值之較高者釐定。在評估使用價值時，會採用反映當時市場對貨幣之時間值及資產特定風險評估之除稅前貼現率，將估計未來現金流量貼現至現值。倘資產之現金流入基本上不能獨立於其他資產之現金流入時，則須就可獨立地產生現金流入之最小資產組合（即一個現金產生單位）確定可收回金額。

##### – 確認減值虧損

當資產或其屬於之現金產生單位之賬面值高於其可收回金額時，便會於損益內確認減值虧損。確認之減值虧損會首先減少該現金產生單位（或單位組）商譽之賬面值，然後按比例減少該單位（或單位組）中其他資產的賬面值，但減值不會使個別資產之賬面值減至低於其可計量之公允值減出售成本（若能計量），或（若能確定）其使用價值。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (k) Credit losses and impairment of assets

(Continued)

#### (ii) Impairment of other non-current assets (Continued)

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

#### (iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(k)(i) and 1(k)(ii)).

Impairment losses recognised in an interim period in respect of goodwill carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

## 1 重要會計政策 (續)

### (k) 信貸虧損及資產減值 (續)

#### (ii) 其他非流動資產的減值 (續)

- 減值虧損撥回

就商譽以外之資產而言，倘用以釐定可收回金額之估計數據出現有利變動，則減值虧損須予以撥回。就商譽所確認之減值虧損將不會撥回。

減值虧損撥回僅以該等減值虧損從未於過往年度確認時所釐定之資產賬面值為限。減值虧損撥回於確認撥回之年度計入損益。

#### (iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須遵守香港會計準則第34號，中期財務報告，編製財政年度內首六個月之中期財務報告。本集團於中期末採用之減值測試、確認及撥回標準與財政年度末所採用者相同（請參見附註1(k)(i)及1(k)(ii)）。

就以成本列賬之商譽於中期確認之減值虧損不可於往後期間撥回。即使在與中期相關之財政年度末減值評估時，並無確認虧損或虧損減少亦不能撥回。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Inventories and other contract costs

###### (i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value as follows:

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The fair value of inventories acquired in a business combination is determined based on their estimated selling price in the ordinary course of business less the estimated costs of sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

#### 1 重要會計政策 (續)

##### (I) 存貨及其他合約成本

###### (i) 存貨

存貨為持作於日常業務過程出售的資產、就銷售的生產中資產或以材料或供應品形式在生產過程中耗用的資產。

存貨以成本及可變現淨值之較低者列賬如下：

成本乃使用加權平均成本法計算，並包括所有採購成本、加工成本及其他使存貨達致其現時地點及狀況而產生之成本。

可變現淨值指正常業務過程中之估計售價減估計完成成本及估計促成銷售之必要成本。

倘售出存貨，則該等存貨之賬面值在相關收入確認之期間確認為支出。

任何撇減存貨至可變現淨值之金額及存貨之所有虧損於撇減或出現虧損之期間內確認為支出。轉回任何撇減存貨之金額於出現撥回之期間沖減列作支出之存貨金額。

於業務合併收購之存貨之公允值，乃根據其於日常業務過程中之估計出售價格減估計銷售成本後，以及基於完成出售存貨所需之努力定出之合理毛利釐定。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (I) Inventories and other contract costs (Continued)

#### (ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 1(I)(i)), property, plant and equipment (see note 1(h)) or intangible assets (see note 1(i)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

## 1 重要會計政策 (續)

### (I) 存貨及其他合約成本 (續)

#### (ii) 其他合約成本

其他合約成本指未資本化為存貨(請參見附註1(I)(i))、物業、廠房及設備(請參見附註1(h))或無形資產(請參見附註1(i))的從客戶取得合約的增量成本或完成與客戶訂立之合約的成本。

取得合約的增量成本指在未取得合約之情況下本不會產生之本集團為從客戶取得合約而產生的該等成本(例如增量銷售佣金)。倘成本與將於未來報告期間確認的收入有關且預期將可收回成本,則取得合約的增量成本於產生時資本化。取得合約的其他成本於產生時支銷。

倘成本直接與現有合約或可特別認定的預計合約相關;產生或強化日後將用於提供貨品或服務的資源;及預期將被收回,則完成合約的成本會予以資本化。直接與現有合約或可特別認定的預計合約有關的成本可能包括直接勞務、直接材料、成本分攤、可明確向客戶收取的成本及僅因本集團訂立合約而產生的成本(例如付款予分包商)。完成合約的其他成本(未資本化為存貨、物業、廠房及設備或無形資產)於產生時支銷。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Inventories and other contract costs (Continued)

###### (ii) Other contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 1(u).

###### (m) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(u)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses (ECL) in accordance with the policy set out in note 1(k)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(n)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(u)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(n)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 1(u)(v)).

#### 1 重要會計政策 (續)

##### (I) 存貨及其他合約成本 (續)

###### (ii) 其他合約成本 (續)

已資本化合約成本按成本減累計攤銷及減值虧損列賬。當合約成本資產的賬面值超過(i)本集團預期因交換資產相關貨品或服務而將收取的代價餘額減(ii)尚未確認為開支之直接與提供該等貨品或服務相關的任何成本的淨額時，則確認減值虧損。

已資本化合約成本攤銷於確認資產相關收入時從損益內扣除。有關收入確認的會計政策載於附註1(u)。

###### (m) 合約資產及合約負債

倘本集團於有權無條件收根據合約所載付款條款收取代價前確認收入(請參見附註1(u))，即確認合約資產。合約資產根據附註1(k)(i)所載政策就預期信貸虧損進行評估，並在代價權利成為無條件時重新分類至應收款項(請參見附註1(n))。

倘客戶於本集團確認相關收入前支付代價，即確認合約負債(請參見附註1(u))。倘本集團有無條件權利在本集團確認相關收入前收取代價，亦會確認合約負債。在此等情況下，亦會確認相應應收款項(請參見附註1(n))。

就與客戶訂立的單一合約而言，將呈列合約資產淨值或合約負債淨額。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

合約計及重大融資成份時，合約結餘計入按實際利率法累計的利息(請參見附註1(u)(v))。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(m)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(k)(i)).

### (o) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 1(w)).

### (p) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

## 1 重要會計政策 (續)

### (n) 應收貿易賬款及其他應收款項

應收款項於本集團有無條件權利收取代價時方會確認。在該代價到期應付前，收取代價的權利僅隨時間推移即會成為無條件。倘收入於本集團有無條件權利收取代價前已經確認，則有關金額呈列為合約資產（請參見附註1(m)）。

應收款項按攤銷成本採用實際利率法減信貸虧損撥備列賬（請參見附註1(k)(i)）。

### (o) 計息貸款

計息貸款初步以公允值減交易成本計量。於初步確認後，計息貸款採用實際利率法按攤銷成本列賬。利息開支根據本集團的借貸成本會計政策確認（請參見附註1(w)）。

### (p) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步以公允值確認，其後以攤銷成本列賬。如貼現影響並不重大，則以成本列賬。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in note 1(k)(i).

##### (r) Employee benefits

###### (i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

###### (ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

#### 1 重要會計政策 (續)

##### (q) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放在銀行及其他金融機構之活期存款，以及可隨時兌換作確定數目現金之短期高流通投資，該等投資之到期日為獲得日期起三個月內，且價值變動風險不大。按要求償還且組成本集團現金管理一部分之銀行透支，亦會計入綜合現金流量表項下之現金及現金等價物。現金及現金等價物根據載於附註1(k)(i)之政策評估預期信貸虧損。

##### (r) 僱員福利

###### (i) 短期僱員福利及定額供款退休計劃之供款

薪酬、年終花紅、有薪年假、定額供款退休計劃之供款及非貨幣福利成本於僱員提供與此相關服務之年度入賬。倘延遲支付或結付之影響重大，則此等數額以現值列賬。

###### (ii) 以股份為基礎支付

授予員工之購股權之公允值被確認為員工成本，在權益內之資本儲備計入相應增加數額。有關購股權之公允值乃採用二項式點陣期權定價模式，按購股權授予日及授予購股權之條款及條件而計算。當員工須符合歸屬條件才可無條件享有該等購股權，購股權之預計公允值總額在歸屬期內攤分入賬，並已考慮購股權歸屬之或然率。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (r) Employee benefits (Continued)

#### (ii) Share-based payments (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

#### (iii) Share award scheme

The fair value of the employee services received in exchange for the grant of shares is recognised as staff costs in profit or loss with a corresponding increase in capital reserve, which is measured based on the grant date share price of the Company.

#### (iv) Termination benefits

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

## 1 重要會計政策 (續)

### (r) 僱員福利 (續)

#### (ii) 以股份為基礎支付 (續)

在歸屬期內會審閱估計可歸屬購股權之數目。除非原本僱員支出符合資產確認之要求，任何已在往年確認之累計公允值導致之調整須在回顧年度內之損益扣除／計入，並在資本儲備作相應調整。在歸屬日，除非因未能符合歸屬條件引致權利喪失純粹與本公司股份之市價有關，確認為支出之金額按歸屬購股權之實際數目作調整（並在資本儲備作相應調整）。權益金額在資本儲備確認，直至當購股權獲行使時（轉入股份溢價賬），或當購股權之有效期屆滿時（直接轉入保留盈利）。

#### (iii) 股份獎勵計劃

僱員就換取獲授股份提供的服務之公允值乃於損益中確認為員工成本，按授予日期之本公司股份價格計算之股本儲備亦相應地增加。

#### (iv) 終止福利

終止福利於本集團不能取消提供該等福利時及本集團確認涉及終止福利付款之重組成本時（以較早者為準）予以確認。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

### 1 重要會計政策 (續)

#### (s) 所得稅

年內所得稅項包括本期稅項及遞延稅項資產與負債之變動。本期稅項及遞延稅項資產與負債之變動均於損益內確認，惟與於其他全面收入確認或直接確認為權益項目相關者，則相關稅項金額分別於其他全面收入確認或直接確認為權益。

本期稅項是按年內應課稅收入根據在報告期末已執行或實質上已執行之稅率計算之預期應付稅項，加上以往年度應付稅項之任何調整。

遞延稅項資產與負債分別由可抵扣及應課稅之暫時差異產生。暫時差異指資產與負債就財務報告而言之賬面值與該等資產與負債之稅基之差異。遞延稅項資產亦可由未利用稅項虧損及未利用稅項抵免產生。

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產（僅限於可能獲得利用該資產來抵扣未來應課稅溢利）均作確認。支持確認由可抵扣暫時差異所產生遞延稅項資產之未來應課稅溢利包括因撥回目前存在之應課稅暫時差異而產生之數額；惟該等撥回之差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回之同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉之期間內撥回。在決定目前存在之應課稅暫時差異是否足以支持確認由未利用稅項虧損及未利用稅項抵免所產生之遞延稅項資產時，亦會採用同一準則，即倘若該等差異與同一稅務機關及同一應課稅實體有關，並預期在能夠使用該等虧損及稅款抵免之同一期間內撥回，則會確認與該等差異有關之遞延稅項資產。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (s) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 1(g), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

## 1 重要會計政策 (續)

### (s) 所得稅 (續)

確認遞延稅項資產及負債的少數例外情況為產生自不可扣稅之商譽、初步確認不影響會計或應課稅溢利之資產或負債（倘並非業務合併的一部份）以及有關於附屬公司投資之暫時差異（倘屬應課稅差異，則僅限於本集團可以控制撥回之時間，而且在可預見將來不太可能撥回之差異，或倘屬可抵扣差異，則僅限於可能在將來撥回之差異）。

倘投資物業根據附註1(g)所載之會計政策按其公允值列賬，已確認之遞延稅項金額乃採用於報告日期按賬面值出售該等資產所適用之稅率計量，除非該物業可折舊及以商業模式持有，而其目的在於一段時間內耗用而非透過出售以獲取該物業內含絕大部份經濟利益，則作別論。在所有其他情況下，遞延稅項金額是按照資產及負債賬面值之預期變現或清償方式，根據在報告期末已執行或實質上已執行之稅率量。遞延稅項資產及負債均不貼現計算。

遞延稅項資產之賬面值會在各報告期末評估，倘本集團預期不再可能獲得足夠應課稅溢利以抵扣相關之稅務利益，則會調低該遞延稅項資產之賬面值。倘日後可能獲得足夠之應課稅溢利，則有關調減額會撥回。

因分派股息而額外產生之所得稅在支付相關股息之責任確立時確認。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (s) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

### 1 重要會計政策 (續)

#### (s) 所得稅 (續)

本期稅項結餘及遞延稅項結餘及有關變動會分開呈列，且不會予以抵銷。倘本公司或本集團擁有合法執行之權利以本期稅項負債抵銷本期稅項資產並符合以下附帶條件，則本期稅項資產與本期稅項負債，以及遞延稅項資產與遞延稅項負債可分別互相抵銷：

- 倘屬本期稅項資產與負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘屬遞延稅項資產與負債，該等資產及負債必須與同一稅務機關就以下其中一項徵收之所得稅有關：
  - 同一應課稅實體；或
  - 不同應課稅實體，而該等實體計劃在日後每個預計須清償大額遞延稅項負債或可以收回大額遞延稅項資產之期間，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現該資產和清償該負債。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (t) Provisions and contingent liabilities

#### (i) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### (ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

## 1 重要會計政策 (續)

### (t) 撥備及或然負債

#### (i) 撥備及或然負債

倘本集團須就已發生之事件承擔法律或推定責任，因而預期會導致經濟效益外流以清償責任，則在可以作出可靠估計時，本集團會確認撥備。倘貨幣時間值重大，則按預計清償責任所需支出之現值計提撥備。

倘經濟效益外流之可能性較低，或無法對有關數額作出可靠估計，便會將該責任披露為或然負債，惟經濟效益外流之可能性極低則除外。倘本集團之責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟效益外流之可能性極低則除外。

#### (ii) 虧損性合約

當本集團為履行合約責任所產生之不可避免成本超逾預期可自該合約收取之經濟效益時，即視為存在虧損性合約。虧損性合約撥備按終止合約之預期成本與繼續合約之成本淨額的現值較低者計算。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (t) Provisions and contingent liabilities (Continued)

##### (iii) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 1(t)(i). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 1(t)(i).

#### (u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

##### (i) Sale of watches, jewellery and related accessories

Revenue is recognised when goods are handed over to individual customers at retail outlets or delivered at the warehouse or corporate customers' premises which is taken to be the point in time when the customer has obtained the control over the goods. Revenue excludes value-added tax or other sales taxes.

### 1 重要會計政策 (續)

#### (t) 撥備及或然負債 (續)

##### (iii) 業務合併中承擔之或然負債

業務合併中承擔之或然負債(於收購日當時之債項)初步以公允值確認,惟公允值須能可靠計量。當按公允值初步確認後,該或然負債將以初步確認之數額減累計攤銷(如適用)與根據附註1(t)(i)釐定之數額之較高者確認。不能可靠地以公允值計量或並非於收購日當時之債項的業務合併中承擔之或然負債會根據附註1(t)(i)披露。

#### (u) 收益及其他收入

當收入來自本集團於日常業務過程中銷售貨品、提供服務或由其他方使用本集團的租賃資產時,本集團將該收入分類為收益。

當產品或服務的控制權轉移予客戶,或承租人有權使用資產時,收益按本集團預期有權收取的承諾代價金額(不包括代表第三方收取的該等金額)進行確認。收益不包括增值稅或其他銷售稅,並已扣除任何貿易折扣。

本集團收益及其他收入之確認政策的進一步詳情載列如下:

##### (i) 銷售手錶、珠寶及相關配套產品

當貨品於零售門店移交予個人客戶或於倉庫或企業客戶處所交付時,即視客戶取得貨品的控制權,並確認收益。收益不包括增值稅或其他銷售稅。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (u) Revenue and other income (Continued)

#### (ii) Provision of shop design and decoration service

Revenue is recognised progressively over time using cost-to-cost method, i.e., based on the proportion of actual costs incurred relative to the estimated total costs. The contract asset (either partially or in full) is reclassified to receivables when the entitlement to payment for that amount has become unconditional.

#### (iii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

#### (iv) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

#### (v) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 1(k)(i)).

## 1 重要會計政策 (續)

### (u) 收益及其他收入 (續)

#### (ii) 提供店舖設計及裝修服務

收益乃以成本比例法隨時間累進確認，即根據已產生之實際成本相較於預計成本總額的比例計算。當收取該付款金額的權利為無條件時，合約資產將（部份或全數）重新分類至應收款項。

#### (iii) 經營租賃之租金收入

經營租賃之應收租金收入於相關租賃期內分期等額於損益內確認，除非另有基準能更清楚地反映源自運用租賃資產之利益模式。經營租賃協議涉及之激勵機制在損益內列作應收租賃淨付款總額之一部份。或然租金在產生之會計期間內確認為收入。

#### (iv) 股息

- 非上市投資之股息收入於股東獲得收款之權利時確認入賬。
- 上市投資之股息收入於投資之股價除息時確認入賬。

#### (v) 利息收入

利息收入於應計時以實際利率法確認。就按攤銷成本計量或通過其他全面收入按公允值計量（可轉入損益）之未出現信貸減值的金融資產而言，實際利率適用於該資產的總賬面值。就出現信貸減值的金融資產而言，實際利率適用於該資產的攤銷成本（即總賬面值減虧損撥備）（請參見附註1(k)(i)）。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (u) Revenue and other income (Continued)

##### (vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

##### (v) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

#### 1 重要會計政策 (續)

##### (u) 收益及其他收入 (續)

##### (vi) 政府補貼

當可以合理確定本集團將會收到政府補貼並會履行該補貼之附帶條件時，則在財務狀況表初步確認政府補貼。用於彌補本集團已產生開支之補貼於開支產生期間有系統地於損益內確認為收入。補償本集團資產成本之補貼在相關資產賬面值中扣除，其後於該項資產之可用年期以減少折舊費用方式於損益內實際確認。

##### (v) 外幣換算

年內之外幣交易按交易日之適用匯率換算。以外幣為單位之貨幣資產及負債按報告期末之適用匯率換算。

按歷史成本列賬並以外幣為計賬單位之非貨幣資產及負債，乃按交易當日之適用匯率換算。交易日期為本公司首次確認相關非貨幣資產或負債的日期。以公允值列賬並以外幣為計賬單位的非貨幣資產及負債按計量其公允值當日的匯率換算。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (v) Translation of foreign currencies (Continued)

The results of foreign operations are translated into Renminbi (“RMB”) at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

### (w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

## 1 重要會計政策 (續)

### (v) 外幣換算 (續)

外國實體之業績以接近交易當日外幣匯率的兌換率換算為人民幣(「人民幣」)。財務狀況表項目(包括於二零零五年一月一日或以後所收購外國業務合併入賬產生之商譽)於報告期末按收市的外幣匯率折算為人民幣。所產生的匯兌差額於其他全面收入確認及個別於匯兌儲備內的權益累計。於二零零五年一月一日之前所收購外國業務合併入賬產生之商譽以於收購外國業務當日應用之外幣匯率換算。

在出售外國實體確認出售損益時，與該外國業務相關的匯兌差額的累計金額從權益重新分類為損益。

### (w) 借貸成本

與收購、建設或生產需要相當長時間才可以投入其擬定用途或銷售的資產直接相關的借貸成本，乃資本化為該資產成本之一部份。其他借貸成本則於產生的期間於損益內確認為支出。

屬於合資格資產成本一部份之借貸成本乃於資產之開支產生、借貸成本產生及有關使資產投入其擬定用途或銷售所需之準備工作進行時開始資本化。倘所有使合資格資產投入其擬定用途或銷售所需之必要活動大致上中斷或完成時，則暫停或停止將借貸成本資本化。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (x) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).

#### 1 重要會計政策 (續)

##### (x) 關連方

(a) 倘一名人士符合下列條件，則該人士（或該人士家庭的近親成員）屬與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 屬本集團或本集團母公司主要管理人員的成員。

(b) 倘出現下列情況，一間實體屬與本集團有關連：

- (i) 該實體與本集團為同一集團的成員（即每一間母公司、附屬公司及同系附屬公司相互關連）。
- (ii) 一間實體屬另一間實體的聯營公司或合營公司（或屬某集團成員的聯營公司或合營公司，其中另一間實體為該集團成員）。
- (iii) 兩間實體皆為同一名第三方的合營公司。
- (iv) 一間實體為第三方實體的合營公司及另一實體為第三方實體的聯營公司。
- (v) 該實體乃以本集團或本集團關連實體為受益人的僱員退休後福利計劃。
- (vi) 該實體被屬(a)項的人士控制或共同控制。

## 1 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### (x) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a company of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### (y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

## 1 重要會計政策 (續)

### (x) 關連方 (續)

- (b) 倘出現下列情況，一間實體屬與本集團有關連：(續)
- (vii) 屬(a)(i)項的人士對該實體有重大影響或屬該實體（或屬該實體的母公司）主要管理人員的成員。
- (viii) 該實體或其所屬公司的任何成員向本集團或本集團的母公司提供主要管理人員服務。

個人的近親家庭成員指預期可對該個人與實體進行交易時作出影響，或受該個人影響的家庭成員。

### (y) 分部報告

經營分部及財務報表所呈報的各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務資料而確定。

就財務報告而言，個別重要經營分部不會綜合呈報，除非此等分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用的方式及監管環境性質方面類似。倘個別並非屬重大的經營分部共同擁有上述大部份特徵，則可綜合計算。



## 2 ACCOUNTING JUDGEMENT AND ESTIMATES

Notes 13, 16, 17, 24 and 29 contain information about the assumptions and their risk factors relating to impairment of goodwill, net realisable value of inventories, impairment of trade and other receivables, fair value of share options granted and fair value of financial instruments. Other key source of estimation uncertainty is as follows:

### (i) Impairment of non-current assets

If circumstances indicate that the carrying value of a non-current asset may not be recoverable, the asset may be considered impaired, and an impairment loss may be recognised in profit or loss. The carrying amounts of non-current assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable, except for goodwill which is tested on an annual basis. When such a decline has occurred, the carrying amount is reduced to the recoverable amount.

In considering the impairment losses that may be required for certain of the Group's assets which include property, plant and equipment (including right-of-use assets) and goodwill, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the fair value less costs to sell and the value in use. It is difficult to precisely estimate fair value less costs of disposal because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling price and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or, except for goodwill, reversal of impairment in future periods.

## 2 會計判斷及估計

附註13、16、17、24及29載有與商譽減值、存貨可變現淨值、應收貿易賬款及其他應收款項減值、授出購股權之公允值以及金融工具之公允值有關之假設及其風險因素。以下為其他主要估計不明朗因素來源：

### (i) 非流動資產減值

倘情況顯示非流動資產的賬面值可能無法收回，則該資產可能被視為減值，並可能於損益內確認減值虧損。非流動資產的賬面值定期接受審閱，以評估可收回金額是否已低於賬面值。倘有事件或情況變動顯示已入賬的賬面值可能無法收回，則對該等資產進行減值測試（除以年度基準進行測試的商譽外）。倘發生有關減少，則賬面值減至可收回金額。

當考慮對本集團若干資產，包括物業、廠房及設備（包括使用權資產）以及商譽計提減值虧損時，須釐定該等資產的可收回金額。可收回金額乃按公允值減銷售成本與使用價值之較高者釐定。由於本集團資產的市場報價並非隨時可得，故公允值減出售成本難以準確估計。於釐定使用價值時，資產所產生的預期現金流乃貼現至其現值，因此需要就銷量水平、銷售價格及運營成本金額等項目作出重大判斷。本集團運用所有現時可得資料（包括基於合理及有力假設及對銷量、售價及運營成本金額等項目之預測）釐定可收回金額的合理近似金額。有關估計之變動可對資產之賬面值產生重大影響，並可於未來期間導致額外減值開支或減值撥回（商譽除外）。

## 2 ACCOUNTING JUDGEMENT AND ESTIMATES *(Continued)*

### (ii) Income tax

Determining income tax provisions involves judgement regarding the future tax treatment of certain transactions. The management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of these transactions is reconsidered periodically to take into account changes in tax legislation. Deferred tax assets are recognised for deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

## 3 REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are retail of watches and jewellery with comprehensive related customer services and maintenance, manufacturing of watch accessories, and provision of shop design and decoration service.

Turnover represents the sales value of goods sold to customers, net of value added tax and deduction of any sales discounts and returns.

The Group's customer base is diversified and at the end of reporting period 17% and 25% of the Group's revenue come from the largest customer and top five customers respectively.

## 2 會計判斷及估計 (續)

### (ii) 所得稅

釐定所得稅撥備涉及對若干交易之日後稅務處理判斷。管理層謹慎評估交易的稅務涵義並因此設立稅務撥備。該等交易稅務處理在考慮稅務法律所有變動後定期重新決定。可扣稅項暫時差異確認為遞延稅項資產。由於該等遞延稅項資產只可在日後可能有應課稅溢利可供使用的情况下才可確認，故需要管理層的判斷評估日後應課稅溢利的可能性。管理層評估會定期審閱，而倘日後應課稅溢利可補償遞延稅項資產，則確認額外遞延稅項資產。

## 3 收入及分部報告

### (a) 收入

本集團之主要業務為零售手錶和珠寶、全面的相關客戶服務暨維修、手錶配套產品製造及提供店舖設計及裝修服務。

銷售額指售予客戶貨品的銷售價值減去增值稅，並扣除任何銷售折扣及退貨。

本集團的客戶基礎多元化，且於報告期末，本集團收入的17%及25%分別來自最大客戶及五大客戶。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**3 REVENUE AND SEGMENT REPORTING**

(Continued)

**(a) Revenue (Continued)**

Further details regarding the Group's principal activities are disclosed in note 3(b).

**(i) Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

**3 收入及分部報告 (續)**

**(a) 收入 (續)**

本集團主要業務之其他詳情於附註3(b)披露。

**(i) 收入細分**

按主要產品或服務線劃分之客戶合約收入細分如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>	<b>來自客戶合約之收入 (香港財務報告準則第15號範圍內)</b>		
Disaggregated by major products or service lines	按主要產品或服務線細分		
– Revenue from sales of watches and jewellery	– 來自銷售手錶及珠寶之收入	1,678,209	2,093,852
– Revenue from manufacturing of watches accessories	– 來自製造手錶配套產品之收入	376,598	382,958
– Revenue from provision of shop design and decoration service	– 來自提供店舖設計及裝修服務之收入	211,943	197,816
– Revenue from other business	– 來自其他業務之收入	150,431	12,622
		<b>2,417,181</b>	<b>2,687,248</b>
<b>Revenue from other sources</b>	<b>其他來源收入</b>		
Gross rentals from investment properties	來自投資物業之租金總收入	2,640	2,852
		<b>2,419,821</b>	<b>2,690,100</b>

Revenue from provision of shop design and decoration service is recognised progressively over time.

來自提供店舖設計及裝修服務之收入隨時間推移確認。

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 3(b)(iii).

按地區市場劃分之客戶合約收入細分於附註3(b)(iii)披露。

### 3 REVENUE AND SEGMENT REPORTING

(Continued)

#### (a) Revenue (Continued)

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for shop design and decoration service as the remaining performance obligations of the contracts had an original expected duration of one year or less.

#### (b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography (mainly in Hong Kong and Taiwan/Malaysia).

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, given the importance of retail division to the Group, the Group's retail business is separated into the two reportable segments on a geographical and products and services basis, as the divisional managers for each of these regions report directly to the senior executive team. All segments primarily derive their retail revenue through their own retail network. No operating segments have been aggregated to form the reportable segments.

### 3 收入及分部報告 (續)

#### (a) 收入 (續)

- (ii) 產生自與報告日期現存客戶所訂合約的收入，預期將於日後確認

本集團已就店舖設計及裝修服務的銷售合約應用香港財務報告準則第15號第121段的可行權宜方法，因有關合約之餘下履約責任的原預期期限為一年或更短。

#### (b) 分部報告

本集團透過生產線（產品及服務）及按地區（主要位於香港及台灣／馬來西亞）成立之分部管理業務。

按與向本集團最高層行政管理人員就資源分配及表現評估之內部報告資料一致之方式，鑒於本集團零售分部之重要性，本集團之零售業務按地區以及產品及服務分為兩個呈報分部，原因為該等地區之各分區經理均直接向高層行政團隊匯報。所有分部均主要透過其本身之零售網絡而產生其零售收入。本集團並無合併營運分部，以組成呈報分部。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 3 REVENUE AND SEGMENT REPORTING

*(Continued)*

#### (b) Segment reporting *(Continued)*

##### (i) Segment results and assets

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the profit or loss and assets attributable to each reportable segment on the following basis:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. However, other than reporting inter-segment sales, assistance provided by one segment to another, including sharing of assets, is not measured.

The measure used for reporting segment profit is "gross profit".

Segment assets represent inventories only, without eliminating the unrealised inter-segment profits.

### 3 收入及分部報告 (續)

#### (b) 分部報告 (續)

##### (i) 分部業績及資產

為評估分部表現及於分部間分配資源，本集團最高層行政管理人員按下列基準監察各個呈報分部之損益及資產：

收入及開支乃參考呈報分部產生之銷售及該等分部產生之開支分配至有關分部。然而，除呈報分部間銷售外，某一分部向另一分部提供之協助（包括共用資產）並不計算在內。

用於呈報分部溢利之表示方式為「毛利」。

分部資產僅指存貨，並未撇除未實現之分部間溢利。

### 3 REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

##### (i) Segment results and assets (Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2019 and 2018 is set out below.

### 3 收入及分部報告 (續)

#### (b) 分部報告 (續)

##### (i) 分部業績及資產 (續)

截至二零一九年及二零一八年十二月三十一日止年度就資源分配及分部表現評估向本集團最高層行政管理人員提供之本集團呈報分部資料載列如下。

		Retail 零售				All others 所有其他		Total 總計	
		Hong Kong 香港		Taiwan/Malaysia 台灣/馬來西亞					
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年
		(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)
		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	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue from external customers	來自外部客戶之收入	1,461,994	1,898,353	216,215	195,499	738,972	593,396	2,417,181	2,687,248
Inter-segment revenue	分部間收入	30,467	13	656	-	102,286	103,458	133,409	103,471
Reportable segment revenue	呈報分部收入	1,492,461	1,898,366	216,871	195,499	841,258	696,854	2,550,590	2,790,719
Reportable segment gross profit	呈報分部毛利	217,626	300,444	43,613	47,298	129,265	113,804	390,504	461,546
Reportable segment assets	呈報分部資產	1,020,649	1,072,647	167,353	193,898	121,779	136,752	1,309,781	1,403,297

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

### 3 REVENUE AND SEGMENT REPORTING

*(Continued)*

#### (b) Segment reporting *(Continued)*

##### (i) Segment results and assets *(Continued)*

The retail segment in Hong Kong is mainly engaged in the retail of watch and jewellery in Hong Kong. During the year ended 31 December 2019, impairment losses of RMB 168,695,000 and RMB151,215,000 was recognised to reduce the carrying amount of the goodwill and property, plant and equipment allocated to this segment (see note 11 and 13).

The retail segment in Taiwan/Malaysia is mainly engaged in the retail of watch and jewellery in Taiwan region and Malaysia. During the year ended 31 December 2019, an impairment loss of RMB 20,942,000 was recognised to reduce the carrying amount of the property, plant and equipment allocated to this segment (see note 11).

Results and assets of the segment below the quantitative thresholds ("All others") are mainly attributable to watch accessories manufacturing business and shop design and decoration business.

### 3 收入及分部報告 (續)

#### (b) 分部報告 (續)

##### (i) 分部業績及資產 (續)

香港零售分部主要從事香港的手錶及珠寶零售。截至二零一九年十二月三十一日止年度，減值虧損人民幣168,695,000元及人民幣151,215,000元已確認減少分配予該分部的商譽以及物業、廠房及設備的賬面值（請參見附註11及13）。

台灣／馬來西亞零售分部主要從事台灣地區及馬來西亞的手錶及珠寶零售。截至二零一九年十二月三十一日止年度，減值虧損人民幣20,942,000元已確認減少分配予該分部的物業、廠房及設備的賬面值（請參見附註11）。

低於數量化最低要求之分部業績及資產（「所有其他」）主要來自手錶配套產品製造業務及店舖設計及裝修業務。

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**3 REVENUE AND SEGMENT REPORTING**  
(Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment revenues, profit or loss and assets

**3 收入及分部報告 (續)**

(b) 分部報告 (續)

(ii) 呈報分部收入、損益及資產之對賬

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>		
Revenue for reportable segments	呈報分部收入	1,709,332	2,093,865
Revenue for other segments	其他分部收入	841,258	696,854
Elimination of inter-segment revenue	抵銷分部間收入	(133,409)	(103,471)
Consolidated revenue	綜合收入	2,417,181	2,687,248
<b>Profit</b>	<b>溢利</b>		
Gross profit for reportable segments	呈報分部毛利	261,239	347,742
Gross profit for other segments	其他分部毛利	129,265	113,804
		390,504	461,546
Other revenue	其他收入	47,493	41,411
Other net loss	其他虧損淨額	(338,066)	(4,454)
Distribution costs	分銷成本	(261,342)	(251,977)
Administrative expenses	行政費用	(164,442)	(140,414)
Finance costs	財務成本	(11,189)	(2,431)
Consolidated (loss)/profit before taxation	綜合除稅前(虧損)/溢利	(337,042)	103,681

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**3 REVENUE AND SEGMENT REPORTING**

(Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment revenues, profit or loss and assets (Continued)

**3 收入及分部報告 (續)**

(b) 分部報告 (續)

(ii) 呈報分部收入、損益及資產之對賬 (續)

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Assets</b>	<b>資產</b>		
Assets for reportable segments (inventories)	呈報分部資產 (存貨)	1,188,002	1,266,545
Assets for other segments (inventories)	其他分部資產 (存貨)	121,779	136,752
Elimination of unrealised inter-segment profit	抵銷未變現分部間溢利	(23)	(46)
		<b>1,309,758</b>	<b>1,403,251</b>
Trade, other receivables, prepayment and deposits	應收貿易賬款、其他應收款項、預付款項及按金	437,596	331,095
Current tax recoverable	本期可收回稅項	2,192	-
Cash and cash equivalents	現金及現金等價物	1,165,169	1,551,003
Deposits with banks	銀行存款	548,115	638,211
Investment properties	投資物業	137,738	141,419
Property, plant and equipment	物業、廠房及設備	538,087	443,660
Intangible assets	無形資產	1,724	1,956
Goodwill	商譽	66,502	233,594
Other investments	其他投資	400,184	168,696
Deferred tax assets	遞延稅項資產	34,003	7,144
Consolidated total assets	綜合總資產	<b>4,641,068</b>	<b>4,920,029</b>

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。

### 3 REVENUE AND SEGMENT REPORTING

(Continued)

#### (b) Segment reporting (Continued)

##### (iii) Geographic information

The following table sets out information about the geographical locations of (i) the Group's revenue from external customers and (ii) the Group's investment properties, property, plant and equipment, intangible assets, goodwill, prepayment and deposits and other investments ("specified non-current assets"). The geographical locations of customers are based on the locations at which the services were provided or the goods delivered. The geographical locations of the specified non-current assets are based on the physical locations of the assets, in the case of property, plant and equipment, the locations of operations to which they are allocated, in the case of intangible assets and goodwill, and the locations of operations, in the case of prepayment and deposits and other investments.

The Group's businesses are mainly managed in three principal economic environments, Mainland China, Hong Kong and Taiwan/Malaysia.

### 3 收入及分部報告 (續)

#### (b) 分部報告 (續)

##### (iii) 地區資料

下表載列有關(i)本集團來自外部客戶之收入及(ii)本集團的投資物業、物業、廠房及設備、無形資產、商譽、預付款項及按金以及其他投資(「指定非流動資產」)所在地區的資料。客戶所在地區按提供服務或貨品付運地點劃分。就物業、廠房及設備而言，指定非流動資產的所在地區按資產實際所在地點劃分；就無形資產及商譽而言，按其分配的營運地點劃分；就預付款項及按金以及其他投資而言，按營運所在地點劃分。

本集團主要在三個主要經濟地區，即中國內地、香港及台灣／馬來西亞進行業務。

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Revenue from external customers</b>	<b>來自外部客戶之收入</b>		
Hong Kong	香港	1,612,425	1,912,296
Mainland China	中國內地	588,541	579,453
Taiwan/Malaysia	台灣／馬來西亞	216,215	195,499
Total	總計	2,417,181	2,687,248
<b>Specified non-current assets</b>	<b>指定非流動資產</b>		
Hong Kong	香港	536,144	441,291
Mainland China	中國內地	508,858	439,718
Taiwan/Malaysia	台灣／馬來西亞	120,566	127,692
Total	總計	1,165,568	1,008,701

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

4 OTHER REVENUE AND NET LOSS

4 其他收益及虧損淨額

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>(a) Other revenue</b>	<b>(a) 其他收益</b>		
Interest income	利息收入	31,915	32,238
Dividend income from other investments (note 15)	來自其他投資的股息收入 (附註15)	7,309	-
Rental income from investment properties	來自投資物業之租金收入	2,640	2,852
Rental income from operating leases, other than those relating to investment properties	經營租賃之租金收入， 與投資物業有關者除外	732	71
Government grants	政府補貼	742	1,242
Others	其他	4,155	5,008
		<b>47,493</b>	<b>41,411</b>

In 2019, the Group successfully applied for funding support set up by the Shanghai Government. The purpose of the fund is to grant financial assistance to commercial entities whose profitability meet certain criteria.

於二零一九年，本集團成功申請了由上海政府設立的資助項目。該資金的目的是向盈利能力符合既定標準的商業實體提供財政援助。

<b>(b) Other net loss</b>	<b>(b) 其他虧損淨額</b>		
Impairment of goodwill (note 13)	商譽減值 (附註13)	(168,695)	-
Impairment of property, plant and equipment (note 11)	物業、廠房及設備減值 (附註11)	(172,157)	-
Net foreign exchange gain/(loss)	外匯兌換收益/(虧損)淨額	3,254	(4,508)
Net (loss)/gain on disposal of property, plant and equipment	出售物業、廠房及 設備 (虧損)/收益淨額	(468)	54
		<b>(338,066)</b>	<b>(4,454)</b>

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**5 (LOSS)/PROFIT BEFORE TAXATION**

(Loss)/profit before taxation is arrived at after charging:

**5 除稅前（虧損）／溢利**

除稅前（虧損）／溢利經扣除以下項目後得出：

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>(a) Finance costs</b>	<b>(a) 財務成本</b>		
Interest on bank loans	銀行貸款利息	4,819	2,070
Interest on lease liabilities	租賃負債利息	5,678	-
Bank charges	銀行費用	692	361
		<b>11,189</b>	<b>2,431</b>
<b>(b) Staff costs</b>	<b>(b) 員工成本</b>		
Salaries, wages and other benefits	薪金、工資及其他利益	145,183	118,580
Contributions to defined contribution retirement plans	定額供款退休計劃供款	14,930	12,521
		<b>160,113</b>	<b>131,101</b>
<b>(c) Other items</b>	<b>(c) 其他項目</b>		
Amortisation of intangible assets (note 12)	無形資產攤銷 (附註12)	504	579
Depreciation	折舊		
– Investment properties and property, plant and equipment (note 11)	– 投資物業及物業、廠房及設備 (附註11)	36,091	32,948
– Right-of-use assets (note 11)	– 使用權資產 (附註11)	101,251	-
Impairment losses of	減值虧損		
– Trade receivables	– 應收貿易賬款	156	2,710
– Other receivables	– 其他應收款項	1,505	696
– Goodwill (note 13)	– 商譽 (附註13)	168,695	-
– Property, plant and equipment (note 11)	– 物業、廠房及設備 (附註11)	172,157	-
Total minimum lease payments for leases previously classified as operating leases under HKAS 17*	先前根據香港會計準則第17號分類為經營租賃之租賃的最低租賃付款總額*	-	134,613
Expenses relating to short-term leases and leases of low-value assets	有關短期租賃及低價值資產租賃的開支	31,335	-
Variable lease payments not included in the measurement of lease liabilities	未計入租賃負債計量的可變租賃付款	482	1,923
Auditors' remuneration	核數師酬金	3,174	2,708
Cost of inventories#	存貨成本#	2,026,677	2,225,702



## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 5 (LOSS)/PROFIT BEFORE TAXATION

(Continued)

- \* The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See Note 1(c).
- # Cost of inventories includes RMB85,646,000 (2018: RMB88,642,000) relating to staff costs, depreciation and amortisation expenses and operating lease charges respectively, which amounts are also included in the respective total amounts disclosed separately above or in note 5(b) for each type of expenses.

#### 5 除稅前（虧損）／溢利（續）

- \* 本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號並調整期初結餘以確認先前根據香港會計準則第17號分類為經營租賃的有關租賃之使用權資產。於二零一九年一月一日初步確認使用權資產後，本集團（作為承租人）須確認使用權資產折舊，而非根據過往政策於租賃期內按直線法確認根據經營租賃所產生之租賃開支。於此方式下，比較資料並無重列。請參見附註1(c)。
- # 存貨成本包括分別與員工成本、折舊及攤銷開支以及經營租賃費用有關的人民幣85,646,000元（二零一八年：人民幣88,642,000元），該金額亦計入就各類開支於上文或附註5(b)單獨披露的各總金額。

**6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

**6 綜合損益表之所得稅**

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表內之稅項為：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Current tax – Hong Kong Profits Tax</b>	<b>本期稅項 – 香港利得稅</b>		
Provision for the year	本年度撥備	3,596	15,961
(Over)/under-provision in respect of prior years	過往年度(過度撥備)/撥備不足	(721)	102
		2,875	16,063
<b>Current tax – Overseas</b>	<b>本期稅項 – 海外</b>		
Provision for PRC Corporate Income Tax for the year	本年度中國企業所得稅撥備	9,620	10,052
Provision for Taiwan Income Tax for the year	本年度台灣所得稅撥備	239	49
Under-provision in respect of prior years	過往年度撥備不足	150	–
Withholding tax	預扣稅	–	123
		10,009	10,224
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences (note 25)	暫時差異之產生及撥回 (附註25)	(25,809)	(1,855)
<b>Total</b>	<b>總計</b>	<b>(12,925)</b>	<b>24,432</b>



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

6 INCOME TAX IN THE CONSOLIDATED  
STATEMENT OF PROFIT OR LOSS

(Continued)

(b) Reconciliation between tax expense and  
accounting profit/(loss) at applicable tax rates:

6 綜合損益表之所得稅 (續)

(b) 稅項開支與按適用稅率計算之會計  
溢利／(虧損)對賬：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
(Loss)/profit before taxation	除稅前(虧損)／溢利	(337,042)	103,681
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	除稅前(虧損)／溢利之名義 稅項，按有關司法權區之 溢利適用稅率計算	(51,719)	19,387
Tax effect of non-taxable income	毋須繳稅收入之稅項影響	(4,531)	(2,296)
Tax effect of non-deductible expenses	不可扣稅開支之稅項影響	35,141	2,198
(Over)/under-provision in respect of prior years	過往年度(過度撥備)／撥備 不足	(571)	102
Effect of tax losses not recognised	並未確認之稅項虧損之影響	8,755	5,041
Actual tax expense	實際稅項開支	(12,925)	24,432

## 6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Continued)

### (b) Reconciliation between tax expense and accounting profit/(loss) at applicable tax rates:

(Continued)

Pursuant to the rules and regulations of the Cayman Islands, the Company is exempt from income tax in the Cayman Islands. In addition, subsidiaries located in jurisdictions other than Hong Kong, Mainland China, Taiwan and Malaysia are not subject to any income tax in these jurisdictions.

The provision for Hong Kong Profits Tax is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HKD2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision of the Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2018.

The provision for Hong Kong Profits Tax for 2019 is taken into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year assessment 2018/19 subject to a maximum reduction of HKD20,000 for each business (2018: a maximum reduction of HKD30,000 was granted for the year of assessment 2017/18 and was taken into account in calculating the provision for 2018).

The applicable income tax rate of the Group's Mainland China subsidiaries is 25% (2018: 25%) for the year.

The provision for Taiwan Income Tax is calculated at 20% (2018: 20%) of the estimated assessable profits for the year.

The provision for Malaysia Income Tax is calculated at 24% (2018: 24%) of the estimated assessable profits for the year.

## 6 綜合損益表之所得稅 (續)

### (b) 稅項開支與按適用稅率計算之會計溢利／(虧損)對賬：(續)

根據開曼群島規則及法規，本公司獲豁免繳納開曼群島所得稅。此外，位於香港、中國內地、台灣及馬來西亞以外司法權區的附屬公司亦毋須繳納該等司法權區的任何所得稅。

香港利得稅撥備乃按年內之估計應課稅溢利之16.5% (二零一八年：16.5%) 計算，惟本集團一間身為利得稅兩級制合資格企業之附屬公司除外。

就此附屬公司而言，首2百萬港元應課稅溢利以8.25%的稅率徵稅，而餘下應課稅溢利以16.5%的稅率徵稅。此附屬公司之香港利得稅撥備乃按與二零一八年相同的基準計算。

二零一九年香港利得稅撥備乃經計及香港特別行政區政府推出的二零一八／一九評估年度應付稅項75%調減，惟各業務的最高調減額為20,000港元 (二零一八年：於二零一七／一八評估年度獲授30,000港元的最高調減額，並於計算二零一八年之撥備時計入)。

年內本集團中國內地附屬公司的適用所得稅率為25% (二零一八年：25%)。

台灣所得稅撥備乃按年內之估計應課稅溢利之20% (二零一八年：20%) 計算。

馬來西亞所得稅撥備乃按年內之估計應課稅溢利之24% (二零一八年：24%) 計算。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

### 7 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下:

		Directors' fee	Salaries, allowances, share award scheme and other benefits <sup>#</sup>	Contributions to retirement benefit plans	Total
		董事袍金	薪金、津貼、股份獎勵計劃及其他利益 <sup>#</sup>	退休福利計劃供款	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 (note 23) (附註23)	人民幣千元
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度				
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Zhang Yuping	張瑜平先生	212	8,093	16	8,321
Mr. Huang Yonghua	黃永華先生	159	3,932	–	4,091
Mr. Lee Shu Chung Stan	李樹忠先生	159	7,016	16	7,191
<b>Non-executive Directors</b>	<b>非執行董事</b>				
Mr. Shi Zhongyang	史仲陽先生	88	–	–	88
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Cai Jianmin	蔡建民先生	88	–	–	88
Mr. Wong Kam Fai, William	黃錦輝先生	88	–	–	88
Mr. Liu Xueling	劉學靈先生	88	–	–	88
<b>Total</b>	<b>總計</b>	<b>882</b>	<b>19,041</b>	<b>32</b>	<b>19,955</b>

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

7 DIRECTORS' EMOLUMENTS (Continued)

7 董事酬金 (續)

		Directors' fee	Salaries, allowances, share award scheme and other benefits#	Contributions to retirement benefit plans	Total
		董事袍金	薪金、津貼、股份獎勵計劃及其他利益#	退休福利計劃供款	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
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度			(note 23) (附註23)	
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Zhang Yuping	張瑜平先生	203	3,605	15	3,823
Mr. Huang Yonghua	黃永華先生	152	2,469	-	2,621
Mr. Lee Shu Chung Stan	李樹忠先生	152	1,736	15	1,903
<b>Non-executive Directors</b>	<b>非執行董事</b>				
Mr. Shi Zhongyang	史仲陽先生	85	-	-	85
Ms. Chen Jun (resigned on 9 April 2018)	陳軍女士 (於二零一八年四月九日辭任)	23	-	-	23
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Cai Jianmin	蔡建民先生	85	-	-	85
Mr. Wong Kam Fai, William	黃錦輝先生	85	-	-	85
Mr. Liu Xueling	劉學靈先生	85	-	-	85
<b>Total</b>	<b>總計</b>	<b>870</b>	<b>7,810</b>	<b>30</b>	<b>8,710</b>

# As disclosed in note 24(b), during the year ended 31 December 2019, the Company granted certain shares to its directors under the share award scheme and the corresponding expenses of RMB7,265,000 (2018: RMB171,000) were included in the salaries, allowances share award scheme and other benefits.

# 如附註24(b)所披露，截至二零一九年十二月三十一日止年度，本公司根據股份獎勵計劃向其董事授出若干股份，相應開支人民幣7,265,000元（二零一八年：人民幣171,000元）計入薪金、津貼、股份獎勵計劃及其他利益。

Save as disclosed above, no directors' remuneration has been paid or is payable by the Group during the years ended 31 December 2019 and 2018. There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2019 and 2018.

除上文所披露者外，截至二零一九年及二零一八年十二月三十一日止年度，本集團並無任何已付或應付董事酬金。董事並無放棄或同意放棄任何截至二零一九年及二零一八年十二月三十一日止年度之酬金安排。

During the years ended 31 December 2019 and 2018, there were no amounts paid or payable by the Group to the directors or any of the five highest paid individuals set out in note 8 below as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一九年及二零一八年十二月三十一日止年度，本集團並無已付或應付予董事或任何五名最高薪人士（載於下文附註8）的款項，作為加入本集團之獎勵或作為離職之補償。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**8 INDIVIDUALS WITH HIGHEST EMOLUMENTS**

Of the five individuals with the highest emoluments, three (2018: three) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2018: two) individuals are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	5,705	3,941
Contributions to retirement benefit plans	退休福利計劃供款	32	34
Discretionary bonuses	酌情花紅	-	-
		<b>5,737</b>	<b>3,975</b>

The emoluments of the two (2018: two) individuals, other than directors, with the highest emoluments are within the following bands:

**8 最高薪人士**

五名最高薪人士當中，三名（二零一八年：三名）為董事，其薪酬於附註7披露。其餘兩名（二零一八年：兩名）人士之薪酬總計如下：

擁有最高酬金之兩名（二零一八年：兩名）人士（董事除外）之酬金介乎下列範圍：

		2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
Hong Kong Dollars ("HKD")	港元（「港元」）		
1,500,001 – 2,000,000	1,500,001 – 2,000,000	-	1
2,000,001 – 2,500,000	2,000,001 – 2,500,000	-	-
2,500,001 – 3,000,000	2,500,001 – 3,000,000	1	1
3,000,001 – 3,500,000	3,000,001 – 3,500,000	1	-

**9 OTHER COMPREHENSIVE INCOME**

**(a) Tax effect relating to other comprehensive income**

No tax effect is credited to other comprehensive income for the year ended in December 2019 and 2018.

**(b) Components of other comprehensive income, including reclassification adjustments**

**9 其他全面收入**

**(a) 有關其他全面收入的稅務影響**

截至二零一九年及二零一八年十二月三十一日止年度，概無稅項影響計入其他全面收入。

**(b) 其他全面收入組成部分（包括重新分類調整）**

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Equity investments at FVOCI:	通過其他全面收入按公允價值計量之股本投資：		
Changes in fair value recognised during the year (note 15)	年內確認之公允價值變動 (附註15)	10,498	(233,654)
Net movement in the fair value reserve (non-recycling) during the year recognised in other comprehensive income	於其他全面收入確認之年內公允價值儲備變動淨額 (不可轉入損益)	10,498	(233,654)



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**10 (LOSSES)/EARNINGS PER SHARE**

**(a) Basic (losses)/earnings per share**

The calculation of basic (losses)/earnings per share is based on the loss attributable to equity shareholders of the Company of RMB332,520,000 (2018: profit of RMB68,746,000) and the weighted average of 4,653,379,288 ordinary shares (2018: 4,665,883,432 ordinary shares) in issue during the year, calculated as follows:

(i) Weighted average number of ordinary shares

		2019 二零一九年	2018 二零一八年
Issued ordinary shares at 1 January	於一月一日之已發行普通股	4,662,666,959	4,684,526,959
Effect of shares repurchased	股份購回之影響	-	(12,311,210)
Effect of shares under share award scheme	根據股份獎勵計劃購買股份之影響	(9,287,671)	(6,332,317)
Weighted average number of ordinary shares at 31 December	於十二月三十一日普通股加權平均股數	4,653,379,288	4,665,883,432

(ii) Consolidated (loss)/profit attributable to ordinary equity shareholders of the Company

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
(Loss)/profit attributable to equity shareholders of the Company	本公司股份持有人應佔(虧損)/溢利	(332,520)	68,746

(iii) (Losses)/earnings per share

		2019 二零一九年	2018 二零一八年
Basic (losses)/earnings per share	每股基本(虧損)/盈利	RMB(0.071) 人民幣(0.071)元	RMB0.015 人民幣0.015元

**(b) Diluted (losses)/earnings per share**

There were no dilutive potential ordinary shares during the years ended 31 December 2019 and 2018, and therefore, diluted (losses)/earnings per share are the same as basic (losses)/earnings per share.

**10 每股(虧損)/盈利**

**(a) 每股基本(虧損)/盈利**

每股基本(虧損)/盈利乃根據本公司股份持有人應佔虧損人民幣332,520,000元(二零一八年:溢利人民幣68,746,000元)及年內已發行加權平均股數4,653,379,288股普通股(二零一八年:4,665,883,432股普通股)計算,計算如下:

(i) 普通股加權平均股數

		2019 二零一九年	2018 二零一八年
Issued ordinary shares at 1 January	於一月一日之已發行普通股	4,662,666,959	4,684,526,959
Effect of shares repurchased	股份購回之影響	-	(12,311,210)
Effect of shares under share award scheme	根據股份獎勵計劃購買股份之影響	(9,287,671)	(6,332,317)
Weighted average number of ordinary shares at 31 December	於十二月三十一日普通股加權平均股數	4,653,379,288	4,665,883,432

(ii) 本公司普通股股東應佔綜合(虧損)/溢利

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
(Loss)/profit attributable to equity shareholders of the Company	本公司股份持有人應佔(虧損)/溢利	(332,520)	68,746

(iii) 每股(虧損)/盈利

		2019 二零一九年	2018 二零一八年
Basic (losses)/earnings per share	每股基本(虧損)/盈利	RMB(0.071) 人民幣(0.071)元	RMB0.015 人民幣0.015元

**(b) 每股攤薄(虧損)/盈利**

截至二零一九年及二零一八年十二月三十一日止年度,並無攤薄潛在普通股,故每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同。

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11 INVESTMENT PROPERTIES, PROPERTY,  
PLANT AND EQUIPMENT

11 投資物業、物業、廠房及設備

		Land and buildings	Right-of-use assets	Leasehold improvements	Motor vehicles	Office equipment and other fixed assets 辦公室設備 及其他	Construction in progress	Sub-total	Investment properties	Total
		土地及樓宇 RMB'000 人民幣千元	使用權資產 RMB'000 人民幣千元	租賃裝修 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	固定資產 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	小計 RMB'000 人民幣千元	投資物業 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本:</b>									
Balance at 1 January 2018	於二零一八年一月一日之結餘	310,012	-	64,298	42,227	119,088	8,559	544,184	147,247	691,431
Exchange adjustments	匯兌調整	5,553	-	1,650	2,271	1,040	-	10,514	-	10,514
Additions	增置	1,251	-	14,490	1,965	14,788	51,577	84,071	-	84,071
Transfer from construction in progress	由在建工程轉入	8,570	-	2,547	-	2,182	(13,299)	-	-	-
Transfer to intangible assets (note 12)	轉入無形資產(附註12)	-	-	-	-	-	(772)	(772)	-	(772)
Disposals	出售	(1,978)	-	(5,318)	(1,772)	(20,239)	-	(29,307)	-	(29,307)
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	323,408	-	77,667	44,691	116,859	46,065	608,690	147,247	755,937
Impact on initial application of HKFRS 16 (Note)	首次應用香港財務報告準則第16號的影響(附註)	-	187,903	-	-	-	-	187,903	-	187,903
Balance at 1 January 2019	於二零一九年一月一日之結餘	323,408	187,903	77,667	44,691	116,859	46,065	796,593	147,247	943,840
Exchange adjustments	匯兌調整	5,225	3,775	966	822	1,462	(16)	12,234	-	12,234
Additions	增置	4,590	115,941	18,343	1,560	12,314	51,582	204,330	-	204,330
Additions through acquisition of a subsidiary	透過收購一間附屬公司之增置	-	8,409	-	-	1,467	-	9,876	-	9,876
Transfer from construction in progress	由在建工程轉入	-	-	1,732	-	6,280	(8,012)	-	-	-
Transfer to intangible assets (note 12)	轉入無形資產(附註12)	-	-	-	-	-	(272)	(272)	-	(272)
Decrease from disposal of a subsidiary	由出售一間附屬公司而減少	-	-	-	(875)	-	-	(875)	-	(875)
Disposals	出售	(1,230)	(2,456)	(4,808)	(820)	(5,786)	-	(15,100)	-	(15,100)
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	331,993	313,572	93,900	45,378	132,596	89,347	1,006,786	147,247	1,154,033
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>									
Balance at 1 January 2018	於二零一八年一月一日之結餘	(34,348)	-	(41,692)	(21,026)	(59,850)	-	(156,916)	(2,147)	(159,063)
Exchange adjustments	匯兌調整	(2,743)	-	(1,026)	(801)	(1,495)	-	(6,065)	-	(6,065)
Charge for the year	年度折舊	(6,283)	-	(8,125)	(3,241)	(11,618)	-	(29,267)	(3,681)	(32,948)
Written back on disposals	出售撥回	1,978	-	5,273	1,395	18,572	-	27,218	-	27,218
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	(41,396)	-	(45,570)	(23,673)	(54,391)	-	(165,030)	(5,828)	(170,858)
Balance at 1 January 2019	於二零一九年一月一日之結餘	(41,396)	-	(45,570)	(23,673)	(54,391)	-	(165,030)	(5,828)	(170,858)
Exchange adjustments	匯兌調整	(1,443)	(3,952)	(783)	(451)	(1,167)	-	(7,796)	-	(7,796)
Decrease from disposal of a subsidiary	由出售一間附屬公司而減少	-	-	-	708	-	-	708	-	708
Impairment loss	減值虧損	(16,945)	(129,443)	(18,260)	-	(7,509)	-	(172,157)	-	(172,157)
Charge for the year	年度折舊	(6,378)	(101,251)	(10,097)	(3,030)	(12,905)	-	(133,661)	(3,681)	(137,342)
Additions through acquisition of a subsidiary	透過收購一間附屬公司之增置	-	(1,148)	-	-	(548)	-	(1,696)	-	(1,696)
Written back on disposals	出售撥回	422	-	4,604	577	5,330	-	10,933	-	10,933
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	(65,740)	(235,794)	(70,106)	(25,869)	(71,190)	-	(468,699)	(9,509)	(478,208)
<b>Net book value:</b>	<b>賬面淨值:</b>									
At 31 December 2019	於二零一九年十二月三十一日	266,253	77,778	23,794	19,509	61,406	89,347	538,087	137,738	675,825
At 31 December 2018	於二零一八年十二月三十一日	282,012	-	32,097	21,018	62,468	46,065	443,660	141,419	585,079

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註: 本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下,比較資料並無重列。請參見附註1(c)。



**11 INVESTMENT PROPERTIES, PROPERTY,  
PLANT AND EQUIPMENT** (Continued)

**Impairment loss on property, plant and equipment  
(including leasehold right-of-use assets)**

In 2019, certain cash-generating units of the Hong Kong operation and outside Hong Kong operation recorded losses which indicate the related property, plant and equipment (including leasehold right-of-use assets) might have been impaired. As a result, the directors reviewed the recoverable amount of the relevant property, plant, and equipment (including leasehold right-of-use assets) and the carrying amount of such assets were written down to its recoverable amount of RMB168,860,000. An impairment loss of RMB172,157,000 was recognised in “other net loss”. The estimates of the recoverable amount were based on value in use of the cash-generating units to which these assets belong at discount rate of 14%.

- (i) The land owned by the Group is located in Taiwan, which has an indefinite useful life and therefore is not depreciated. The carrying amount of the land as at 31 December 2019 is RMB77,314,000 (2018: RMB87,484,000).
- (ii) The buildings owned by the Group are located in Mainland China, Hong Kong and Taiwan.
- (iii) As at 31 December 2019, land and buildings in Mainland China with carrying amount of RMB38,204,000 (2018: RMB41,123,000) and Taiwan with carrying amounts of RMB103,959,000 (2018: RMB118,251,000) were pledged to banks as security for certain loan facilities (see note 21).

**11 投資物業、物業、廠房及  
設備** (續)

**物業、廠房及設備(包括租賃使用權資  
產)的減值虧損**

於二零一九年，香港營運及香港營運外的若干現金產生單位錄得虧損，顯示有關物業、廠房及設備(包括租賃使用權資產)可能受到減值。因此，董事審視相關物業、廠房及設備(包括租賃使用權資產)的可收回金額及該等資產的賬面值已撇至其可收回金額人民幣168,860,000元。減值虧損人民幣172,157,000元已於「其他虧損淨額」中確認。可收回金額之估計乃基於該等資產所屬貼現率為14%的現金產生單位使用價值而作出。

- (i) 本集團擁有之土地位於台灣，擁有無限使用年期，因此並無折舊。於二零一九年十二月三十一日，該土地之賬面值為人民幣77,314,000元(二零一八年：人民幣87,484,000元)。
- (ii) 本集團擁有之樓宇位於中國內地、香港及台灣。
- (iii) 於二零一九年十二月三十一日，位於中國內地賬面值為人民幣38,204,000元(二零一八年：人民幣41,123,000元)及位於台灣賬面值為人民幣103,959,000元(二零一八年：人民幣118,251,000元)之土地及樓宇已作為若干貸款融資之擔保抵押予銀行(請參見附註21)。

**11 INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT** (Continued)

Impairment loss on property, plant and equipment (including leasehold right-of-use assets) (Continued)

(iv) Investment properties

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net book value of investment properties	投資物業之賬面淨值	137,738	141,419
Fair value of investment properties (level 3 fair value measurement using significant unobservable inputs)	投資物業之公允值 (第三級公允值採用重大不可觀察輸入項目計量)	195,015	182,340

As at 31 December 2019, the investment properties located in Shanghai, Mainland China, were rented out under terms of operating leases or held for capital appreciation. As at 31 December 2019, the fair value of the investment properties stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses is estimated at approximately RMB195,015,000 on an open market, existing use basis, by reference to recent sales price of comparable properties using market data which are publicly available and made adjustments to reflect the differences in the characteristics between the investment properties and the comparable properties. The fair value of the investment properties has not been evaluated by an independent firm of surveyors. The Group has adopted the cost model under HKAS 40, *Investment property*, to account for its investment properties, and accordingly, the carrying amounts of the investment properties were not adjusted to the revalued amount at the end of the reporting period.

**11 投資物業、物業、廠房及設備** (續)

物業、廠房及設備(包括租賃使用權資產)的減值虧損(續)

(iv) 投資物業

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net book value of investment properties	投資物業之賬面淨值	137,738	141,419
Fair value of investment properties (level 3 fair value measurement using significant unobservable inputs)	投資物業之公允值 (第三級公允值採用重大不可觀察輸入項目計量)	195,015	182,340

於二零一九年十二月三十一日，位於中國內地上海的投資物業根據經營租賃條款出租或持作資本增值。於二零一九年十二月三十一日，按成本減累計折舊及減值虧損於綜合財務狀況表入賬的投資物業的公允值估計約為人民幣195,015,000元，該公允值乃按公開市場現時用途基準並參考採用可公開獲得並作出調整以反映投資物業與可資比較物業之間的特徵差異的市場數據而得出的可資比較物業的近期銷售價而得出。投資物業的公允值未獲獨立測量師評級。本集團已採用香港會計準則第40號，*投資物業*，的成本模式入賬其投資物業，因此並無於報告期末將投資物業賬面值調整至重估金額。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**11 INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT** (Continued)

Impairment loss on property, plant and equipment (including leasehold right-of-use assets) (Continued)

(iv) Investment properties (Continued)

The fair values of the Group's properties located in the Mainland China are determined using market comparison approach by reference to recent sales price of comparable properties, adjusted for a discount specific to the quality of the Group's properties compared to the recent sales. Higher premium for higher quality properties will result in a higher fair value measurement.

(v) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

**11 投資物業、物業、廠房及設備** (續)

物業、廠房及設備(包括租賃使用權資產)的減值虧損(續)

(iv) 投資物業(續)

本集團位於中國內地物業的公允值乃按市場比較法釐定，經參考可比較物業之近期售價，並就本集團的物業質素對比近期銷售所得出的折讓作出調整。較高質素之物業溢價較高，將產生較高的公允值計量。

(v) 使用權資產

按相關資產分類之使用權資產賬面淨值之分析如下：

		31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元
	Notes 附註		
Other properties leased for own use, carried at depreciated and impaired cost	(i)	77,738	187,754
Plant, machinery and equipment, carried at depreciated cost	(ii)	40	149
		77,778	187,903

**11 INVESTMENT PROPERTIES, PROPERTY,  
PLANT AND EQUIPMENT** (Continued)

**Impairment loss on property, plant and equipment  
(including leasehold right-of-use assets)** (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

**11 投資物業、物業、廠房及  
設備** (續)

**物業、廠房及設備(包括租賃使用權資  
產)的減值虧損** (續)

有關於損益中確認的租賃之開支項目分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Note) (附註)
Depreciation charge of right-of-use assets by class of underlying asset:	以相關資產類別劃分的使用權資產折舊開支：		
Other properties leased for own use	租作自用的其他物業	101,135	-
Plant, machinery and equipment	廠房、機器及設備	116	-
		101,251	-
Interest on lease liabilities (note 5(a))	租賃負債利息 (附註5(a))	5,678	-
Impairment of right-of-use assets	使用權資產的減值	129,443	-
Expenses relating to short-term leases and leases of low-value assets	有關短期租賃及低價值資產租賃的開支	31,335	-
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	先前根據香港會計準則第17號分類為經營租賃之租賃的最低租賃付款總額	-	134,613
Variable lease payments not included in the measurement of lease liabilities	未計入租賃負債計量的可變租賃付款	482	1,923



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 11 INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT (Continued)

#### Impairment loss on property, plant and equipment (including leasehold right-of-use assets) (Continued)

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. The depreciated carrying amount of the finance lease assets which were previously included in property, plant and equipment is also identified as a right-of-use asset. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 1(c).

During the year, additions to right-of-use assets were RMB124,350,000. This amount primarily related to the capitalised lease payments payable under new tenancy agreements and acquisition from a subsidiary.

Details of total cash outflow for leases, the maturity analysis of lease liabilities are set out in notes 19(d) and 22, respectively.

#### i. Other properties leased for own use

The Group has obtained the right to use other properties as its warehouses and retail stores through tenancy agreements. The leases typically run for an initial period of 1 to 5 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities.

### 11 投資物業、物業、廠房及 設備 (續)

#### 物業、廠房及設備 (包括租賃使用權資產) 的減值虧損 (續)

附註：本集團已採用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日之期初結餘，以確認先前根據香港會計準則第17號分類為經營租賃之租賃的相關使用權資產。先前計入物業、廠房及設備之融資租賃資產的經折舊賬面值亦識別為使用權資產。於二零一九年一月一日初步確認使用權資產後，本集團（作為承租人）須確認使用權資產折舊，而非根據以往政策於租賃期內按直線基準確認根據經營租賃所產生之租賃開支。於此方式下，比較資料並無重列。請參見附註1(c)。

於年度內，添置使用權資產為人民幣124,350,000元。該金額主要與新租賃協議項下的資本化租賃付款及附屬公司收購有關。

租賃現金流出總額、租賃負債到期日分析的詳情乃分別載列於附註19(d)及22。

#### i. 租作自用的其他物業

透過租賃協議，本集團已獲取使用其他物業作為其倉庫及零售店的權利。該等物業之初步租賃期限一般為一至五年。

部分租賃包括於合約期結束時選擇續租的權利。在可行的情況下，本集團盡量爭取該等可由本集團行使的續租選擇權，以增加營運靈活性。本集團於租賃開始日期評估是否合理確定行使續租選擇權。倘本集團無法合理確定行使續租選擇權，則於延長期間的日後租賃付款將不計入租賃負債的計量。

**11 INVESTMENT PROPERTIES, PROPERTY,  
PLANT AND EQUIPMENT** (Continued)

**Impairment loss on property, plant and equipment  
(including leasehold right-of-use assets)** (Continued)

During the year ended 31 December 2019, the Group leased a number of retail stores which contain variable lease payment terms that are based on sales generated from the retail stores and minimum annual lease payment terms that are fixed. These payment terms are common in retail stores in Hong Kong where the Group operates. The amount of fixed and variable lease payments for the year is summarised below:

		Fixed payments 固定付款 RMB'000 人民幣千元	Variable payments 可變付款 RMB'000 人民幣千元	Total payments 付款總額 RMB'000 人民幣千元
Retail stores	零售店	155,645	482	156,127

At 31 December 2019, it is estimated that an increase in sales generated from these retail stores by 5% would have increased the lease payments by 0.3%.

ii. Other leases

The Group leases production vehicle motor under leases expiring of 2 years. None of the lease includes variable lease payments.

**11 投資物業、物業、廠房及  
設備** (續)

**物業、廠房及設備(包括租賃使用權資產)  
的減值虧損** (續)

於截至二零一九年十二月三十一日止年度，本集團租賃數間零售店，其租賃包括依零售店產生之銷售及固定最低年度租賃付款條款而定之可變租賃付款條款。該等付款條款於香港（本集團經營地點）零售店甚為常見。年內固定及可變租賃付款金額概述如下：

		Fixed payments 固定付款 RMB'000 人民幣千元	Variable payments 可變付款 RMB'000 人民幣千元	Total payments 付款總額 RMB'000 人民幣千元
Retail stores	零售店	155,645	482	156,127

於二零一九年十二月三十一日，估計於該等零售店產生的銷售額上升5%將會增加租賃付款0.3%。

ii. 其他租賃

本集團租賃生產汽車電機，其租賃期為兩年。該等租賃不包括可變租賃付款。



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12 INTANGIBLE ASSETS

12 無形資產

		Software licences 軟件特許權 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>		
Balance at 1 January 2018	於二零一八年一月一日之結餘	3,048	3,048
Exchange adjustments	匯兌調整	21	21
Additions	增置	415	415
Transfer from construction in progress (note 11)	由在建工程轉入(附註11)	772	772
Balance at 31 December 2018	於二零一八年十二月三十一日 之結餘	4,256	4,256
Balance at 1 January 2019	於二零一九年一月一日之結餘	4,256	4,256
Exchange adjustments	匯兌調整	26	26
Disposals	出售	(133)	(133)
Transfer from construction in progress (note 11)	由在建工程轉入(附註11)	272	272
Balance at 31 December 2019	於二零一九年十二月三十一日 之結餘	4,421	4,421
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>		
Balance at 1 January 2018	於二零一八年一月一日之結餘	(1,701)	(1,701)
Exchange adjustments	匯兌調整	(20)	(20)
Charge for the year	年度折舊	(579)	(579)
Balance at 31 December 2018	於二零一八年十二月三十一日 之結餘	(2,300)	(2,300)
Balance at 1 January 2019	於二零一九年一月一日之結餘	(2,300)	(2,300)
Exchange adjustments	匯兌調整	(26)	(26)
Charge for the year	年度折舊	(504)	(504)
Written back on disposals	出售撥回	133	133
Balance at 31 December 2019	於二零一九年十二月三十一日 之結餘	(2,697)	(2,697)
<b>Net book value:</b>	<b>賬面淨值：</b>		
At 31 December 2019	於二零一九年十二月三十一日	1,724	1,724
At 31 December 2018	於二零一八年十二月三十一日	1,956	1,956

The amortisation charges for the year are included in “Administrative expenses” in the consolidated statement of profit or loss. 年度攤銷費用計入綜合損益表「行政費用」下。

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

13 GOODWILL

13 商譽

RMB'000  
人民幣千元

<b>Cost:</b>	<b>成本：</b>	
At 1 January 2018	於二零一八年一月一日	254,961
Exchange adjustments	匯兌調整	1,287
At 31 December 2018	於二零一八年十二月三十一日	<b>256,248</b>
At 1 January 2019	於二零一九年一月一日	<b>256,248</b>
Exchange adjustments	匯兌調整	1,803
At 31 December 2019	於二零一九年十二月三十一日	<b>258,051</b>
<b>Accumulated impairment losses:</b>	<b>累計減值虧損：</b>	
At 1 January 2018, 31 December 2018 and 1 January 2019	於二零一八年一月一日、二零一八年十二月三十一日及於二零一九年一月一日	(22,654)
Exchange adjustments	匯兌調整	(200)
Impairment loss for the year	年度減值虧損	(168,695)
At 31 December 2019	於二零一九年十二月三十一日	<b>(191,549)</b>
<b>Carrying amount:</b>	<b>賬面值：</b>	
At 31 December 2019	於二零一九年十二月三十一日	<b>66,502</b>
At 31 December 2018	於二零一八年十二月三十一日	233,594



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 13 GOODWILL (Continued)

#### Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units identified according to places of operations and reportable segments as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Retail – Hong Kong	零售 – 香港	–	168,063
All others	所有其他	66,502	65,531
		66,502	233,594

#### Retail – Hong Kong

During the year ended 31 December 2019, as a result of the intensified trade frictions between the China and the U.S. and the recent social and political unrest in Hong Kong, consumer traffic visiting Hong Kong has been severely affected and the profitability of stores in Hong Kong in 2019 significantly declined compared to 2018. Management estimated the recoverable amount of the cash-generating unit. As at 31 December 2019, the carrying amount of the respective cash-generating unit has been reduced to its recoverable amount of approximately RMB497,408,000 and an impairment loss of RMB168,695,000 was recognised, to write down the 100% of the allocated goodwill.

### 13 商譽 (續)

#### 含有商譽之現金產生單位之減值測試

商譽分配予本集團根據下列營運地點及呈報分部所確定之現金產生單位：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Retail – Hong Kong	零售 – 香港	–	168,063
All others	所有其他	66,502	65,531
		66,502	233,594

#### 零售 – 香港

於截至二零一九年十二月三十一日止年度，由於中美貿易摩擦加劇及香港近期的社會政治動盪，造訪香港的客流量已受到嚴重影響，且二零一九年香港門店的盈利能力與二零一八年相比明顯下降。管理層預估現金產生單位的可收回金額。於二零一九年十二月三十一日，個別現金產生單位的賬面值已減至其可收回金額的約人民幣497,408,000元，且已確認減值虧損人民幣168,695,000元，以100%撇減至已分配商譽。

### 13 GOODWILL (Continued)

#### Retail – Hong Kong (Continued)

For the retail business in Hong Kong, the recoverable amounts of the cash-generating units are determined based on value-in-use calculations. The key assumptions for the value-in-use calculations are the discount rate and revenue/gross profit growth rate. The Group prepares cash flow forecasts derived from the two year financial budgets and extrapolates cash flows for the following three to five years based on estimated annual average growth rates in sales ranging from -51.9% to 65.9% (2018: 3% to 8%), growth rates in gross profit ratio ranging from -6% to 1% (2018: 0% to 1.5%), at a discount rate of 14% (2018: 14%). The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. The growth rates are determined by management based on the performance of the relevant cash-generating units and their estimated future development.

#### Others

The recoverable amounts of the cash-generating units are determined based on value-in-use calculations. The key assumptions for the value-in-use calculations are the discount rate and revenue/gross profit growth rate. The Group prepares cash flow forecasts derived from the two year financial budgets and extrapolates cash flows for the following three to five years based on estimated annual average growth rates in sales ranging from 3% to 15% (2018: 3% to 13%), growth rates in gross profit ratio ranging from 0% to 2% (2018: -1% to 1%), at a discount rate of 14.5% (2018: 14.5%). The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. The growth rates are determined by management based on the performance of the relevant cash-generating units and their estimated future development.

### 13 商譽 (續)

#### 零售 – 香港 (續)

就香港零售業務而言，現金產生單位之可收回金額乃按使用價值計算釐定。使用價值計算之重要假設為貼現率及收益／毛利增長率。本集團根據介乎-51.9%至65.9%之預期年度平均銷售增長率（二零一八年：3%至8%）、介乎-6%至1%之毛利率增長率（二零一八年：0%至1.5%）及14%之貼現率（二零一八年：14%）編製按兩年財政預算之現金流預測及推斷隨後三至五年之現金流。所用貼現率為稅前貼現率，並反映與相關分部有關之特定風險。該等增長率乃由管理層根據相關現金產生單位之表現及估計未來發展而釐定。

#### 其他

現金產生單位之可收回金額乃按使用價值計算釐定。使用價值計算之重要假設為貼現率及收益／毛利增長率。本集團根據介乎3%至15%之預期年度平均銷售增長率（二零一八年：3%至13%）、介乎0%至2%之毛利率增長率（二零一八年：-1%至1%）及14.5%之貼現率（二零一八年：14.5%）編製按兩年財政預算之現金流預測及推斷隨後三至五年之現金流。所用貼現率為稅前貼現率，並反映與相關分部有關之特定風險。該等增長率乃由管理層根據相關現金產生單位之表現及估計未來發展而釐定。



## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 14 INTEREST IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

### 14 於附屬公司之權益

下表僅載列對本集團業績、資產或負債有重大影響之附屬公司之詳情。除非另有指明，所持股份類別均為普通股。

Name of company 公司名稱	Place of incorporation and business 註冊及營業地點	Proportion of ownership interest 所有權百分比			Particulars of issued and paid up capital 已發行及繳足 資本詳情	Principal activity 主要業務
		Group's effective interest 本集團之 實際權益	Held by the Company 由本公司持有	Held by subsidiaries 由附屬公司 持有		
Elegant Jewellery Holding Limited 三寶珠寶集團有限公司	Hong Kong 香港	100%	–	100%	5,000,000 shares of HKD1 each 5,000,000股 每股面值1港元之股份	Retail of watches and jewellery 手錶及珠寶零售
精光堂國際股份有限公司	Taiwan 台灣	80%	–	80%	155,820,000 shares of NTD1 each 155,820,000股 每股面值新台幣1元 之股份	Retail of watches 手錶零售
Alpha Key Investments Limited 高建投資有限公司	BVI 英屬處女群島	100%	100%	–	1 share of USD1 1股1美元之股份	Investment holding 投資控股
Hengdeli Giant Dragon Limited 亨得利巨龍有限公司	BVI 英屬處女群島	100%	100%	–	1 share of USD1 1股1美元之股份	Investment holding 投資控股
Xinyu Hengdeli Investments Limited 新宇亨得利投資有限公司	BVI 英屬處女群島	100%	100%	–	1 share of USD1 1股1美元之股份	Investment holding 投資控股
Hengdeli International Company Limited 亨得利國際有限公司	Hong Kong 香港	100%	–	100%	1 share of HKD1 1股1港元之股份	Trading and management service 貿易及管理服務

The directors are of the view that the Group has no individually material non-controlling interest for the years ended 31 December 2019 and 2018.

截至二零一九年及二零一八年十二月三十一日止年度，董事認為本集團並無個別而言屬重大的非控股權益。

15 OTHER INVESTMENTS

15 其他投資

			31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
		Notes 附註		
Equity securities designated at FVOCI (non-recycling)	指定為通過其他全面收入 按公允值計量（不可轉入 損益）之股本證券			
– Listed securities	– 上市證券	(i)	400,184	168,696

Notes:

附註：

- (i) Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which the Group intends to hold for strategic purposes, and which the Group has irrevocably elected at initial recognition to recognise in this category. RMB7,309,000 of dividends were received on these investments during the year (2018: nil).

- (i) 通過其他全面收入按公允值計量的金融資產包括本集團擬持作戰略目的的股本證券，本集團已於初步確認時選擇不可撤銷地就此於該分類確認。年內自該等投資收取股息人民幣7,309,000元（二零一八年：無）。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**16 INVENTORIES**

(a) Inventories in the consolidated statement of financial position comprise:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Raw materials	原材料	22,132	18,403
Work in progress	在製品	34,940	33,755
Finished goods	製成品	1,252,686	1,351,093
		<b>1,309,758</b>	<b>1,403,251</b>

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Carrying amount of inventories sold	售出存貨賬面值	1,987,625	2,187,104
Write down of inventories	存貨撇減	49,890	46,819
Reversal of write-down of inventories	存貨撇減撥回	(10,838)	(8,221)
		<b>2,026,677</b>	<b>2,225,702</b>

**16 存貨**

(a) 於綜合財務狀況表之存貨包括：

(b) 確認為開支並計入損益之存貨數額分析如下：

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and distribution costs. These estimates are based on 1) the sales volume history; 2) the ageing of inventory; 3) physical condition of the inventories reported from the shops; and 4) recommended selling prices set by brand owners. Management reassesses the estimations at the end of each reporting period.

存貨可變現淨值為日常業務過程中的估計售價減估計完工及分銷成本。該等估計基於1) 銷量記錄；2) 存貨的庫齡；3) 商店匯報的存貨實質狀況；及4) 品牌商所定的建議售價。管理層將在各報告期末重新評估該等估計。

17 TRADE AND OTHER RECEIVABLES

17 應收貿易賬款及其他應收款項

		31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
<b>Current assets</b>	<b>流動資產</b>			
Trade receivables, net of loss allowance	應收貿易賬款減虧損 撥備	161,219	194,872	194,872
Other receivables, net of loss allowance	其他應收款項減虧損 撥備	187,903	52,126	52,126
Financial assets measured at amortised cost	以攤銷成本計量之 金融資產	349,122	246,998	246,998
Prepayment and deposits (note)	預付款項及按金 (附註)	67,141	64,037	64,721
		<b>416,263</b>	311,035	311,719
<b>Non-current assets</b>	<b>非流動資產</b>			
Prepayment and deposits	預付款項及按金	21,333	19,376	19,376
		<b>437,596</b>	330,411	331,095

Note: On the date of transition of HKFRS 16, prepaid lease of RMB684,000 previously included in "Prepayment and deposits" were adjusted to right-of-use assets recognised at 1 January 2019, see note 1(c).

附註：於過渡至香港財務報告準則第16號之日，先前計入「預付款項及按金」的預付租賃人民幣684,000元已調整至於二零一九年一月一日確認的使用權資產，請參見附註1(c)。

All of the trade and other receivables in current assets are expected to be recovered within one year.

流動資產內所有應收貿易賬款及其他應收款項均預期於一年內收回。

Other receivables include advances to third parties of RMB129,241,000 (2018: nil), which are interest bearing at 6% to 8% per annum as at 31 December 2019 and are recoverable within one year. The advances to third parties are fully secured by collaterals obtained by the Group as at 31 December 2019.

其他應收款項包括第三方墊款人民幣129,241,000元(二零一八年：無)，於二零一九年十二月三十一日年息為6%至8%，並可於一年內收回。第三方墊款由本集團於二零一九年十二月三十一日獲得的抵押品全數擔保。



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**17 TRADE AND OTHER RECEIVABLES**

(Continued)

**Ageing analysis**

The ageing analysis of trade receivables (net of loss allowance) at the end of the reporting period, based on the invoice date, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 3 months	三個月內	155,740	153,118
Over 3 months but less than 12 months	超過三個月但少於十二個月	5,420	41,634
Over 12 months	超過十二個月	59	120
		<b>161,219</b>	<b>194,872</b>

Trade receivables are due within 30 to 180 days from the date of billing. Further details regarding the Group's credit policy are set out in note 29(a).

**17 應收貿易賬款及其他應收款項**

(續)

**賬齡分析**

應收貿易賬款(已扣除虧損撥備)於報告期末按發票日期計之賬齡分析如下：

應收貿易賬款由開票日期起計30至180日到期。有關本集團信貸政策的進一步詳情載於附註29(a)。

## 18 DEPOSITS WITH BANKS

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Pledged deposits	已抵押存款	14,700	–
Deposits with original maturities over three months	原到期日超過 三個月之存款	533,415	638,211
		548,115	638,211

The deposits of RMB14,700,000 (2018: nil) were pledged to secure loans granted to a subsidiary of the Group and were released in March 2020.

已抵押人民幣14,700,000元（二零一八年：無）的存款以取得授予本集團一間附屬公司之貸款，並於二零二零年三月解除。

The deposit of RMB89,790,000 (2018: nil) was pledged to secure banking facilities granted to a third party and was subsequently released in March 2020.

已抵押人民幣89,790,000元（二零一八年：無）的存款以取得授予第三方之銀行信貸，其後於二零二零年三月解除。

## 19 CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash at banks and on hand	銀行及手頭現金	1,165,169	1,551,003

## 19 現金及現金等價物

(a) 現金及現金等價物包括：



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**19 CASH AND CASH EQUIVALENTS**

(Continued)

(b) Reconciliation of (loss)/profit before taxation to cash generated from operations:

**19 現金及現金等價物 (續)**

(b) 除稅前(虧損)/溢利及營運所得現金的對賬：

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
(Loss)/profit before taxation	除稅前(虧損)/溢利		(337,042)	103,681
Adjustments for:	調整項目：			
Depreciation of investment properties and property, plant and equipment	投資物業及物業、廠房及設備折舊	5(c)	137,342	32,948
Amortisation of intangible assets	無形資產攤銷	5(c)	504	579
Finance costs	財務成本	5(a)	10,497	2,070
Interest income	利息收入	4(a)	(31,915)	(32,238)
Share award scheme	股份獎勵計劃	24(b)	10,827	322
Impairment of property, plant and equipment	物業、廠房及設備減值	4(b)	172,157	-
Impairment of goodwill	商譽減值	13	168,695	-
Net loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)淨額	4(b)	468	(54)
Dividend income from other investments	來自其他投資的股息收入		(7,309)	-
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前的經營溢利</b>		<b>124,224</b>	<b>107,308</b>
Decrease in inventories	存貨減少		130,288	36,152
Decrease in trade and other receivables	應收貿易賬款及其他應收款項減少		36,994	84,690
(Decrease)/increase in trade and other payables	應付貿易賬款及其他應付款項(減少)/增加		(100,064)	41,098
<b>Cash generated from operating activities</b>	<b>經營活動所得現金</b>		<b>191,442</b>	<b>269,248</b>

## 19 CASH AND CASH EQUIVALENTS

(Continued)

### (b) Reconciliation of (loss)/profit before taxation to cash generated from operations: (Continued)

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. Previously, cash payments under operating leases made by the Group as a lease of RMB124,310,000 were classified as operating activities in the consolidated cash flow statement. Under HKFRS16, except for short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of lease liabilities, all other rental paid on leases are now split into capital element and interest element (see note 19(c)) and classified as financing cash outflows. Under the modified retrospective approach, the comparative information is not restated. Further details on the impact of the transition to HKFRS16 are set out in note1(c).

### (c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

## 19 現金及現金等價物 (續)

### (b) 除稅前(虧損)/溢利及營運所得現金的對賬：(續)

附註：本集團已採用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日之期初結餘，以確認先前根據香港會計準則第17號分類為經營租賃之租賃的相關使用權資產。此前，本集團作為承租人根據經營租賃作出的現金付款人民幣124,310,000元分類為綜合現金流量表中的經營租賃。根據香港財務報告準則第16號，除未計入計量租賃負債的短期租賃付款、低價值資產租賃付款及可變租賃款項外，所有其他就租賃已付租金現時分類為資本要素及利息要素(見附註19(c))並分類為融資現金流出。根據經修訂追溯法，比較資料不予重列。有關過渡至香港財務報告準則第16號的影響之進一步詳情載於附註1(c)。

### (c) 融資活動產生之負債對賬：

下表為本集團融資活動產生之負債變動詳情。融資活動產生之負債乃為現金流量或未來現金流量於本集團之綜合現金流量表分類為融資活動現金流量之負債。

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

19 CASH AND CASH EQUIVALENTS

(Continued)

(c) Reconciliation of liabilities arising from financing activities: (Continued)

19 現金及現金等價物 (續)

(c) 融資活動產生之負債對賬：(續)

		Bank loans 銀行貸款 RMB'000 人民幣千元 (note 21) (附註21)	Lease liabilities 租賃負債 RMB'000 人民幣千元 (note 22) (附註22)	Total 總計 RMB'000 人民幣千元
31 December 2018	二零一八年十二月三十一日	143,752	–	143,752
Impact on initial application of HKFRS16 (note)	首次應用香港財務報告準則第16號之影響 (附註)	–	187,219	187,219
At 1 January 2019	於二零一九年一月一日	143,752	187,219	330,971
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>			
Proceeds from new bank loans	新增銀行貸款所得款項	240,140	–	240,140
Repayment of bank loans	償還銀行貸款	(171,682)	–	(171,682)
Capital element of lease rentals paid	已付租賃租金的資本部分	–	(118,632)	(118,632)
Interest element of lease rentals paid	已付租賃租金的利息部分	–	(5,678)	(5,678)
Interest paid	已付利息	(4,819)	–	(4,819)
		63,639	(124,310)	(60,671)
Exchange adjustments	匯兌調整	4,407	1,768	6,175
<b>Other changes:</b>	<b>其他變動：</b>			
Increase in lease liabilities from entering into new leases during the period	於期內訂立新租賃而增加的租賃負債	–	115,941	115,941
Increase in lease liabilities from business acquisition	業務收購而增加的租賃負債	–	7,343	7,343
Interest charged	計提利息	4,819	5,678	10,497
		4,819	128,962	133,781
At 31 December 2019	於二零一九年十二月三十一日	216,617	193,639	410,256

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。請參見附註1(c)。



**19 CASH AND CASH EQUIVALENTS**

(Continued)

(c) Reconciliation of liabilities arising from financing activities: (Continued)

**19 現金及現金等價物 (續)**

(c) 融資活動產生之負債對賬：(續)

		Bank loans 銀行貸款 RMB'000 人民幣千元 (note 21) (附註21)	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	109,120	–	109,120
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>			
Proceeds from new bank loans	新增銀行貸款所得款項	107,370	–	107,370
Repayment of bank loans	償還銀行貸款	(75,206)	–	(75,206)
Interest paid	已付利息	(2,070)	–	(2,070)
		30,094	–	30,094
Exchange adjustments	匯兌調整	2,468	–	2,468
<b>Other changes:</b>	<b>其他變動：</b>			
Interest charged	計提利息	2,070	–	2,070
		2,070	–	2,070
At 31 December 2018	於二零一八年 十二月三十一日	143,752	–	143,752

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**19 CASH AND CASH EQUIVALENTS**

(Continued)

**(d) Total cash outflow for leases**

Amounts included in the cash flow statement for leases comprise the following:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 (Note) (附註) RMB'000 人民幣千元
Within operating cash flows	經營現金流量中	(31,817)	(136,536)
Within financing cash flows	融資現金流量中	(124,310)	-
		<b>(156,127)</b>	<b>(136,536)</b>

Note: The adoption of HKFRS 16 introduces a change in classification of cash flows of certain rentals paid on leases. The comparative amounts have not been restated.

**19 現金及現金等價物 (續)**

**(d) 租賃現金流出總額**

就租賃計入現金流量表之金額包括以下各項：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 (Note) (附註) RMB'000 人民幣千元
Within operating cash flows	經營現金流量中	(31,817)	(136,536)
Within financing cash flows	融資現金流量中	(124,310)	-
		<b>(156,127)</b>	<b>(136,536)</b>

附註：採納香港財務報告準則第16號引入若干已付租賃租金的現金流量分類變動。比較金額並無重列。

These amounts relate to the following:

該等金額與以下項目有關：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Lease rentals paid	已付租賃租金	156,127	136,536

**20 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES**

**20 應付貿易賬款及其他應付款項以及合約負債**

		31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Trade payables	應付貿易賬款	131,789	195,137
Contract liabilities	合約負債	15,904	12,268
Other payables and accrued expenses	其他應付款項及應計費用	73,760	102,261
		221,453	309,666

**Ageing analysis**

The ageing analysis of trade payables at the end of the reporting period, based on the invoice date, is as follows:

**賬齡分析**

於報告期末，按發票日期計應付貿易賬款之賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	一個月內	108,979	178,784
Over 1 month but less than 3 months	超過一個月但少於三個月	18,422	15,803
Over 3 months but less than 12 months	超過三個月但少於十二個月	4,108	139
Over 12 months	超過十二個月	280	411
		131,789	195,137



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**20 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES** (Continued)

Ageing analysis (Continued)

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

- 1) The Group occasionally receives a part of the consideration as deposits from customers when they purchase goods from the retail stores. The respective revenue is expected to be recognised when the goods are collected by customers from stores. The amount of the deposit is negotiated on a case by case basis with customers.
- 2) When the Group receives a deposit before the shop design and decoration service commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit. The amount of the deposit is negotiated on a case by case basis with customers.

Movements in contract liabilities

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	12,268	15,582
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	年內確認收入所導致計入年初之合約負債減少	(7,522)	(13,114)
Increase in contract liabilities as a result of receiving sales deposits during the year	年內收取銷售定金所導致之合約負債增加	11,158	9,800
Balance at 31 December	於十二月三十一日之結餘	15,904	12,268

No sales deposits received are expected to be recognised as income after more than one year.

**20 應付貿易賬款及其他應付款項以及合約負債** (續)

賬齡分析 (續)

確認合約負債金額的主要付款條款有如下影響：

- 1) 本集團在某些情況下收取部分款項作為客戶從零售店購買商品的定金。個別收入預期於客戶自門店提取商品時確認。定金的金額將根據具體情況與客戶協商。
- 2) 當本集團在店舖設計及裝修服務開始前收到款項時，即表示在合約開始時產生合約負債，直至項目確認的收入超過定金的金額。定金的金額將根據具體情況與客戶協商。

合約負債變動

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	12,268	15,582
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	年內確認收入所導致計入年初之合約負債減少	(7,522)	(13,114)
Increase in contract liabilities as a result of receiving sales deposits during the year	年內收取銷售定金所導致之合約負債增加	11,158	9,800
Balance at 31 December	於十二月三十一日之結餘	15,904	12,268

概無已收銷售定金預期將於超過一年後確認為收入。

## 21 BANK LOANS

As at 31 December 2019, the bank loans were repayable as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 year or on demand	一年以內或按要求	142,094	60,429
After 1 year but within 2 years	一年後但於兩年內	4,658	4,629
After 2 years but within 5 years	兩年後但於五年內	13,973	13,887
After 5 years	五年後	55,892	64,807
		74,523	83,323
		216,617	143,752

As at 31 December 2019, the bank loans were secured as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank loans within one year or on demand	一年內或按要求償還的銀行貸款		
Secured	有抵押	54,836	37,315
Unsecured	無抵押	87,258	23,114
		142,094	60,429
Bank loans after one year	一年後償還的銀行貸款		
Secured	有抵押	74,523	83,323
		74,523	83,323
		216,617	143,752

## 21 銀行貸款

於二零一九年十二月三十一日，應償還銀行貸款如下：

於二零一九年十二月三十一日，銀行貸款的抵押如下：

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 21 BANK LOANS (Continued)

Certain secured bank loans are all drawn down under certain bank facilities secured by mortgages over certain land and buildings of the Taiwan Hengdeli Group with aggregate carrying values of RMB142,163,000 (2018: RMB159,374,000).

Certain secured bank loans are all drawn down under certain bank facilities secured by guarantees over fixed deposits of the Group with aggregate carrying values of RMB14,700,000 (2018: Nil).

As at 31 December 2019 and 2018, the banking facilities were not subject to the fulfilment of the covenants based on the lending arrangements with financial institutions. Further details of the Group's management of liquidity risk are set out in note 29(b).

### 21 銀行貸款 (續)

以台灣亨得利集團擁有賬面值合計為人民幣142,163,000元(二零一八年：人民幣159,374,000元)的若干土地及樓宇的按揭作抵押的若干銀行信貸項下的若干有抵押銀行貸款已全部提取。

以集團擁有賬面值合計為人民幣14,700,000元(二零一八年：無)的定期存款的擔保作抵押的若干銀行信貸項下的若干有抵押銀行貸款已全部提取。

於二零一九年及二零一八年十二月三十一日，銀行信貸毋須受限於根據與金融機構訂立之借款安排作出的契諾獲履行。有關本集團流動資金風險管理的進一步詳情載於附註29(b)。



## 22 LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods and at the date of transition to HKFRS 16:

		31 December 2019 二零一九年 十二月三十一日		1 January 2019 (Note) 二零一九年一月一日 (附註)		31 December 2018 (Note) 二零一八年十二月三十一日 (附註)	
		Present		Present		Present	
		value of the minimum lease payments 最低租賃 款項現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB'000 人民幣千元	value of the minimum lease payments 最低租賃 款項現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB'000 人民幣千元	value of the minimum lease payments 最低租賃 款項現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 款項總額 RMB'000 人民幣千元
Within 1 year	一年內	121,586	125,528	94,398	98,487	-	-
After 1 year but within 2 years	一年後但於兩年內	53,041	54,213	70,878	72,503	-	-
After 2 years but within 5 years	兩年後但於五年內	17,385	18,116	20,550	20,910	-	-
After 5 years	五年後	1,627	1,666	1,393	1,463	-	-
		193,639	199,523	187,219	193,363	-	-
		193,639		187,219		-	
Less: total future interest expenses	減：日後利息開支總額		(5,884)		(6,144)		-
Present value of lease liabilities	租賃負債現值		193,639		187,219		-

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 1(c).

## 22 租賃負債

下表列示本集團於當前及上個報告期末以及過渡至香港財務報告準則第16號當日的租賃負債的餘下合約期限：

附註：本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號並調整期初結餘以確認先前根據香港會計準則第17號分類為經營租賃之有關租賃的租賃負債。於二零一八年十二月三十一日的比較資料並無重列。過渡至香港財務報告準則第16號之影響的進一步詳情載於附註1(c)。

## 23 EMPLOYEE RETIREMENT BENEFITS

As stipulated by the labour regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal and provincial governments for its employees. The Group is required to make contributions to the retirement plans at rates ranging from 13% to 16% of the eligible employees' salaries for the year ended 31 December 2019 (2018: from 13% to 20%).

Pursuant to the labour regulations of Malaysia, Taiwan and Macau, the Group joined defined contribution retirement plans for its employees. The Group is required to make contributions to the retirement plans at the applicable rates ranging from 1% to 3% based on the eligible employees' salaries (2018: from 1% to 3%).

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD30,000 (2018: HKD30,000). Contributions to the scheme vest immediately.

The Group has no other obligation for the payment of its employees' retirement and other post-retirement benefits other than the contributions described above.

## 23 僱員退休福利

依據中國勞工規例規定，本集團為其僱員參與多個由市級及省級政府管理的定額供款退休福利計劃。本集團須於截至二零一九年十二月三十一日止年度按合資格享受此項福利之僱員之薪酬之13%至16%（二零一八年：13%至20%）向退休計劃供款。

本集團根據馬來西亞、台灣及澳門的勞工法例為僱員參加定額供款退休計劃。規定本集團須以合資格享受此福利之僱員之薪酬為基礎，並按介乎1%至3%（二零一八年：1%至3%）之適用比率就退休計劃供款。

本集團亦根據香港強制性公積金計劃條例，為根據香港僱傭條例受僱之僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃乃由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員之有關收入之5%供款，惟以30,000港元（二零一八年：30,000港元）為每月有關收入之上限。計劃供款即時歸僱員所有。

除上述供款外，本集團毋須就其僱員之退休及其他退休後福利付款承擔其他責任。

## 24 EQUITY SETTLED SHARE-BASED TRANSACTIONS

### (a) The 2015 share option scheme

On 19 May 2015, a share option scheme was established which will be used to grant option to selected participants including but not limited to directors and employees of the Group in order to provide incentives or rewards for their contributions to the Group. As at 31 December 2019, no option was granted under the 2015 share option scheme.

### (b) Share award scheme

Pursuant to a share award scheme approved by the Board in 2015, the Company may purchase its own shares and grant such shares to certain employees or consultants of the Group. During the year ended 31 December 2019, the Company granted 30,000,000 shares (2018: 1,064,000 shares) at nil consideration to the Group's employees, of which 20,000,000 shares (2018: 564,000 shares) were granted to the Company's directors (see note 7).

The consideration paid for the purchase of the Company's shares is reflected as a decrease in the capital reserve of the Company. The fair value of the employee services received in exchange for the grant of shares is recognised as staff costs in profit or loss with a corresponding increase in capital reserve, which is measured based on the grant date share price of the Company.

## 24 以權益結算，股份基礎支付交易

### (a) 二零一五年購股權計劃

於二零一五年五月十九日，本公司設立一項購股權計劃，將用於向經篩選參與者（包括但不限於本集團董事及僱員）授出購股權，以獎勵彼等為本集團所作貢獻。於二零一九年十二月三十一日，概無根據二零一五年購股權計劃授出購股權。

### (b) 股份獎勵計劃

根據董事會於二零一五年批准之股份獎勵計劃，本公司可購買其自身股份及向本集團若干僱員或顧問授出相關股份。於截至二零一九年十二月三十一日止年度，本公司以零代價向本集團僱員授出30,000,000股股份（二零一八年：1,064,000股股份），其中20,000,000股股份（二零一八年：564,000股股份）已授予本公司董事（請參見附註7）。

就購買本公司股份已付之代價反映為本公司資本儲備減少。僱員就換取獲授股份提供的服務之公允值乃於損益中確認為員工成本，按授予日期之本公司股份價格計算之股本儲備亦相應地增加。



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**25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(a) Current taxation in the consolidated statement of financial position represents:

**25 綜合財務狀況表之所得稅**

(a) 綜合財務狀況表之本期應繳稅項指：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Current tax – Hong Kong Profits Tax</b>	<b>本期稅項 – 香港利得稅</b>		
Provision for the year	本年度撥備	3,596	15,961
Tax refund	退稅	1,228	–
Provisional tax paid	已付稅項撥備	–	(2,714)
Exchange adjustments	匯兌調整	762	98
		<b>5,586</b>	<b>13,345</b>
Balance of Profits Tax provision relating to prior years	過往年度之利得稅撥備結餘	12,523	(1,224)
		<b>18,109</b>	<b>12,121</b>
<b>Current tax – Overseas</b>	<b>本期稅項 – 海外</b>		
Provision for the year	本年度撥備	10,009	10,224
Tax paid	已付稅項	(4,494)	(5,150)
		<b>5,515</b>	<b>5,074</b>
Transfer from deferred tax liabilities (note 25(b)(ii))	由遞延稅項負債轉入 (附註25(b)(ii))	–	119
		<b>5,515</b>	<b>5,193</b>
		<b>23,624</b>	<b>17,314</b>

**25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Continued)

**(b) Deferred tax assets and liabilities recognised**

**(i) Deferred tax assets recognised**

The components of deferred tax assets recognised in the consolidated statement of financial position and the movements during the years ended 31 December 2019 and 2018 are as follows:

		Inventory provision	Tax losses not utilised	Temporary difference on adoption of HKFRS 16	Related depreciation in excess of depreciation allowances	Credit loss allowance	Others	Total
		存貨撥備	未利用稅項虧損	採納香港財務報告準則第16號的暫時差異	有關折舊超過折舊撥備	信貸虧損撥備	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2018	於二零一八年一月一日之結餘	422	2,986	-	1,302	-	-	4,710
Credited/(charged) to profit or loss	在損益計入/(扣除)	807	81	-	(195)	312	1,165	2,170
Exchange adjustments	匯兌調整	27	154	-	58	-	25	264
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	1,256	3,221	-	1,165	312	1,190	7,144
Balance at 1 January 2019	於二零一九年一月一日之結餘	1,256	3,221	-	1,165	312	1,190	7,144
Credited to profit or loss	在損益計入	1,795	2,623	18,799	2,775	-	127	26,119
Exchange adjustments	匯兌調整	107	113	326	176	7	11	740
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	3,158	5,957	19,125	4,116	319	1,328	34,003

**25 綜合財務狀況表之所得稅 (續)**

**(b) 已確認遞延稅項資產及負債**

**(i) 已確認遞延稅項資產**

於截至二零一九年及二零一八年十二月三十一日止年度內在綜合財務狀況表內確認之遞延稅項資產之組成部分及變動載列如下：

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Continued)

(b) Deferred tax assets and liabilities recognised  
(Continued)

(ii) Deferred tax liabilities recognised

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the years ended 31 December 2019 and 2018 are as follows:

**25 綜合財務狀況表之所得稅 (續)**

(b) 已確認遞延稅項資產及負債 (續)

(ii) 已確認遞延稅項負債

於截至二零一九年及二零一八年十二月三十一日止年度內在綜合財務狀況表內確認之遞延稅項負債之組成部分及變動載列如下：

		Depreciation allowances in excess of related depreciation 折舊撥備超過有關折舊 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2018	於二零一八年一月一日之結餘	1,219	119	1,338
Charged to profit or loss	在損益扣除	315	-	315
Transfer to current taxation (note 25(a))	轉入本期應繳稅項 (附註25(a))	-	(119)	(119)
Exchange adjustments	匯兌調整	74	-	74
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	<b>1,608</b>	<b>-</b>	<b>1,608</b>
Balance at 1 January 2019	於二零一九年一月一日之結餘	<b>1,608</b>	<b>-</b>	<b>1,608</b>
Charged to profit or loss	在損益扣除	<b>310</b>	<b>-</b>	<b>310</b>
Exchange adjustments	匯兌調整	<b>38</b>	<b>-</b>	<b>38</b>
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	<b>1,956</b>	<b>-</b>	<b>1,956</b>



## 25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

### (c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(s), the Group has not recognised deferred tax assets of RMB106,862,000 (2018: RMB96,455,000) in respect of cumulative tax losses as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities. The tax losses for subsidiaries in Mainland China and Taiwan will expire during the periods from 2019 to 2023 and from 2019 to 2028, respectively. The tax losses for subsidiaries in Hong Kong and Malaysia do not expire under current tax legislation.

### (d) Deferred tax liabilities not recognised

Pursuant to the tax laws in Mainland China, 10% withholding tax is levied on foreign investors (5% for foreign investors who are registered in Hong Kong provided they meet certain criteria) in respect of profit distributions arising from a foreign investment enterprise's profit earned after 1 January 2008.

At 31 December 2019, temporary differences relating to the undistributed profits of subsidiaries amounted to RMB73,465,000 (2018: RMB198,578,000). Deferred tax liabilities of RMB3,673,000 (2018: RMB9,928,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries in Mainland China and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

## 25 綜合財務狀況表之所得稅 (續)

### (c) 未確認之遞延稅項資產

根據附註1(s)所載會計政策，因於有關稅務司法權區及實體不大可能取得足夠用作抵銷虧損的未來應課稅溢利，故本集團並無就累計稅項虧損確認遞延稅項資產人民幣106,862,000元（二零一八年：人民幣96,455,000元）。位於中國內地及台灣的附屬公司的稅項虧損將分別於二零一九年至二零二三年及二零一九年至二零二八年失效。根據現有稅收法規，位於香港及馬來西亞的附屬公司的稅項虧損不會失效。

### (d) 未確認之遞延稅項負債

根據中國內地稅法，外國投資者須就外商投資企業於二零零八年一月一日以後賺取之溢利而產生之溢利分派按稅率10%繳付預扣稅，於香港註冊之外國投資者倘符合若干標準則按稅率5%繳付預扣稅。

於二零一九年十二月三十一日，有關附屬公司未分配溢利之暫時差異為人民幣73,465,000元（二零一八年：人民幣198,578,000元）。由於本公司控制位於中國內地之該等附屬公司之股息政策，加上已釐定不大可能於可見未來分派有關溢利，故並無就於分派該等保留溢利時將應支付的稅項確認遞延稅項負債人民幣3,673,000元（二零一八年：人民幣9,928,000元）。

## NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

### 26 CAPITAL, RESERVES AND DIVIDENDS

#### (a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

### 26 資本、儲備及股息

#### (a) 權益組成部分之變動

本集團綜合權益各組成部分之年初及年末結餘對賬載於綜合權益變動表。本公司於年初及年末之權益個別組成部分變動詳情載列如下：

本公司

		Share capital	Share premium	Capital redemption reserve	Capital reserve	Fair Value reserve (non-recycling) (公允價值儲備 (不可轉入損益))	Exchange reserve	Accumulated losses	Total
		股本 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	股本贖回儲備 RMB'000 人民幣千元	資本儲備 RMB'000 人民幣千元	公允價值儲備 (不可轉入損益) RMB'000 人民幣千元	匯兌儲備 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
	Note 附註								
Balance at 1 January 2018	於二零一八年一月一日之結餘	22,429	2,627,172	669	(2,772)	-	(262,826)	(1,288,110)	1,096,562
Changes in equity for 2018:	於二零一八年權益變動：								
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	(2,392)	(2,707)	11,410	6,311
Shares repurchased	已購回股份	(92)	(6,763)	92	-	-	-	-	(6,763)
Shares repurchased under share award scheme	根據股份獎勵計劃 已購回之股份	-	-	-	(8,377)	-	-	-	(8,377)
Shares granted under share award scheme	根據股份獎勵計劃授出股份	-	-	-	322	-	-	-	322
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	22,337	2,620,409	761	(10,827)	(2,392)	(265,533)	(1,276,700)	1,088,055
Balance at 1 January 2019	於二零一九年一月一日之結餘	22,337	2,620,409	761	(10,827)	(2,392)	(265,533)	(1,276,700)	1,088,055
Changes in equity for 2019:	於二零一九年權益變動：								
Profit for the year	年度溢利	-	-	-	-	-	-	232,521	232,521
Other comprehensive income for the year	年度其他全面收入	-	-	-	-	(342)	27,779	-	27,437
Dividend paid and declared during the year	年內已支付及宣派的股息	26(b)	-	-	-	-	-	(233,133)	(233,133)
Shares granted under share award scheme	根據股份獎勵計劃授出股份	24(b)	-	-	10,827	-	-	(1,557)	9,270
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	22,337	2,620,409	761	-	(2,734)	(237,754)	(1,278,869)	1,124,150

**26 CAPITAL, RESERVES AND DIVIDENDS**

(Continued)

**(b) Dividends**

- (i) Dividends payable to equity shareholders of the Company attributable to the year

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interim dividend declared and paid of RMB0.038 per ordinary share (2018: RMB nil per ordinary share)	已宣派及支付中期股息每股普通股人民幣0.038元 (二零一八年：每股普通股人民幣零元)	177,181	—
Final dividend proposed after the end of the reporting date of RMB nil per ordinary share (2018: RMB0.012 per ordinary share)	報告期末後擬派末期股息每股普通股人民幣零元 (二零一八年：每股普通股人民幣0.012元)	—	55,952
		<b>177,181</b>	<b>55,952</b>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

報告期末後擬派之末期股息並無於報告期末確認為負債。

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

- (ii) 年內已批准及派付上一個財政年度應付本公司股份持有人的股息

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.012 per share (2018: nil per share)	已於年內批准及派付之上個財政年度之末期股息每股普通股人民幣0.012元 (二零一八年：每股人民幣零元)	55,952	—
		<b>55,952</b>	<b>—</b>



NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

26 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(c) Share capital

Authorised and issued share capital

26 資本、儲備及股息 (續)

(c) 股本

法定及已發行股本

		2019 二零一九年		2018 二零一八年	
		Number of shares	Amount HKD	Number of shares	Amount HKD
		股份數目	金額 港元	股份數目	金額 港元
<b>Authorised:</b>	<b>法定：</b>				
Ordinary shares of HKD0.005 each	每股面值0.005港元 之普通股	10,000,000,000	50,000,000	10,000,000,000	50,000,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
At 1 January	於一月一日	4,662,666,959	23,313,334	4,684,526,959	23,422,634
Share repurchased	已購回股份	-	-	(21,860,000)	(109,300)
At 31 December	於十二月三十一日	4,662,666,959	23,313,334	4,662,666,959	23,313,334
			equivalent 折合 RMB'000 人民幣千元		equivalent 折合 RMB'000 人民幣千元
			22,337		22,337

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，每持有一股股份可於本公司股東大會上投一票。所有普通股在本公司剩餘資產方面均享有同等權益。

## 26 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

### (d) Nature and purpose of reserves

#### (i) Share premium and capital redemption reserve

The application of the share premium and the capital redemption reserve is governed by the Companies Law of the Cayman Islands.

#### (ii) Capital reserve

The capital reserve comprises the following:

- The excess of the consideration paid by the Company over the aggregate of the nominal value of the share capital of the subsidiaries acquired under the Group's reorganisation;
- The difference between the consideration paid by the Group to non-controlling interest holders and the carrying amount of the respective non-controlling interests; and
- The consideration paid for the purchase of the Company's shares under the share award scheme.

#### (iii) Exchange reserve

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of the entities within the Group whose functional currency is other than Renminbi. The reserve is dealt with in accordance with the accounting policy set out in note 1(v).

#### (iv) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 1(f)).

## 26 資本、儲備及股息 (續)

### (d) 儲備的性質及目的

#### (i) 股份溢價及股本贖回儲備

股份溢價及股本贖回儲備的應用受開曼群島公司司法管制。

#### (ii) 資本儲備

資本儲備包括以下各項：

- 本公司之已付代價超過本集團重組所收購附屬公司之股本面值總額；
- 本集團已付非控股權益持有人之代價與相關非控股權益之賬面值之差額；及
- 就根據股份獎勵計劃購買本公司股份之已付代價。

#### (iii) 匯兌儲備

匯兌儲備包括來自換算其功能貨幣為人民幣以外貨幣之本集團實體之財務報表產生之所有外幣匯兌差額。該儲備乃按照附註1(v)所載會計政策處理。

#### (iv) 公允值儲備 (不可轉入損益)

公允值儲備 (不可轉入損益) 包括於報告期末持有之根據香港財務報告準則第9號指定通過其他全面收入按公允值計量的股本投資之公允值累計變動淨額 (請參見附註1(f))。

## NOTES TO THE FINANCIAL STATEMENTS

### 財務報表附註

#### 26 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

##### (d) Nature and purpose of reserves (Continued)

##### (v) PRC statutory reserve

Transfers from retained profits to PRC statutory reserves were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC and were approved by the respective boards of directors.

PRC statutory reserves include general reserve, enterprise expansion fund, and statutory surplus reserve.

According to the relevant PRC laws and regulations, the PRC subsidiaries of the Group, which are wholly foreign-owned enterprises in the PRC, are required to transfer 10% of their profit after taxation, as determined under PRC Accounting Regulations, to the general reserve fund until the reserve balance reaches 50% of their registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders. Moreover, they are required to transfer a certain percentage of their profit after taxation, as determined under PRC GAAP, to the enterprise expansion fund.

The general reserve fund can only be used to make good previous years' losses upon approval by the relevant authority. The enterprise expansion fund can only be used to increase the entity's capital or to expand its production operations upon approval by the relevant authority.

Statutory surplus reserve can be used to reduce previous years' losses, if any, and may be converted into paid-up capital, provided that the balance of the reserve after such conversion is not less than 25% of the registered capital of the subsidiaries.

#### 26 資本、儲備及股息 (續)

##### (d) 儲備的性質及目的 (續)

##### (v) 中國法定儲備

本公司依照中國有關規則及法規以及本公司於中國註冊成立的附屬公司的章程細則，將保留溢利轉撥至中國法定儲備，轉撥經各附屬公司董事會批准。

中國法定儲備包括一般儲備、企業發展基金及法定盈餘公積。

根據相關中國法律法規，本集團的中國附屬公司（屬中國的外商獨資企業）須將彼等按照中國會計規定釐定之10%稅後溢利轉撥至一般儲備基金，直至儲備結餘相等於彼等註冊資本之50%。轉撥至此儲備必須於分派股息予股東前進行。此外，彼等須轉撥根據中國公認會計原則釐定之若干百分比稅後溢利至企業發展基金。

一般儲備基金只可在得到有關主管當局批准時用作彌補過往年度虧損。企業發展基金只可在得到有關主管當局批准時用作增加實體之資本或拓展彼等之生產業務。

法定盈餘公積可用作沖減過往年度虧損（如有）及可轉換為已繳股本，惟轉換後之公積結餘不得少於附屬公司註冊資本之25%。



## 26 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

### (d) Nature and purpose of reserves (Continued)

#### (vi) Distributability of reserves

Under the Companies Law of the Cayman Islands, the share premium of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

The aggregate amount of distributable reserves of the Company as at 31 December 2019 was RMB1,338,806,000 (2018: RMB1,341,317,000).

### (e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to the finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on a basis of a net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes total interest-bearing borrowings) less cash and cash equivalents and deposits with banks. Capital comprises all components of equity. The net debt-to-capital ratio as at 31 December 2019 is (38)% (2018: (46)%). During 2019, the Group's strategy was unchanged from 2018.

Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

## 26 資本、儲備及股息 (續)

### (d) 儲備的性質及目的 (續)

#### (vi) 可供分派儲備

根據開曼群島公司法，本公司可運用股份溢價撥付股東之分派或股息，惟以本公司於緊隨建議支付分派或股息日期後仍可於日常業務過程中償還到期債務為限。

於二零一九年十二月三十一日，本公司可供分派儲備總額為人民幣1,338,806,000元（二零一八年：人民幣1,341,317,000元）。

### (e) 資本管理

本集團管理資本之主要目標乃保障本集團的持續經營能力，從而透過與風險水平相對應之產品及服務定價以及獲得合理成本的融資，繼續為股東創造回報，為其他利益相關者創造利益。

本集團積極及定期檢討及管理其資本架構，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團按淨負債資本比率管理其資本結構。就此而言，經調整淨負債獲定義為負債總額（包括計息借貸總額）減現金及現金等價物及銀行存款。資本包括所有權益組成部分。於二零一九年十二月三十一日，淨負債資本比率為(38)%（二零一八年：(46)%）。於二零一九年，本集團之市場策略與二零一八年相同。

本公司或其任何附屬公司均不受外部徵收資本要求之限制。

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**27 COMMITMENTS**

**(a) Capital commitments**

Capital commitments outstanding as at 31 December 2019 not provided for in the financial statements were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted for	已訂約	35,703	18,040

**(b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases were payable as follows:**

		2018 二零一八年 RMB'000 人民幣千元
Within 1 year	一年內	101,652
After 1 year but within 5 years	一年後但於五年內	93,935
After 5 years	五年後	1,476
		197,063

The Group is the lessee in respect of a number of properties held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (see note 1(c)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in note 1(j); and the details regarding the Group's future lease payments are disclosed in note 22.

**27 承擔**

**(a) 資本承擔**

於二零一九年十二月三十一日尚未履行且並無於財務報表內計提撥備之資本承擔載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted for	已訂約	35,703	18,040

**(b) 於二零一八年十二月三十一日，不可撤銷經營租賃之應付日後最低租賃款項總額載列如下：**

		2018 二零一八年 RMB'000 人民幣千元
Within 1 year	一年內	101,652
After 1 year but within 5 years	一年後但於五年內	93,935
After 5 years	五年後	1,476
		197,063

本集團為先前根據香港會計準則第17號分類為經營租賃之租賃項下持有之若干物業的承租人。本集團已採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，本集團調整於二零一九年一月一日之期初結餘，以確認有關該等租賃之租賃負債（請參見附註1(c)）。自二零一九年一月一日起，日後租賃款項根據附註1(j)所載政策於財務狀況表確認為租賃負債；有關本集團日後租賃款項的詳情披露於附註22。

## 28 MATERIAL RELATED PARTY TRANSACTIONS

### (a) Key management personnel compensation and post-employment benefit plans

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	24,746	11,013
Post-employment benefits	離職後福利	64	60
		<b>24,810</b>	<b>11,073</b>

Total remuneration is included in "staff costs" (see note 5(b)).

### (b) Recurring transactions

The Group

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Shop design and decoration services provided to Shanghai Xinyu Fine Watch Service Co., Ltd. ("Xinyu Group")	向上海新宇鐘錶服務有限公司(「新宇集團」)提供之店舖設計及裝修服務	22,230	16,962

The directors of the Company are of the opinion that the above transactions with related parties were conducted in the ordinary course of business, on normal commercial terms and in accordance with the agreements governing such transactions.

### (c) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of the directors' remuneration and shop design and decoration services provided to Xinyu Group constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules, however they are exempt from the disclosure requirements in Chapter 14A of the Listing Rules.

## 28 重大關連方交易

### (a) 主要管理人員報酬及離職後福利計劃

本集團主要管理人員薪酬包括付予本公司董事之金額(於附註7披露)及若干最高薪酬僱員(於附註8披露)如下:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	24,746	11,013
Post-employment benefits	離職後福利	64	60
		<b>24,810</b>	<b>11,073</b>

薪酬總額包括於「員工成本」內(請參見附註5(b))。

### (b) 經常性交易

本集團

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Shop design and decoration services provided to Shanghai Xinyu Fine Watch Service Co., Ltd. ("Xinyu Group")	向上海新宇鐘錶服務有限公司(「新宇集團」)提供之店舖設計及裝修服務	22,230	16,962

本公司董事認為以上關連方交易乃在日常業務中按一般商業條款進行，且遵照規管有關交易之協議進行。

### (c) 有關關連交易之上市規則適用性

有關董事薪酬及向新宇集團提供之店舖設計及裝修服務之關連方交易構成上市規則第14A章所定義的持續關連交易，惟有關交易獲豁免遵守上市規則第14A章之披露規定。



## 29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### (a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents and deposits with banks is limited because the counterparties are major banks and financial institutions, for which the Group considers to have low credit risk. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 180 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

#### Trade receivables

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

## 29 財務風險管理及公允值

本集團日常業務過程中涉及信貸、流動資金、利率及貨幣風險。本集團亦承受其於其他實體之股本投資之股價風險。

本集團所面對之此等風險及本集團用作管理此等風險之財務風險管理政策及慣例載於下文。

### (a) 信貸風險

信貸風險指對手方違反合約責任而導致本集團產生財務虧損之風險。本集團的信貸風險主要源自應收貿易賬款及其他應收款項。本集團所面對之來自現金及現金等價物及銀行存款的信貸風險有限，因對手方為本集團視為信貸風險較低的主要銀行及金融機構。管理層已制定信貸政策，並持續對所須承受的信貸風險進行監察。

就應收貿易賬款及其他應收款項而言，對要求超過一定信貸金額的所有客戶進行個別信貸評估。該等評估乃針對客戶到期還款之過往記錄及目前之還款能力，並計及客戶之相關資料及考慮客戶經營所在之經濟環境。應收貿易賬款由開票日期起計30至180日到期。帶有逾期一個月未償還款項之債務人於獲授任何額外借貸前，須清償所有未償還款項。本集團一般不會向客戶收取抵押品。

#### 應收貿易賬款

本集團按相當於全期預期信貸虧損之金額（用撥備矩陣計算）計量應收貿易賬款虧損撥備。因本集團的過往信貸虧損經驗未顯示不同客戶分部有重大差異之虧損型態，故按逾期狀態計算之虧損撥備未在本集團不同各戶群間進一步區分。

**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

		2019 二零一九年		
		Expected loss rate 預期損失率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.01%	131,983	2
Less than 3 months past due	逾期少於三個月	0.1%-2%	23,757	261
More than 3 months but less than 12 months past due	逾期超過三個月 但少於十二個月	1%-20%	7,152	1,469
More than 12 months past due	逾期超過十二個月	25%-100%	2,775	2,716
			165,667	4,448
		2018 二零一八年		
		Expected loss rate 預期損失率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.01%	154,477	15
Less than 3 months past due	逾期少於三個月	0.1%-2%	22,402	445
More than 3 months but less than 12 months past due	逾期超過三個月 但少於十二個月	1%-20%	19,601	1,261
More than 12 months past due	逾期超過十二個月	25%-100%	2,684	2,571
			199,164	4,292

Expected loss rates are based on actual loss experience over the past three years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

**29 財務風險管理及公允值 (續)**

(a) 信貸風險 (續)

應收貿易賬款 (續)

下表列示有關本集團就應收貿易賬款面臨的信貸風險及預期信貸虧損資料：

		2019 二零一九年		
		Expected loss rate 預期損失率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.01%	131,983	2
Less than 3 months past due	逾期少於三個月	0.1%-2%	23,757	261
More than 3 months but less than 12 months past due	逾期超過三個月 但少於十二個月	1%-20%	7,152	1,469
More than 12 months past due	逾期超過十二個月	25%-100%	2,775	2,716
			165,667	4,448
		2018 二零一八年		
		Expected loss rate 預期損失率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.01%	154,477	15
Less than 3 months past due	逾期少於三個月	0.1%-2%	22,402	445
More than 3 months but less than 12 months past due	逾期超過三個月 但少於十二個月	1%-20%	19,601	1,261
More than 12 months past due	逾期超過十二個月	25%-100%	2,684	2,571
			199,164	4,292

預期損失率按過往三年的實際虧損經驗計算。該等利率經過調整以反映收集歷史數據期間之經濟狀況、當前狀況以及本集團對應收款項預期年期之經濟狀況的看法之間的差異。

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**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	4,292	1,582
Impairment losses recognised during the year	年內已確認減值虧損	156	2,710
Balance at 31 December	於十二月三十一日之結餘	4,448	4,292

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during 2019:

- increase in days past due over than 3 months but less than 12 months resulted in an increase of loss allowance of RMB208,000; and
- increase in days past due more than 12 months resulted in an increase in loss allowance of RMB145,000.
- Decrease in days past due less than 3 months and current resulted in a decrease in loss allowance of RMB184,000 and RMB13,000 respectively.

Other receivables

Impairment of other receivables are measured as either 12-month ECL or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. Impairment losses of RMB1,505,000 have been recognised during the year.

**29 財務風險管理及公允值 (續)**

(a) 信貸風險 (續)

應收貿易賬款 (續)

年內有關應收貿易賬款的虧損撥備賬之變動如下：

以下應收貿易賬款總賬面值之重大變動導致二零一九年期間之虧損撥備增加：

- 逾期超過三個月但少於十二個月的天數增加導致虧損撥備增加人民幣208,000元；及
- 逾期超過十二個月的天數增加導致虧損撥備增加人民幣145,000元。
- 逾期少於三個月的天數減少導致虧損撥備分別減少人民幣184,000元及人民幣13,000元。

其他應收款項

其他應收款項減值乃按十二個月預期信貸虧損或整個存續期預期信貸虧損計量，視信貸風險是否自初步確認以來顯著上升而定。已於年內確認減值虧損人民幣1,505,000元。



**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

**29 財務風險管理及公允值 (續)**

(b) 流動資金風險

流動資金風險指本集團無法如期履行財務責任的風險。本集團的政策是定期監察其流動資金需求及是否遵守借貸契諾，以確保其備存的現金儲備及向銀行取得的承諾信貸額度，足以應付長短期的流動資金需求。

		For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度					
		Within 1 year or on demand 一年以內 或按 要求 RMB'000 人民幣千元	Within 2 years but over 1 year 兩年以內 但超過一年 RMB'000 人民幣千元	Within 5 years but over 2 years 五年以內 但超過兩年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現合約 現金流量 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and other payables excluding contract liabilities	應付貿易賬款及其他應付款項(不包括合約負債)	205,549	–	–	–	205,549	205,549
Secured interest-bearing loans	有抵押計息貸款	57,582	5,892	17,199	61,649	142,322	129,359
Unsecured interest-bearing loans	無抵押計息貸款	87,712	–	–	–	87,712	87,258
		<b>350,843</b>	<b>5,892</b>	<b>17,199</b>	<b>61,649</b>	<b>435,583</b>	<b>422,166</b>

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度					
		Within 1 year or on demand 一年以內 或按 要求 RMB'000 人民幣千元	Within 2 years but over 1 year 兩年以內 但超過一年 RMB'000 人民幣千元	Within 5 years but over 2 years 五年以內 但超過兩年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現合約 現金流量 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and other payables excluding contract liabilities	應付貿易賬款及其他應付款項(不包括合約負債)	297,398	–	–	–	297,398	297,398
Secured interest-bearing loans	有抵押計息貸款	39,661	6,013	17,566	72,587	135,827	120,638
Unsecured interest-bearing loans	無抵押計息貸款	23,195	–	–	–	23,195	23,114
		<b>360,254</b>	<b>6,013</b>	<b>17,566</b>	<b>72,587</b>	<b>456,420</b>	<b>441,150</b>

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**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from interest-bearing loans.

Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The interest rates and maturity information of the interest-bearing bank loans disclosed in note 29(c)(i) and note 21 respectively.

The Group's policy is to manage its interest rate risk to ensure there are no undue exposures to significant interest rate movements and rates are relatively fixed. The Group does not account for any fixed rate financial liabilities at fair value through profit or loss, and the Group does not use derivative financial instruments to hedge its debt obligations.

(i) Interest rate profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

**29 財務風險管理及公允值 (續)**

(c) 利率風險

利率風險為一項金融工具的公允值或未來現金流量因市場利率變動而波動的風險。本集團之利率風險主要來自計息貸款。

以可變利率及固定利率發出的借貸令本集團分別承受現金流量利率風險及公允值利率風險。計息銀行貸款之利率及到期資料分別於附註29(c)(i)及附註21披露。

本集團之政策為管理其利率風險以確保毋須承擔重大利率變動及相對固定利率之風險。本集團並無計入任何通過損益按公允值列賬之固定利率金融負債，亦無以衍生金融工具對沖其債務責任。

(i) 利率資料

本集團於報告日期之計息金融工具利率資料如下：

		2019 二零一九年		2018 二零一八年	
		Effective interest rate	RMB'000	Effective interest rate	RMB'000
		實際利率	人民幣千元	實際利率	人民幣千元
		%		%	
<b>Fixed rate instruments</b>					
<b>Fixed rate instruments</b>					
	固定利率工具				
Secured interest-bearing loans	有抵押計息貸款	5.10%	39,950	5.22%	35,000
Unsecured interest bearing loans	無抵押計息貸款	3.59%	62,783	-	-
			102,733		35,000
<b>Variable rate instruments</b>					
<b>Variable rate instruments</b>					
	可變利率工具				
Secured interest-bearing loans	有抵押計息貸款	1.70% – 3.06%	89,409	1.70%	85,638
Unsecured interest-bearing loans	無抵押計息貸款	1.89%	24,475	1.89%	23,114
			113,884		108,752

## 29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

### (c) Interest rate risk (Continued)

#### (ii) Sensitivity analysis

At 31 December 2019, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's (loss)/profit after tax and decreased retained profits by approximately RMB1,631,000 (2018: RMB870,000). Other components of consolidated equity would not be affected in response to a general increase/decrease in interest rates.

The sensitivity analysis above indicates the annualised impact on the Group's interest expense that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to floating rate instruments which expose the Group to cash flow interest rate risk at that date. The analysis does not take into account exposure to fair value interest rate risk arising from fixed rate instruments as the Group does not hold any fixed rate instruments which are measured at fair value in the financial statements. The analysis is performed on the same basis as 2018.

### (d) Currency risk

The Group is exposed to currency risks primarily through sales, purchases and borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily RMB and HKD. In respect of monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the PBOC rates.

## 29 財務風險管理及公允值 (續)

### (c) 利率風險 (續)

#### (ii) 敏感度分析

於二零一九年十二月三十一日，倘利率整體上升／下降100個基點，而所有其他不定因素維持不變，估計本集團的稅後（虧損）／溢利將增加／減少及保留溢利將減少約人民幣1,631,000元（二零一八年：人民幣870,000元）。綜合權益的其他組成部分將不會因利率的整體上升／下降而受到影響。

以上敏感度分析顯示，假設於報告期末出現利率變動，並已於該日期應用使本集團面對現金流量利率風險的浮息工具時，本集團的利息開支可能出現的年化影響。由於本集團並無持有任何於財務報表內按公允值計量的固定利率工具，故分析並無計及固定利率工具產生的公允值利率風險。分析按二零一八年的同一基準進行。

### (d) 貨幣風險

本集團承受的貨幣風險主要來自以相關業務營運功能貨幣以外的貨幣計值的銷售、購買及借貸。產生此風險的貨幣主要為人民幣及港元。本集團於有需要時透過按即期利率買賣外幣，以控制外幣風險解決短期的失衡，確保將風險淨額維持在可接受水平。

人民幣不得自由兌換成外幣。所有涉及人民幣的外匯交易必須經中國人民銀行或其他獲授權買賣外匯的機構進行。就外匯交易所採納之匯率由中國人民銀行釐定。



**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** *(Continued)*

**(e) Equity price risk**

The Group is exposed to equity price changes arising from equity investments held for strategic purposes (see note 15).

The Group's major equity investments are listed on the Stock Exchange and are included in the Hang Seng Index. Listed investments held in the equity securities designated as FVOCI portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

At 31 December 2019, it is estimated that an increase/decrease of 10% (2018: 10%) in the share price would have increased/decreased the Group's fair value reserve by approximately RMB40,018,000 (2018: RMB16,897,000).

The sensitivity analysis above indicates the instantaneous change on the Group's fair value reserve that would arise assuming that the changes in the share price had occurred at the end of the reporting period and had been applied to re-measure those financial instruments which expose the Group to equity price risk at the end of the reporting period.

**29 財務風險管理及公允值 (續)**

**(e) 股價風險**

本集團面臨持作戰略目的之股本投資所產生之股價變動（請參見附註15）。

本集團的主要股本投資於聯交所上市，並納入恒生指數。於指定為通過損益按公允值計量的股本證券組合中持有的上市投資乃基於其長遠增長潛力而選擇，並定期監查其相對於預期的表現。

於二零一九年十二月三十一日，估計股價增加／減少10%（二零一八年：10%）將增加／減少本集團公允值儲備約人民幣40,018,000元（二零一八年：人民幣16,897,000元）。

以上敏感度分析顯示，假設於報告期末股價出現變動，並已於報告期末應用於重新計量該等使本集團面臨股價風險的金融工具時，本集團的公允值儲備可能出現的即時變動。

**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

**(f) Fair value measurement**

**(i) Financial assets and liabilities measured at fair value**

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

**29 財務風險管理及公允值 (續)**

**(f) 公允值計量**

**(i) 按公允值計量之金融資產及負債**

公允值等級架構

下表呈列於報告期末按香港財務報告準則第13號，公允值計量所界定公允值等級架構的三個等級經常以公允值計量之本集團金融工具公允值。公允值計量所屬級別乃參照在估值技術中使用之輸入項目之可觀察程度及重要性而釐定，有關等級界定如下：

- 第一級估值：公允值只採用第一級輸入項目計量，即在計量日於活躍市場中相同資產或負債之未經調整報價。
- 第二級估值：公允值採用第二級輸入項目計量，即未能符合第一級之可觀察輸入項目，及不會採用重大不可觀察輸入項目。不可觀察輸入項目為無法取得市場數據之輸入項目。
- 第三級估值：公允值採用重大不可觀察輸入項目計量。

NOTES TO THE FINANCIAL STATEMENTS  
財務報表附註

**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

- (f) Fair value measurement (Continued)  
(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

**29 財務風險管理及公允值** (續)

- (f) 公允值計量 (續)  
(i) 按公允值計量之金融資產及負債 (續)

公允值等級架構 (續)

		Fair value measurement as at 31 December 2019 categorised into 於二零一九年十二月三十一日 按下列分類之公允值計量			
		Fair value at 31 December 2019 二零一九年 十二月三十一日 之公允值 RMB'000 人民幣千元	Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元
The Group	本集團				
Other investments (note 15):	其他投資 (附註15) :				
Equity investments	股本投資	400,184	400,184	—	—

		Fair value measurement as at 31 December 2018 categorised into 於二零一八年十二月三十一日 按下列分類之公允值計量			
		Fair value at 31 December 2018 二零一八年 十二月三十一日 之公允值 RMB'000 人民幣千元	Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元
The Group	本集團				
Other investments (note 15):	其他投資 (附註15) :				
Equity investments	股本投資	168,696	168,696	—	—



**29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES** (Continued)

**(f) Fair value measurement** (Continued)

**(i) Financial assets and liabilities measured at fair value** (Continued)

Fair value hierarchy (Continued)

At 31 December 2019, the financial instruments of the Group carried at fair value were equity securities of RMB400,184,000 (2018: RMB168,696,000) listed on the Stock Exchange (see note 15). These instruments are measured at fair value on a recurring basis and their fair value measurements fall into Level 1 of the fair value hierarchy described above.

During the year ended 31 December 2019, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3.

**(ii) Fair value of financial assets and liabilities carried at other than fair value**

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2019 and 2018.

**(g) Estimation of fair values**

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

**29 財務風險管理及公允值** (續)

**(f) 公允值計量** (續)

**(i) 按公允值計量之金融資產及負債** (續)

公允值等級架構 (續)

於二零一九年十二月三十一日，本集團按公允值入賬的金融工具為於聯交所上市的股本證券人民幣400,184,000元(二零一八年：人民幣168,696,000元)(請參見附註15)。該等工具經常以公允值計量，且其公允值計量分類為上述所示的公允值等級架構第一級。

截至二零一九年十二月三十一日止年度，第一級與第二級工具之間並無任何轉撥，亦無自第三級工具轉入或轉出。

**(ii) 並非按公允值列賬的金融資產及負債的公允值**

於二零一九年及二零一八年十二月三十一日，本集團按成本或攤銷成本入賬的金融工具的賬面值與其公允值之間並無重大差異。

**(g) 公允值估計**

公允值是於特定時間根據有關市場資料及金融工具之資料作出估計。該等估計性質主觀，並涉及不明朗因素及須作重大判斷之事項，因此並不能準確地釐定。假設的變更有可能嚴重影響公允值估計。

## 29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(Continued)*

### (g) Estimation of fair values *(Continued)*

The following methods and assumptions were used to estimate the fair value for each class of financial instruments:

#### (i) Cash and cash equivalents, trade and other receivables, and trade and other payables

The carrying values approximate fair value because of the short maturities of these instruments.

#### (ii) Interest-bearing bank loans

The carrying amounts of bank loans approximate their fair value based on the borrowing rates currently available for bank loans with similar terms and maturity.

## 30 COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

## 29 財務風險管理及公允值 (續)

### (g) 公允值估計 (續)

各類金融工具的公允值使用以下方法及假設進行估算：

#### (i) 現金及現金等價物、應收貿易賬款及其他應收款項、應付貿易賬款及其他應付款項

由於該等工具的年期較短，故其賬面值與公允值相若。

#### (ii) 計息銀行貸款

根據現時可獲取且條款及到期日相若的銀行貸款的借貸利率計算，銀行貸款的賬面值與公允值相若。

## 30 比較數字

本集團已於二零一九年一月一日採用經修訂追溯法首次應用香港財務報告準則第16號。於此方式下，比較資料並無重列。有關會計政策變動的進一步詳情於附註1(c)中披露。

**31 COMPANY-LEVEL STATEMENT OF  
FINANCIAL POSITION**

**31 公司等級財務狀況表**

		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Other investments	其他投資		229,943	58,457
Interest in subsidiaries	於附屬公司之權益	14	2,046,338	1,673,569
			<b>2,276,281</b>	<b>1,732,026</b>
<b>Current assets</b>	<b>流動資產</b>			
Trade and other receivables	應收貿易賬款及其他應收款項		7,812	8,207
Cash and cash equivalents	現金及現金等價物		507,240	980,418
			<b>515,052</b>	<b>988,625</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付貿易賬款及其他應付款項		1,665,172	1,630,627
Current taxation	本期應繳稅項		2,011	1,969
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(1,152,131)</b>	<b>(643,971)</b>
<b>TOTAL NET ASSETS</b>	<b>資產淨值總額</b>		<b>1,124,150</b>	<b>1,088,055</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>	26(a)		
Share capital	股本		22,337	22,337
Reserves	儲備		1,101,813	1,065,718
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>1,124,150</b>	<b>1,088,055</b>

Approved and authorised for issue by the board of directors on 5 June 2020.

於二零二零年六月五日獲董事會批准及授權刊印。

Zhang Yuping  
Executive Director

Huang Yonghua  
Executive Director

張瑜平  
執行董事

黃永華  
執行董事



### 32 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at 31 December 2019, the directors consider the immediate parent and ultimate controlling party of the Group to be Best Growth International Limited, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

### 33 NON-ADJUSTMENT EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the outbreak of novel coronavirus (Covid-19) in January 2020 has caused disruptions to many industries, including retail industry in Hong Kong. These disruptions have inevitably posed a significant threat to the global economy in 2020. Despite the challenges, governments and international organisations have implemented a series of measures to contain the epidemic. The time duration and scope of these disruptions cannot be accurately assessed at this point in time. Given the dynamic nature of these circumstances, the financial impact will be reflected in the Group's subsequent financial statements. The Group will closely monitor the development of the epidemic and assess its impact on its operations.

### 32 直接及最終控制方

董事認為，於二零一九年十二月三十一日，本集團之直接母公司及最終控制方為於英屬處女群島註冊成立的佳增國際有限公司。該實體並無編製供公眾人士參閱之財務報表。

### 33 於報告期後的非調整事件

於報告期末後，二零二零年一月爆發的新型冠狀病毒(COVID-19)疫情已對許多行業(包括香港的零售業)造成影響。此等影響無可避免地對二零二零年全球經濟造成重大威脅。儘管面臨挑戰，政府與國際組織已實施一系列措施以控制疫情。目前，尚無法準確評估影響的時長及範圍。鑑於該等情況不斷變化的性質，財務影響將反映於本集團後續的財務報表中。本集團將密切關注疫情的發展，並評估其對營運的影響。

**34 POSSIBLE IMPACT OF AMENDMENTS,  
NEW STANDARDS AND INTERPRETATIONS  
ISSUED BUT NOT YET EFFECTIVE FOR THE  
ANNUAL ACCOUNTING YEAR ENDED 31  
DECEMBER 2019**

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, Insurance contracts, which are not yet effective for the year ended 31 December 2019 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

**34 截至二零一九年十二月三十一  
日止會計年度頒佈但未生效的  
修訂、新增準則及詮釋的可能  
影響**

截至該等財務報表刊發日期，香港會計師公會已頒佈數項修訂及一項新增準則－香港財務報告準則第17號，保險合約。此等修訂及該項新增準則於截至二零一九年十二月三十一日止年度尚未生效，亦未於該等財務報表中採用。該等變動包括下列可能與本集團有關之項目。

Effective for  
accounting periods  
beginning on or after  
於會計期間起或其後生效

*Amendments to HKFRS 3, Definition of a business*

香港財務報告準則第3號（修訂本），業務的定義

1 January 2020

二零二零年一月一日

*Amendments to HKAS 1 and HKAS 8, Definition of material*

香港會計準則第1號及香港會計準則第8號（修訂本），重大的定義

1 January 2020

二零二零年一月一日

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

本集團正在評估預期該等變動於首次應用期間可能產生的影響。迄今其斷定採用該等變動不大可能會對綜合財務報表產生重大影響。

# CORPORATE INFORMATION

## 公司資料

### STOCK INFORMATION

Place of Listing: Main Board of The Stock Exchange of Hong Kong Limited

Stock Short Name: Hengdeli

Stock Code: 3389

Company Website: www.hengdeligroup.com

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhang Yuping (*Chairman*)

Mr. Huang Yonghua

Mr. Lee Shu Chung, Stan

#### Non-executive Director

Mr. Shi Zhongyang

#### Independent Non-executive Directors

Mr. Cai Jianmin

Mr. Wong Kam Fai, William

Mr. Liu Xueling

### AUDIT COMMITTEE

Mr. Cai Jianmin (*Committee Chairman*)

Mr. Wong Kam Fai, William

Mr. Liu Xueling

### REMUNERATION COMMITTEE

Mr. Liu Xueling (*Committee Chairman*)

Mr. Cai Jianmin

Mr. Zhang Yuping

### NOMINATION COMMITTEE

Mr. Zhang Yuping (*Committee Chairman*)

Mr. Cai Jianmin

Mr. Liu Xueling

### 股份資料

上市地點：香港聯合交易所有限公司主板

股份簡稱：亨得利

股份代號：3389

公司網址：www.hengdeligroup.com

### 董事會

#### 執行董事

張瑜平先生 (*董事局主席*)

黃永華先生

李樹忠先生

#### 非執行董事

史仲陽先生

#### 獨立非執行董事

蔡建民先生

黃錦輝先生

劉學靈先生

#### 審核委員會成員

蔡建民先生 (*委員會主席*)

黃錦輝先生

劉學靈先生

#### 薪酬委員會成員

劉學靈先生 (*委員會主席*)

蔡建民先生

張瑜平先生

#### 提名委員會成員

張瑜平先生 (*委員會主席*)

蔡建民先生

劉學靈先生



### COMPANY SECRETARY

Mr. Ng Man Wai (CPA, FCCA)

### REGISTERED OFFICE

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Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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### Correspondence Address:

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### AUDITORS

KPMG  
Certified Public Accountants (resigned on 6 May 2020)  
8/F, Prince's Building  
10 Chater Road, Central, Hong Kong

ZHONGHUI ANDA CPA Limited  
Certified Public Accountants (appointed on 7 May 2020)  
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### LEGAL ADVISORS

As to Hong Kong Law  
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1 Connaught Place, Central, Hong Kong

As to PRC Law  
Beijing Kangda Law Firm  
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### 公司秘書

吳文偉先生 (CPA, FCCA)

### 註冊辦事處

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港威大廈第6座3805-09室

### 核數師

畢馬威會計師事務所  
執業會計師（於2020年5月6日辭任）  
香港中環遮打道10號  
太子大廈8樓

中匯安達會計師事務所有限公司  
執業會計師（於2020年5月7日獲委任）  
香港銅鑼灣威非路道18號  
萬國寶通中心7樓701室

### 法律顧問

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香港中環康樂廣場一號  
怡和大廈5樓

中國法律  
北京市康達律師事務所  
北京市朝陽區建國門外大街19號  
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## CORPORATE INFORMATION 公司資料

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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