



Stock Code 股份代號: 1082



Contents 目錄

CORPORATE INFORMATION	公司資料	2
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	4
PROFILES OF DIRECTORS AND SENIOR MANAGEMENT	董事及高級管理層履歷	26
REPORT OF THE DIRECTORS	董事會報告	28
CORPORATE GOVERNANCE REPORT	企業管治報告	43
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT	環境、社會及管治報告	60
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告	91
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	綜合損益及其他全面收益表	103
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務狀況表	105
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	107
CONSOLIDATED STATEMENT OF CASH FLOWS	綜合現金流量表	109
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報表附註	112
FIVE-YEAR FINANCIAL SUMMARY	五年財務概要	240

Corporate Information 公司資料

EXECUTIVE DIRECTORS

Tsang Ka Wai
Wong King Hoi
Yip Chung Yin Jeffrey
(resigned with effect from 24 February 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Jor Stephanie Wing Yee
Leung Ki Chi James
Fenn David

COMPANY SECRETARY

Lam Yick Tung Philip

AUDIT COMMITTEE

Jor Stephanie Wing Yee *(Chairman)*
Leung Ki Chi James
Fenn David

REMUNERATION COMMITTEE

Jor Stephanie Wing Yee *(Chairman)*
Fenn David
Tsang Ka Wai

NOMINATION COMMITTEE

Fenn David *(Chairman)*
Tsang Ka Wai
Jor Stephanie Wing Yee

AUTHORISED REPRESENTATIVES

Lam Yick Tung Philip
Tsang Ka Wai

AUDITORS

Baker Tilly Hong Kong Limited
Certified Public Accountants

執行董事

曾家偉
黃敬凱
葉頌賢 (於2020年2月24日辭任)

獨立非執行董事

左穎怡
梁其智
范德偉

公司秘書

林翼東

審核委員會

左穎怡 (主席)
梁其智
范德偉

薪酬委員會

左穎怡 (主席)
范德偉
曾家偉

提名委員會

范德偉 (主席)
曾家偉
左穎怡

授權代表

林翼東
曾家偉

核數師

天職香港會計師事務所有限公司
執業會計師

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1003A, 10/F
Exchange Tower
33 Wang Chiu Road
Kowloon Bay
Kowloon, Hong Kong

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

www.hkeduii.com

STOCK CODE

1082

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港總辦事處及主要營業地點

香港九龍
九龍灣
宏照道33號
國際交易中心
10樓1003A室

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

主要股份過戶登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

公司網站

www.hkeduii.com

股份代號

1082

Management Discussion and Analysis

管理層討論及分析

Hong Kong Education (Int'l) Investments Limited ("Company") and its subsidiaries (together with the Company, collectively the "Group") faced a tough and challenging operating environment during the year ended 30 June 2020 ("Year"). The unfavourable market conditions, such as decreasing enrolment of secondary school students, declining number of candidates participating in the Diploma of Secondary Education Examination ("DSE"), increasing number of students studying abroad, and fierce competition among the industry peers to recruit and retain quality tutors as well as to attract and retain students for enrolments, coupled with the continuing impact of the social incidents and the outbreak of coronavirus disease 2019 ("COVID-19") in Hong Kong, not only caused a distinct reduction in course enrolments but also suspension of face-to-face classes in the Group's education centres.

For the Year, the Group recorded revenue of approximately HK\$67.24 million (2019: approximately HK\$108.94 million), representing a significant decrease of approximately 38.28% as compared to the previous year. Loss attributable to owners of the Company for the Year amounted to approximately HK\$107.19 million (2019: loss of approximately HK\$77.44 million), which was mainly due to (i) impairment loss on goodwill of approximately HK\$18.67 million; (ii) impairment loss on other loan receivables of approximately HK\$18.25 million; (iii) impairment loss on a loan receivable of approximately HK\$6.57 million; and (iv) loss on change in fair value of financial assets at fair value through profit or loss ("FVPL") of approximately HK\$10.75 million recorded during the Year.

於截至2020年6月30日止年度（「本年度」），香港教育（國際）投資集團有限公司（「本公司」）及其附屬公司（與本公司統稱「本集團」）面臨嚴峻而充滿挑戰的經營環境。不利的市場狀況，例如中學生報名人數減少、參加中學文憑考試（「中學文憑考試」）的學生人數下降、出國留學的學生人數增加以及業內同行之間招聘及留住優秀導師及吸引和留住學生報名的競爭激烈；再加上社會事件的持續影響及香港爆發2019冠狀病毒病（「COVID-19」），不僅導致課程報名人數明顯減少，亦導致本集團的教育中心面授課堂停課。

於本年度，本集團錄得收入約67,240,000港元（2019年：約108,940,000港元），較去年大幅減少約38.28%。於本年度，本公司擁有人應佔虧損約107,190,000港元（2019年：虧損約77,440,000港元），乃主要由於本年度內錄得(i)商譽之減值虧損約18,670,000港元；(ii)其他應收貸款之減值虧損約18,250,000港元；(iii)應收貸款之減值虧損約6,570,000港元；及(iv)按公平值計入損益（「按公平值計入損益」）的金融資產的公平值變動虧損約10,750,000港元。

BUSINESS REVIEW

Provision of private educational services

Secondary tutoring services

The Year was a difficult time to the private education industry, especially for the segment of secondary tutoring services. In the second half of 2019, the Group encountered significant impact from the prolonged political issues such as protests and demonstrations in Hong Kong which once resulted in class suspension of schools in Hong Kong. Worse still, since 2020, the Group's business operations have been further adversely affected by the outbreak of COVID-19. The Group had actively formulated the business strategies to deal with this hard time. In the time of a pandemic, online learning is the need of the hour and an inevitable trend due to social distancing measures to prevent the spread of COVID-19. The Group was using its best endeavour to adjust its business model by moving more classes online. Therefore, the Group had downsized the scale of its traditional classroom setting lessons. 6 out of 7 learning centres operated by the Group under the brand of "Modern Education" (現代教育) ("Secondary Tutoring Centres") were closed during the first half of 2020.

For the Year, revenue recorded from secondary tutoring services was approximately HK\$28.76 million, representing a significant decrease of approximately 46.63% as compared to approximately HK\$53.88 million for the last financial year. Rental expenses took up approximately 32% of this segment's expenses before the closure of 6 Secondary Tutoring Centres. The closure has allowed the Group to reallocate resources for developing the Group's online learning infrastructure and promoting the online course enrolments. The Group acknowledged that the traditional way of classroom setting teaching is irreplaceable in some sense, therefore, the Group retains a Secondary Tutoring Centre to serve the needs for those students who prefer face-to-face classes. The Group will consider re-opening the Secondary Tutoring Centres subject to the social and market conditions.

業務回顧

提供私人教育服務

中學補習服務

本年度對於私人教育行業尤其是中學補習服務分部而言，為一段艱難的時期。於2019年下半年，本集團受到香港的抗議及示威活動等長期政治問題的重大影響，該等事件曾導致香港學校停課。更嚴重的是，自2020年以來，本集團的業務營運進一步受到COVID-19爆發的不利影響。本集團積極制定業務戰略以應對此艱難時期。於疫情下，由於為防止COVID-19傳播而實行的社交距離措施，網上學習是當前所需，亦是必然趨勢。本集團正盡最大努力調整其業務模式，將更多課堂改為網上教學。因此，本集團已縮減其傳統課堂授課的規模。於2020年上半年，本集團旗下以「現代教育」品牌營運的7間教育中心（「中學補習社」）當中的6間已關閉。

於本年度，本集團錄得中學補習服務收入約28,760,000港元，較上一個財政年度的約53,880,000港元大幅減少約46.63%。於6間中學補習社關閉前，租金佔該分部的開支約32%。關閉中學補習社使本集團得以重新分配資源，以發展本集團的網上學習基礎設施及推廣報讀網上課程。本集團認為傳統課堂教學的方式從某種意義上來說是不可替代，因此，本集團保留1間中學補習社，以滿足喜歡面授課程的學生的需求。本集團將會根據社會及市場的狀況而考慮重開中學補習社。

Management Discussion and Analysis 管理層討論及分析

The following table shows the number of course enrolments, the number of tutors and the average course fees for each category of secondary tutoring courses covering the two years ended 30 June 2020.

下表載列截至2020年6月30日止兩個年度各類中學補習課程的課程報名人次、導師人數及平均學費。

		For the year ended 30 June 截至6月30日止年度	
		2020 2020年	2019 2019年
Number of course enrolments (<i>approximately</i>)	課程報名人次 (概約)		
Regular courses	常規課程	35,000	65,000
Intensive courses	精讀班	3,500	12,000
Summer courses	暑期課程	8,500	12,000
T.I.P.S. courses	應試技巧班	1,500	6,000
Special courses	專科課程	1,000	5,000
Number of tutors (<i>Note 1</i>)	導師人數 (附註1)		
Regular courses	常規課程	23	35
Intensive courses	精讀班	16	22
Summer courses	暑期課程	21	29
T.I.P.S. courses	應試技巧班	11	16
Special courses	專科課程	13	13
Average course fees (<i>HK\$</i>) (<i>Note 2</i>)	平均學費 (港元) (附註2)		
Regular courses	常規課程	558	533
Intensive courses	精讀班	617	572
Summer courses	暑期課程	564	458
T.I.P.S. courses	應試技巧班	604	565
Special courses	專科課程	460	381

Note 1: Tutors may provide secondary tutoring services for all or certain categories of courses. Thus, the sum of the number of tutors for the provision of regular courses, intensive courses, summer courses, T.I.P.S. courses and special courses is not equal to the total number of tutors for the year.

附註1：導師可為所有或若干類別的課程提供中學補習服務。因此，本年度內提供常規課程、精讀班、暑期課程、應試技巧班及專科課程的導師人數總和，並不等於導師總人數。

Note 2: Being revenue divided by course enrolments for the year.

附註2：即本年度收入除以課程報名人次。

English language training and test preparation courses

During the Year, the Group continued to deliver high-quality English language training and examination preparation courses for the International English Language Testing System (IELTS) and Test of English for International Communication (TOEIC). These courses are required to be conducted on site to qualify for the subsidy from the Continuing Education Fund set up by the Hong Kong government. Due to the outbreak of COVID-19, the Group has decided to suspend the classes temporarily out of concern for the well-being of its staff and students since February 2020, which were resumed in June 2020. The number of course enrolments dropped significantly from approximately 5,500 to 1,300 during the Year and the Group recorded revenue of approximately HK\$2.27 million, representing a significant decrease of approximately 75.39% compared to approximately HK\$9.23 million for the last financial year.

Given the global recognition of IELTS and TOEIC, the Group believes there is market demand in Hong Kong for professional English language training and test preparation courses. These courses benefit from being reimbursable courses under the Continuing Education Fund and thus are popular with the working population. Further, these courses are also crucial for those seeking to apply to universities overseas or emigrate. The Group plans to continue operating courses once face-to-face teaching suspended due to the outbreak of COVID-19 is allowed to resume. The Group will earmark a certain amount of internal resources to explore methods and expand sales channels to continue the operation of this segment.

英語培訓及應試課程

於本年度內，本集團繼續就國際英語測驗系統（雅思）及國際交流英語考試（托業）提供優質的英語培訓及應試課程。該等課程必須於課堂現場進行，方合資格獲得香港政府設立的持續進修基金的補助。由於爆發COVID-19，為其員工及學生的健康著想，本集團已決定自2020年2月起暫停該等課程，並已於2020年6月復課。於本年度，課程報名人次由約5,500名大幅減少至1,300名，而本集團錄得收益約2,270,000港元，較上一個財政年度的約9,230,000港元大幅減少約75.39%。

鑒於雅思及托業的全球認可度，本集團相信香港市場對專業的英語培訓及應試課程存在需求。作為持續進修基金項下獲補助的課程，該等課程深受在職人士歡迎。此外，對於尋求申請海外院校或移民的人士而言，該等課程亦至關重要。對受COVID-19疫情停課的面授教學課程一旦獲准恢復後，本集團計劃繼續經營該等課程。本集團將會預留若干內部資源供探索方案及擴大銷售渠道，以繼續經營此分部。

Management Discussion and Analysis 管理層討論及分析

Primary tutoring services, skill courses and test preparation courses

Given the steady and increasing number of course enrolments recorded over the past years, the Group is optimistic about the market demand for the primary tutoring services in Hong Kong. The business strategy to promote primary tutoring services and enlarge the services network through the franchisee scheme (“Scheme”) has strategically satisfied market demand and contributed strong revenue to the Group. In the first half of 2020, the COVID-19 pandemic brought certain negative impact on the business operation. The Group has taken immediate action and moved some classes online due to COVID-19-related social distancing measures. Some classes were conducted in the centres when the situation allowed. The Group makes every endeavour to provide quality services to students to meet their needs even under the impact of COVID-19. Nevertheless, the number of course enrolments has shrunk for the Year. There were approximately 14,000 (2019: approximately 17,000) course enrolments recorded from directly-owned education centres which recorded revenue of approximately HK\$16.51 million (2019: approximately HK\$18.56 million). Total revenue to the Group from franchised centres amounted to approximately HK\$4.77 million, representing a decrease of approximately 16.39% compared to approximately HK\$5.70 million for the previous year.

In late June 2020, one of the directly-owned education centres was newly opened to replace another directly-owned education centre in another location. The Group is confident of the prospects of this segment and is willing to invest further even during this difficult time. There has been a steady increase in number of the franchise partners over the past few years and 6 new franchisees have already signed agreements to join the Scheme and the franchised centres are expected to be operational by around March 2021. The Company plans to allocate more resources and expand its network by promoting the Scheme and attracting more business partners. As at 30 June 2020, there were 7 directly-owned education centres and 37 franchised centres operated under the brand of “Modern Bachelor Education”(現代小學士)。

小學輔導服務、展藝課程及應試課程

鑒於過去數年課程報名人次持續穩定增長，本集團對香港的小學輔導服務的市場需求持樂觀態度。透過特許經營計劃（「該計劃」）推廣小學輔導服務及擴大服務網絡的業務策略已策略性滿足市場需求及為本集團貢獻強勁的收益。於2020年上半年，COVID-19爆發對業務營運帶來一定的負面影響。由於實行有關COVID-19的社交距離措施，本集團已立即採取行動及將若干課程轉移至網上教學。部分課程於可行情況下會於中心內進行授課。即使受到COVID-19的影響，本集團仍竭力為學生提供優質服務以滿足其需求。儘管如此，本年度的課程報名人次有所下滑。直營教育中心的課程報名人次錄得約14,000名（2019年：約17,000名）及錄得收入約16,510,000港元（2019年：約18,560,000港元）。特許經營中心為本集團貢獻總收入約4,770,000港元，較去年的約5,700,000港元減少約16.39%。

於2020年6月底，本集團新開設一家直營教育中心以取代另一地區的另一家直營教育中心。即使身處艱難時期，本集團仍然對此分部的前景充滿信心，並願意作出進一步投資。於過去幾年，特許經營合作夥伴數目持續穩步增長，已有6名新的加盟商簽訂協議加入該計劃，預期特許經營中心於2021年3月前後投入營運。本公司擬投入更多資源，透過推廣該計劃及吸引更多業務合作夥伴來擴大其網絡。於2020年6月30日，「現代小學士」品牌旗下有7個直營教育中心及37個特許經營中心。

Dance tuition services

While the competition for dance industry in Hong Kong is intensive, the Group continued to provide quality dance tuition services and attract students to enrol in the Group's dance classes. During the first half of the financial year, the Group has arranged students to participate in various dance competitions to gain performance experience, launched overseas study tours and enhanced the provision of courses to respond to changes in market trends so as to expand the Group's business coverage and broaden the student base.

Unfortunately, dance tuition faced the hardest hit since the COVID-19 pandemic has begun. As the Group was conscious of the pressing need to protect its staff, tutors and students from possible exposure to the COVID-19 pandemic, some dance classes have been temporarily suspended. Due to the mode of dance tuition which does not allow for easy online teaching compared to secondary tuition and primary tuition, all business activities have been severely affected. As a result, the enrolment has dropped sharply in the second half of the financial year. After serious consideration of the difficult operating environment under the huge impact of the COVID-19 pandemic, the Group had downsized the scale of operation by closing some of its dance colleges so as to control the operating costs. 5 out of 6 professional dance colleges operated by the Group under the brand of Shelly Lo Jazz and Ballet School were closed. As at 30 June 2020, the Group has retained 1 professional dance college which continues to provide the courses of ballet and jazz dance. The Group is taking effort to formulate appropriate business strategies to cope with such adverse changes and making good use of any opportunities to offer more diversified dance services to students.

During the Year, the Group recorded revenue from dance tuition services of approximately HK\$10.89 million, representing a decrease of approximately 38.03% as compared to approximately HK\$17.57 million recorded in the last financial year.

舞蹈教學服務

儘管香港的舞蹈行業競爭激烈，本集團繼續提供優質舞蹈教學服務，並吸引學生報讀本集團的舞蹈課程。於本財政年度的上半年，本集團安排學生參加各類舞蹈比賽以獲取表演經驗、開展海外遊學及加強課程供應以應對市場趨勢的變化，從而擴大本集團的業務涵蓋範圍及擴闊學生基礎。

不幸的是，舞蹈教學自COVID-19疫情爆發以來面臨重創。因為本集團意識到迫切需要保護其員工、導師及學生免受感染COVID-19的風險，所以部分舞蹈課程已暫時停止。由於舞蹈的教學模式，其並不允許如中學教學及小學教學般進行簡便的網上教學，故所有業務活動均受到嚴重影響。因此，報名人數於本財政年度下半年暴跌。本集團於艱難的經營環境下經過認真考慮COVID-19疫情的巨大影響後，透過關閉部分舞蹈學院以縮小經營規模，從而控制經營成本。本集團已關閉旗下以羅逸雅芭蕾舞爵士舞學校的品牌經營的6間專業舞蹈學院中的5間。於2020年6月30日，本集團仍保留1間專業舞蹈學院，繼續提供芭蕾舞及爵士舞課程。本集團正努力制定適當的業務策略，以應對有關不利變動，並充分利用任何機會為學生提供更多元化的舞蹈教學服務。

於本年度內，本集團錄得舞蹈教學服務收入約10,890,000港元，較上一個財政年度錄得的約17,570,000港元減少約38.03%。

Management Discussion and Analysis 管理層討論及分析

Investments

Assets investments

Financial assets at FVPL

During the Year, the Group adopted a relatively prudent and diversified strategies for securities investment. The Group had acquired listed securities in 9 listed companies in Hong Kong and disposed of 7 listed securities in its investment portfolio during the Year. Throughout the second half of the financial year, the stock market in Hong Kong was volatile, Heng Seng Index dropped from 28,543.52 points on 2 January 2020 to 24,427.19 points on 30 June 2020. As at 30 June 2020, the Group had financial assets at FVPL with a fair value of approximately HK\$48.55 million and recorded a loss on change in fair value of financial assets at FVPL of approximately HK\$10.75 million for the Year.

Details of the significant investments in the portfolio under financial assets at FVPL with a value of 5% or more of the Group's audited total assets as at 30 June 2020 are as follows:

投資

資產投資

按公平值計入損益的金融資產

於本年度內，本集團對證券投資採取相對審慎及多元化的策略。本集團於本年度內已認購9間香港上市公司的上市證券，並出售其投資組合中的7隻上市證券。於本財政年度的下半年，香港股市波動，恒生指數由2020年1月2日的28,543.52點跌至2020年6月30日的24,427.19點。於2020年6月30日，本集團按公平值計入損益的金融資產的公平值約48,550,000港元，並於本年度錄得按公平值計入損益的金融資產的公平值變動虧損約10,750,000港元。

於2020年6月30日，按公平值計入損益的金融資產組合內佔本集團經審核總資產5%或以上的重大投資詳情如下：

Description of investments	Principal businesses	Number of shares held	Percentage held to the total issued share capital of the company	Investment cost	Fair value as at 30 June 2020	Percentage to the Group's audited total assets as at 30 June 2020
投資概述	主要業務	所持股份數目	佔公司已發行股本總額的持股份比 (approximately) (概約)	投資成本 HK\$'000 千港元	於2020年6月30日的公平值 HK\$'000 千港元	於2020年6月30日佔本集團經審核總資產的百分比 (approximately) (概約)
Significant investment 重大投資						
Convoy Global Holdings Limited ("Convoy") (stock code: 1019)	Financial advisory business, money lending business, proprietary investment business, asset management business and securities dealing business.	348,904,000	2.34%	122,116	30,321	20.15%
康宏環球控股有限公司（「康宏」） （股份代號：1019）	理財顧問業務、借貸業務、自營投資業務、資產管理業務及證券買賣業務。					
Other investments 其他投資						
Other listed shares*	—	—	—	38,639	18,227	12.11%
其他上市股份*						
Grand total for financial assets at FVPL 按公平值計入損益的金融資產總計				160,755	48,548	32.26%

* Other listed shares included the shares of 7 companies which are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") and the shares of 4 companies which are listed on GEM of Stock Exchange. Each of the investments included in the other listed shares does not exceed 5% of the Group's unaudited total assets as at 30 June 2020.

* 其他上市股份包括7家於香港聯合交易所有限公司（「聯交所」）主板上市的公司之股份及4家於聯交所GEM上市的公司之股份。其他上市股份中包含的各項投資並未超過本集團於2020年6月30日未經審核總資產的5%。

Details of the change in fair value of financial assets at FVPL during the Year are as follows:

於本年度內，按公平值計入損益的金融資產之公平值變動詳情如下：

Description of investments (stock code)	投資概述 (股份代號)	Realised fair value gain for the Year 本年度 已變現 公平值收益 HK\$'000 千港元	Unrealised fair value gain (loss) for the Year 本年度 未變現公平值 收益 (虧損) HK\$'000 千港元	Dividend received during the Year 本年度 已收股息 HK\$'000 千港元
Convoy (1019)	康宏(1019)	—	(1,487)	—
Other listed shares*	其他上市股份*	1,500	(10,889)	21
Unlisted convertible bonds	非上市可換股債券	—	103	—
Grand total	總計	1,500	(12,273)	21

* Other listed shares included the shares of 14 companies which are listed on the Main Board of the Stock Exchange and the shares of 4 companies which are listed on GEM of the Stock Exchange.

* 其他上市股份包括14家於聯交所主板上市的公司之股份及4家於聯交所GEM上市的公司之股份。

Financial assets at fair value through other comprehensive income ("FVOCI")

The Group also held significant investment under financial assets at FVOCI with a value of 5% or more of the Group's audited total assets as at 30 June 2020 as below:

按公平值計入其他全面收益 (「按公平值計入其他全面收益」) 的金融資產

於2020年6月30日，本集團於按公平值計入其他全面收益的金融資產項下亦持有價值佔本集團經審核總資產5%或以上的重大投資如下：

Description of investment	Principal businesses	Number of shares held	Percentage held to the total issued share capital of Gransing	Investment cost	Carrying amount as at 30 June 2020	Percentage to the Group's audited total assets as at 30 June 2020
投資概述	主要業務	所持股份數目	佔國投 已發行股本總額 的持股份百分比 (approximately) (概約)	投資成本 HK\$'000 千港元	於2020年 6月30日 的賬面值 HK\$'000 千港元	佔本集團經審核 總資產的百分比 (approximately) (概約)
Gransing Financial Group Limited ("Gransing"), incorporated outside Hong Kong	Dealing in securities, securities advisory, corporate finance advisory, asset management and wealth management services and money lending in Hong Kong.	26	8.41%	30,831	12,429	8.26%
國投金融集團有限公司 (「國投」， 於香港境外註冊成立之公司)	於香港從事證券買賣、證券顧問、 企業融資顧問、資產管理及 財富管理服務以及借貸。					

Performance and future prospects of the Company's significant investments

(1) Convoy

Trading in the shares of Convoy has been halted since 7 December 2017 and remain suspended up to the date of this annual report. From the announcement of Convoy dated 5 June 2020, Convoy received a letter from the Stock Exchange on 29 May 2020 stating the decision of the Listing Committee of the Stock Exchange made on 28 May 2020 to cancel Convoy's listing under Rule 6.01A of the Listing Rules ("Delisting Decision"). Convoy lodged a written request to the Listing Review Committee of the Stock Exchange pursuant to Chapter 2B of the Listing Rules to review the Delisting Decision. From the announcement of Convoy dated 28 August 2020, the review hearing date is to be scheduled in due course.

According to the announcement of Convoy dated 21 May 2020, the board of directors of Convoy ("Convoy Board") confirmed Convoy is financially healthy and continues to maintain a healthy level of operations in its principal businesses. Convoy has transformed from an independent financial advisory business into a one-stop omni-channel financial service platform since 2018 and its business strategy comprises of three core priorities, including (i) growing and strengthening the fundamental pillars by proactive recruitment of the financial advisory salesforce, potential acquisitions of small competitors and increasing product coverage; (ii) diversifying the business portfolio by launching new products and services related to Fintech investments and partnerships in the United Kingdom, the United States and Europe; and (iii) optimizing operational performance with powerful infrastructure through investment in product intelligence, technology and operations for improving customer experience and driving efficiency across the businesses.

Convoy also continues to focus on strengthening its overall risk management capabilities and maintains its commitment to build a new corporate culture by upskilling its work-force and institutionalizing the achievement culture based on three core values of professionalism, integrity and passion through promotion of open communication across the entire organization, provision of training programmes to upgrade employees' capabilities, and launching trainee programmes and Hackathon to nurture young talents in Hong Kong. Convoy believes that it has successfully rebuilt its brand and is investing across its businesses and bringing advanced technology and expertise to serve the customers.

本公司重大投資的表現及未來前景

(1) 康宏

康宏股份已自2017年12月7日起暫停買賣並直至本年報日期仍然停牌。根據康宏日期為2020年6月5日的公告，康宏於2020年5月29日接獲聯交所函件，列明聯交所上市委員會於2020年5月28日根據上市規則第6.01A條作出取消康宏上市的決定（「除牌決定」）。康宏已根據上市規則第2B章向聯交所上市覆核委員會提出書面要求，要求覆核除牌決定。根據康宏日期為2020年8月28日的公告，覆核聆訊日期將於適當時候安排。

根據康宏日期為2020年5月21日的公告，康宏董事會（「康宏董事會」）確認，康宏財務狀況良好，並在其主要業務方面繼續保持健康之營運水平。自2018年以來，康宏已由獨立理財顧問業務轉型為一站式全渠道金融服務平台，其業務戰略由三個核心重點部分組成，包括(i)通過積極招募理財顧問銷售團隊、潛在收購小型競爭對手及擴大產品覆蓋範圍以發展及加強基礎支柱；(ii)通過推出金融科技投資相關新產品及服務以及在英國、美國及歐洲建立的合作夥伴關係達至業務組合多元化；及(iii)通過投資產品智能、技術及營運，利用強大的基礎架構優化營運績效，從而改善客戶體驗並提高整體業務效率。

康宏亦繼續專注於增強其整體風險管理能力，並以專業、誠信及熱誠三大核心價值觀為基礎，通過提升員工技能及將成就文化制度化，繼續致力於建立新的企業文化，為此康宏已在整個組織推進開放式溝通，提供培訓課程以提升僱員能力、以及推出實習計劃及Hackathon以培養香港年輕人才。康宏相信，其已成功重塑品牌，並正在各業務領域進行投資，運用先進的技術及專業知識為客戶提供服務。

From the joint announcement of Convoy and National Arts Entertainment and Culture Group Limited (“National Arts”), a company listed on GEM of the Stock Exchange (stock code: 8228), dated 29 July 2020, the board of directors of National Arts approached the Convoy Board about a conditional voluntary share exchange offer by National Arts to acquire all of the issued shares in the share capital of Convoy subject to fulfilment of certain conditions (“Possible Offer”). From the joint announcement of Convoy and National Arts dated 28 August 2020, discussions are still on-going between the parties on the Possible Offer, including as to how and when the Possible Offer will be made, which will be subject to, inter alia, the timetable and outcome of the review of the decision of the Stock Exchange to consider the Possible Offer a reverse takeover of National Arts under Rule 19.06B of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“GEM Listing Rules”) and it would treat National Arts as a new listing applicant under Rule 19.54 of the GEM Listing Rules if the Possible Offer were to proceed, the financial information of Convoy and other information which would be required to be included in documentation to be sent to shareholders of National Arts and Convoy in relation to the Possible Offer. The Directors would continue to closely monitor the development of the Possible Offer and the recent situation of Convoy and formulate appropriate strategies to protect the interest of the Group.

(2) Gransing

In December 2019, an independent third party (“Subscriber”) has subscribed for 35 shares of Gransing (together with its subsidiaries, “Gransing Group”) in consideration of 594,430,000 new issued shares of the Subscriber (“Subscription”). As a result, the shareholding of the Group in Gransing has been diluted from 9.49% to 8.41%. As explained by the management of Gransing (“Gransing Management”), a synergy effect is expected to be created in Gransing Group after the Subscription, especially in the segment of money lending business.

根據康宏與國藝娛樂文化集團有限公司（「國藝」，一間於聯交所GEM上市的公司，股份代號：8228）於2020年7月29日的聯合公告，國藝董事會就國藝作出的有條件自願換股要約與康宏董事會取得聯繫，以收購康宏股本中的全部已發行股份，惟須達成若干條件後方可作實（「潛在要約」）。根據康宏及國藝日期為2020年8月28日的聯合公告，潛在要約訂約方仍在商討，包括如何及何時作出有關潛在要約，其將取決於（其中包括）覆核聯交所決定（認為潛在要約根據聯交所GEM證券上市規則（「GEM上市規則」）第19.06B條構成國藝的反向收購，而倘進行潛在要約，則根據GEM上市規則第19.54條將視國藝為新上市申請人）的時間表及結果，康宏的財務資料及須載入將寄發予國藝及康宏股東有關潛在要約文件中的其他資料而定。董事將繼續密切監察潛在要約的發展及康宏的最新情況，並制定適當策略以保障本集團權益。

(2) 國投

於2019年12月，一名獨立第三方（「認購人」）已認購35股國投（連同其附屬公司統稱「國投集團」）股份，代價為594,430,000股認購人的新發行股份（「認購事項」）。因此，本集團於國投的股權已由9.49%攤薄至8.41%。誠如國投管理層（「國投管理層」）所解釋，預計認購事項後國投集團（尤其是借貸業務分部）將產生協同效應。

Management Discussion and Analysis 管理層討論及分析

Based on the financial information provided from the Gransing Management, the Directors noted from the unaudited financial results of Gransing Group for the six months ended 30 June 2020 that a decrease in loss by approximately 20% was recorded as compared to the corresponding period in 2019, and cost control measures continued to be carried out for reducing the operating costs in order to minimize the losses. Looking ahead, the Gransing Management mentioned that Gransing Group is actively conducting a business transformation and making its endeavour to develop technology in the application of financial services. In the second half of 2020, Gransing Group is going to launch various technology applications in respect of its securities brokerage segment. The enhancement is to provide fast response to potential clients so as to boost the client base and also, provide value-added services to existing clients through an advanced services platform. In the long run, Gransing Group targets to become one of the high-quality securities brokers in the industry.

The Directors would keep monitoring the business development of Gransing Group and formulate appropriate strategies to protect the interest of the Group.

Other investment – early education

Full Profit Hong Kong Development Limited (“Full Profit”), a joint venture of the Group, is focused primarily on providing early education management and consultancy services. Due to the outbreak of COVID-19, school for all kindergartens in Hong Kong was suspended since February 2020 and school was resumed only for kindergarten 3 students in mid-June 2020. As a result, revenue recorded by Full Profit during the Year decreased by approximately 28.20% as compared to the previous financial year. Due to the unfavourable business environment, the Group will work closely with the joint venture partner to monitor the situation and take necessary steps to maintain a reasonable return to Full Profit and to the Group.

根據國投管理層提供的財務資料，董事從國投集團截至2020年6月30日止六個月的未經審核財務業績中注意到，國投集團錄得的虧損較2019年同期減少約20%，並繼續採取成本控制措施降低營運成本，以將虧損減至最低。展望未來，國投管理層提到，國投集團正積極進行業務轉型，並致力於開發金融服務應用技術。於2020年下半年，國投集團將推出有關其證券經紀分部的各種技術應用。有關改進乃為快速回應潛在客戶以擴大客戶群，並透過經改進的服務平台為現有客戶提供增值服務。長遠而言，國投集團的目標是成為業內高質素的證券經紀商之一。

董事將繼續監察國投集團之業務發展，並制定適當策略以保障本集團之利益。

其他投資 – 早期教育

本集團之合營公司盈豐香港發展有限公司（「盈豐」）主要專注提供早期教育方面的管理及諮詢服務。由於COVID-19爆發，自2020年2月起，香港的所有幼稚園停課，而於2020年6月中旬僅恢復對幼稚園高班學生的教學。因此，與上一個財政年度相比，盈豐於本年度錄得的收入下降約28.20%。由於不利的營商環境，本集團將與合營夥伴緊密合作，監察形勢並採取必要的措施，以為盈豐及本集團維持一個合理的回報。

Money lending business

China Rich Finance Limited, an indirect wholly-owned subsidiary of the Group, is a holder of money lender's license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group has adopted money lending policies and procedures for handling and/or monitoring the money lending business in compliance with the Money Lenders Ordinance.

During the Year, the Group recorded loan interest income of approximately HK\$4.05 million (2019: approximately HK\$4.01 million) from granting loans to both corporate and individual clients. The outstanding principal amount of loan receivables as at 30 June 2020 was approximately HK\$33.85 million (2019: approximately HK\$40.30 million).

FINANCIAL REVIEW

Revenue

The Group recorded revenue of approximately HK\$67.24 million for the Year, representing a decrease of approximately 38.28% as compared to approximately HK\$108.94 million recorded last year, revenue generated from the segment of provision of private educational services is as below:

- Secondary tutoring services: a significant drop in revenue to approximately HK\$28.76 million, representing a decrease of approximately 46.63% as compared to approximately HK\$53.88 million recorded last year.
- English language training and test preparation courses: a significant drop in revenue to approximately HK\$2.27 million, representing a decrease of approximately 75.39% as compared to approximately HK\$9.23 million recorded last year.
- Primary tutoring services, skill courses and test preparation courses (including franchising income): a decrease in revenue to approximately HK\$21.28 million, representing a decrease of approximately 12.30% as compared to approximately HK\$24.26 million recorded last year.

借貸業務

本集團之間接全資附屬公司漢富財務有限公司為香港法例第163章放債人條例下放債人牌照的持有人。本集團已遵守放債人條例，採納有關處理及／或監控借貸業務的借貸政策及程序。

於本年度內，本集團於向企業及個人客戶授出貸款方面錄得貸款利息收入約4,050,000港元（2019年：約4,010,000港元）。於2020年6月30日，尚未償還的應收貸款的本金額約33,850,000港元（2019年：約40,300,000港元）。

財務回顧 收入

於本年度，本集團錄得收入約67,240,000港元，較去年錄得的約108,940,000港元減少約38.28%，提供私人教育服務分部產生的收入如下：

- 中學補習服務：收入大幅減少至約28,760,000港元，較去年錄得的約53,880,000港元減少約46.63%。
- 英語培訓及應試課程：收入大幅減少至約2,270,000港元，較去年錄得的約9,230,000港元減少約75.39%。
- 小學輔導服務、展藝課程及應試課程（包括特許經營收入）：收入減少至約21,280,000港元，較去年錄得的約24,260,000港元減少約12.30%。

Management Discussion and Analysis

管理層討論及分析

- Dance tuition services: a decrease in revenue to approximately HK\$10.89 million, representing a decrease of approximately 38.03% as compared to approximately HK\$17.57 million recorded last year.
- Money lending business: the Group recorded relatively stable loan interest of approximately HK\$4.05 million (2019: approximately HK\$4.01 million).

Other income, gains and losses, net

For the Year, the Group's other income, gains and losses recorded net loss of approximately HK\$42.66 million (2019: net gain of approximately HK\$0.41 million). Such loss was mainly due to (i) impairment loss on goodwill of approximately HK\$18.67 million; (ii) impairment loss on other loan receivables of approximately HK\$18.25 million; (iii) impairment loss on a loan receivable of approximately HK\$6.57 million; and (iv) loss on write-off of property, plant and equipment of approximately HK\$4.60 million recorded during the Year.

Staff costs

The Group's staff costs decreased by approximately HK\$10.19 million or approximately 19.87% compared with the last financial year. Such decrease was mainly due to downsizing of business units in secondary tutoring services and dance tuition services during the Year.

Tutor contractor fee

The Group's tutor contractor fee decreased by approximately HK\$9.73 million or approximately 43.56% compared with the last financial year. Such decrease was in line with the decline in revenue derived from secondary tutoring services.

Lease payments

The Group's lease payments decreased by approximately HK\$16.45 million or approximately 39.17% compared with the previous year. Such decrease was due to the initial adoption of Hong Kong Financial Reporting Standards ("HKFRS") 16 since 1 July 2019 where the lease payments were treated as repayment of lease liabilities and finance costs.

- 舞蹈教學服務：收入減少至約10,890,000港元，較去年錄得的約17,570,000港元減少約38.03%。
- 借貸業務：本集團錄得相對穩定的貸款利息約4,050,000港元（2019年：約4,010,000港元）。

其他收入、收益及虧損，淨額

於本年度，本集團的其他收入、收益及虧損錄得淨虧損約42,660,000港元（2019年：淨收益約410,000港元）。有關虧損乃主要由於本年度內錄得(i)商譽之減值虧損約18,670,000港元；(ii)其他應收貸款之減值虧損約18,250,000港元；(iii)應收貸款之減值虧損約6,570,000港元；及(iv)撇銷物業、廠房及設備的虧損約4,600,000港元。

員工成本

本集團的員工成本較上一個財政年度減少約10,190,000港元或約19.87%。有關減少乃主要由於於本年度內縮減中學補習服務及舞蹈教學服務業務單位的規模所致。

導師承包費

本集團的導師承包費較上一個財政年度減少約9,730,000港元或約43.56%。有關減少與來自中學補習服務的收入減少一致。

租賃付款

本集團的租賃付款較去年減少約16,450,000港元或約39.17%。有關減少乃由於自2019年7月1日起首次採納香港財務報告準則（「香港財務報告準則」）第16號，租賃付款被視為租賃負債及財務費用還款所致。

Had the impact of HKFRS 16 adoption been excluded for both years, the amount of lease payments for the Year would have been approximately HK\$31.16 million, representing a decrease of approximately HK\$10.84 million or approximately 25.81% as compared with the last financial year. Such decrease was mainly due to the closure of certain Secondary Tutoring Centres and dance colleges of the Group during the Year.

Marketing expenses

The Group's marketing expenses decreased by approximately HK\$2.76 million or approximately 52.45% compared with last year. Such decrease was mainly attributable to the reduction in various marketing activities during the Year.

Other operating expenses

The Group's other operating expenses ("Other Operating Expenses") were daily operation related and were mainly comprised of the following:

不計及採納香港財務報告準則第16號於兩個年度之影響，租賃付款於本年度之金額約31,160,000港元，較上一個財政年度減少約10,840,000港元或約25.81%。有關減少乃主要由於本年度內本集團若干中學補習社及舞蹈學院關閉所致。

市場推廣開支

本集團的市場推廣開支較去年減少約2,760,000港元或約52.45%。有關減少乃主要由於於本年度內各種市場推廣活動減少所致。

其他經營開支

本集團的其他經營開支（「其他經營開支」）乃與日常經營相關並主要包括以下各項：

		HK\$'000 千港元 (approximately) (約)
Rental related fees and charges (including building management fee, air conditioning charges and government rent and rates)	租金相關費用及支出 (包括樓宇管理費、空調費以及政府地租及差餉)	7,147
Sundry expenses	雜項開支	2,718
Repair and maintenance	維修及保養費用	2,355
Related expenses for copiers	影印機相關開支	1,413
Legal and professional fee	法律及專業費用	1,423
Other daily operation related expenses*	其他日常營運相關開支*	8,144
Total	總計	23,200

* Other daily operation related expenses mainly consisted of electricity and water charges, other interest charges, cleaning charges, consulting fee, sales commission, printing and stationery, telephone and fax charges, postage and courier fees, computer expenses and electronic payment charges.

* 其他日常營運相關開支主要包括水電費、其他利息開支、清潔費、諮詢費、銷售佣金、印刷及文具費、電話及傳真費用、郵費及快遞費、電腦設備開支及電子支付費用。

Management Discussion and Analysis

管理層討論及分析

For the Year, the Other Operating Expenses decreased by approximately HK\$11.14 million or approximately 32.44% compared with the previous year. Various operating expenses, including but not limited to rental related fees and charges, legal and professional fee, related expenses for copiers, sales commission, printing and stationery, electricity and water charges, decreased by approximately HK\$13.18 million in total. On the other hand, repair and maintenance fee and sundry expenses increased by approximately HK\$3.68 million in total. Such increase was mainly resulted from termination of the tenancy of certain premises of the Group.

Finance costs

The Group recorded finance costs of approximately HK\$1.52 million during the Year (2019: approximately HK\$0.04 million), in which approximately HK\$0.63 million were interest incurred on other borrowings and approximately HK\$0.88 million were the finance costs recognised on lease liabilities upon the initial adoption of HKFRS 16 since 1 July 2019.

Loss attributable to owners of the Company

Loss attributable to owners of the Company for the Year was approximately HK\$107.19 million (2019: loss of approximately HK\$77.44 million), which was mainly due to (i) impairment loss on goodwill of approximately HK\$18.67 million; (ii) impairment loss on other loan receivables of approximately HK\$18.25 million; (iii) impairment loss on a loan receivable of approximately HK\$6.57 million; and (iv) loss on change in fair value of financial assets at FVPL of approximately HK\$10.75 million recorded during the Year. Loss per share was HK\$0.20 for the Year (2019: loss per share of HK\$0.14).

於本年度，其他經營開支較去年減少約11,140,000港元或約32.44%。多項經營開支（包括但不限於租金相關費用及支出、法律及專業費用、影印機相關開支、銷售佣金、印刷及文具費、水電費）總共減少約13,180,000港元。另一方面，維修及保養費用以及雜項開支總共增加約3,680,000港元。有關增加乃主要由於終止本集團若干物業租賃所致。

財務費用

本集團於本年度內錄得財務費用約1,520,000港元（2019年：約40,000港元），其中約630,000港元為其他借款產生的利息及約880,000港元為自2019年7月1日起首次採納香港財務報告準則第16號時於租賃負債確認的財務費用。

本公司擁有人應佔虧損

本公司擁有人於本年度應佔虧損約107,190,000港元（2019年：虧損約77,440,000港元），主要是由於本年度內錄得(i)商譽之減值虧損約18,670,000港元；(ii)其他應收貸款之減值虧損約18,250,000港元；(iii)應收貸款之減值虧損約6,570,000港元；及(iv)按公平值計入損益的金融資產的公平值變動虧損約10,750,000港元。於本年度，每股虧損0.20港元（2019年：每股虧損0.14港元）。

Other loan receivables

Included in the Group's other loan receivables as at 30 June 2020 are (i) the book value of the Balance Payment (the details of which are set out under the paragraphs headed "Advance to an entity" under the section headed "MATERIAL ACQUISITIONS AND DISPOSALS" in this annual report), and (ii) the book value of the outstanding balance of the convertible bonds ("CB") issued by Larry Jewelry International Company Limited ("Larry Jewelry"), which was unsecured, bearing interest at a fixed rate of 7.5% per annum and matured on 4 September 2019.

In respect of the Balance Payment

As at 30 June 2020, the Balance Payment was in the amount of HK\$28 million. Since the end of the Year and up to the date of this annual report, Mr. Wong Kui Shing ("Mr. Wong") has repaid HK\$10 million of the Balance Payment. Impairment loss of HK\$18 million in respect of the Balance Payment was recognised during the Year, details of which are set out under the section headed "IMPAIRMENT ASSESSMENT ON OTHER LOAN RECEIVABLES AND OTHER RECEIVABLES". Accordingly, the book value of the Balance Payment amounted to HK\$10 million as at 30 June 2020.

The Group has always been able to contact Mr. Wong and has been in the course of discussing a further revised repayment schedule. The Directors understand from Mr. Wong that due to the political issues and social incidents such as occupations, protests and demonstrations in Hong Kong in the second half of 2019, Mr. Wong has difficulty to pay the Balance Payment in accordance with the revised repayment schedule. At that time, the Directors considered that after these political issues and social incidents, Mr. Wong would be able to repay the Balance Payment. Unfortunately, the outbreak of COVID-19 in early 2020 has further affected Mr. Wong's repayment ability. Therefore, in March 2020, the Group considered to commence legal proceedings against Mr. Wong. Such plan was delayed as court services in Hong Kong had been suspended. With the resumption of court services, the Group is considering to commence necessary legal actions to recover the overdue Balance Payment.

其他應收貸款

於2020年6月30日，本集團的其他應收貸款包括(i)結餘付款賬面值（有關詳情載於本年報「重大收購及出售」一節下「向一間實體墊款」各段）及(ii)俊文寶石國際有限公司（「俊文寶石」）發行的可換股債券（「可換股債券」，為無抵押，按固定年利率7.5%計息並於2019年9月4日到期）的尚未償還結餘的賬面值。

有關結餘付款

於2020年6月30日，結餘付款為28,000,000港元。自本年度末起直至本年報日期，王鉅成先生（「王先生」）已償還結餘付款10,000,000港元。有關結餘付款的減值虧損18,000,000港元於本年度內確認，詳情載於「其他應收貸款及其他應收款項的減值評估」一節。因此，於2020年6月30日的結餘付款賬面值為10,000,000港元。

本集團一直能與王先生取得聯繫並正就進一步修訂償還時間表進行商討。董事向王先生了解到，由於2019年下半年香港的佔領、抗議及示威等政治問題及社會事件，王先生難以按經修訂的償還時間表支付結餘付款。其時，董事認為於政治問題及社會事件過後，王先生將能夠償還結餘付款。然而，2020年初爆發的COVID-19進一步影響王先生的償還能力。因此，於2020年3月，本集團考慮向王先生提出法律訴訟。該計劃因香港法院服務暫停而被延遲。隨著法院恢復服務，本集團正考慮提出必要的法律訴訟以收回逾期的結餘付款。

Management Discussion and Analysis 管理層討論及分析

In respect of the outstanding balance of the CB

As at 30 June 2020, the outstanding balance of the CB was in the amount of approximately HK\$2.25 million.

As at the maturity date of the CB on 4 September 2019, the outstanding sum under the CB amounted to approximately HK\$8.05 million. Shortly after the original maturity date, the parties agreed on a repayment schedule of CB pursuant to which Larry Jewelry shall settle the outstanding sum in five instalments with the last instalment on 31 December 2019. As at 31 December 2019, Larry Jewelry repaid HK\$3.50 million and the outstanding sum amounted to approximately HK\$4.55 million. Subsequent to 31 December 2019 and up to the end of the Year, Larry Jewelry has further repaid HK\$2.30 million.

The Company has been using various means to give numerous reminders to Larry Jewelry to request repayment, including issuance of statutory demand dated 23 January 2020 by Fastek Investments Limited (“Fastek”), an indirect wholly-owned subsidiary of the Company, to Tung Fong Hung Medicine Company Limited, a subsidiary company of Larry Jewelry, for payment of debt in an aggregate sum of HK\$4.20 million from two returned cheques incurred on 31 December 2019 which had been drawn for settlement of the CB. Subsequently to the end of the Year, on 9 July 2020, a statutory demand was served on Larry Jewelry by Fastek for repayment of the balance of the CB in the amount of approximately HK\$2.25 million and the default interest of approximately HK\$0.74 million.

Since the end of the Year and up to the date of this annual report, Larry Jewelry has further repaid HK\$2 million of the balance of the CB. Impairment loss of approximately HK\$0.25 million in respect of the outstanding balance of the CB was recognised during the Year, details of which are set out under the section headed “IMPAIRMENT ASSESSMENT ON OTHER LOAN RECEIVABLES AND OTHER RECEIVABLES”. Accordingly, the book value of the outstanding balance of CB amounted to HK\$2 million as at 30 June 2020.

有關可換股債券的尚未償還結餘

於2020年6月30日，可換股債券的尚未償還結餘約2,250,000港元。

於2019年9月4日可換股債券的到期日，可換股債券的尚未償還總額約8,050,000港元。於原定到期日不久後，訂約方同意可換股債券的償還時間表，據此，俊文寶石將分五期償還尚未償還總額，最後一期為2019年12月31日。於2019年12月31日，俊文寶石已償還3,500,000港元而尚未償還總額約4,550,000港元。於2019年12月31日後及直至本年度末，俊文寶石已進一步償還2,300,000港元。

本公司一直使用多種方式向俊文寶石發出多個要求還款的提示，包括本公司之間接全資附屬公司Fastek Investments Limited（「Fastek」）於2020年1月23日向俊文寶石的一間附屬公司東方紅藥業有限公司發出的法定要求償債書，要求支付為償還可換股債券而於2019年12月31日提取的兩張退票產生的債務合共4,200,000港元。於本年度末後的2020年7月9日，Fastek向俊文寶石提出法定要求償債書，要求償還可換股債券結餘約2,250,000港元及違約利息約740,000港元。

自本年度末起及直至本年報日期，俊文寶石已進一步償還可換股債券結餘2,000,000港元。有關可換股債券尚未償還結餘的減值虧損約250,000港元於本年度內確認，詳情載於「其他應收貸款及其他應收款項的減值評估」一節。因此，於2020年6月30日，可換股債券的尚未償還結餘的賬面值為2,000,000港元。

OUTLOOK

Looking ahead, the business environment for the industry of private education remains tough as it is uncertain when the COVID-19 pandemic will end. The adverse impacts to the industry of private education persist. Despite the difficult situation, the Group is flexibly adjusting its business strategies in order to strengthen the core businesses. In view of the decreasing DSE student numbers and the high rent situation in Hong Kong, it is believed that the closure of the Secondary Tutoring Centres as a result of a revised and decisive business strategy will benefit the Group in the long term.

The COVID-19 pandemic has presented an opportunity for the Group to accelerate its endeavour in exploring the transition from the traditional face-to-face classroom teaching to online classes. The Group is actively managing the drastic change by focusing and strengthening its online services for long term sustainability. The Group remains confident in the demand for private education in Hong Kong. The secondary and primary tutoring services, which are provided through the brands of “Modern Education” (現代教育) and “Modern Bachelor Education” (現代小學士), continuously serve as the key income drivers of the Group. Especially for the primary tutoring service, the Group will continue to explore more new potential franchisees and seek opportunities to expand its presence to better serve the demand for primary tuition.

In addition, the Group’s management team will make dedicated efforts to explore potential education-related business partners for business collaboration and to seek for potential merger and acquisition opportunities in both Hong Kong and the People’s Republic of China for business diversification in order to maximize returns to the Group.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has established an appropriate liquidity risk management system to manage its short, medium and long-term funding and to satisfy its liquidity management requirements.

As at 30 June 2020, the Group’s total balance of cash and cash equivalents amounted to approximately HK\$5.44 million (30 June 2019: approximately HK\$6.84 million), of which 98.64% is held in Hong Kong dollars and 1.36% is held in Renminbi. Current ratio (defined as total current assets divided by total current liabilities) was 2.99 times (30 June 2019: 5.26 times).

前景

展望未來，由於COVID-19會於何時結束尚不確定，私人教育行業的營商環境依然嚴峻，對私人教育行業的不利影響依然存在。雖然在困難的情況下，但本集團正靈活調整業務策略，以加強核心業務。鑒於參加中學文憑考試的學生人數減少及香港租金高企，本集團相信，經修訂後果斷的業務策略導致中學補習社關閉，長遠而言將對本集團有利。

COVID-19疫情為本集團提供一個加速探索從傳統的面授教學向網上課程過渡的機會。本集團通過聚焦並加強其網上服務，積極應對這一重大變化，以實現長期可持續性。本集團對香港私人教育的需求仍充滿信心。以「現代教育」及「現代小學士」品牌提供的中學補習及小學輔導服務繼續成為本集團的主要收入來源。尤其在小學輔導服務方面，本集團將繼續探索更多新的潛在特許經營商，並尋求機會擴大其業務，以更好地滿足小學輔導的需求。

此外，本集團的管理團隊將努力探索潛在與教育相關的業務合作夥伴進行業務合作，並於香港及中華人民共和國尋求潛在的併購機會以多元化經營，從而最大化本集團的回報。

流動資金及財政資源

本集團已建立適當的流動資金風險管理制度以管理其短期、中期及長期資金以及滿足其流動資金管理需求。

於2020年6月30日，本集團的現金及現金等價物的總結餘約5,440,000港元（2019年6月30日：約6,840,000港元），其中98.64%以港元持有及1.36%以人民幣持有。流動比率（界定為總流動資產除以總流動負債）為2.99倍（2019年6月30日：5.26倍）。

Management Discussion and Analysis 管理層討論及分析

As at 30 June 2020, other borrowings of the Group from independent third parties amounted to approximately HK\$7.82 million held in Hong Kong dollars were unsecured, repayable within one year and carried a fixed interest rate at 12% per annum.

As at 30 June 2020, the gearing ratio of the Group was 28.20% (30 June 2019: 14.03%). Gearing ratio is total debts divided by the sum of total equity and total debts. Total debts refer to total liabilities minus the sum of tax payable, deferred tax liabilities and dividend payable (if any).

IMPAIRMENT ASSESSMENT ON OTHER LOAN RECEIVABLES AND OTHER RECEIVABLES

For the Year, impairment loss on other loan receivables consisted of impairment loss of HK\$18 million in respect of the Balance Payment and approximately HK\$0.25 million in respect of the outstanding balance of the CB.

Impairment loss on other receivables for the Year consisted of reversal of impairment loss of approximately HK\$2.49 million relating to provision of private educational services, impairment loss of approximately HK\$3.12 million in respect of the interest accrued on the Balance Payment and impairment loss of approximately HK\$0.73 million in respect of the default interest accrued on the balance of the CB.

Impairment loss on the Balance Payment and the balance of CB, and the respective outstanding interest was recognised during the Year in accordance with the Group's accounting policy based on the expected credit loss ("ECL") assessment required under the HKFRS 9 applied by the Group.

In determining the ECLs of other loan receivables and other receivables, the recoverability of these receivables was assessed by the management taking into account the credit quality, likelihood of their collection and the past settlement history and records. For the Balance Payment of HK\$18 million, the balance of CB of approximately HK\$0.25 million and their respective interest receivable of approximately HK\$3.12 million and approximately HK\$0.73 million, the Directors considered that the recovery of the unsettled balances were remote and impairment losses were recognised during the Year.

於2020年6月30日，本集團自獨立第三方的其他借款（以港元持有）約7,820,000港元為無抵押、須於一年內償還並按固定年利率12%計息。

於2020年6月30日，本集團的資本負債比率為28.20%（2019年6月30日：14.03%）。資本負債比率為總債務除以總權益及總債務之和。總債務為總負債減去應付稅項、遞延稅項負債及應付股息（如有）之和。

其他應收貸款及其他應收款項的減值評估

於本年度，其他應收貸款之減值虧損包括有關結餘付款的減值虧損18,000,000港元及有關可換股債券的尚未償還結餘約250,000港元。

於本年度，其他應收款項之減值虧損包括與提供私人教育服務有關減值虧損撥回約2,490,000港元，有關結餘付款應計利息的減值虧損約3,120,000港元以及有關就可換股債券結餘累計違約利息的減值虧損約730,000港元。

結餘付款及可換股債券結餘以及相關尚未償還利息之減值虧損根據本集團的會計政策（基於本集團應用香港財務報告準則第9號要求的預期信貸虧損（「預期信貸虧損」）評估）於本年度內確認。

為釐定其他應收貸款及其他應收款項的預期信貸虧損，管理層經計及該等應收款項的信貸質素、可收回的可能性及過往結算歷史及記錄後評估其可收回性。就結餘付款18,000,000港元、可換股債券結餘約250,000港元及其相關應收利息約3,120,000港元及約730,000港元而言，董事認為尚未償還結餘的可收回性極小及減值虧損於本年度內確認。

IMPAIRMENT ASSESSMENT ON GOODWILL

For the Year, impairment loss on goodwill of approximately HK\$18.67 million in respect of a cash-generating unit of dance tuition services (“CGU”) was recognised by reference to valuations carried out by an independent qualified professional valuer. The assessment of the recoverability of goodwill is based on the future business prospects and the forecast business performance of the business.

The recoverable amount of CGU is determined based on value-in-use calculation using discounted cash flow method under the income approach. The calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate. Other key assumptions for the value-in-use calculation relate to the estimation of cash inflows/outflows which included budgeted revenue, such estimation is based on the CGU’s past performance and management’s expectations for the market development including the fluctuation in dance tuition services business in the current economic environment in Hong Kong. The Directors believe that any adverse change in the assumptions used in the calculation of the recoverable amount of the CGU would result in the impairment loss.

CAPITAL STRUCTURE AND TREASURY POLICIES

The Group consistently employed a prudent treasury policy during its development and generally financed its operations and business development with internally generated resources and equity and/or debt financing activities. The Group also adopted flexible and prudent fiscal policies to effectively manage the Group’s assets and liabilities and strengthen its financial position.

EXPOSURE TO FOREIGN EXCHANGE RISK

The income and expenditure of the Group are mainly denominated in Hong Kong dollars and as such the impact of foreign exchange exposure of the Group was considered minimal. Hence, no hedging or other arrangements to reduce the currency risk have been implemented.

商譽的減值評估

於本年度，舞蹈教學服務的現金產生單位（「現金產生單位」）的商譽之減值虧損約18,670,000港元，乃經參考獨立合資格的專業估值師作出的估值予以確認。商譽可收回性的評估乃根據該業務的未來業務前景及預測業務表現進行。

現金產生單位的可收回金額乃使用收入法下的貼現現金流量法按使用價值計算釐定。該計算方法使用基於管理層批准的五個年度期間之財務預算作出的現金流量預測。五年期後的現金流量乃使用估計加權平均增長率推算。使用價值計算的其他主要假設與現金流入／流出（包括預算收入）的估計有關，該估計乃基於現金產生單位的過往表現及管理層對市場發展的預期（包括舞蹈教學服務業務在香港當前經濟環境中的波動）。董事認為計算現金產生單位的可收回金額所使用的假設的任何不利變動將導致減值虧損。

資本架構及庫務政策

本集團於其發展的同時一直採取審慎的庫務政策，一般以內部產生資源以及股本及／或債務融資活動為其營運及業務發展提供資金。本集團亦採用靈活審慎的財務政策，以有效地管理本集團的資產及負債以及加強本集團的財務狀況。

外匯風險

本集團的收入及開支主要以港元結算，因此本集團認為外匯風險影響極低。故此，並無實施對沖或其他安排以減低貨幣風險。

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2020, the Group had a total of 136 employees (30 June 2019: 216 employees). They receive competitive remuneration packages that are constantly monitored with reference to the market circumstances, with incentives such as discretionary bonuses based on the Group's and individual performance. The Group provides comprehensive benefits packages and career development opportunities. In-house and external training programmes are provided as and when required.

Pursuant to a share option scheme adopted by the Company on 11 June 2011 ("Share Option Scheme"), the Board may grant options to eligible persons, including employees and Directors, to subscribe for shares of the Company. During the Year, no share options have been granted by the Company pursuant to the Share Option Scheme.

CONTINGENT LIABILITIES

As at 30 June 2020 and 2019, the Group had no significant contingent liabilities.

CAPITAL COMMITMENTS

As at 30 June 2020 and 2019, there was no capital commitments contracted for but not provided in the consolidated financial statements of the Group.

CHARGES ON THE GROUP'S ASSETS

The Group had neither pledged any assets nor any general banking facility as at 30 June 2020 and 2019.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Year, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures.

僱員及薪酬政策

於2020年6月30日，本集團的僱員總數為136人（2019年6月30日：216人）。彼等獲給予具競爭力的薪酬待遇，而該等薪酬待遇乃參考市況進行持續監察，並根據本集團及個人表現獲發酌情花紅等獎勵。本集團為員工提供全面的福利待遇及事業發展機會。本集團於有需要時會提供內部及外部的培訓計劃。

根據本公司於2011年6月11日採納的購股權計劃（「購股權計劃」），董事會可向合資格人士（包括僱員及董事）授出購股權以認購本公司股份。於本年度內，本公司概無根據購股權計劃授出任何購股權。

或然負債

於2020年及2019年6月30日，本集團概無重大或然負債。

資本承擔

於2020年及2019年6月30日，本集團概無已訂約但未於本集團綜合財務報表內撥備的資本承擔。

本集團資產抵押

於2020年及2019年6月30日，本集團並無抵押任何資產或任何一般銀行信貸。

購買、出售或贖回本公司的上市證券

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

重大收購及出售

於本年度內，本集團並無重大收購或出售附屬公司、聯營公司及合營公司。

Advance to an entity

On 7 September 2018, Rosy Lane Investments Limited (“Rosy Lane”, as vendor), a wholly-owned subsidiary of the Company, entered into a loan disposal agreement (“Loan Disposal Agreement”) with Mr. Wong, as purchaser, pursuant to which Rosy Lane has conditionally agreed to sell and assign, and Mr. Wong has conditionally agreed to purchase and be assigned, Rosy Lane’s rights, titles, benefits and interests in and to a loan (including the aggregate outstanding principal sum and the interests accrued thereon in the amount of approximately HK\$54.48 million owing by Mr. Poon Chun Yin (“Mr. Poon”) to Rosy Lane as at 7 September 2018, the promissory note issued by Mr. Poon (as debtor) to Rosy Lane dated 30 December 2016 and the share mortgage (executed in favour of Rosy Lane over the shares of Seasoned Leader Limited) at the consideration of HK\$48 million. Completion of the loan disposal took place on 17 September 2018 and the Group has ceased to have any interest in the said loan. Please refer to the announcements of the Company dated 7 September 2018 and 10 September 2018 for further details of the loan disposal.

Pursuant to the unsecured promissory note issued by Mr. Wong to Rosy Lane pursuant to the Loan Disposal Agreement, Mr. Wong shall pay the balance of consideration in the amount of HK\$43 million (“Balance Payment”) to Rosy Lane in three instalments in accordance with the following schedule:

HK\$15 million repayable on or before 17 December 2018
HK\$15 million repayable on or before 18 March 2019
HK\$13 million repayable on or before 17 June 2019

Such promissory note is unsecured but interest is chargeable on the Balance Payment at the interest rate of 10% per annum and repayable on 17 June 2019.

On 31 August 2019, Mr. Wong settled the first instalment of the Balance Payment in the amount of HK\$15 million. As at 30 June 2020, the balance of HK\$28 million and interest accrued was still outstanding and exceeded 8% of the audited total assets of the Group as at 30 June 2020. Subsequent to the end of the Year, Mr. Wong has settled the Balance Payment in the amount of HK\$10 million and as at the date of this annual report, the outstanding Balance Payment amounts to HK\$18 million.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save as disclosed in this annual report, as at 30 June 2020, the Group did not have any other plans for material investment or capital assets.

向一間實體墊款

於2018年9月7日，本公司之全資附屬公司Rosy Lane Investments Limited（「Rosy Lane」，作為賣方）與王先生（作為買方）訂立貸款出售協議（「貸款出售協議」），據此，Rosy Lane已有條件同意出售及轉讓，而王先生已有條件同意購買並接受轉讓Rosy Lane於貸款（包括潘俊彥先生（「潘先生」）於2018年9月7日結欠Rosy Lane的尚未償還本金總額及其應計利息約54,480,000港元、潘先生（作為債務人）於2016年12月30日向Rosy Lane發行的承兌票據及股份按揭（以Rosy Lane）為受益人針對Seasoned Leader Limited的股份簽立）的權利、擁有權、利益及權益，代價為48,000,000港元。貸款出售於2018年9月17日完成，而本集團已不再擁有上述貸款的任何權益。有關貸款出售的進一步詳情，請參閱本公司日期為2018年9月7日及2018年9月10日的公告。

根據王先生按貸款出售協議向Rosy Lane發行的無抵押承兌票據，王先生須按以下時間表分三期向Rosy Lane支付代價結餘43,000,000港元（「結餘付款」）：

15,000,000港元於2018年12月17日或之前償還
15,000,000港元於2019年3月18日或之前償還
13,000,000港元於2019年6月17日或之前償還

該承兌票據為無抵押，惟須按年利率10%收取結餘付款利息，並須於2019年6月17日償還。

於2019年8月31日，王先生已償還結餘付款之第一期付款15,000,000港元。於2020年6月30日，結餘28,000,000港元及應計利息仍未償還並超出本集團於2020年6月30日經審核總資產之8%。於本年度末後，王先生已償還結餘付款10,000,000港元，而於本年報日期，尚未償還結餘付款為18,000,000港元。

重大投資或資本資產的未來計劃

除本年報所披露者外，於2020年6月30日，本集團並無任何其他重大投資或資本資產的計劃。

Profiles of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Tsang Ka Wai, aged 33, is an executive Director. Mr. Tsang was appointed as an executive Director on 24 October 2017. He is also a director of certain subsidiaries of the Group. Mr. Tsang obtained a Bachelor of Economics and Finance Degree from The University of Hong Kong in 2010. Mr. Tsang has been a senior manager of a publisher of a newspaper focusing on finance and investments news since 2015.

Mr. Wong King Hoi, aged 33, is an executive Director. Mr. Wong was appointed as an executive Director on 10 November 2017. Mr. Wong obtained a Bachelor of Nursing degree from The University of Hong Kong in 2011. Mr. Wong was the president of a newspaper in Hong Kong which focused on finance and investments from 2015 to 2017 and is currently a financial columnist in various newspapers and magazines in Hong Kong. Mr. Wong has over 12 years of experience in the investment sector.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Jor Stephanie Wing Yee, aged 38, was appointed as an independent non-executive Director on 10 November 2017. Ms. Jor obtained a Bachelor of Engineering (Honours) degree and a Bachelor of Commerce degree from the University of Auckland, New Zealand in 2005. Ms. Jor is qualified as a Chartered Financial Analyst of the CFA Institute and as a Chartered Accountant of the Chartered Accountants Australia and New Zealand. Ms. Jor has over 14 years of experience in the accounting and finance sector, in particular, corporate finance and financial advisory services.

Mr. Leung Ki Chi James, aged 44, was appointed as an independent non-executive Director on 19 January 2018. Mr. Leung obtained a Master of Commerce degree from Macquarie University, Australia and a Bachelor of Business (Accounting) degree from the Central Queensland University, Australia in 1999 and 1998 respectively. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia. Mr. Leung has over 18 years of experience in the accounting and finance sector, in particular, internal control and corporate financial management.

執行董事

曾家偉先生，33歲，為執行董事。曾先生於2017年10月24日獲委任為執行董事。彼亦為本集團若干附屬公司的董事。曾先生於2010年取得香港大學經濟及金融學學士學位。曾先生自2015年起於一家專門於財經及投資新聞的報章出版商任職高級經理。

黃敬凱先生，33歲，為執行董事。黃先生於2017年11月10日獲委任為執行董事。黃先生於2011年取得香港大學護理學學士學位。黃先生於2015至2017年間於香港一家以金融及投資為主的報社擔任社長，彼目前為香港各大報章雜誌的財經專欄作家。黃先生於投資界擁有逾12年經驗。

獨立非執行董事

左穎怡女士，38歲，於2017年11月10日獲委任為獨立非執行董事。左女士於2005年取得新西蘭奧克蘭大學工程學（榮譽）學士學位及商學學士學位。左女士取得特許財務分析師公會之特許財務分析師資格，以及澳洲及新西蘭特許會計師公會之特許會計師資格。左女士於會計及金融領域擁有逾14年經驗，尤其於企業融資及財務顧問服務方面。

梁其智先生，44歲，於2018年1月19日獲委任為獨立非執行董事。梁先生分別於1999年及1998年取得澳洲麥覺理大學(Macquarie University)之商學碩士學位，以及澳洲中央昆士蘭大學(Central Queensland University)之商業（會計）學士學位。梁先生為香港會計師公會及澳洲會計師公會之會員。梁先生於會計及金融領域擁有逾18年經驗，尤其於內部監控及企業融資管理方面。

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. Fenn David, aged 40, was appointed as an independent non-executive Director on 10 May 2018. Mr. Fenn obtained his bachelor of laws degree with honours from The University of Hong Kong in December 2002. He was awarded the postgraduate certificate in laws by The University of Hong Kong in June 2003. Mr. Fenn further obtained a master of laws degree in banking and finance from University College London, University of London in the United Kingdom in November 2006. Mr. Fenn was admitted as a solicitor in Hong Kong in September 2005 and is specialised in the field of securities compliance, disputes resolution, winding-up and restructuring. He was appointed as an adjudicator of the Registration of Persons Tribunal of Hong Kong from November 2013 to October 2019 and is a disciplinary panel member of the Hong Kong Institute of Certified Public Accountants since February 2016 and a member of the Appeal Panel (Housing) of the Transport and Housing Bureau of Hong Kong since April 2017. He is currently an independent non-executive director of Stream Ideas Group Limited (stock code: 8401) and Sun Kong Holdings Limited (stock code: 8631), the shares of which are listed on GEM of the Stock Exchange.

SENIOR MANAGEMENT

Mr. Lam Yick Tung Philip, aged 46, joined the Group in November 2017. He is currently the financial controller and the company secretary of the Company. Mr. Lam holds a Bachelor of Arts degree and a Master of Commerce degree from the University of New South Wales, Australia. Mr. Lam is a member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia. Mr. Lam has over 18 years of experience in the accounting and finance sector, in particular, financial advisory services.

獨立非執行董事 (續)

范德偉先生，40歲，於2018年5月10日獲委任為獨立非執行董事。范先生於2002年12月於香港大學取得其法律榮譽學士學位，彼於2003年6月獲香港大學頒發法律深造證書。范先生更於2006年11月在英國倫敦大學旗下的倫敦大學學院獲得銀行及金融法律碩士學位。范先生於2005年9月在香港成為認可律師，專注證券合規、爭議解決、清盤及重組領域。彼由2013年11月至2019年10月獲委任為香港人事登記審裁處的審裁員、自2016年2月起獲委任為香港會計師公會的紀律小組成員及自2017年4月起獲委任為香港運輸及房屋局上訴委員會（房屋）成員。范先生現為股份均於聯交所GEM上市之源想集團有限公司（股份代號：8401）及申港控股有限公司（股份代號：8631）的獨立非執行董事。

高級管理層

林翼東先生，46歲，於2017年11月加入本集團，現任本公司的財務總監及公司秘書。林先生取得澳洲新南威爾斯大學文學士學位及商業碩士學位。林先生為香港會計師公會及澳洲會計師公會之會員。林先生於會計及財務領域擁有逾18年經驗，尤其於財務諮詢服務方面。

Report of the Directors

董事會報告

The directors (“Directors”) of Hong Kong Education (Int’l) Investments Limited (“Company”) present the annual report and the audited consolidated financial statements of the Company and its subsidiaries (“Group”) for the year ended 30 June 2020 (“Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries as of 30 June 2020 are set out in Note 42 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group as well as discussion and analysis of the Group’s performance during the Year, the material factors underlying its financial performance, and the outlook of the business of the Company can be found in the sections headed “Management Discussion and Analysis” in this annual report. These discussions form part of this report of the Directors.

Principal risks and uncertainties

The principal risks and uncertainties related to the business of the Group are as below:

Sourcing risk

The Group depends on its tutors to provide tutoring services to its students who look for quality test-taking skills, unique complementary teaching methods and stable tutor-student relationship. The service contracts of the Group’s tutors with the Group may not be renewed upon expiry. The business may be adversely affected if the Group is unable to recruit other experienced tutors or retain the existing tutors to provide the tutoring services. The Group will keep searching new quality tutors to join us in order to reduce the concentration of revenue generated from our existing tutors who receive the highest tutor contractor fees.

香港教育（國際）投資集團有限公司（「本公司」）董事（「董事」）謹此提呈本公司及其附屬公司（「本集團」）截至2020年6月30日止年度（「本年度」）的年度報告及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。主要附屬公司截至2020年6月30日的主要業務詳情載於綜合財務報表附註42。

業務回顧

本集團業務的中肯回顧及本集團於本年度的表現的討論及分析、與財務表現相關的重大因素，以及本公司的業務前景，載於本年報「管理層討論及分析」一節。該等討論構成本董事會報告的一部分。

主要風險及不確定因素

與本集團業務有關的主要風險及不確定因素如下：

人才搜尋風險

本集團依賴導師向尋求出色的應試技巧、獨特輔助性的教學方法及穩定的師生關係之學生提供補習服務。本集團導師與本集團的服務合約於到期時可能不會續約。倘本集團未能招聘其他具經驗的導師或留住現有導師以提供補習服務，則業務可能會受到不利影響。本集團將繼續尋找新優質導師加入我們，以減低對收取最高導師承包費的現有導師所產生收益的集中度。

Business interruption risk

The Group rents education centres for its business to provide tutoring services to students. Renewal of leases of education centres at reasonable price is important for stable development of the business. The leases may not be renewed upon expiry and relocation of education centres may be needed. The business may be adversely affected if the Group is unable to maintain the existing education centres or to find suitable locations for new education centres. The Group will renew such leases or licences situated in prime locations in a timely manner before their expiration and maintain an updated portfolio of potential premises as back up options in order to minimise the adverse effect on business relocation.

Competitor risk

The industry in which the Group operates is in fierce competition. Decrease in the number of students and increase of small-scale tutoring centres in the market have intensified the market competition. The Group also faces significant competition in major programmes offered and geographical locations operated by its competitors. If the Group fails to retain and attract students, the market share may drop and the profitability may be adversely affected. The Group will enhance its competitive advantage through maintaining of a high-quality teaching team and a good brand image continuously in order to keep and further increase its market share.

Infringement risk

Protection of intellectual property rights is of great significance in society and to the Group's business. Generally, the laws and regulations affecting the Group include the Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong ("HK Laws") ("Trade Marks Ordinance")) and Copyright Ordinance (Chapter 528 of the HK Laws ("Copyright Ordinance")). Violation of such laws and regulations may expose the Group to litigation risks, which will adversely affect the financial position as well as the brand image of the Group. The Group will stay alert to the relevant legal issues and update its internal policies when necessary to avoid any breach of the regulatory requirements.

業務中斷風險

本集團租用教育中心進行業務，向學生提供補習服務。以合理價格續簽教育中心的租約對業務的穩定發展十分重要。租約於到期時可能不會續約並可能需要搬遷教育中心。倘本集團未能維持現有教育中心或為新教育中心物色合適的位置，則業務可能會受到不利影響。本集團將及時於到期前續簽位於黃金地段的有關租約或牌照，並保存一份有潛力地段的最新組合資料作後備選擇，以盡量減低業務搬遷的不利影響。

競爭對手風險

本集團經營所在行業競爭激烈。學生人數不斷減少而市場上小型補習中心增加，令市場競爭加劇。本集團與其競爭對手就提供主要課程及地理位置亦面對重大競爭。倘本集團未能留住及吸引學生，其市場份額可能下降，而盈利能力可能受到不利影響。本集團將通過持續維持高素質的教學團隊及良好的品牌形象來提高競爭優勢，以保持及進一步提高市場份額。

侵權風險

保護知識產權於社會及對本集團業務極為重要。一般而言，影響本集團的法律及法規包括香港法例（「香港法例」）第559章商標條例（「商標條例」）及香港法例第528章版權條例（「版權條例」）。違反有關法律及法規可能導致本集團面臨訴訟風險，將對本集團財務狀況及品牌形象構成不利影響。本集團將繼續留意相關法律事宜，並在必要時更新其內部政策，以避免任何違反監管要求。

Report of the Directors 董事會報告

Health risk

The outbreak of the coronavirus disease 2019 in Hong Kong severely affects the Group's operating environment as students are refrained from attending classes at the Group's education centres. The education centres shall be mandatorily suspended by the Education Bureau's order and voluntarily suspended if any infected case is found among students, tutors and staff for thorough cleaning. The Group's business operation will be interrupted if offices and education centres are closed. In order to protect our students, tutors and staff, several measures are taken to combat pandemic, such as measuring body temperature before entering the offices and education centres, setting hygiene guidelines and instructions to remind staff and help them develop better hygiene habit, delegating helpers to clean offices and education centres additionally, and procuring and maintaining sufficient stock of surgical masks and cleaning products. The Group will stay alert to the updated situation and adopt appropriate measures in order to avoid spread of pandemic at our offices and education centres.

In addition, the financial risk management objectives and policies of the Group are shown in Note 6 to the consolidated financial statements.

Environmental policies and performance

The Group is committed to long-term environmental sustainability. We strive to encourage higher environmental protection awareness at our offices and education centres by promoting the culture to consume electricity and natural resources wisely among our employees. The Group also commits to the principle and practice of recycling and reduction. The Group implements green office practices such as encouraging the use of recycled paper for printing and copying, double-sided printing and copying, reducing energy consumption by switching off idle lightings, air-conditioning and electronic and electrical appliances.

The Group will continually review its green practices to integrate environmental, health and safety management and compliance considerations into operational processes. The Group also promotes green awareness amongst and maintains dialogue with employees and business partners. The Group is determined to improve environmental performance of the daily business operations towards establishing a sustainable environment.

健康風險

香港爆發2019冠狀病毒病嚴重影響本集團的營商環境，原因是學生無法於本集團的教育中心上課。教育局命令教育中心強制性停課，倘學生、導師及員工中發現任何感染病例，則教育中心自願停課以徹底清潔。倘辦公室及教育中心關閉，本集團業務營運將中斷。為保護我們的學生、導師及員工，我們已採取多項措施抗擊疫情，如進入辦公室及教育中心前測量體溫、設置衛生指引及指示以提醒員工並幫助彼等養成良好的衛生習慣、額外聘請幫手清潔辦公室及教育中心，以及購買及維持充足存量的外科口罩及清潔用品。本集團將時刻留意最新狀況並採用適當措施，以避免疫情於我們辦公室及教育中心傳播。

此外，本集團的財務風險管理目標及政策載於綜合財務報表附註6。

環境政策及表現

本集團致力於環境的長遠可持續發展。我們透過向員工推廣明智地用電及天然資源的文化，致力於我們的辦公室和教育中心鼓勵提高環保意識。本集團亦承諾回收及節約的原則及措施。本集團實行綠色辦公室措施，如鼓勵使用環保紙打印及影印、雙面打印及影印、關掉不必要照明、空調及電子以及電器，以減少能源消耗。

本集團將繼續檢討其環保慣例，以於營運過程中綜合環境、健康及安全管理以及合規考慮。本集團亦於僱員及業務夥伴間宣傳環保意識及與彼等保持溝通。本集團致力改善日常業務營運的環保工作表現，以期建立可持續發展的環境。

Compliance with laws and regulations

The Group recognises the importance of compliance with regulatory requirements and has taken measures to minimise the risk of non-compliance with such requirements which may otherwise lead to adverse impact on business operation and financial position of the Group. The Group has on-going review on the newly enacted laws and regulations and has established various management systems and measures such as internal control procedures and staff training. The Group constantly monitors the operation of its business to ensure compliance with the relevant laws and regulations.

On the corporate level, the Group has complied with the requirements under the Rules (“Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) including the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) under the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the HK Laws) (“SFO”), relating to, among others, disclosure of information, dealings in securities, and corporate governance.

On the operational level, the Group has complied with the Personal Data (Privacy) Ordinance (Chapter 486 of the HK Laws) and the guidelines recommended by the Office of the Privacy Commissioner for Personal Data when collecting and processing data from students. The Group has also paid attention to the Copyright Ordinance when preparing and delivering teaching materials. Besides, the Group has complied with the Education Ordinance (Chapter 279 of the HK Laws) in application of applicable certificates for running education centres and the Trade Descriptions Ordinance (Chapter 362 of the HK Laws) in preparation and publication of advertisement.

遵守法律及法規

本集團意識到遵守監管要求的重要性，並已採取措施減低不遵守有關要求的風險，因不合規可能對本集團的業務經營及財務狀況構成不利影響。本集團持續審閱新頒佈的法律及法規，並已制定內部監控程序及員工培訓等各種管理制度和措施。本集團不斷監督業務經營，以確保遵守有關法律及法規。

就企業層面而言，本集團已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）（包括上市規則項下的上市發行人董事進行證券交易的標準守則（「標準守則」））及香港法例第571章證券及期貨條例（「證券及期貨條例」）項下有關（其中包括）資料披露、證券交易及企業管治之規定。

就經營層面而言，本集團於收集及處理學生資料時已遵守香港法例第486章個人資料（私隱）條例及個人資料私隱專員公署建議的指引。本集團於編製及派發教材時亦已注意版權條例。此外，本集團於申請營運教育中心所適用證書時亦已遵守香港法例第279章教育條例，並於製作及刊登廣告時遵守香港法例第362章商品說明條例。

Report of the Directors 董事會報告

On the human resources level, the Group has abided by the Employment Ordinance (Chapter 57 of the HK Laws), Employees' Compensation Ordinance (Chapter 282 of the HK Laws), Minimum Wage Ordinance (Chapter 608 of the HK Laws), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the HK Laws), equal opportunity legislations (including Sex Discrimination Ordinance (Chapter 480 of the HK Laws), Disability Discrimination Ordinance (Chapter 487 of the HK Laws), Family Status Discrimination Ordinance (Chapter 527 of the HK Laws) and Race Discrimination Ordinance (Chapter 602 of the HK Laws)) and Occupational Safety and Health Ordinance (Chapter 509 of the HK Laws) to safeguard the health, safety, interests and benefits of the Group's employees. Details of the Group's compliance with relevant laws and regulations are set out in the environmental, social and governance report ("ESG Report") which is set out on pages 60 to 90 of this annual report.

To the best of knowledge of the Directors, save as disclosed in the ESG Report, the Group has complied in all material aspects with relevant laws and regulations, that have a significant impact on the Group during the Year. The Group is not aware of any other material breach or non-compliance with the laws and regulations that have a significant impact on the business and operations of the Group.

Relationship with employees, customers and suppliers

(a) Employees

The Group believes that employees are valuable assets. The Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of the employees and makes necessary adjustments to conform to the market standard. The Group is also passionately committed to developing the staff and provides them with rewarding career paths and people-friendly working environment.

(b) Customers

The Group strives to achieve corporate sustainability in providing quality services to our customers. To ensure continuous improvement of the quality of services, the Group regularly reviews its teaching materials in order to meet the students' demand and the market trend. The Group believes that maintaining good relationship with students can help strengthen its market competitiveness in the industry.

就人力資源層面而言，本集團已遵守香港法例第57章僱傭條例、香港法例第282章僱員補償條例、香港法例第608章最低工資條例、香港法例第485章強制性公積金計劃條例、平等機會法例（包括香港法例第480章性別歧視條例、香港法例第487章殘疾歧視條例、香港法例第527章家庭崗位歧視條例及香港法例第602章種族歧視條例）及香港法例第509章職業安全及健康條例，以保障本集團僱員的健康、安全及利益。有關本集團遵守相關法律及法規的詳情載於本年報第60至90頁所載環境、社會及管治報告（「環境、社會及管治報告」）內。

就董事所深知，除環境、社會及管治報告所披露者外，本集團於本年度於所有重大方面已遵守對本集團有重大影響的相關法律及法規。本集團並不知悉有任何其他嚴重違反或不遵守法律及法規而對本集團業務及經營有重大影響的情況。

與僱員、客戶及供應商的關係

(a) 僱員

本集團深信，僱員是寶貴的資產。本集團提供具競爭力的薪酬待遇以招攬及鼓勵僱員。本集團定期檢討僱員薪酬待遇，並因應市場標準作出必要調整。本集團亦致力培養員工，為其提供良好的晉升機會及以人為本的工作環境。

(b) 客戶

本集團致力為客戶提供優質服務以實現企業可持續發展。為確保持續提升服務質素，本集團會定期檢討教材以滿足學生需求及市場趨勢。本集團相信與學生保持良好關係有助加強在行業內的市場競爭力。

(c) Suppliers

The Group understands the importance to work closely with our suppliers (who are mainly our tutors) to ensure the sustainability of our business. The Group has established long standing relationships with our suppliers and ensure they share our commitment to quality and ethics.

SEGMENT INFORMATION

An analysis of the Group's operation for the Year by business activities is set out in Note 7 to the consolidated financial statements and the paragraphs headed "Business Review" under the section of "Management Discussion and Analysis" of this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated financial statements on pages 103 to 104 of this annual report.

The board of the Company ("Board") does not recommend the payment of a final dividend for the Year (2019: nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published consolidated results and assets and liabilities of the Group for the last five financial years is set out on page 240 of this annual report. This summary does not form part of the audited consolidated financial statements.

DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$23,688 (2019: HK\$31,950).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in Note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in Note 36 to the consolidated financial statements.

(c) 供應商

本集團深知與供應商（主要為我們的導師）緊密合作以確保業務可持續發展的重要性。本集團已與供應商建立長遠的合作關係，並確保彼等遵守我們對質素及道德的承諾。

分部資料

本集團於本年度按業務活動劃分的經營分析載於綜合財務報表附註7及本年報的「管理層討論及分析」一節中的「業務回顧」段落。

業績及股息

本集團於本年度的業績載於本年報第103至104頁的綜合財務報表。

本公司董事會（「董事會」）不建議就本年度派付末期股息（2019年：無）。

五年財務概要

本集團於過去五個財政年度的已刊發綜合業績及資產與負債概要載於本年報第240頁。此概要並不構成經審核綜合財務報表的一部份。

捐贈

於本年度內，本集團作出慈善捐贈23,688港元（2019年：31,950港元）。

物業、廠房及設備

本集團於本年度內的物業、廠房及設備變動詳情載於綜合財務報表附註15。

股本

本公司於本年度內的股本變動詳情載於綜合財務報表附註36。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company (“Bye-laws”) or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company (“Shareholders”).

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the shares of the Company (“Shares”). If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 108 of this annual report and the statement of financial position of the Company in Note 44 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Details of movements in the reserves available for distribution of the Company during the Year are set out in Note 44 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Income from the Group’s five largest customers in aggregate contributed to less than 30% of the Group’s total income during the Year.

During the Year, tutor contractor fee paid/payable to the Group’s top five tutors, who entered into service contracts with the Group, accounted for 64.17% of the Group’s total tutor contractor fee for the Year (2019: 56.47%), and tutor contractor fee paid/payable to the Group’s topmost tutor accounted for 32.21% of the Group’s total tutor contractor fee for the Year (2019: 27.02%). None of the Directors, their close associates as well as substantial Shareholders (which to the knowledge of the Directors own more than 5% of the Company’s issued share capital) was anyone out of such top five tutors (2019: none).

優先購買權

本公司之公司細則（「公司細則」）或百慕達的法例項下並無要求本公司須按比例向本公司現有股東（「股東」）提呈發售新股份的優先購買權條文。

稅項寬免

本公司並不知悉股東因持有本公司股份（「股份」）而可獲任何稅項寬免。倘股東對購買、持有、出售、買賣或行使任何有關股份之權利的稅務影響存疑，彼等應諮詢其專業顧問。

儲備

本集團及本公司於本年度內的儲備變動詳情分別載於本年報第108頁的綜合權益變動表及綜合財務報表附註44的本公司財務狀況表。

可供分派儲備

本公司於本年度內的可供分派儲備變動詳情載於綜合財務報表附註44。

主要客戶及供應商

源自本集團五大客戶的收入合共佔本集團於本年度內的總收入不足30%。

於本年度內，已付／應付本集團首五名導師（該等導師已與本集團訂立服務合約）的導師承包費佔本集團於本年度內的導師承包費總額的64.17%（2019年：56.47%），而已付／應付本集團首名導師的導師承包費佔本集團於本年度內的導師承包費總額的32.21%（2019年：27.02%）。概無董事、其緊密聯繫人以及主要股東（據董事所知擁有本公司已發行股本5%以上）為該等首五名導師中的任何人士（2019年：無）。

Contracts with the other five largest suppliers of the Group, excluding the independent tutors, combined by values which are not of a capital nature, contributed to less than 30% of the total value of supplies purchased by the Group during the Year.

DIRECTORS

The Directors during the Year and as at the date of this annual report are as follows:

Executive Directors:

Mr. Tsang Ka Wai
Mr. Wong King Hoi
Mr. Yip Chung Yin Jeffery (resigned with effect from 24 February 2020)

Independent non-executive Directors:

Ms. Jor Stephanie Wing Yee
Mr. Leung Ki Chi James
Mr. Fenn David

Pursuant to Bye-law 84 of the Bye-laws, at each annual general meeting of the Company ("Annual General Meeting"), one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years and the retiring Directors shall be eligible for re-election. Mr. Leung Ki Chi James and Mr. Fenn David will retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 3.13 of the Listing Rules, the Company has received from each of Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David an annual confirmation of independence. Based on these confirmations, the Company considers that each of such Directors to be independent.

本集團與其他五大供應商（不包括獨立導師）的合約價值總額（非資本性質）佔本集團於本年度內所採購貨品的總價值不足30%。

董事

於本年度內及於本年報日期，董事如下：

執行董事：

曾家偉先生
黃敬凱先生
葉頌賢先生（於2020年2月24日辭任）

獨立非執行董事：

左穎怡女士
梁其智先生
范德偉先生

根據公司細則第84條，於本公司每屆股東週年大會（「股東週年大會」）上，三分之一在任董事（或倘董事人數並非三之倍數，則最接近但不少於三分之一的數目）須輪席退任，惟每位董事均須至少每三年退任一次，而退任董事均可符合資格膺選連任。梁其智先生及范德偉先生將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

獨立非執行董事之獨立性

根據上市規則第3.13條，本公司已收到左穎怡女士、梁其智先生及范德偉先生各自就其獨立性而作出的年度確認函。根據該等確認函，本公司認為該等董事均屬獨立人士。

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into either a service contract or a letter of appointment with the Company as follows.

董事的服務合約

各董事已與本公司訂立以下服務合約或委任函件。

Name 姓名	Contract type 合約類型	Directorship term 董事任期	Prior notice of termination 終止之事先通知
Mr. Tsang Ka Wai 曾家偉先生	Service contract 服務合約	Fixed term of three years commenced on 24 October 2017 自2017年10月24日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Wong King Hoi 黃敬凱先生	Service contract 服務合約	Fixed term of three years commenced on 10 November 2017 自2017年11月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Ms. Jor Stephanie Wing Yee 左穎怡女士	Letter of appointment 委任函件	Fixed term of three years commenced on 10 November 2017 自2017年11月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Leung Ki Chi James 梁其智先生	Letter of appointment 委任函件	Fixed term of three years commenced on 19 January 2018 自2018年1月19日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Fenn David 范德偉先生	Letter of appointment 委任函件	Fixed term of three years commenced on 10 May 2018 自2018年5月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知

These appointments are subject to directors' retirement from office and retirement by rotation under the Bye-laws. None of the Directors proposed for re-election at the forthcoming Annual General Meeting has entered into a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 26 to 27 of this annual report.

DIRECTOR'S INTERESTS IN CONTRACTS

No transaction, arrangement or contract of significance, to which the Company or any of its subsidiaries was a party, and in which an existing or a former Director or an entity connected with such Director had a material interest, directly or indirectly, subsisted during or at the end of the Year, nor was there any contract of significance in relation to the Group's business between the Company or any of its subsidiaries and a controlling Shareholder or any of its subsidiaries.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2020, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

有關委任須遵守公司細則項下董事退任及輪席退任的規定。概無擬在應屆股東週年大會上重選連任的董事與本公司或其任何附屬公司訂立一年內本公司不作賠償（法定賠償除外）則不可終止的服務合約。

董事及高級管理層

本集團董事及高級管理層的履歷詳情載於本年報第26至27頁。

董事於合約的權益

於本年度內或結束時，概無本公司或其任何附屬公司為訂約方而現任或前任董事或與該等董事相關的實體直接或間接擁有重大權益的任何重大交易、安排或合約，而本公司或其任何附屬公司與控股股東或其任何附屬公司之間亦無訂立對本集團業務而言屬重大的任何合約。

董事及主要行政人員於股份、相關股份及債券的權益及淡倉

於2020年6月30日，概無董事或本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中，擁有須記入本公司根據證券及期貨條例第352條所存置登記冊的任何權益或淡倉；或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as the share option scheme of the Company ("Share Option Scheme") disclosed in Note 37 to the consolidated financial statements, at no time during the Year or at the end of the Year was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for equity or debt securities of the Company or any other body corporate, nor had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' OR OTHER'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, there was no any other person (other than the Directors or chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO, or which would fall to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 and 3 of Part XV of the SFO.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into by the Company or subsisted during the Year.

PERMITTED INDEMNITY PROVISION

Every Director is, subject to the provisions of the applicable laws, indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices pursuant to the Bye-laws. The relevant Bye-law was in force during the Year and as at the date of this report.

董事購買股份或債券的權利

除於綜合財務報表附註37內披露的本公司購股權計劃（「購股權計劃」）外，於本年度內或至年度末期的任何時間內，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉由收購本公司或任何其他法人團體的股份或債券而獲得利益，亦概無董事或任何彼等的配偶或18歲以下子女獲授予可認購本公司或任何其他法人團體的股本或債務證券的權利，亦尚未行使任何有關權利。

主要股東或其他人士於股份及相關股份的權益及淡倉

於2020年6月30日，並無任何其他人士（本公司董事或主要行政人員除外）於股份或相關股份中擁有須記入本公司根據證券及期貨條例第336條所存置登記冊的任何權益或淡倉，或根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露的任何權益或淡倉。

管理合約

於本年度內，本公司概無已訂立或存在有關本公司業務整體或任何重大部分的管理及行政的合約。

獲准許的彌償條文

根據適用的法律條文，各董事於根據公司細則執行其職責或關於執行職責而作出、同意或遺漏的任何行為而將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支而將獲以本公司資產作為彌償。於本年度內及於本報告日期，相關公司細則生效。

EMOLUMENT POLICY OF THE GROUP

The emolument policy for the employees of the Group is set up by the management on the basis of their merit, qualifications and competence, and comparable market statistics. The Directors' fees and other emoluments shall be determined by the Remuneration Committee, with the delegated responsibility, with reference to the Directors' duties, responsibilities and performance and the results of the Group. The employees and directors of the Group may be rewarded with share options for the securities of the Company under the Share Option Scheme as detailed in the section headed "EQUITY LINKED AGREEMENTS – Share option scheme" below.

EQUITY LINKED AGREEMENTS

Save as disclosed below, during the Year the Company has not entered into, or there has not subsisted at the end of the Year, any other equity-linked agreement (as defined in section 6 of the Companies (Director's Report) Regulation (Chapter 622D of the HK Laws)).

SHARE OPTION SCHEME

The Company adopted the Share Option Scheme pursuant to a resolution passed on 11 June 2011 so as to attract and retain the best available personnel and to provide additional incentive to the eligible participants under the Share Option Scheme. Pursuant to the Share Option Scheme, the Board is authorised, at its absolute discretion and subject to the terms of the Share Option Scheme, to grant options to subscribe for the shares of the Company (in such form then existing and subject to adjustment) to any employees (full-time or part-time), directors, consultants, supplier(s), customer(s), joint venture partner(s), business associate(s) and advisor(s) of the Group. The Share Option Scheme shall be valid and effective for a period of ten years commencing on 4 July 2011 ("Effective Date") and expiring on the business day immediately preceding the 10th anniversary of the adoption date of the Share Option Scheme, i.e. 10 June 2021.

本集團薪酬政策

本集團僱員的薪酬政策乃由管理層根據僱員的表現優劣、資歷及才幹以及可資比較的市場統計數據而設定。董事袍金及其他酬金須由獲授予責任的薪酬委員會經參考董事的職責、責任及表現以及本集團業績後釐定。本集團僱員及董事可根據購股權計劃獲授可認購本公司證券的購股權，詳情載於下文「股本掛鈎協議－購股權計劃」一節。

股本掛鈎協議

除下文所披露者外，本公司於本年度內並無訂立或至本年度末期也不存在任何其他股本掛鈎協議（定義見香港法例第622D章公司（董事報告）規例第6條）。

購股權計劃

本公司根據於2011年6月11日通過的決議案採納購股權計劃，以吸引及留住最佳員工，並向購股權計劃項下的合資格參與人提供額外獎勵。根據購股權計劃，董事會獲授權按酌情基準及根據購股權計劃的條款，向本集團任何僱員（全職或兼職）、董事、顧問、供應商、客戶、合營夥伴、業務夥伴及諮詢人授出可認購本公司股份（以當時之形式並可予調整）的購股權。購股權計劃由2011年7月4日（「生效日期」）起十年內有效及生效，並於緊接購股權計劃採納日期第十個週年日的前一個營業日（即2021年6月10日）屆滿。

Report of the Directors 董事會報告

An offer for the grant of options, which may specify the minimum period for which the options must be held before they can be exercised, must be accepted within 21 days inclusive of the day on which such offer is made. The amount payable for the grant of an option by the grantee to the Company on acceptance of the offer is HK\$1.00. The subscription price of a share of the Company in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share of the Company on the date of grant of the option.

The initial total number of shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares in issue on the Effective Date. The Company may at any time refresh such limit, subject to the Shareholders' approval and issue of a circular in compliance with the Listing Rules, provided that the total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the shares of the Company in issue from time to time. The total number of shares of the Company issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant must not exceed 1% of the shares of the Company then in issue unless approved by the Shareholders in accordance with the Listing Rules.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

授出購股權之要約（可訂明購股權可獲行使前必須持有的最短期限）須於作出有關要約後21日內（包括當日）接納。承授人於接納要約時，須就授出購股權向本公司支付金額1.00港元。根據購股權計劃授出之任何特定購股權所涉及本公司股份之認購價須由董事會全權釐定並通知參與人，惟認購價須最少為以下之最高者：(i)本公司股份於授出購股權當天於聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權當天前五個營業日於聯交所每日報價表所報之平均收市價；及(iii)本公司股份於授出購股權當天之面值。

根據購股權計劃及本公司任何其他購股權計劃將授出之購股權獲悉數行使後可能發行之本公司初步股份總數，不得超過生效日期已發行股份的10%。本公司可隨時更新有關限額，惟須獲股東批准，並遵照上市規則刊發通函，前提為根據本公司所有購股權計劃已授出但尚未行使的全部購股權獲行使而可能發行的本公司股份總數，不得超過本公司不時已發行股份的30%。於授出日期前（包括該日）任何十二個月之期間，因授予各參與人的購股權（包括已行使及尚未行使的購股權）獲行使而已發行及將予發行的本公司股份總數不得超過本公司當時之已發行股份的1%，除非遵照上市規則獲股東批准，則另作別論。

購股權可根據購股權計劃條款於董事會釐定之期限內隨時獲行使，惟該期限不得超過授出日期起計十年，並須受限於有關提前終止條文。

During the Year, no share has been granted, exercised, cancelled or lapsed under the Share Option Scheme. As at the date of this annual report, the total number of securities available for issue under the Share Option Scheme was 54,757,088 Shares of HK\$0.05 each, which represented 9.42% of the issued Shares. As at 1 July 2019 and 30 June 2020, there was no share option outstanding under the Share Option Scheme.

Further details of the Share Option Scheme and details of movements in the share options are set out in Note 37 to the consolidated financial statements of this annual report.

OTHER RELATED PARTY TRANSACTIONS

The related party transactions for the Year are set out in Note 41 to the consolidated financial statements and none of these transactions constituted connected transactions or continuing connected transaction under Chapter 14A of the Listing Rules.

PENSION SCHEME

Details of the pension scheme of the Group are set out in Note 43 to the consolidated financial statements.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events occurring after the end of the Year of the Group are set out in Note 45 to the consolidated financial statements.

CORPORATE GOVERNANCE

The Company has applied the principles in and adopted the code provisions of the corporate governance code set out in Appendix 14 to the Listing Rules ("CG Code") as its own corporate governance code. During the Year, the Company has complied with all the provisions of the CG Code and the Listing Rules except for the deviations as disclosed in the Corporate Governance Report which is set out on pages 43 to 59 of this annual report.

於本年度內，本公司並無股份根據購股權計劃授出、行使、註銷或失效。於本年報日期，購股權計劃項下可供發行的證券總數為54,757,088股每股面值0.05港元的股份，佔已發行股份的9.42%。於2019年7月1日及2020年6月30日，購股權計劃項下概無尚未行使的購股權。

購股權計劃的進一步詳情及購股權變動的詳情載於本年報綜合財務報表附註37。

其他關連人士交易

本年度的關連人士交易載於綜合財務報表附註41，而該等交易並未構成上市規則第14A章項下之關連交易或持續關連交易。

退休金計劃

本集團的退休金計劃詳情載於綜合財務報表附註43。

報告期後事項

本集團於本年度末期後的重大事項詳情載於綜合財務報表附註45。

企業管治

本公司已應用上市規則附錄14所載企業管治守則（「企業管治守則」）中的原則及採納其守則條文作為其本身的企業管治守則。於本年度內，本公司已遵守企業管治守則及上市規則的所有條文，惟於本年報第43至59頁所載的企業管治報告所披露的偏離事項除外。

Report of the Directors 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules during the Year and as at the latest practicable date prior to the issue of this annual report.

AUDITORS

The consolidated financial statements for the year ended 30 June 2020 were audited by Baker Tilly Hong Kong Limited ("Baker Tilly") who will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Baker Tilly as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Baker Tilly have been appointed as the auditors of the Company with effect from 23 May 2018 to fill the casual vacancy following the resignation of HLB Hodgson Impey Cheng Limited which took effect from 23 May 2018. Save for the above, there has been no other change in the auditors of the Company in any of the preceding three years.

On behalf of the Board

Tsang Ka Wai

Executive Director

Hong Kong, 28 September 2020

足夠公眾持股量

根據本公司公開獲得的資料及據董事所知，本公司於本年度內及於刊發本年報前的最後實際可行日期維持上市規則所規定不少於本公司已發行股份25%的足夠公眾持股量。

核數師

截至2020年6月30日止年度的綜合財務報表已經天職香港會計師事務所有限公司（「天職」）審核，天職將於應屆股東週年大會上退任，惟符合資格並願意接受續聘。一項續聘天職為本公司核數師的決議案將於應屆股東週年大會上提呈。

天職已於2018年5月23日獲委任為本公司核數師以填補國衛會計師事務所有限公司於2018年5月23日辭任後出現之臨時空缺。除上文所披露者外，本公司核數師於過往三年內的任何年度並無其他變動。

代表董事會

執行董事

曾家偉

香港，2020年9月28日

Corporate Governance Report

企業管治報告

The board (“Board”) of directors (“Directors”) of Hong Kong Education (Int’l) Investments Limited (“Company”) is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board believes that good corporate governance is essential to the success of the Company and its subsidiaries (“Group”) and the enhancement of shareholders’ value.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and adopted the code provisions of the corporate governance code set out in Appendix 14 (“CG Code”) to the Rules (“Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) as its own corporate governance code. During the year ended 30 June 2020 (“Year”), the Company has complied with all the provisions of the CG Code and the Listing Rules except for the deviations as disclosed in this report.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors (“Code of Conduct”). Having made specific enquiries of the Directors, each of the Directors confirmed his/her compliance with the required standard set out in the Model Code and the Code of Conduct throughout the Year.

BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises five members, two of whom are executive Directors, namely Mr. Tsang Ka Wai and Mr. Wong King Hoi. The other three members are independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David.

During the Year, Mr. Yip Chung Yin Jeffrey served as an executive Director until his resignation which took effect on 24 February 2020.

The biographical details of the Directors are set out in “Profiles of Directors and Senior Management” on pages 26 to 27 of this annual report.

香港教育（國際）投資集團有限公司（「本公司」）董事（「董事」）會（「董事會」）致力於切合實際的框架內維持高水平的企業管治，而企業管治着重透明度、問責性及獨立性的原則。董事會相信，良好企業管治對本公司及其附屬公司（「本集團」）的成功及提升股東價值至為重要。

企業管治常規

本公司已應用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）的原則及採納其守則條文作為其本身的企業管治守則。於截至2020年6月30日止年度（「本年度」）內，本公司已遵守企業管治守則的所有條文及上市規則，惟本報告所披露的偏離事項除外。

遵守證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為有關董事進行證券交易的操守準則（「操守準則」）。經向董事作出特定查詢後，各董事已確認彼於本年度內一直遵守標準守則及操守準則所載的規定準則。

董事會

於本年報日期，董事會由五名成員組成，其中兩名為執行董事，即曾家偉先生及黃敬凱先生。其他三名成員為獨立非執行董事，即左穎怡女士、梁其智先生及范德偉先生。

於本年度內，葉頌賢先生擔任執行董事，直至於2020年2月24日辭任。

各董事的履歷詳情載於本年報第26至27頁的「董事及高級管理層履歷」一節內。

Responsibilities of the Board

The Board is responsible for the leadership and control of the Company and overseeing the Group's businesses, strategic decisions and performance. The Board has established various Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. All Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted in the interests of the Company and its shareholders ("Shareholders") as a whole at all times.

The Board takes responsibility for all major matters of the Company including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflicts of interest), financial information, appointment of Directors and other significant financial and operational matters. During the Year, five Board meetings were held to perform the above-mentioned duties and responsibilities.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company ("Company Secretary"), to ensure that Board procedures and all applicable rules and regulations are followed. Each Director is able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

Management functions

While the Board is responsible for the overall strategic direction and governance by considering and approving the Group's strategies, policies and business plan, the functions of implementing the approved strategy and policies as well as managing the day-to-day operations and administration are delegated to the executive management. The functions and work tasks are periodically reviewed by the Board.

Appointments of the Directors are subject to retirement from office and retirement by rotation under the bye-laws of the Company ("Bye-laws") and the CG Code.

董事會責任

董事會負責領導及控制本公司以及監督本集團業務、策略決定及表現。董事會已設立多個董事委員會，並授予此等董事委員會載於其職權範圍內的各項責任。全體董事已遵照適用法律及法規之準則真誠地履行彼等之職責，並一直按符合本公司及其股東（「股東」）整體利益的方式行事。

董事會負責本公司的所有主要事宜，包括批准及監管所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（尤其可能涉及利益衝突者）、財務資料、委任董事及其他重大財務及營運事宜。於本年度內，已舉行五次董事會會議，以履行上述職責及責任。

所有董事均可全面及適時地取得一切相關資料以及本公司之公司秘書（「公司秘書」）的意見與服務，以確保遵行董事會程序及所有適用規則及法規。各董事可於適當情況下，經向董事會提出要求後尋求獨立專業意見，有關開支由本公司承擔。

管理功能

董事會的職責在於集團的整體策略方向及管治，具體工作包括審議及通過本集團的策略、政策及業務計劃，至於執行已通過的策略及政策以及日常營運管理及行政管理等職能則授權執行管理層進行。授權職能及工作任務會由董事會作定期審查。

董事的委任須遵守本公司的公司細則（「公司細則」）及企業管治守則項下董事退任及輪席退任的規定。

In accordance with the CG Code, any new Director appointed to fill a causal vacancy shall be subject to election by shareholders at the first general meeting after the appointment, and according to the Bye-laws, any new Director appointed as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Pursuant to the Bye-laws, at every annual general meeting of the Company, one-third of the Directors (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director is eligible for re-election at that general meeting.

Code Provision A.1.8 of the CG Code provides that appropriate insurance cover in respect of legal action against directors should be arranged. Currently, the Company does not have insurance cover for legal action against its Directors. However, every Director is, subject to the provisions of the applicable laws, indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices pursuant to the Bye-laws. In view of the above, the Board considers that the Directors' exposure to risk is manageable and that benefits to be derived from taking out insurance may not outweigh the cost.

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors' training is an ongoing process. During the Year, all of the Directors received regular updates and presentations on changes and developments of the Group's business and the legislative and regulatory environments in which the Group operates. All Directors were also encouraged to attend relevant training courses. Effective from September 2012, all Directors are required to provide the Company with his or her training record on a yearly basis. During the Year, each of the existing Directors, Mr. Tsang Ka Wai, Mr. Wong King Hoi, Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David participated in appropriate continuous professional development activities by ways of attending training or reading materials relevant to the Company's business, amendments on Companies Ordinance (Chapter 622 of the Hong Kong Laws) and the Listing Rules, or directors' duties and responsibilities.

根據企業管治守則，任何獲委任以填補臨時空缺的新任董事均須於獲委任後的首次股東大會上接受股東選舉，而根據公司細則，任何獲委任作為董事會增補之新任董事之任期僅直至本公司之下屆股東週年大會為止，並屆時可符合資格於該大會上膺選連任。根據公司細則，於本公司每屆股東週年大會上，三分之一董事（或倘董事人數並非三或三之倍數，則最接近但不少於三分之一的數目）須輪席退任，惟每位董事（包括按特定任期獲委任之董事）均須至少每三年輪席退任一次。退任董事符合資格於該屆股東大會上膺選連任。

企業管治守則之守則條文第A.1.8條規定，應就董事面臨的法律訴訟安排適當的保險。現時，本公司並無就董事面臨的法律訴訟投保。然而，根據適用的法律條文，各董事於根據公司細則執行其職責或關於執行職責而作出、同意或遺漏的任何行為而將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支而將獲以本公司資產作為彌償。有鑒於此，董事會認為董事所承擔之風險屬可應付的，而投保所帶來之好處或低於投保成本。

董事的持續專業發展

董事培訓為一個持續過程。於本年度內，所有董事定期獲取有關本集團業務及本集團營運所在法例及監管環境的變動以及發展之最新資料及簡介。本公司亦鼓勵所有董事參加相關培訓課程。自2012年9月起，所有董事須每年向本公司提供其培訓記錄。於本年度內，現有董事曾家偉先生、黃敬凱先生、左穎怡女士、梁其智先生及范德偉先生各自通過出席培訓或閱讀與本公司業務、香港法例第622章《公司條例》及上市規則的修訂或與董事職務及職責有關的材料等方式參加合適的持續專業發展活動。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The positions of the chief executive officer of the Company and the chairman of the Board (“Chairman”) have been vacated since 9 November 2017 and 19 December 2017 respectively and remain vacated as at the date of this annual report, which constitutes deviation from Code Provision A.2 of the CG Code, as the Company has not been able to identify suitable candidates for the positions.

Since 19 December 2017 when the position of the Chairman has remained vacated, to facilitate discussion of all key and appropriate issues by the Board in a timely manner, the executive Directors have actively co-ordinated with the senior management of the Company to provide adequate, complete and reliable information to all Directors for consideration and review.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board has during the Year met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise under the CG Code. All independent non-executive Directors were appointed for a specific term of three years.

Pursuant to Rule 3.13 of the Listing Rules, the Company has received a written annual confirmation of independence from each of the independent non-executive Directors during the Year. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

COMPANY SECRETARY

Mr. Lam Yick Tung Philip was appointed as the Company Secretary on 21 December 2017 and is responsible for facilitating the Board processes, as well as communications among Board members, with Shareholders and management. During the Year, Mr. Lam has taken not less than 15 hours of the relevant professional training to update his skills and knowledge.

主席及行政總裁

本公司行政總裁及董事會主席（「主席」）的職位分別自2017年11月9日及2017年12月19日出現空缺且於本年報日期仍然懸空，而由於本公司尚未物色到合適的人選出任主席及行政總裁之職位，此構成偏離企業管治守則之守則條文第A.2條的規定。

自2017年12月19日起，主席職位仍然懸空，為促使董事會及時就所有主要及合適事宜進行討論，執行董事已積極與本公司高級管理層協調，向所有董事提供充足、完整及可靠資料以供審議及審閱。

獨立非執行董事

於本年度內，董事會一直遵守上市規則有關委任至少三名獨立非執行董事的規定，即根據企業管治守則至少董事會的三分之一為獨立非執行董事，且當中至少一名獨立非執行董事具有適當專業資格或會計或相關財務管理專業知識。所有獨立非執行董事均按三年之特定任期獲委任。

於本年度內，根據上市規則第3.13條，本公司已收到各獨立非執行董事有關其獨立性的書面年度確認函。本公司認為，根據上市規則載列的獨立性指引，所有獨立非執行董事均屬獨立。

公司秘書

林翼東先生於2017年12月21日獲委任為公司秘書並負責促成董事會程序，以及在董事會成員與股東及管理層間進行溝通。於本年度內，林先生已接受不少於15個小時的相關專業培訓以更新其技能及知識。

REMUNERATION COMMITTEE

As at the date of this annual report, the remuneration committee ("Remuneration Committee") of the Company comprises one executive Director and two independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee (chairman of the Remuneration Committee), Mr. Fenn David and Mr. Tsang Ka Wai.

Mr. Yip Chung Yin Jeffrey was a member of the Remuneration Committee until his resignation as an executive Director with effect from 24 February 2020. Mr. Tsang Ka Wai was then appointed as a member of the Remuneration Committee in place of Mr. Yip Chung Yin Jeffrey on 24 February 2020.

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and the senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the remuneration packages of all individual executive Directors and the senior management and making recommendations to the Board of the remuneration of non-executive Directors; and (iii) reviewing and approving compensation payable to the executive Directors and the senior management for any loss or termination of office or appointment to ensure that it is consistent with the relevant contractual terms and is otherwise fair and not excessive.

Directors' remuneration policy

During the Year, the Remuneration Committee held one meeting to review the remuneration policy and remuneration packages of the Directors and the senior management and assessed the performance of the executive Directors in accordance with the Remuneration Committee's written terms of reference. The remuneration packages of the executive Directors and senior management are determined by the Remuneration Committee, with the delegated responsibility, with reference to the duties, responsibilities and performance of such executive Directors or members of senior management and the results of the Group. No executive Director can be involved in deciding his or her own remuneration.

薪酬委員會

於本年報日期，本公司薪酬委員會（「薪酬委員會」）由一名執行董事及兩名獨立非執行董事組成，即左穎怡女士（薪酬委員會主席）、范德偉先生及曾家偉先生。

葉頌賢先生曾為薪酬委員會之成員，直至其於2020年2月24日起辭任執行董事。曾家偉先生其後於2020年2月24日獲委任為薪酬委員會成員以替代葉頌賢先生。

薪酬委員會的主要職責包括（但不限於）：(i)就董事及高級管理層的整體薪酬政策及架構以及為制定薪酬政策而設立正式透明的程序以向董事會提供推薦建議；(ii)釐定全體各執行董事及高級管理層的薪酬待遇，並就非執行董事的薪酬向董事會提供推薦建議；及(iii)檢討及批准就任何損失或終止職位或委任而向執行董事及高級管理層支付賠償以確保遵守相關合約條款，倘未能按有關條款釐定，賠償亦須公平合理。

董事薪酬政策

於本年度內，薪酬委員會舉行一次會議以根據薪酬委員會的書面職權範圍審閱薪酬政策及董事與高級管理層的薪酬待遇以及評估執行董事的表現。執行董事及高級管理層的薪酬待遇由獲授權責任的薪酬委員會經參考該執行董事或高級管理層成員的職務、職責及表現及本集團業績釐定。概無執行董事可參與釐定其自身薪酬。

The annual remuneration of the members of the senior management by bands for the Year is set out below:

於本年度，按組別劃分之高級管理層成員之年度薪酬載列如下：

Remuneration bands
薪酬組別

Number of Individual
人數

Nil to HK\$1,000,000

零至1,000,000港元

1

Details of the remuneration of each Director for the Year are set out in Note 11 to the consolidated financial statements.

本年度各董事薪酬詳情載於綜合財務報表附註11。

NOMINATION COMMITTEE

As at the date of this annual report, the nomination committee (“Nomination Committee”) of the Company comprises one executive Director and two independent non-executive Directors, namely Mr. Fenn David (chairman of the Nomination Committee), Mr. Tsang Ka Wai and Ms. Jor Stephanie Wing Yee.

提名委員會

於本年報日期，本公司提名委員會（「提名委員會」）由一名執行董事及兩名獨立非執行董事組成，即范德偉先生（提名委員會主席）、曾家偉先生及左穎怡女士。

The major functions of the Nomination Committee are to assist the Board to identify suitable individuals qualified to become Board members, assess the independence of independent non-executive Directors, propose appointment or re-appointment of Directors and their succession planning, review the structure, size and composition of the Board and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy.

提名委員會的主要職能為協助董事會物色合資格成為董事會成員的合適人選、評估獨立非執行董事的獨立性、建議董事的委任或續聘以及彼等的繼任計劃、檢討董事會的架構、人數及組成，並就任何建議變動向董事會作出建議，以配合本公司的企業策略。

Board Diversity Policy

The Board adopted a board diversity policy (“Board Diversity Policy”) with effect from 1 September 2013. The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognizes and embraces the benefits of diversity in the Board. A diversity of perspectives can be achieved through engaging directors in possession of diversified skills, regional and industry experience, educational background, race, gender and other qualities, etc. The composition, experience and balance of skills of the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experience to the Board. The Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard to the Board Diversity Policy. The Board will continue to review the Board Diversity Policy to ensure its continued effectiveness on an annual basis.

Director Nomination Policy

In December 2018, the Board has adopted a director nomination policy (“Director Nomination Policy”), which serves to improve the transparency of the process and criteria in selecting and recommending candidates as Directors. Under the Director Nomination Policy, Board appointments will be made on a merit basis and candidates will be considered against objective criteria including their academic background, qualifications, skills and knowledge, character and integrity, willingness and capacity to devote commitment on discharging a director’s duties, and compliance with the criteria of independence under the Listing Rules, if applicable. Where a candidate is proposed to be appointed as an independent non-executive Director, his/her independence will be assessed in accordance with, among others, the factors as set out in Rule 3.13 of the Listing Rules, Code Provisions A.4.3 and A.5.5, and recommended best practice A.3.3 of the CG Code, as applicable. In the context of re-appointment of retiring Directors, the Nomination Committee shall review the candidate’s overall contribution and performance, including attendance of Board committees, Board and general meetings, and level of participation and performance on the Board, and make recommendations to the Board for consideration and to the Shareholders for re-election at the general meetings.

董事會多元化政策

董事會自2013年9月1日起已採納一項董事會多元化政策（「董事會多元化政策」）。本公司不斷尋求提升董事會之效率，維持最高標準之企業管治，並明白及擁護董事會多元化的利益。多元化方面可透過委任擁有多元化技能、區域及行業經驗、教育背景、種族、性別及其他特質等多項條件之董事達致。董事會之組成、經驗及技能平衡乃經定期檢討，以確保董事會保留對本集團具有長期認識之核心成員外，同時不時委任新任董事以為董事會帶來全新視野及不同經驗。董事會成員的委任將繼續以用人唯才為原則，根據客觀標準考慮可擔任董事會成員的人選，並適當考慮董事會成員多元化政策。董事會將持續檢視董事會多元化政策以確保其每年持續有效。

董事提名政策

於2018年12月，董事會採納了董事提名政策（「董事提名政策」），其旨在提高甄選及推薦董事候選人的過程及標準的透明度。根據董事提名政策，董事會的所有委任均以用人唯才為原則，以客觀標準考慮候選人，包括彼等的學術背景、資格、技能及知識、品格與品德、是否願意及能夠投入足夠的時間及精力履行董事職責，以及是否遵守上市規則項下獨立性的標準（如適用）。倘擬委任候選董事為獨立非執行董事，彼之獨立性將根據（其中包括）上市規則第3.13條及企業管治守則之守則條文第A.4.3條及第A.5.5條以及建議最佳常規第A.3.3條（倘適用）所載之因素進行評估。於續聘退任董事的情況下，提名委員會將審閱候選人的整體貢獻及表現，包括董事委員會、董事會及股東大會的出席情況，以及在董事會層面的參與及表現水平，並向董事會作出推薦建議以供考慮，以及向股東作出推薦建議以於股東大會上進行重選。

During the Year, the Nomination Committee held one meeting to review the structure, size and composition of the Board, and review the arrangement for re-election of all the retiring Directors at the forthcoming general meeting of the Company, the terms of reference of the Nomination Committee and the Director Nomination Policy.

AUDIT COMMITTEE

As at the date of this annual report, the audit committee ("Audit Committee") of the Company comprises three independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee (chairman of the Audit Committee), Mr. Leung Ki Chi James and Mr. Fenn David. The primary duties of the Audit Committee are to assist the Board by providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

During the Year, the Audit Committee held two meetings to review the annual and interim results of the Group and terms of reference of the Audit Committee, and make recommendations to the Board and the management in respect of the Group's financial reporting and internal control procedures.

The Audit Committee has also reviewed the Group's significant internal controls and financial matters in accordance with the Audit Committee's written terms of reference and made relevant recommendations to the Board. The Audit Committee's review covered the audit scope and findings, external auditor's independence and performance, the Group's accounting principles and practices, the Listing Rules and statutory compliance, connected transactions, internal controls, risk management, financial reporting matters (including the interim and annual results for the Board's approval) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

於本年度內，提名委員會已舉行一次會議以檢討董事會的架構、人數及組成，以及檢討於本公司應屆股東大會上所有退任董事的重選安排、提名委員會的職權範圍及董事提名政策。

審核委員會

於本年報日期，本公司審核委員會（「審核委員會」）由三名獨立非執行董事組成，即左穎怡女士（審核委員會主席）、梁其智先生及范德偉先生。審核委員會的主要職責為協助董事會就本集團的財務申報程序、內部監控及風險管理制度的有效性提供獨立審閱、監察審核過程以及履行董事會指派的其他職務與職責。

於本年度內，審核委員會舉行兩次會議以審閱本集團之全年及中期業績及審核委員會的職權範圍，以及就本集團之財務報告及內部監控程序向董事會及管理層作出建議。

審核委員會亦已按照審核委員會的書面職權範圍檢討本集團的重大內部監控及財務事宜，並向董事會提出相關建議。審核委員會的檢討範圍包括審核範疇及結果、外部核數師的獨立性及表現、本集團所採納的會計原則及常規、上市規則及法定合規事項、關連交易、內部監控、風險管理、財務申報事宜（包括提呈董事會核准的中期及年度業績），以及本公司會計及財務申報職能的資源是否充足，公司員工是否具備足夠資歷及經驗，以及其培訓課程及相關預算是否足夠。

CORPORATE GOVERNANCE FUNCTIONS

The Board is collectively responsible for performing the corporate governance duties with written terms of reference equivalent to Code Provision D.3.1 of the CG Code. During the Year, the corporate governance policies of the Company were reviewed by the Board. The Board also reviewed the training and continuous professional development of the Directors and the senior management, the Company's compliance with the CG Code, disclosure in this corporate governance report and the policy on compliance with legal and regulatory requirements.

ATTENDANCE OF DIRECTORS AT MEETINGS

The attendance of the existing and former Directors at the general meeting of the Company, meetings of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee during the Year are set out below:

企業管治職能

董事會共同負責依據企業管治守則的守則條文第D.3.1條之書面職權範圍履行企業管治職責。於本年度內，本公司的企業管治政策經由董事會檢討。董事會亦審閱董事及高級管理層之培訓及持續專業發展、本公司有關企業管治守則之遵守情況、於本企業管治報告之披露以及符合法例及法規規定之政策。

董事出席會議之情況

於本年度內，現任及前任董事出席本公司股東大會、董事會會議、審核委員會會議、薪酬委員會會議及提名委員會會議之情況列載如下：

Director 董事	Annual General meeting 股東週年大會	Special General meeting 股東特別大會	Number of meetings attended/held 出席／舉行會議次數		Audit Committee meeting 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議
			Board meeting 董事會會議	Committee meeting 委員會會議			
Executive Directors 執行董事							
Mr. Tsang Ka Wai 曾家偉先生	1/1	0/0	5/5	N/A不適用	N/A不適用 <i>Note (1)</i> 附註(1)		1/1
Mr. Wong King Hoi 黃敬凱先生	1/1	0/0	5/5	N/A不適用	N/A不適用		N/A不適用
Mr. Yip Chung Yin Jeffrey (Resigned with effect from 24 Feburary 2020) 葉頌賢先生（自2020年2月24日起辭任）	1/1	0/0	2/2 <i>Note (2)</i> 附註(2)	N/A不適用	1/1 <i>Note (1)</i> 附註(1)		N/A不適用
Independent non-executive Directors 獨立非執行董事							
Ms. Jor Stephanie Wing Yee 左穎怡女士	1/1	0/0	5/5	2/2	1/1		1/1
Mr. Leung Ki Chi James 梁其智先生	1/1	0/0	5/5	2/2	N/A不適用		N/A不適用
Mr. Fenn David 范德偉先生	1/1	0/0	5/5	2/2	1/1		1/1

Note:

- (1) Mr. Yip Chung Yin Jeffrey ceased to be a member of the Remuneration Committee with effect from 24 February 2020. Mr. Tsang Ka Wai was appointed as a member of the Remuneration Committee on 24 February 2020. The meeting of the Remuneration Committee during the Year was held prior to 24 February 2020.
- (2) Two Board meetings were held during the tenure of Mr. Yip Chung Yin Jeffrey in the Year.

附註：

- (1) 葉頌賢先生於2020年2月24日起不再為薪酬委員會成員。曾家偉先生於2020年2月24日獲委任為薪酬委員會成員。於本年度內，薪酬委員會會議於2020年2月24日前舉行。
- (2) 於本年度內，在葉頌賢先生任期期間已舉行兩次董事會會議。

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the Year. The Directors have prepared the consolidated financial statements of the Group on a going concern basis, and have selected appropriate accounting policies and applied them consistently, with applicable disclosures required under the Listing Rules and pursuant to the relevant statutory requirements.

The reporting responsibilities of the Company's external auditors, Baker Tilly Hong Kong Limited ("Baker Tilly"), are set out in the section headed "Independent Auditor's Report" on pages 91 to 102 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the risk management and internal control systems of the Group which are designed to manage and mitigate risks, rather than eliminate risks, and can only provide reasonable and not absolute assurance against material misstatement or loss, and the review of their effectiveness.

During the year, the Board has reviewed the risk management and internal control systems of the Group, which covers financial, operational, compliance procedural and risk management functions, and considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. The Board concluded that the risk management and internal control systems are adequate and effective.

Main features of risk management and internal control systems

The key elements of the Group's risk management and internal control systems include the establishment of a risk register to monitor the identified risks, the assessment and evaluation of risks, the continuous updating of risk responses for the key risks identified to ensure the effectiveness of the mitigation procedures are in place. Furthermore, a risk matrix approach is adopted to determine the significance of the risk after evaluation of the risk in accordance with the likelihood and impact of the risk event identified.

問責性及核數

董事知悉彼等編製本集團本年度的綜合財務報表的責任。董事已按持續經營基準編製本集團綜合財務報表，並已貫徹選用合適之會計政策，亦已按上市規則及根據相關法定規定作出適當的披露。

本公司外聘核數師天職香港會計師事務所有限公司（「天職」）之申報責任載於本年報第91至102頁之「獨立核數師報告」一節內。

內部監控及風險管理

董事會負責本集團風險管理及內部監控系統，該系統乃為管理及降低風險而設，而非消除風險，並僅可就重大失實陳述或損失作出合理而非絕對的保證，以及審閱其有效性。

於本年度內，董事會已對本集團風險管理及內部監控系統進行檢討，當中涵蓋財務、營運、合規程序及風險管理功能，並考慮資源充足性、員工資歷及經驗、培訓計劃以及本公司會計及財務申報職能的預算。董事會之結論為風險管理及內部監控系統屬適宜及充分有效。

風險管理及內部監控系統的主要特徵

本集團風險管理及內部監控系統的主要元素包括建立風險名冊監察已識別風險、評估風險、持續更新對各項已識別主要風險的應對措施，以確保緩和措施的有效性。此外，本集團採納風險矩陣法，於根據已識別風險事件發生的可能性及影響作出風險評估後，釐定風險是否重大。

While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, the management is responsible for designing and implementing internal control systems to manage all kinds of risks faced by the Group. The operating units and support functions are facilitated and coordinated by the management, which ensures that risk management processes and mitigation plans follow good practices and guidelines established in their day-to-day operations.

The Group's risk management activities are performed by management on an ongoing process. The effectiveness of the Group's risk management and internal control systems is evaluated at least annually to update the progress of risk monitoring efforts.

Process used to identify, evaluate and manage significant risks

The Group develops a preliminary inventory of events that could influence the achievement of the Group's business objectives. The Group identifies outside and inside events by reviewing its external and internal environment and stakeholders, which have an influence or potential influence on the Group's ability to achieve its strategy and business objectives.

The risks identified are evaluated with a risk matrix which prioritises risks according to the likelihood of their occurrence and the significance of their impact on the achievement of the Group's business objectives. Following the review of the risk matrix, the Group selects and deploys the corresponding risk responses and investigates the mitigation procedures to be executed to ensure the identified significant risks were managed to an acceptable level.

Process used to review the effectiveness of the risk management and internal control systems

The Board has reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Board continues to review the need for an internal audit function annually.

董事會有整體責任確保維持良好有效的內部監控，而管理層則須負責設計及實施內部監控系統，以管理本集團面臨的各種風險。管理層會協助推進並整合營運單位及支援功能，以確保風險管理程序及緩和計劃遵守日常營運中所建立的良好慣例及指引。

本集團之風險管理活動由管理層持續進行。至少每年就本集團風險管理及內部監控系統之成效進行評估，以了解風險監測工作之最新進度。

識別、評估及管理重大風險所用的程序

本集團列出可能影響本集團實現業務目標的事件的初步清單。本集團透過檢視其外部及內部環境及持份者，以識別外部及內部事件，有關事件對本集團達成其策略及業務目標的能力產生影響或潛在影響。

已識別風險乃根據風險矩陣進行評估，該矩陣根據風險發生的可能性及其對本集團達成業務目標影響的重大性排列風險的優先排序。於檢討風險矩陣之後，本集團選擇及開展相應的風險應對措施，並調查將予實施的緩和程序以確保已識别的重大風險受到管理，達致可接受的水平。

檢討風險管理及內部監控系統有效性所用的程序

董事會已檢討內部審計職能之需要，且認為基於本集團業務之規模、性質及複雜程度，為符合其需要，委任外部獨立專業人士執行內部審計職能對本集團而言更具成本效益。董事會每年持續檢討內部審計職能的需求。

During the Year, an independent consultant (“Consultant”) was engaged to perform a review on the risk management and internal control systems. The Consultant has reported findings and areas for improvement to the Board and management. The Board and management are of the view that no material defeats are noted in the Group’s risk management and internal control systems. The recommendations from the Consultant are properly followed up by the Group to ensure that they are implemented within a reasonable period of time. The Board considers the Group’s risk management and internal control systems are adequate and effective and no significant control failings or weaknesses was identified for the Year.

Inside information policy

The Group has established policies for the handling and dissemination of inside information for purposes of strengthening the confidentiality of inside information, maintaining the fairness of information disclosure and protecting the legal interests and rights of the investors. The Group is in compliance with Part XIVA and relevant parts of the Securities and Futures Ordinance (Chapter 571 of the Hong Kong Laws) and the Listing Rules. The Group has reasonable measures on keeping the sensitive information confidential and ensures that the inside information of the Group is disseminated to the public timely, completely and accurately. In addition, each personnel is granted a specific level of access to the price sensitive and inside information. The Directors, senior management and employees are informed with the latest regulatory updates.

AUDITORS’ REMUNERATION

The remuneration paid or payable to the Company’s auditors, Baker Tilly, for their audit services for the Year was HK\$690,000. Baker Tilly did not perform any non-audit services during the Year.

於本年度，本集團已委聘獨立顧問（「顧問」）對風險管理及內部監控系統進行檢討。顧問已向董事會及管理層報告調查結果及有待改進的地方。董事會及管理層認為，並未發現本集團風險管理及內部監控系統的重大失誤。本集團對顧問之建議作出適當的跟進，以確保其於合理時間內得以實行。董事會認為本集團的風險管理及內部監控系統適宜及充分有效，於本年度並無發現重大監控失誤或缺陷。

內部資料政策

本集團已制定處理及傳播內部資料的政策，以加強內部資料的保密性、維持公平的資料披露並保護投資者的法定權益及利益。本集團遵守香港法例第571章證券及期貨條例第XIVA部及相關部分以及上市規則。本集團已採取合理措施，保持敏感資料機密，並確保本集團的內部資料及時、完整及準確傳遞予公眾。此外，每位人員均被授予獲取價格敏感及內部資料的特定權限。董事、高級管理層及僱員均獲告知最新的監管資料。

核數師薪酬

就本公司核數師天職於本年度的審核服務而已付或應付予彼等的薪酬為690,000港元。天職於本年度並無提供任何非審核服務。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company maintains a two-way communication channel to report the performance of the Company to the Shareholders and investors. Annual reports, accounts and interim reports containing full details of the Company's activities are despatched to the Shareholders and investors. Such reports and other announcements of the Company can be accessed on the websites of the Stock Exchange and the Company.

To ensure disclosures are made to the Shareholders and investors effectively, and to ensure that the same information is made available to the public at the same time, price sensitive information is released in the form of official announcements in accordance with the Listing Rules.

In addition, the Company maintains contact with the Shareholders through annual general meetings or other general meetings, and encourages the Shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered Shareholders. Agenda and resolutions are set out in the notice of general meeting.

A proxy form for use at a general meeting of the Company is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the branch share registrar and transfer office of the Company in Hong Kong, so as to appoint a representative, another Shareholder or the chairman of the meeting as their proxy.

與股東及投資者之溝通

本公司使用雙向的溝通渠道，向其股東及投資者匯報本公司的表現。年報、賬目及中期報告載有本公司活動的詳細資料，該等報告及賬目會寄發予股東及投資者。本公司的有關報告及其他公佈可於聯交所網站及本公司網站查閱。

為向股東及投資者提供有效披露，以及確保公眾人士可同時獲取相同資料，股價敏感資料會根據上市規則的規定以正式公佈方式發放。

此外，本公司透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵股東參與該等大會。

登記股東以郵寄方式收取股東大會通告，而股東大會通告載有議程及決議案。

通告隨附本公司股東大會適用的代表委任表格。不擬或未能出席大會的股東應填妥代表委任表格並交回本公司的香港股份過戶登記分處，以委任一名代表、另一名股東或大會主席擔任彼等的代表。

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a general meeting

The following procedures are subject to the Company's Bye-laws, the Companies Act 1981 of Bermuda ("Act") and applicable legislation and regulation.

1. An annual general meeting of the Company shall be held in each year. General meeting, other than an annual general meeting, shall be called a special general meeting and may be held in any part of the world as may be determined by the Board.
2. Shareholder or Shareholders 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 Company's registered office or head office in Hong Kong at Room 1003A, 10/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong, for the attention to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the Act.
3. The written requisition must state the purposes of the meeting, and must be signed by the requisitionists and may consist of several documents in like form, each signed by one or more of the requisitionists. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is proper and in order, the Company will ask the Board to convene a special general meeting by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition has been verified as not in order, the Shareholders concerned will be advised of this outcome and accordingly, a special general meeting will not be convened as requested.

股東的權利

股東召開股東大會的程序

下列程序須受本公司之公司細則、百慕達1981年公司法（「公司法」）及適用法律法規所規限。

1. 本公司須每年舉行股東週年大會。股東大會（股東週年大會除外）應被稱為股東特別大會並可於董事會可能釐定之世界任何地方舉行。
2. 任何一名或多名於遞呈要求日期持有不少於本公司繳足股本（賦予於本公司股東大會上投票權）十分之一之股東於任何時候有權透過向本公司註冊辦事處或香港總辦事處（地址為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室）發出書面要求，註明收件人為董事會或公司秘書，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。有關大會應於遞呈有關要求後兩個月內舉行。倘於遞呈後二十一日內，董事會未有召開有關大會，則遞呈要求人士可根據公司法自行召開有關大會。
3. 書面要求必須列明會議目的，及必須由遞呈要求人士簽署，且可由多份格式相似並各自經一名或多名遞呈要求人士簽署之文件組成。要求將由本公司之股份過戶登記分處核實，及於其確認要求屬適當且符合程序後，則本公司將要求董事會根據法定規定透過向所有登記股東發出充分通知後召開股東特別大會。相反，倘有關要求經核實為不符合程序，相關股東將獲通知該結果，而董事會將不會應要求召開股東特別大會。

Procedures for Shareholders to put forward proposals

The following procedures are subject to the Company's Bye-laws, the Act and applicable legislation and regulation.

1. Either (i) the Shareholders holding not less than one-twentieth of the total voting rights of those Shareholders having the right to vote at such meeting; or (ii) not less than one hundred Shareholders, at the expenses of the Shareholders concerned, can submit a written requisition to move a resolution at a general meeting or a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with at a particular general meeting.
2. The written requisition must be signed by the requisitionists concerned and deposited at the Company's registered office or head office in Hong Kong at Room 1003A, 10/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong, for the attention of the Company Secretary, not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one week in the case of any other requisition.
3. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to (i) include the resolution in the agenda for the annual general meeting; or (ii) convene a special general meeting by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders, provided that the requisitionists concerned have deposited a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

股東提出建議的程序

下列程序須受本公司之公司細則、公司法及適用法律法規所規限。

1. 任何(i)於有關大會上持有投票權之該等股東之總投票權不少於二十分之一的股東；或(ii)不少於100名股東，可提交擬於股東大會上動議決議案之書面要求，或就於特定股東大會提呈之決議案所述事項或將予處理之事務作出不超過1,000字之陳述，費用由有關股東承擔。
2. 書面要求須由有關遞呈要求人士簽署，並於有關大會舉行前不少於六個星期（如屬要求發出決議案通知的要求）及不少於一個星期（如屬任何其他要求）送交本公司註冊辦事處或香港總辦事處（地址為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室），註明收件人為公司秘書。
3. 要求將由本公司之股份過戶登記分處核實，並於其確認要求屬適當且符合程序後，公司秘書將要求董事會(i)將決議案加入股東週年大會之議程；或(ii)透過根據法定規定向所有登記股東發出充分通知後召開股東特別大會，惟有關遞呈要求人士須已存入一筆合理的款項足以應付本公司為令有關要求生效之費用。

Procedures for Shareholders to propose a person for election as a Director

The following procedures are subject to the Company's Bye-laws, the Act and applicable legislation and regulation.

If a Shareholder wishes to nominate a person ("Candidate") to stand for election as a Director at the general meeting, documents including, (i) a written notice signed by the concerned Shareholder expressing his/her intention to propose the Candidate for election as a Director at the general meeting; (ii) a written notice signed by the Candidate indicating his/her willingness to be elected, together with the Candidate's biographical details as required to be disclosed under Rule 13.51(2) of the Listing Rules; and (iii) the Candidate's written consent to the publication of his/her personal data, must be validly lodged at the Company's registered office or head office in Hong Kong at Room 1003A, 10/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong or at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong within the period specified in the Bye-laws (the period for lodgment of such notices shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting).

Detailed procedures for the Shareholders to propose a Candidate for election as a Director are available on the Company's website at www.hkeduii.com.

Procedures for sending enquiries to the Board

Specific enquiries by the Shareholders requiring the Board's attention can be sent in writing to the Company Secretary at the Company's head office in Hong Kong at Room 1003A, 10/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong. Other general enquiries can be directed to the Company through those communication channels as shown on the Company's website at www.hkeduii.com.

股東提名人士參選董事的程序

下列程序須受本公司之公司細則、公司法及適用法律法規所規限。

倘股東有意提名人士（「候選人」）在股東大會上參選董事，須在公司細則規定之期限內（遞交有關通知之期限應在寄發有關此項選舉的股東大會通告翌日開始，而結束日期不得遲於有關股東大會日期前七日），向本公司註冊辦事處或香港總辦事處（地址為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室）或本公司香港股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心54樓）有效送達的文件包括：(i)表明其欲於股東大會上提名候選人參選董事並由有關股東簽署的書面通知書；(ii)候選人已簽署之書面通知書，表明其願意參選，連同根據上市規則第13.51(2)條規定須予披露的候選人的履歷詳情；及(iii)候選人同意其個人資料被披露的書面同意書。

股東提名候選人參選董事的程序詳情可於本公司網站 www.hkeduii.com 查閱。

向董事會作出查詢的程序

股東如欲向董事會作出特別查詢，可以書面形式致函公司秘書，並寄發至本公司的香港總辦事處（地址為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室）。其他一般查詢可透過本公司網站 www.hkeduii.com 所示的該等聯絡方式送交本公司。

DIVIDEND POLICY

The Company has adopted a dividend policy (“Dividend Policy”) which allows the Shareholders to share the profits of the Company whilst retaining adequate reserves for the Group’s future growth. Declaration of dividends is subject to any restrictions under the Laws of Bermuda, the Bye-Laws and any applicable laws, rules and regulations. The Company may declare dividends from time to time depending on the following factors:

- (i) the Group’s actual and expected financial performance;
- (ii) the Group’s expected working capital requirements, capital expenditure requirements and future expansion plans;
- (iii) the retained earnings and distributable reserves of the Company and each of the members of the Group;
- (iv) the Group’s liquidity position;
- (v) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (vi) any other factors that the Board deems relevant.

The Dividend Policy will be reviewed from time to time by the Board and there can be no assurance that dividends will be paid in any particular amount for any given period.

CONSTITUTIONAL DOCUMENT

There is no change in the Company’s constitutional documents during the Year.

股息政策

本公司已採納一項股息政策（「股息政策」），讓股東分享本公司溢利，同時預留足夠儲備以供本集團日後發展之用。宣派股息須受限於百慕達法例、公司細則以及任何適用法律、規則及法規的任何限制。本公司或會視乎下列因素不時宣派股息：

- (i) 本集團的實際及預期財務表現；
- (ii) 本集團預期的營運資金需求、資本開支需求及未來擴展計劃；
- (iii) 本公司及本集團各成員公司的保留溢利及可供分派儲備；
- (iv) 本集團的流動資金狀況；
- (v) 對本集團業務或財務表現及狀況可能有影響的整體經濟狀況及其他內在或外在因素；及
- (vi) 董事會認為相關的任何其他因素。

股息政策將由董事會不時進行檢討且概不保證會在任何指定期間派付任何特定金額的股息。

憲章文件

於本年度，本公司之憲章文件概無變動。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THE COMPANY

Hong Kong Education (Int'l) Investments Limited (“Hong Kong Education” or “Company”) is one of the services provider of chained educational services in Hong Kong which is listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”). The Company and its subsidiaries (collectively the “Group”) are principally engaged in the provision of quality educational services for students of different age groups and different needs.

The Group’s educational services include the provision of 1) secondary tutoring services, English language training and test preparation courses, 2) primary tutoring services, skill courses and test preparation courses, as well as 3) dance tuition services, allowing students to be equipped with knowledge and techniques for the examinations.

As of 30 June 2020, the Group had 1 learning centre operated under the brand of “Modern Education (現代教育)”, 7 directly-owned education centres and 37 franchised centres operated under the brand of “Modern Bachelor Education (現代小學士)”, and 1 professional dance college under the brand of “Shelly Lo Jazz & Ballet School (羅逸雅芭蕾舞爵士舞學校)”.

In addition to the provision of private educational services, the Group also engages in the segments of investment in securities and money lending.

Hong Kong Education will continue to provide quality classes by recruiting experienced and qualified tutors, and identify potential opportunities for different business segments to enrich the existing cooperation and explore new business relationships.

關於本公司

香港教育（國際）投資集團有限公司（「香港教育」或「本公司」）為香港一間連鎖教育服務的服務供應商，於香港聯合交易所有限公司（「聯交所」）主板上市。本公司及其附屬公司（統稱「本集團」）主要從事為不同年齡層及有不同需求的學生提供優質教育服務。

本集團的教育服務包括提供1)中學補習服務、英語培訓及應試課程，2)小學輔導服務、展藝課程及應試課程，以及3)舞蹈教學服務，令學生具備應試所需的知識及技能。

截至2020年6月30日，本集團有1間以「現代教育」品牌營運的教育中心、「現代小學士」品牌旗下有7個直營教育中心及37個特許經營中心以及「羅逸雅芭蕾舞爵士舞學校」品牌旗下有1間專業舞蹈學校。

除提供私人教育服務外，本集團亦從事經營證券投資及借貸分部。

香港教育將繼續招聘經驗豐富的合資格導師以提供優質課程，並識別各業務分部的潛在機會，豐富現有合作及開拓新的業務關係。

ABOUT THIS REPORT

The aim of this environmental, social and governance (“ESG”) report is to allow stakeholders to gain a better understanding on the Group’s policies, measures and performance regarding sustainability issues. This bilingual report can be viewed and downloaded from the websites of the Company (www.hkeduii.com) and the Stock Exchange respectively.

Reporting scope

This report focuses on the Group’s core business in the provision of private educational services during the financial year from 1 July 2019 to 30 June 2020 (“Reporting Year”). The reporting scope covers the ESG performances of the operation of headquarter office, the learning centres under Modern Education (“MEHK”), directly-owned education centres under Modern Bachelor Education (“MBE”) and professional dance colleges in Hong Kong.

Reporting standard and principles

This report is prepared in accordance with the “comply or explain” provisions of Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) contained in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange.

關於本報告

本環境、社會及管治（「環境、社會及管治」）報告旨在讓持份者能夠更好地了解本集團在可持續發展問題方面的政策、措施及表現。本雙語報告可分別於本公司網站(www.hkeduii.com)及聯交所網站閱覽及下載。

報告範圍

本報告專注於本集團的核心業務（即提供私人教育服務）於2019年7月1日起至2020年6月30日止財政年度（「報告年度」）內的經營情況。報告範圍涵蓋香港總辦事處、現代教育（「現代教育」）旗下的教育中心、現代小學士（「現代小學士」）旗下的直營教育中心及專業舞蹈學校的營運在環境、社會及管治方面的表現。

報告準則及原則

本報告乃根據聯交所證券上市規則附錄27所載環境、社會及管治報告指引（「環境、社會及管治報告指引」）的「不遵守就解釋」條文編製而成。

Environmental, Social and Governance Report 環境、社會及管治報告

The Group adheres to the four fundamental reporting principles set out in the ESG Reporting Guide for the preparation of this report:

於編製本報告期間，本集團遵從環境、社會及管治報告指引中的四個基本報告原則：

Reporting Principles 報告原則

The Group's Applications 本集團之應用

Materiality 重大性

Both material environmental and social issues were identified through an analysis of the responses from an online survey submitted by the Board of the Company.
透過分析本公司董事會提交的網上調查回應，識別重大環境及社會議題。

Quantitative 量化

The Group records and discloses key performance indicators (“KPIs”) in quantitative terms for evaluation and validation of the effectiveness of ESG policies and management systems. 本集團以量化方式記錄及披露關鍵績效指標（「關鍵績效指標」），以評估及確認環境、社會及管治政策及管理系統的有效性。

Balance 平衡

In order to provide an unbiased picture of the Group's overall ESG performance, this report discloses information in an objective manner.
本報告會客觀披露資料以期不偏不倚呈現本集團的整體環境、社會及管治表現。

Consistency 一致性

As far as practicable and unless stated otherwise, the Group applies consistent measurement methodology to allow for meaningful comparison of ESG performance over time. Any changes in methods or KPIs used are disclosed.
在可行情況下，除非另有說明，否則本集團將應用一致的衡量方式，以便就環境、社會及管治表現隨時間進行有意義的比較。所使用方式或關鍵績效指標出現之任何變動均將予披露。

FEEDBACK MECHANISM

We welcome your suggestions and feedback. Stakeholder's comments and opinions can help refine and strengthen the Group's future ESG performance. If you have any questions or suggestions regarding the content or format of the report, please contact us by writing to the company secretary of the Company (“Company Secretary”) at the Company's head office in Hong Kong at Room 1003A, 10/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

反饋機制

我們歡迎閣下提供建議及反饋。持份者的意見及建議有助於改進及加強本集團未來於環境、社會及管治的表現。如對本報告的內容或格式有任何疑問或建議，可以書面形式致函本公司之公司秘書（「公司秘書」）並寄發至本公司的香港總辦事處，地址為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室。

MESSAGE FROM THE BOARD

During the Reporting Year, problems caused by climate crisis to corporations primarily operating in Hong Kong are compounded by Hong Kong's social unrest as well as the global pandemic. Stakeholders are increasingly concerned about corporations' way of doing business and are putting greater pressure on corporations. As corporate citizens, enterprises need to address sustainability issues in order to gain stakeholders' trust and the social license to operate. Committing to sustainability allows us to drive innovation to meet evolving needs and manage emerging issues.

Navigating through climate emergency can be difficult, especially with existing local social problems. However, Hong Kong Education is devoted to taking timely action to help combat both environmental and social challenges in order to contribute to the well-being of our society. We understand that sound sustainability governance is essential to improving our sustainability performance. Hence, during the Reporting Year, we have established an ESG Working Group to advise on sustainability issues of the Group. Complementing our sustainability governance and the ESG Working Group, we have formulated numerous policies focusing on recruitment and promotion, diversity and inclusion as well as health and safety. By improving our sustainability governance as well as ESG policies, we will be able to advance our sustainability performance over time and raise employees' sustainability awareness.

We would like to acknowledge the hard work of our employees and the contribution from our customers, partners and communities. We are currently exploring different ways to improve our sustainability performance. By working with our stakeholders, we will be able to incorporate sustainability into our core strategy and tackle future challenges.

This report presents our sustainability practices, approaches and achievements throughout the Reporting Year. We hope this report will provide our readers and stakeholders an idea on how we do at sustainability.

董事會致辭

於報告年度，主要於香港營運的企業因氣候危機引起的問題，再加上香港社會動亂及全球疫情而情況變得複雜。持份者對企業經營業務方式的擔憂不斷增加並正在對企業施加更大的壓力。作為企業公民，企業須解決可持續發展事宜以獲得持份者的信任及社會經營許可。致力於可持續發展令我們獲得創新動力，以滿足發展需要及應對新出現的問題。

應對氣候緊急情況可能很困難，尤其是面對當地現有的社會問題。然而，香港教育致力於採取及時的行動以幫助應對環境及社會的挑戰，為社會福祉作出貢獻。我們了解良好的可持續發展管治對提高我們的可持續發展表現至關重要。因此，於報告年度，我們已成立環境、社會及管治工作小組就本集團的可持續發展事宜提供意見。為配合可持續發展管治以及環境、社會及管治工作小組，我們已制定著重於招聘及晉升、多元化及包容性以及健康及安全的多項政策。通過改善我們的可持續發展管治以及環境、社會及管治政策，我們將能夠不斷提高我們的可持續發展表現並培養僱員的可持續發展意識。

我們謹此感謝我們僱員的辛勤工作及我們客戶、合作夥伴及社區作出的貢獻。我們目前正在探索不同的方法提高我們的可持續發展表現。透過與持份者合作，我們將能夠將可持續發展納入我們的核心策略並應對未來的挑戰。

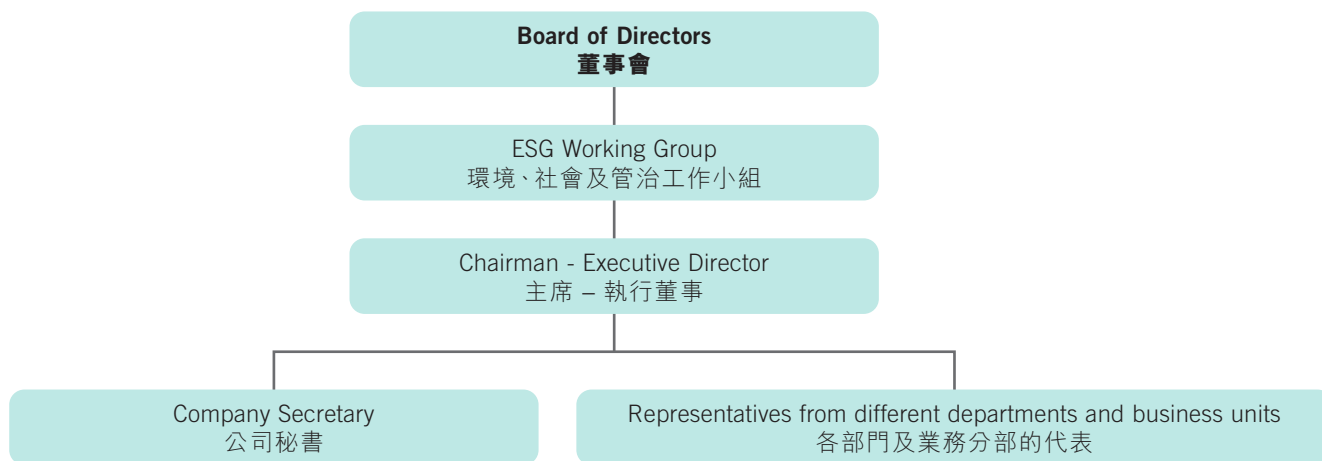
本報告呈列我們於報告年度的可持續發展常規、方法及成就。我們希望本報告將為我們的讀者及持份者提供有關我們在可持續發展方面所用方法的理念。

ESG GOVERNANCE

The Group regards ESG governance as the foundation of having a strong sustainability performance. Therefore, during the Reporting Year, the Group has established an ESG Working Group. In accordance with its terms of reference, the ESG Working Group is to advise and assist the board of directors of the Company (“Board”) in managing the Group’s ESG issues, such as setting ESG guidance and direction, supervising ESG policies and progress, reviewing ESG performance as well as reporting ESG related issues. The Board has the overall responsibility in overseeing ESG issues related to the Group’s operations and overall strategy.

環境、社會及管治治理

本集團將企業、社會及管治治理作為擁有良好的可持續發展表現的基礎。因此，於報告年度，本集團已成立環境、社會及管治工作小組。根據環境、社會及管治工作小組的職權範圍，其職責為就應對本集團的環境、社會及管治問題向本公司董事會（「董事會」）提供意見及協助，如制定環境、社會及管治指引及方向，監察環境、社會及管治政策及進展，審閱環境、社會及管治表現以及呈報環境、社會及管治相關事宜。董事會在監察與本集團營運及整體策略相關的環境、社會及管治問題方面承擔全部責任。



During the Reporting Year, the Group has formulated policies regarding recruitment and promotion, diversity and inclusion and employees’ health and safety to include more detailed guidelines to strengthen internal communication, ensuring all employees understand the Group’s management approach regarding sustainability.

於報告年度，本集團已制定招聘及晉升、多元化及包容性以及僱員之健康及安全相關的政策，包括更詳細的指引以加強內部溝通，確保所有僱員了解本集團有關可持續發展的管理方法。

ESG risk management system

Effective risk management and internal control system are in place for the Group to manage its risks. In order to reduce the exposure of the Group’s operations to the identified risks, the management is responsible for risk management activities. Both the risk management and internal control systems are evaluated at least annually on the effectiveness and adequacy of the systems. The audit committee of the Company assists the Board to provide independent review of the internal control and risk management systems of the Group.

環境、社會及管治風險管理制度

本集團已制定有效的風險管理及內部監控制度以管理其風險。為減低本集團的營運所面臨的已識別風險，管理層負責風險管理工作。風險管理及內部監控制度至少每年就其有效性及適當性予以評估。本公司的審核委員會協助董事會對本集團內部監控及風險管理制度進行獨立審查。

During the Reporting Year, environmental and social risks were identified as below:

於報告年度，已識別的環境及社會風險如下：

Risks 風險	Impacts to the Group 對本集團的影響	Significance 重要性	The Group's response 本集團的應對方法
Climate-related risk	Climate change can lead to an increase in extreme weather, such as drought, super typhoon, flood, etc., which can affect the ecosystem. The Group is dependent on paper for note printing and consumes a huge amount of paper. Paper notes are essential for the services provided to students. One of the raw materials for paper is wood. If extreme weather events occurred or if there is a restriction on logging for environmental protection purpose imposed by relevant governments, the supply of wood will be affected, hence, affecting the supply of paper.	Medium	The Group aims to minimise paper consumption in its operations by: 1) selecting suppliers who supply environmentally-friendly paper and/or carry out relevant policies to protect the environment; 2) reminding staff regularly to reduce paper consumption, and; 3) implementing measures for waste paper collection within the Group for recycle purpose. For more information, please refer to the chapter "Our Environment" in this report.
氣候相關風險	氣候變化會導致極端天氣出現的頻率增加，如乾旱、超強颱風、洪水等，進而對生態系統造成影響。 本集團倚賴紙張印刷筆記並消耗大量紙張。紙張筆記對於提供予學生的服務必不可少。紙張的其中一個原材料為木材。倘出現極端天氣或相關政府為保護環境對樹木砍伐實施相關限制，木材供應將受影響，並因此影響紙張供應。	中	本集團旨在透過以下方式在其營運過程中盡量減少紙張消耗： 1) 選擇提供環保紙張及／或推行保護環境相關政策的供應商； 2) 定期提醒員工減少紙張消耗；及 3) 在本集團內部推行廢紙回收的措施。 有關更多資料，請參閱本報告「我們的環境」一章。

Environmental, Social and Governance Report 環境、社會及管治報告

Risks 風險	Impacts to the Group 對本集團的影響	Significance 重要性	The Group's response 本集團的應對方法
Extreme weather risk	Climate change can lead to more frequent extreme weather. Super typhoon may be an extreme weather in Hong Kong. It can cause serious impacts on the office and learning centres' infrastructure. Office windows may be broken due to heavy wind and rain. The Group's documents, systems, back up storage may be destroyed as a result of typhoon.	Medium	All our learning centres and office will take sufficient and necessary measures when there is an announcement of typhoon. All documents will be stored in a proper manner and kept away from the window. Additionally, the electronic version of the documents will also be saved for backup. The backup will be kept by the senior management and be stored outside of the office.
Natural resources risk	Electricity supply is very important for running a business. Fuel shortage results in shortage of electricity supply and therefore increasing the operating cost of the Group.	High	The Group is always taking effort in saving energy by encouraging staff to switch off the lighting, air conditioner and electric power of office equipment when it is unnecessary. Energy saving could help to reduce the operating cost of the Group, in the meantime, save the world resources.
極端天氣風險	氣候變化令極端天氣更頻現。超強颱風或為香港的極端天氣，其可能對辦公室及學習中心的基礎設施造成嚴重影響。由於狂風暴雨，辦公室窗戶可能會破裂。颱風可能會令本集團的文件、系統及備份存儲遭受破壞。	中	倘發佈颱風警報，我們的所有學習中心及辦公室將採取充分及必要的措施。所有文件將會妥善存放並遠離窗戶。此外，我們亦將保存有關文件的電子版本以作備份。有關備份將由高級管理層保存並儲存於辦公室以外地方。
自然資源風險	電力供應對業務經營十分重要。燃料短缺會導致電力供應不足，並因此而令本集團的營運成本增加。	高	本集團一直致力於透過鼓勵員工於不必要時關上電燈、空調及辦公室設備的電源以節約能源。節能有助於減少本集團的營運成本，同時節約全球資源。

Risks 風險	Impacts to the Group 對本集團的影響	Significance 重要性	The Group's response 本集團的應對方法
Health risk	Community outbreak of virus, such as coronavirus disease 2019 ("COVID-19"), may cause the Group's operations to be suspended which can impact employees' and customers' health and safety as well as the Group's ability to provide services.	High	In order to mitigate health risks, the Group should maintain certain storage of facial masks and disinfectants in the Company for reducing the risk of respiratory diseases. Timely measures must be carried out by the Company to deal with any outbreak of diseases in order to protect the health of colleagues as well as students. Depending on the situation, flexible working arrangement, such as work from home or flexible working hours, may be established and online classes may be an alternative way for providing services to our customers while reducing social interaction.
健康風險	社區爆發病毒（如2019冠狀病毒病（「COVID-19」）），而其影響僱員及客戶的健康及安全以及本集團提供服務的能力，或會導致本集團營運中斷。	高	為減低健康風險，本集團應於本公司維持一定的口罩及消毒劑儲備以降低呼吸道疾病風險。本公司須採取適時措施應對任何疾病的爆發，以保護員工及學生的健康。視乎情況而定，本公司可能制定彈性工作安排（如在家工作或彈性工作時間）而網上課程可能成為我們向客戶提供服務同時減少社交接觸的替代方式。

For more details regarding risk management, please refer to this annual report.

有關風險管理的更多詳情，請參閱本年報。

Compliance management

Effective compliance management reduces the exposure of regulatory risks of an enterprise. Therefore, the Group has implemented various policies, guidelines and practices to ensure its operations uphold the highest standards of accountability and business integrity.

合規管理

有效的合規管理能減少企業所面臨的監管風險。因此，本集團已實施各項政策、指引及常規以確保其營運得以維持最高標準的問責性及商業信譽。

Aspects 範疇	Significant laws and regulations 重大法律法規	Significant Impacts 重大影響	Compliance performance during the reporting period 報告期間的合規表現	The Group's Response 本集團的應對措施
Employment	Employment Ordinance (Chapter 57 of the HK Laws)	The Group may face litigation and may lose employees' trust if there is a delay in paying staff's salary.	There was 1 non-compliance case regarding a 1-day delayed payment of salary due to the dispute in calculation of the final payment between the human resources department and the staff.	In order to ensure staff's salary is paid on time, the Group requires its human resources department to keep staff record and should settle dispute with staff on final payment within 7 days and report to the management if there are any problems.
Product Responsibility	- Copyright Ordinance (Chapter 528 of the HK Laws) - Personal Data (Privacy) Ordinance (Chapter 486 of the HK Laws) - Trade Descriptions Ordinance (Chapter 362 of the HK Laws)	The Group may face litigation which may adversely affect the financial position as well as the brand image of the Group.	The Group did not identify any non-compliance cases concerning health and safety, advertising, labelling and privacy matters.	The Group has formulated policies relating to product responsibility, such as campus safety, service quality management, responsible marketing and protection of privacy to ensure its operations fulfil the expectations of stakeholders.
僱傭	香港法例第57章僱傭條例	倘延遲支付員工工資，本集團可能面臨訴訟及可能失去僱員的信任。	有一項不合規個案，與人力資源部門及員工之間在計算最終支付款項方面存在爭議導致延遲1天發放工資有關。	為確保按時支付員工工資，本集團要求其人力資源部門保存員工記錄並應在7天內就最終支付款項解決與員工的爭議，而若有任何問題，則向管理層匯報。
產品責任	- 香港法例第528章版權條例 - 香港法例第486章個人資料（私隱）條例 - 香港法例第362章商品說明條例	本集團可能面臨訴訟，而有關訴訟可能對本集團的財務狀況以及品牌形象造成不利影響。	本集團並無發現任何有關健康及安全、廣告、標籤及私隱事宜的不合規個案。	本集團已制定有關產品責任的政策，如校園安全、服務質素管理、負責任的營銷及保護私隱，以確保其營運滿足持份者的期望。

Aspects 範疇	Significant laws and regulations 重大法律法規	Significant Impacts 重大影響	Compliance performance during the reporting period 報告期間的合規表現	The Group's Response 本集團的應對措施
Anti-corruption	Prevention of Bribery Ordinance (Chapter 201 of the HK Laws)	Bribery cases can affect the Group's reputation and may lead to the loss of confidence from its stakeholders.	There was 1 non-compliance case regarding anti-corruption brought to the Group's former tutors, for obtaining HKDSE examination questions through corruption. One of the former tutors was convicted of two counts of conspiracy to commit misconduct in public office, contrary to common law and Section 159A of the Crimes Ordinance, and was sentenced to imprisonment for 14 months.	Since tutors are not employees of the Group, it can be difficult to monitor tutors' actions. However, terms and clauses regarding law compliance are contained in tutors' contracts. The Group will terminate the contract immediately once bribery cases are found.
反貪污	香港法例第201章防止賄賂條例	賄賂案件可能影響本集團的聲譽並可能導致持份者失去信心。	有一項牽涉本集團前導師的反貪污不合規個案，案情有關其透過賄賂獲取香港中學文憑考試的試題。其中一名前任導師被裁定兩項串謀公職人員行為失當罪名成立，違反普通法及刑事罪行條例第159A條，並被判入獄14個月。	由於導師並非本集團僱員，故難以監察導師的行為。然而，導師合約中載有有關遵紀守法的條款。一旦發現賄賂案件，本集團將立即終止合約。

Save for the non-compliance as described above, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the Group relating to employment, product responsibility and anti-corruption during the Reporting Year.

除上文所述不合規事件外，本集團於報告年度於任何重大層面已遵守在僱傭、產品責任及反貪污方面對本集團有重大影響的相關法律及法規。

The Group was not aware of any non-compliance in material aspects with relevant laws and regulations with a significant impact on the Group, regarding emissions, health and safety, or labour standards during the Reporting Year.

於報告年度，本集團並沒有意識到在重大層面有任何違反在排放、健康及安全或勞工準則方面對本集團有重大影響的相關法律及法規的情況。

STAKEHOLDER ENGAGEMENT

Stakeholders' opinions are of paramount importance for the Group to achieve continuous improvement, thereby leading to its success. Through ongoing communications, the Group will better position itself to understand and meet stakeholders' needs. During the Reporting Year, the Group engaged its key stakeholders via several communication channels to gauge their opinions and identify material ESG issues.

持份者參與

持份者的意見對本集團不斷改進，從而取得成功至關重要。本集團通過持續溝通，將更好地了解及滿足持份者需求。於報告年度，本集團透過多種溝通渠道與主要持份者保持聯繫，以收集彼等的意見及識別重要的環境、社會及管治事項。

Stakeholders Group 持份者群組

Mode of Engagement 聯繫模式

Employees	The Group communicates with employees through a wide range of activities, including lunch gathering, training programmes, team building activities and performance appraisal. Employees are also encouraged to communicate with their supervisors regarding their job duties and supports needed.
Students	Frontline staff engages dialogue with students on irregular basis to obtain feedback. The Group also gathers their feedback regarding its quality of services through conducting satisfaction surveys. Customer hotline has also been established for students to express their concerns.
Investors and Shareholders	Shareholders' meetings are held regularly to provide investors and shareholders with updates and performance of the Group. Important information is disseminated through annual reports, interim reports, ESG reports, company's website, press releases, announcements and other disclosure documents.
僱員	本集團透過各種活動與僱員保持溝通，包括午餐聚餐、培訓計劃、團隊建設活動及績效考核。本集團亦鼓勵僱員就彼等的工作職責及所需支援與上級進行溝通。
學生	前線員工不定期與學生進行對話，以獲得反饋意見。本集團亦透過開展滿意度調查收集彼等對其服務質量的反饋。本集團亦已設立客戶服務熱線供學生表達其關注事項。
投資者及股東	本集團定期舉行股東大會以向投資者及股東提供本集團的最新資訊及表現。重要信息會通過年度報告、中期報告、環境、社會及管治報告、公司網站、新聞稿、公告及其他披露文件發放。

Stakeholders Group 持份者群組	Mode of Engagement 聯繫模式
Government and Regulators	The Group keeps close communication with relevant government departments and keep track of latest regulatory development.
Community	The Group participates in community events, such as charitable activities and volunteering services, to better understand the needs of the community and to support community development.
政府及監管機構	本集團與相關政府部門保持密切溝通，並時刻留意最新的監管發展。
社區	本集團參與慈善活動及志願服務等社區活動，以更好地了解社區需求並支持社區發展。

Materiality assessment

Material issues can have a significant impact on the Group's operations as well as its stakeholders. During the Reporting Year, the Group commissioned an external sustainability consultancy to conduct a board survey based on ESG issues that are important to the Group and that may have significant impacts on environment and society, in order to gather the relative importance of the 12 aspects listed in the ESG Reporting Guide. The assessment produced six material issues that form the priority in disclosures in the reporting process:

重要性評估

重大事宜可對本集團的營運及其持份者產生重大影響。於報告年度，本集團已委聘一名外部可持續發展顧問就對本集團屬重大且可能對環境及社會有重大影響的環境、社會及管治事宜進行廣泛調查，以收集環境、社會及管治報告指引所列12個層面的相對重要性。有關評估提出了六項重要事宜，構成了報告流程中披露的重點事項：

Material Issues 重要事宜	Relevant Chapters 相關章節
Use of Resources 資源使用	Our Environment 我們的環境
Climate Change 氣候變化	Our Environment 我們的環境
Employment 僱傭	Our Employees 我們的僱員
Product Responsibility 產品責任	Our Operations 我們的營運
Labour Standards 勞工準則	Our Employees 我們的僱員
Health and Safety 健康及安全	Our Employees 我們的僱員

Climate change, employment, labour standards and health and safety are new material issues for this Reporting Year. Other material issues are similar to those identified in the previous reporting year. Results were presented to the Board for validation of the six material ESG issues for the Reporting Year.

氣候變化、僱傭、勞工準則以及健康及安全是本報告年度新的重要事項。其他重要事項與上一個報告年度所識別者類似。結果已呈交董事會，以核實報告年度的六項重要環境、社會及管治事項。

OUR ENVIRONMENT

The Group values the state of the natural environment and seeks to improve its environmental performance through daily operations. As stated in its Environmental Protection Guideline, the Group is committed to promoting an environmentally responsible behaviour in the office and providing tips for resources saving, waste reduction and recycling in its operations. By continuously improving its environmental management practices and measures, the Group strives to reduce its environmental impacts across its operations.

Resource management

Paper

Type of resources	Paper Consumption (kg) 用紙量 (千克)				Total
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
資源類別	總辦事處	教育中心 (香港現代教育)	教育中心 (現代小學士)	舞蹈學院	總計
Paper consumption ¹ 用紙量 ¹	571	4,436	23,345	142	28,494

Water

Type of resources	Water Consumption (cubic metres) 用水量 (立方米)				Total
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
資源類別	總辦事處	教育中心 (現代教育香港)	教育中心 (現代小學士)	舞蹈學院	總計
Water consumption 用水量	0.0	192.8	9.8	0.0	202.6

In order to reduce water consumption, the Group regularly checks water taps for leakage and repairs the taps when needed. Water flow is also controlled at the tap to avoid over-consumption of water. The Group obtains water from municipal authorities and has no difficulty in sourcing water that is fit for purpose.

我們的環境

本集團重視天然的環境狀況，並透過日常營運尋求改善其環境表現。誠如其環境保護指引所述，本集團致力於辦公室提倡環保的行動，並就其營運中節約資源、減少廢棄物及循環再用提供建議。本集團透過不斷改進其環境管理常規及措施，努力減少其營運對環境的影響。

資源管理

紙張

Type of resources	Paper Consumption (kg) 用紙量 (千克)				Total
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
資源類別	總辦事處	教育中心 (香港現代教育)	教育中心 (現代小學士)	舞蹈學院	總計
Paper consumption ¹ 用紙量 ¹	571	4,436	23,345	142	28,494

水

Type of resources	Water Consumption (cubic metres) 用水量 (立方米)				Total
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
資源類別	總辦事處	教育中心 (現代教育香港)	教育中心 (現代小學士)	舞蹈學院	總計
Water consumption 用水量	0.0	192.8	9.8	0.0	202.6

為減少用水量，本集團會定期檢查水龍頭以防漏水，及在需要時進行維修，同時控制水龍頭水流量以避免過度耗用。本集團的用水由市政機關供應，且在求取適用水源方面並無任何困難。

¹ Only for paper purchased (e.g. A4 paper, A3 paper and printed paper product).

¹ 僅包括所採購紙張（如A4紙、A3紙及紙類印刷品）。

Emission management

Greenhouse gas emissions

The Group commissioned a professional consultancy to conduct carbon assessment to quantify the greenhouse gas (“GHG”) emissions in its operation. The process of quantification was conducted according to the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong compiled by the Environmental Protection Department and Electrical and Mechanical Services Department of Hong Kong.

排放管理

溫室氣體排放

本集團已委聘一名專業顧問進行碳評估，以量化其營運過程中的溫室氣體排放。量化流程乃根據香港環境保護署及機電工程署編製的香港建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引進行。

Scope 範圍	GHG Emissions (tonnes of carbon dioxide equivalent) 溫室氣體排放 (二氧化碳當量噸數)				Total 總計
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
	總辦事處	教育中心 (現代教育香港)	教育中心 (現代小學士)	舞蹈學院	
Scope 1: Direct GHG Emissions ² 範圍1：直接溫室氣體排放 ²	0.0	0.0	0.0	0.0	0.0
Scope 2: Energy Indirect GHG Emissions ³ 範圍2：能源間接溫室氣體排放 ³	5.6	272.0	54.1	32.8	364.5
Scope 3: Other Indirect GHG Emissions ⁴ 範圍3：其他間接溫室氣體排放 ⁴	2.6	21.4	112.1	0.7	136.8
Total GHG emissions 溫室氣體排放總量	8.2	293.4	166.2	33.5	501.3

² No Scope 1 emissions were recorded from stationary sources, mobile sources or fugitive emissions from fire extinguishing systems and refrigerating systems.

³ Scope 2 emissions come from purchased electricity.

⁴ Scope 3 emissions come from paper waste disposal and fresh water and sewage processing. For fresh water and sewage processing, only the following locations are taken into account: MEHK – back office (Tsuen Wan), MEHK – Tseung Kwan O, MEHK – Shatin, MEHK – Prince Edward, MBE – warehouse and MBE – Tseung Kwan O. The water and sewage of other locations were controlled by the property management office.

² 範圍1並無錄得來自固定源頭、流動源頭的排放或由滅火系統及製冷系統產生的短暫排放。

³ 範圍2的排放來自所購買的電力。

⁴ 範圍3的排放來自廢紙處理以及淡水及污水處理。就淡水及污水處理而言，僅考慮以下地段：現代教育香港－後勤部（荃灣）、現代教育香港－將軍澳、現代教育香港－沙田、現代教育香港－太子、現代小學士－倉庫及現代小學士－將軍澳。其他地段的淡水及污水由物業管理辦事處管控。

Environmental, Social and Governance Report

環境、社會及管治報告

Waste disposal

The Environmental Protection Guideline was established to guide employees in reducing waste appropriately. Employees are encouraged to bring their own tableware instead of using single-use cutlery. Both hazardous and non-hazardous wastes are handled and collected by waste collectors regularly. For domestic waste water, it is being discharged to the local pipe network, where it will enter a sewage treatment plant to process the waste water.

As 6 MEHK education centres and 5 dance colleges were closed during the Reporting Year, the total amount of hazardous waste was larger than those in the previous reporting year. The large amount of hazardous waste was mostly from waste fluorescent light tubes and waste electronic equipment.

廢棄物處理

本集團已制定環境保護指引，引導僱員適當減少廢棄物。本集團鼓勵僱員自備餐具，避免使用一次性用具。廢物收集機構會定期收集及處理有害廢棄物及無害廢棄物。生活污水則排入地區管道網絡，從而進入污水處理廠以處理污水。

由於報告年度內6間現代教育香港的教育中心及5間舞蹈學院已關閉，所以有害廢棄物的總量較上一個報告年度有所增加。大量有害廢棄物主要來自廢棄光管及廢棄電子設備。

Type of Waste	Waste Disposal ⁵ (tonnes)				Total
	Headquarter Office	Education Centres (MEHK)	Education Centres (MBE)	Dance Colleges	
廢棄物類型	總辦事處	教育中心 (現代教育香港)	教育中心 (現代小學士)	舞蹈學院	總計
Hazardous Waste 有害廢棄物	0.0005	667.0	5.0	150.0	822.0
Non-hazardous waste 無害廢棄物	0.11	2.0	2.0	1.5	5.6

Environment and natural resources

Apart from emissions and use of resources, the Group's business operations do not have a significant direct impact on the environment and natural resources. Nonetheless, the Group strives to strictly abide by the relevant environmental laws and regulations in its daily operations to reduce such impacts.

Climate change

Climate change has been an alarming issue all over the world. Some may even coin it as climate "emergency". For instance, the results from a changing climate can cause more frequent extreme weather, which can have a significant impact on the Group's operations. Hence, in the coming reporting year, the Group will formulate policies regarding measures to identify and mitigate significant climate-related issues which have impacted, and those which may impact the Group.

環境及天然資源

除了排放物及資源使用外，本集團的業務運營對環境及天然資源並無重大直接影響。儘管如此，本集團在日常營運過程中會竭力恪守與環境相關之法律及法規，以減低有關影響。

氣候變化

氣候變化問題已成為全球擔憂的事項，甚至被部分人稱之為氣候「緊急狀態」。例如，氣候變化或導致更頻繁出現的極端天氣，此或會對本集團的營運產生重大影響。因此，於下一個報告年度，本集團將制定與識別及減緩已經及可能會對本集團產生影響的重大氣候相關事宜的措施相關的政策。

OUR EMPLOYEES

The Group attaches great importance to its employees. The Group aspires to foster a supporting and safe working environment that treat employees fairly and equally, safeguard employees' rights and interests, and support employees' career development.

我們的僱員

本集團高度重視僱員。本集團致力營造一個會給予支援及安全的工作環境，以公平及平等地對待僱員、維護僱員的權益並支持僱員的職業發展。

⁵ Assuming 1 piece of toner cartridges (containing selenium) is 0.25kg.

⁵ 假設1個碳粉匣(含硒)為0.25千克。

Employment system and labour standards

The Group strives to provide a fair, respectful and inclusive work culture. Staff Handbooks and Staff Rule clearly state the various aspects of employment including but not limited to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity and anti-discrimination, and other benefits and welfare.

僱傭制度及勞工準則

本集團致力建立公平、相互尊重及包容的工作文化。員工手冊及員工細則清楚列明與僱傭相關的不同範疇，包括但不限於薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化及反歧視以及其他待遇及福利。

Compensation and dismissal

In order to attract and retain talents, remuneration packages are in place and reviewed annually to maintain the competitiveness of the remuneration made to existing and potential employees.

Recruitment and promotion

During the Reporting Year, the Group has formulated the Recruitment and Promotion Policy, where it clearly listed out the policy and process for recruitment and promotion. As stated in the policy, promotion opportunities will be offered to employees who have contributed to the Company, so as to avoid the loss of high-performing employees.

Working hours and rest periods

The Group embraces a work-life balance culture. Number of working hours and rest periods are clearly stated in Staff Handbooks.

Benefits and Welfares

The Group offers attractive welfare and benefits including but not limited to annual leave, marriage leave, maternity leave, paternity leave and compassionate leave and medical insurance.

Equal opportunities and anti-discrimination

The Group endeavours to promote equal opportunity and anti-discrimination. Employees should be treated equally regardless of sex, disability, pregnancy, family status, race, religion, age, sexual orientation, and nationality. Those who encounter or witness any conducts of sexual harassment can report directly to the Human Resources and Administration Department or the Company Secretary for investigation.

薪酬及解僱

為吸引及挽留人才，本集團已制定薪酬待遇政策，並每年進行檢討，以保持對現有及具潛力僱員的薪酬競爭力。

招聘及晉升

於報告年度，本集團已制定招聘及晉升政策，其中清楚列明招聘及晉升的政策及流程。如該政策所述，本公司將向為其作出貢獻的僱員提供晉升機會，以避免流失表現出色的僱員。

工作時數及假期

本集團擁護工作與生活平衡的文化。員工手冊中明確規定了工作時數及假期。

待遇及福利

本集團提供具吸引力的福利及待遇，包括但不限於年假、婚假、產假、侍產假及喪假以及醫療保險。

平等機會及反歧視

本集團致力於促進平等機會及反歧視。僱員應被平等對待，而不論性別、殘疾、懷孕、家庭狀況、種族、宗教信仰、年齡、性取向及國籍。遭受或目睹性騷擾行為的僱員可直接向人力資源及行政部或公司秘書反映，以便作出調查。

Diversity

The Group respects the differences in the workforce and welcomes a diverse team that can bring broader development opportunities to the Group. The Group has formulated the Diversity and Inclusion Policy, where it listed out measures to promote diversity and inclusion in the workplace.

Prohibition of forced labour

The Group ensures that all employees work on voluntary basis and they can resign according to the requirements of their respective employment contracts.

Prevention of child labour

During the recruitment process, the Human Resources and Administration Department checks the identification documents of candidates to avoid the hiring of child labour.

多元化

本集團尊重員工的差異，並歡迎多元化的團隊為本集團帶來更大的發展機會。本集團已制定多元共融政策，其中列明促進工作場所多元化及包容性的措施。

禁止強制勞工

本集團確保所有僱員乃自願工作，並可按其各自的僱傭合約規定辭職。

防止童工

於招聘過程中，人力資源及行政部會檢查應徵者的身份證明文件，以避免僱用童工。

Development and training

In order to support employees with skills to face future challenges, the Group support employees' career training as well as development. The Group believes that through development and training, employees will be able to unleash their full potential in both personal and career development. Training plans are detailed in its Staff Handbooks. The Group offers employees with financial subsidies and sponsorship for them to participate in training and development programmes. For MBE, employees are offered monthly on-the-job training and meetings to enhance their job skills.

Since performance appraisal allows us to assess employees' growth and development, the Group conducts regular appraisal in order for employees to track their performance and to achieve improvements based on feedback from supervisors. During the Reporting Year, 89% of employees received performance appraisal.

Due to business suspension caused by COVID-19 and company restructuring, the number of trainings and performance appraisal had been reduced. The Group is considering the feasibility of online training for staff and will arrange when possible as gathering of staff for training is inappropriate under the social distancing policy.

發展及培訓

為協助僱員掌握應對未來挑戰的技能，本集團為僱員提供職業培訓及發展支援。本集團相信通過發展及培訓，僱員將能在個人及職業發展中充分發揮潛能。培訓計劃詳述於員工手冊內。本集團為僱員提供財政補貼及資助，以供其參與培訓及發展的課程。現代小學士每月會向僱員提供在職培訓及會議，以提升僱員的職業技能。

由於績效考核可讓我們評估僱員的成長及發展，因此本集團會定期進行考核，以便僱員能追蹤自身的表現，並根據上司的反饋意見作出改進。於報告年度內，89%的僱員已接受績效考核。

由於COVID-19導致業務暫停及進行公司重組，培訓及績效考核次數有所減少。本集團正考慮對員工進行網上培訓的可行性，並將在可能的情況下進行安排，因為根據社交距離政策，不宜聚集員工進行培訓。

Health and safety

The Group is devoted to creating a healthy and safe working environment for all its employees. While protecting the physical and mental health of our employees, the Group believes that a safe working environment can boost productivity as well as performance. During the Reporting Year, the Group has formulated a Health and Safety Policy, where measures are stated for employees to follow. The Group will regularly review and update the policy when necessary.

To raise employees' awareness of safety issues, the Group will organise trainings and distribute guidelines. Additionally, the Group will regularly inspect offices and education centres to ensure that facilities fulfil legal requirements. Fire escape and extreme weather guidelines are also provided in Staff Handbooks to ensure employees' safety.

To promote mental health awareness, the Group regularly circulates health tips to its employees and encourages them to exercise regularly. To remind employees to beware of potential safety hazards, such as slippery floor and improper use of electrical equipment, the Group also places safety posters at conspicuous places.

Employees' well-being is equally important. To improve their health and well-being, the Group organised recreational activities such as hiking and barbecue party along with other team building activities.

健康與安全

本集團致力為其所有僱員建立一個健康及安全的工作環境。在保護僱員身心健康的同時，本集團相信安全的工作環境可提高生產效率及表現。於報告年度內，本集團制定了健康及安全政策，其中規定了僱員應遵循的措施。本集團將定期檢討及於必要時更新該政策。

為提高僱員對安全問題的認識，本集團將會安排培訓並發出指引。此外，本集團將定期檢查辦公室和教育中心，以確保設施符合法律要求。員工手冊亦提供火災逃生及極端天氣指引，以確保僱員的安全。

為提高僱員的心理健康意識，本集團會定期向僱員發佈健康貼士，並鼓勵彼等定期運動。為提醒僱員注意潛在的安全風險，例如地面濕滑及電器設備使用不當等，本集團亦會在顯眼位置張貼安全海報。

僱員的福祉同樣重要。為提升彼等的健康和福祉，本集團組織了康樂活動，如遠足及燒烤聚會以及其他團隊建設活動。

COVID-19 response measures

During the COVID-19 pandemic, the Group has formulated measures for its employees in order to prevent virus from spreading. Below are the summarised measures:

- Send memo or email to staff about updated COVID-19 information
- Provide guidelines about reporting system and customer handling
- Arrange helpers to clean offices and education centres more frequently
- Purchase surgical masks for staff
- Measure staff and customers' body temperature before entering offices and education centres
- Offer flexible working arrangement, such as work from home or flexible working hours, to avoid peak hours, thereby increasing social distancing on public transport

During the Reporting Year, there was no work-related fatalities or injuries.

OUR OPERATIONS

Maintaining the highest possible standards of openness, probity and accountability enable the Group to operate in a responsible manner, thereby, earning trust from its stakeholders. The Group has formulated a series of policies relating to campus safety, service quality management, supply chain management and ethical business to ensure its operations fulfil the expectations of stakeholders.

COVID-19應對措施

於COVID-19疫情期間，本集團已為僱員制定措施，以防止病毒傳播。以下為有關措施的概要：

- 向員工發送有關COVID-19更新資料的備忘錄或電子郵件
- 提供有關上報系統及客戶處理的指引
- 安排人員更頻繁地清潔辦公室及教育中心
- 為員工購買外科口罩
- 進入辦公室和教育中心前量度員工和客戶的體溫
- 提供靈活的工作安排，如在家辦公或彈性的工作時間，以避開高峰時段，從而增加在公共交通上的社交距離

於報告年度內，本集團並無與工作有關的傷亡事故。

我們的營運

保持盡可能最公開、誠實及問責標準，使本集團能夠以負責任的方式營運，從而贏得持份者的信任。本集團已制定一系列有關校園安全、服務質量管理、供應鏈管理及商業道德方面的政策，以確保業務營運符合持份者的期望。

Campus safety

Campus security management is crucial to the operation of the Group. To ensure students and employees know the fire escape route, floor plans and exit signs are put up at conspicuous places in the education centres, which can indicate the route in case of emergency. The Group also provides safety training to employees to strengthen safety awareness among them. Due to COVID-19, any staff and students coming to the centres will have their body's temperature checked. The Group also arranged helpers to clean education centres and dance colleges more frequently to avoid spread of virus and ensure campus safety.

Service quality management

The Group is committed to providing the quality educational services to all of its students in order to help them achieve their goals. It seeks to continually improve its service quality management through communication, responsible marketing and protection of students' privacy.

Student satisfaction and feedback

Students satisfaction is one of the key indicators of the quality of the services that the Group provides. Hence, to improve student satisfaction, the Group established the Complaint Handling Process and reviews students' feedback regularly to ensure it meets their expectation.

In order to gather students' feedback on lesson materials and arrangement, MEHK conducts surveys which focuses on the quality of lessons, arrangement and location of education centres. Besides, in order to incentivise staff to provide high quality services, MBE carries out an annual assessment where the top 10 teachers and top 5 education centres are awarded with cash prizes as an encouragement to keep the good services.

校園安全

校園安全管理對於本集團的營運至關重要。為確保學生及僱員知悉火警逃生路線，樓層的平面圖及出口指示牌已張貼於教育中心的顯眼位置，以在緊急情況下可指示逃生路線。本集團亦向僱員提供安全培訓，加強彼等的安全意識。由於COVID-19的疫情，所有到來教育中心的員工和學生均須接受體溫檢查。本集團亦安排人員更頻繁地清潔教育中心和舞蹈學院，以避免病毒傳播並確保校園安全。

服務質素管理

本集團致力為所有學生提供優質的教育服務，以協助學生實現其目標。本集團力求透過溝通、負責任的營銷及保護學生隱私來不斷提升服務質素管理。

學生滿意度及反饋

學生的滿意度為本集團所提供服務質量的重要指標之一。因此，為提升學生滿意度，本集團制定投訴處理流程並定期檢視學生的反饋，以滿足學生的期望。

為收集學生對教材及課程安排的反饋，現代教育著重對課程質量、課程安排及教育中心的位置進行調查。此外，為鼓勵員工提供高質素的服務，現代小學士每年進行一次評核，評選出10名最佳教師及5間最佳教育中心，並發放獎金作為獎勵，以鼓勵彼等繼續提供優質的服務。

Environmental, Social and Governance Report 環境、社會及管治報告

During the Reporting Year, the Group received 43 complaints, which were 50% less than the previous reporting year. The complaints were mainly related to refund, class arrangement, and tutor's quality. Investigations and appropriate follow-up actions were immediately carried out to ensure students' demands are met. All cases were settled and customers accepted our explanation and arrangement. To prevent the same future complaints, the Group provided training to relevant staff.

Responsible marketing communications

The Group understands the importance of communicating clear and reliable information about its services. As stipulated in the Trade Descriptions Ordinance Policy, all promotional materials, including advertisements, leaflets, online promotional images and videos must not contain exaggerated or false claims. Additionally, the head of marketing department and management of the Group are responsible for the review and approval of manuscript of promotional materials before distribution or publication.

Protection of privacy

With a large student base, the Group is determined to safeguard students' personal data. The Staff Handbooks and Employee Code of Conduct clearly state the Group's requirement on protecting confidential information. Without management approval, employees shall not disclose any confidential information and all internal documents must not be disclosed to any parties outside the Group.

Supply chain management

Since the Group's business nature is provision of private educational services, its major suppliers include providers of printing, stationery and uniform. During the Reporting Year, the Group has established three preliminary selection criteria, supplier's environmental protection practices, good corporate culture and price, regarding its procurement practices. Suppliers with better ESG performance are prioritised. To further manage its supply chain, the Group will establish related policies and set out supplier selection process and evaluation in the coming year.

於報告年度內，本集團接獲43宗投訴，較上一報告年度減少50%。投訴主要有關退款、課程安排及導師質素等方面。對此，我們立即採取調查及適當的跟進行動，以確保學生的需求得到滿足。所有個案均得到解決，而客戶亦接受了我們的解釋及安排。為防止日後出現同類投訴，本集團會向相關員工提供培訓。

負責任的營銷傳播

本集團了解就其服務傳達明確及可靠資訊的重要性。商品說明條例政策規定，所有宣傳材料，包括廣告、單張、網上宣傳圖像及視頻均不得包含誇大或虛假內容。另外，營銷部主管及本集團管理層會負責對宣傳材料的稿件在派發或刊發前進行審批工作。

保護私隱

由於學生人數眾多，本集團決心保護學生的個人資料。員工手冊及員工行為守則明確規定本集團對保護機密資料的要求。未經管理層批准，員工不得披露任何機密資料，所有內部文件不得向本集團以外的任何人士披露。

供應鏈管理

由於本集團的業務性質為提供私人教育服務，其主要供應商包括印刷、文具及制服等供應商。於報告年度內，本集團就其採購行為確立三個初步甄選標準：供應商的環保常規、良好的企業文化及價格。具有更好環境、社會及管治表現的供應商會被優先考慮。為進一步管理供應鏈，本集團將於來年制定相關政策，並制定供應商甄選流程及評估。

Ethical Business

Protection of intellectual property

The Group attaches great importance to the protection of intellectual property rights. According to the Staff Handbooks, all employees should not infringe or violate any patents, trademarks, copyrights or intellectual property rights of any third parties. Employees must also abide by the provisions of the Copyright Ordinance. To download or use software that are not provided by the Group, employees should provide sufficient reasons and seek department head and management's approval.

Anti-corruption

As a responsible educational service provider, the Group is committed to upholding integrity in order to produce positive influence and promoting fair and sustainable development of the society. Hence, the Group does not tolerate any forms of bribery, extortion, fraud and money laundering.

In order to strictly prohibit employees from disclosing confidential or insider information outside the Group to obtain benefits, the Employee Code for Securities Transactions was established. As stated in its Staff Handbooks and Employee Code of Conduct, all employees are prohibited from soliciting or receiving any forms of advantage from any business associate. Whenever employees receive gifts that are of high commercial value provided by business partners or clients, they should submit the "Receiving Entertainment or Gifts Form" to the head of department in order to decide how to deal with them.

In addition, to avoid conflict of interest, the Group requires its employees to complete the Declaration and Disclosure of Interests Form to disclose any matter that raises a conflict with their duties and particulars of any pecuniary or other personal interest that they have.

有道德的企業

保護知識產權

本集團高度重視知識產權保護。根據員工手冊，所有僱員不得侵犯或違反任何第三方的任何專利、商標、版權或知識產權。僱員亦須遵守版權條例的規定。僱員如需下載或使用本集團未有提供的軟件，應提供充分理由，並徵求部門主管及管理層的批准。

反貪污

作為負責任的教育服務供應商，本集團秉承誠信為本以帶來積極影響，並促進社會公平及可持續發展。因此，本集團對任何形式的賄賂、勒索、欺詐及洗黑錢等零容忍。

本集團制定僱員證券交易守則，嚴禁僱員為謀求私利向本集團外部人士披露機密或內幕消息。員工手冊及員工行為守則規定，所有僱員不得向任何業務夥伴索取或收受任何形式的利益。當僱員收到業務夥伴或客戶贈送的高商業價值禮品時，應向部門主管提交「接待娛樂或禮品表格」，由部門主管決定處置方式。

此外，為避免利益衝突，本集團要求僱員填寫利益申報及披露表格，披露任何與其職責有衝突的事宜，以及其獲取任何金錢或其他個人利益的詳情。

OUR COMMUNITY

As a corporate citizen, the Group believes that it has the responsibility in supporting local communities in where it operates. Through various community activities, donations and participation in charitable activities, the Group contributes to the local community in which it operates. The Group will continue to strengthen its ties with the community and understand citizens' needs.

Care for the community

Mid-autumn festival is a holiday where family members spend time together. Continuing last year's effort in helping injured workers and family members of deceased workers, during the Reporting Year, the Group donated HK\$23,688 to Egive For You Charity Foundation for the benefit of the Association for the Rights of Industrial Accident Victims. Additionally, 10 of our staff volunteered to join a mooncake making activity and the mooncakes were then sent to members of the association to bring warmth to families during this holiday.

Supporting youth's education and development

Young people are the society's future pillars and are key to sustainability. Therefore, during the Reporting Year, the Group cooperated with non-profit organisations to provide different courses for young people with special discount.

Besides offering special discount to students in need, the Group also provide intern training to university students who are seeking for working experience as well as to develop their career in the education industry. 17 university students were hired to intern with us during the summer holiday.

The Group is delighted to be awarded the "5 Years Plus Caring Company Logo" from the Hong Kong Council of Social Service for the eighth consecutive year, recognising its commitment to corporate social responsibility and performance in community services. In the coming year, the Group will formulate policies regarding community investment in order to understand the needs of the communities in where it operates and to ensure the activities take into consideration the communities' interests.

我們的社區

作為企業公民，本集團認為有責任支持其經營所在的社區。透過各種社區活動、捐贈及參與慈善活動，本集團為其經營所在的社區作出貢獻。本集團將繼續加強與社區的聯繫，了解市民的需求。

關愛社區

中秋節是家庭成員共度時光的假期。本集團繼續去年幫助受傷職工及已故職工家屬的活動，於報告年度內，本集團向意贈慈善基金捐款23,688港元，支持工業傷亡權益會。此外，於假期期間，我們的10名員工自願參加月餅製作活動並將月餅贈送予工業傷亡權益會的成員，為家庭帶來溫暖。

支持青年教育及發展

青年是社會的未來支柱，對可持續發展至關重要。因此，於報告年度內，本集團與非牟利組織合作，以特別折扣為青年提供各種課程。

除向有需要的學生提供特別折扣外，本集團亦為尋求工作經驗以及有意發展其教育行業事業的大學生提供實習培訓。暑假期間，我們僱用17名大學生進行實習工作。

本集團很榮幸連續八年獲香港社會服務聯會頒授「五年Plus商界展關懷」標誌，肯定了本集團在企業社會責任方面的付出及社區服務方面的表現。來年，本集團將制定有關社區投資的政策，以了解經營所在社區的需求，並確保活動會考慮到社區的利益。

KPIs SUMMARY

Environmental KPIs

關鍵績效指標總覽

環境關鍵績效指標

Environmental KPIs	環境關鍵績效指標	Quantity 數量 2019/20 2019/20年	Quantity 數量 2018/19 2018/19年	Unit 單位
The types of emissions and respective emissions data	排放物種類及相關排放數據			
Nitrogen oxides (NO _x)	二氧化氮(NO _x)	0.00	0.00	kg 千克
Sulphur oxides (SO _x)	二氧化硫(SO _x)	0.00	0.00	kg 千克
Respirable suspended particulates (RSP)	可吸入懸浮顆粒物(RSP)	0.00	0.00	kg 千克
Greenhouse gas emissions	溫室氣體排放			
Scope 1	範圍1	0.00	0.00	tonne of CO ₂ -e 二氧化碳當量噸數
Scope 2	範圍2	364.50	535.80	tonnes of CO ₂ -e 二氧化碳當量噸數
Scope 3	範圍3	136.80	355.30	tonnes of CO ₂ -e 二氧化碳當量噸數
Greenhouse gas emissions in total	溫室氣體排放總量	501.30	891.10	tonnes of CO ₂ -e 二氧化碳當量噸數
Greenhouse gas intensity (by floor area)	溫室氣體密度(按建築面積)	6.56	9.32	tonnes of CO ₂ -e/ thousand square feet 二氧化碳當量噸數/ 千平方英尺
Hazardous waste produced	所產生有害廢棄物			
Total hazardous waste	有害廢棄物總量	822.00	0.20	tonnes 噸
Hazardous waste intensity (by floor area)	有害廢棄物密度 (按建築面積)	10.75	0.002	tonnes/thousand square feet 噸/千平方英尺
Non-hazardous waste produced	所產生無害廢棄物			
Total non-hazardous waste	無害廢棄物總量	5.60	5.60	tonnes 噸
Non-hazardous waste intensity (by floor area)	無害廢棄物密度 (按建築面積)	0.07	0.06	tonnes/thousand square feet 噸/千平方英尺
Energy consumption	能源消耗			
Indirect energy – electricity	直接能源—電力	700.70	999.20	MWh 兆瓦時
Total energy consumption	能源總耗量	700.70	999.20	MWh 兆瓦時
Energy intensity (by floor area)	能源消耗密度 (按建築面積)	9.16	10.45	MWh/thousand square feet 兆瓦時/千平方英尺
Water consumption	耗水量			
Total water consumption	總耗水量	202.60	409.00	cubic metres 立方米
Water intensity (by floor area)	耗水密度(按建築面積)	5.70	10.35	cubic metres/thousand square feet 立方米/千平方英尺
Packaging material used for finished products	製成品所用包裝材料	Not applicable. The Group's operations did not involve the use of packaging materials. 不適用。本集團業務不涉及使用包裝材料。		N/A 不適用

Social KPIs

社會關鍵績效指標

Number of employees (by gender and employment type)
僱員人數 (按性別及僱傭類型劃分)

Gender 性別	Employment Type 僱傭類型		Total employees by gender 按性別劃分的僱員總數	Gender ratio (male to female) 性別比例 (男性比女性)	Total 總計
	Full-time 全職	Part-time 兼職			
Male 男性	30	14	44	1:2.1	136
Female 女性	64	28	92		

Number of employees (by gender and position)
僱員人數 (按性別及職位劃分)

Gender 性別	Position 職位			Total 總計
	Director grade 董事級	Managerial grade 管理級	Non-managerial grade 非管理級	
Male 男性		4	4	36
Female 女性		0	22	70

Number of employees (by gender and age)
僱員人數 (按性別及年齡劃分)

Gender 性別	Age group 年齡組別					Total 總計
	Below 18 18歲以下	18-29 18至29歲	30-39 30至39歲	40-49 40至49歲	50 or above 50歲或以上	
Male 男性	0	20	15	6		3
Female 女性	0	43	33	8		8

Social KPIs (Continued)

社會關鍵績效指標 (續)

Number and percentage of employees trained⁶
受培訓的僱員人數及百分比⁶

Gender 性別	Position 職位			Total 總計
	Director grade 董事級	Managerial grade 管理級	Non-managerial grade 非管理級	
Male 男性	4 (100%)	4 (100%)	13 (36%)	54 (40%)
Female 女性	0 (0%)	11 (50%)	22 (31%)	

Average training hours
平均培訓時數

Gender 性別	Position 職位			Total 總計
	Director grade 董事級	Managerial grade 管理級	Non-managerial grade 非管理級	
Male 男性	4.8	6.6	4.4	3.2
Female 女性	N/A 不適用	3.3	2.2	

⁶ Breakdown of trained employees by gender: Male (39%) and Female (61%); Breakdown of trained employees by employee category: Director grade (7%), Managerial grade (28%) and Non-managerial grade (65%).

⁶ 按性別劃分之受培訓僱員：男性（39%）及女性（61%）；按僱員類別劃分之受培訓僱員：董事級（7%）、管理級（28%）及非管理級（65%）。

ESG REPORTING GUIDE CONTENT INDEX

環境、社會及管治報告指引內容索引

Material Aspect 重要層面	Content 內容	Page Index/Remarks 頁次索引／備註
<i>A. Environmental 環境</i>		
A1 Emissions 排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：	69, 72-74
A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	73, 83
A1.2	Greenhouse gas emissions in total and intensity. 溫室氣體總排放量及密度。	73, 83
A1.3	Total hazardous waste produced and intensity. 所產生有害廢棄物總量及密度。	74, 83
A1.4	Total non-hazardous waste produced and intensity. 所產生無害廢棄物總量及密度。	74, 83
A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	72-74
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	74

Material Aspect 重要層面	Content 內容	Page Index/Remarks 頁次索引／備註
A2 Use of Resources 資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。	72-74
A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	73, 83
A2.2	Water consumption in total and intensity. 總耗水量及密度。	72, 83
A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	73-74
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	72
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及（如適用）每生產單位佔量。	83
A3 The Environment and Natural Resources 環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	74
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	74

Material Aspect 重要層面	Content 內容	Page Index/Remarks 頁次索引／備註
B. Social 社會		
B1 Employment 僱傭		
General Disclosure	Information on:	68-69, 74-76
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
一般披露	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：	
	(a) 政策；及	
	(b) 遵守對發行人有重大影響的相關法律及法規的資料。	
B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	84
B2 Health and Safety 健康與安全		
General Disclosure	Information on:	67, 69, 77-78
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	
一般披露	有關提供安全工作環境及保障僱員避免職業性危害的：	
	(a) 政策；及	
	(b) 遵守對發行人有重大影響的相關法律及法規的資料。	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	67, 77-78
B3 Development and Training 發展及培訓		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	76
一般披露	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	
B3.1	The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	85
B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	85

Material Aspect 重要層面	Content 內容	Page Index/Remarks 頁次索引／備註
B4 Labour Standards 勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	69, 75-76
B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘常規的措施以避免童工及強制勞工。	76
B5 Supply Chain Management 供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	80
B6 Product Responsibility 產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	68-69, 78-80
B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	79-80
B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的常規。	81
B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	80
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	80

Material Aspect 重要層面	Content 內容	Page Index/Remarks 頁次索引／備註
B7 Anti-corruption 反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及法規的資料。	69, 81
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	69
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	81
B8 Community Investment 社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區的需要和確保其業務活動會考慮到社區利益的政策。	82
B8.1	Focus areas of contribution. 專注貢獻範疇。	82
B8.2	Resources contributed to the focus area. 在專注範疇所動用的資源。	82

Independent Auditor's Report 獨立核數師報告



TO THE SHAREHOLDERS OF HONG KONG EDUCATION (INT'L) INVESTMENTS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Hong Kong Education (Int'l) Investments Limited ("Company") and its subsidiaries (collectively referred to as "Group") set out on pages 103 to 239, which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致香港教育（國際）投資集團有限公司

（於開曼群島註冊成立及於百慕達存續之有限公司）

列位股東

意見

吾等已審核載列於第103至239頁香港教育（國際）投資集團有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的綜合財務報表（包括於2020年6月30日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表）以及綜合財務報表附註（包括主要會計政策概要）。

吾等認為，綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映 貴集團於2020年6月30日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露要求而妥善編製。

Independent Auditor's Report 獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“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 (“Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

1. Valuation of financial instruments classified as Level 3 under fair value hierarchy

Refer to Notes 3 and 4 to the consolidated financial statements for the Group’s accounting policies and accounting estimates and judgements and refer to Notes 21 and 27 to the consolidated financial statements for detailed disclosures of financial instruments recognised by the Group as at 30 June 2020. Further details of the valuation technique(s) and unobservable input(s) of financial instruments classified as Level 3 under fair value hierarchy are disclosed in Note 6 to the consolidated financial statements.

意見基礎

吾等按照香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審核工作。根據該等準則，吾等的責任於本報告「核數師就審核綜合財務報表的責任」一節中進一步詳述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

關鍵審核事項

關鍵審核事項是根據吾等的專業判斷，認為對吾等審核本期綜合財務報表最為重要的事項。該等事項乃於吾等審核整體綜合財務報表及達成吾等對其的意見時進行處理，而吾等不會對該等事項提供單獨的意見。

1. 分類為公平值層級之第三級之金融工具之估值

有關貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關貴集團於2020年6月30日已確認金融工具的詳細披露情況，請參閱綜合財務報表的附註21及27。有關獲分類為公平值層級之第三級的金融工具的估值方法及不可觀察輸入數據的進一步詳情披露於綜合財務報表的附註6。

KEY AUDIT MATTERS (Continued)

1. Valuation of financial instruments classified as Level 3 under fair value hierarchy (Continued)

The key audit matter

關鍵審核事項

As at 30 June 2020, the Group had financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss amounting to approximately HK\$12,429,000 and HK\$30,321,000 respectively, in aggregate representing 39.60% of the net assets of the Group as at 30 June 2020. In which listed equity securities of approximately HK\$30,321,000 included in financial assets at fair value through profit or loss were suspended shares which represented 28.09% of the net assets of the Group as at 30 June 2020. The remaining of approximately HK\$12,429,000 are unlisted investments held by the Group as at 30 June 2020. These financial instruments are valued with inputs that were not based on available observable market data and were classified as Level 3 fair value financial instruments as at 30 June 2020.

The Group considered the aggregate amount of Level 3 financial instruments is material to the consolidated financial statements of the Group as at 30 June 2020.

於2020年6月30日，貴集團擁有分別約12,429,000港元及30,321,000港元的按公平值計入其他全面收益的金融資產及按公平值計入損益的金融資產，合共佔貴集團於2020年6月30日資產淨值的39.60%。其中，按公平值計入損益的金融資產包括上市股本證券（為停牌股份）約30,321,000港元，佔貴集團於2020年6月30日資產淨值的28.09%。餘下的約12,429,000港元為貴集團於2020年6月30日持有的非上市投資。該等金融工具乃按並非基於可獲得的可觀察市場數據的輸入數據進行估值，且於2020年6月30日獲分類為第三級公平值金融工具。

貴集團認為第三級金融工具的總值對貴集團於2020年6月30日的綜合財務報表而言屬重大。

關鍵審核事項（續）

1. 分類為公平值層級之第三級之金融工具之估值（續）

How the matter was addressed in our audit

吾等於審核中如何處理事項

Our audit procedures included:

- evaluating the independence, competence, capabilities and objectivity of the external valuation experts engaged by management;
- assessing and evaluating the appropriateness of the valuation methodologies used by the independent external valuers in estimating the fair value and key assumptions used by management in different valuation models by reviewing the contract terms and the relevant market conditions and businesses of each Level 3 financial instrument;
- reviewing the contractual agreements, relevant legal document and the calculation made by management and obtaining the investment confirmation to verify the existence and accuracy of the Group's ownership and/or number of shares in each Level 3 financial instrument; and

吾等的審核程序包括：

- 評估管理層委聘的外部估值專家的獨立性、職權、能力及客觀性；
- 透過查閱合約條款以及各項第三級金融工具的相關市況及業務，評核及評估獨立外部估值師於估計管理層於不同估值模式所用公平值及關鍵假設時使用的估值方法的適宜性；
- 查閱合約協議、相關法律文件，檢查管理層進行的計算，並獲得投資確認書，以核實貴集團各項第三級金融工具的所有權及／或股份數目的存在及準確性；及

KEY AUDIT MATTERS (Continued)

1. Valuation of financial instruments classified as Level 3 under fair value hierarchy (Continued)

The key audit matter 關鍵審核事項

In light of the unquoted and illiquid nature of these Level 3 financial instruments, the assessment of fair value was highly subjective and required a number of significant estimates and critical judgements to be made by management. The fair value of each of these unlisted investments and those suspended shares were based on the best available information to management and do not necessarily represent amounts which might ultimately be realised. The fair value of these Level 3 financial instruments were subject to change depending on future circumstances and cannot be accurately determined until each of them is disposed.

There is a risk that inaccurate judgements made in the assumptions and the key inputs of the valuation models could lead to an inaccurate valuation of the unlisted investments and those suspended shares. In turn, the amounts at which these financial instruments were carried in the consolidated statement of financial position, the net changes in fair value of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income in the consolidated statement of profit or loss and other comprehensive income could be materially misstated.

鑒於該等第三級金融工具的無報價及非流動性質，公平值的評估具有極高的主觀性，並需要管理層作出多項重大估計及重要判斷。每項該等非上市投資以及該等停牌股份的公平值乃基於管理層盡可能可得之資訊釐定，並不一定代表可能最終實現的金額。該等第三級金融工具的公平值可能會因應未來情況而有所變動，而在出售每項金融工具前無法準確確定其公平值。

存在假設及估值模式的關鍵輸入數據所作的準確判斷或會導致對非上市投資及該等停牌股份的不準確估值的風險。從而，這可能會導致該等金融工具在綜合財務狀況表的金額以及在綜合損益及其他全面收益表的按公平值計入損益的金融資產及按公平值計入其他全面收益的金融資產的公平值變動淨額出現重大錯報。

關鍵審核事項 (續)

1. 分類為公平值層級之第三級之金融工具之估值 (續)

How the matter was addressed in our audit 吾等於審核中如何處理事項

- evaluating the appropriateness and adequacy of the disclosures of the valuation of the financial instruments in the consolidated financial statements.
- 評估綜合財務報表中對金融工具估值的披露的適宜性及充足性。

KEY AUDIT MATTERS (Continued)

2. Impairment assessment of trade and other receivables, other loan receivables and loan receivables

Refer to Notes 3 and 4 to the consolidated financial statements for the Group's accounting policies and accounting estimates and judgements and refer to Notes 23 to 25 to the consolidated financial statements for detailed disclosures of trade and other receivables, other loan receivable and loan receivables recognised by the Group as at 30 June 2020.

The key audit matter

關鍵審核事項

As at 30 June 2020, the Group's trade and other receivables, other loan receivables and loan receivables amounted to approximately HK\$12,779,000, HK\$12,000,000 and HK\$36,250,000 respectively.

In determining whether there is objective evidence of impairment loss over these receivables and consider whether the impairment provision for trade and other receivables, other loan receivables and loan receivables is adequate require management judgement.

於2020年6月30日，貴集團分別擁有約12,779,000港元、12,000,000港元及36,250,000港元的貿易及其他應收款項、應收其他貸款及應收貸款。

於釐定是否存在該等應收款項有減值虧損的客觀證據以及考慮貿易及其他應收款項、應收其他貸款及應收貸款的減值撥備是否足夠時，需要管理層作出判斷。

關鍵審核事項 (續)

2. 貿易及其他應收款項、應收其他貸款及應收貸款減值評估

有關貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關貴集團於2020年6月30日已確認貿易及其他應收款項、應收其他貸款及應收貸款的詳細披露情況，請參閱綜合財務報表的附註23至25。

How the matter was addressed in our audit

吾等於審核中如何處理事項

Our audit procedures included:

- understanding, evaluating and validating the key controls over impairment assessment of the receivables, which relates to management's identification of events that triggered the provision for impairment/expected credit losses of the receivables and estimation of the amount of these provisions;
- carrying out procedures, on a sample basis, to test the accuracy of the aging of the receivables as at the end of the reporting period;

吾等的審核程序包括：

- 了解、評估及核實關於應收款項減值評估的關鍵控制措施，該等措施有關管理層對觸發應收款項減值撥備／預期信貸虧損的事件的識別以及對該等撥備金額的估計；
- 以抽樣的方式執程序，以測試應收款項於報告期末的賬齡的準確性；

KEY AUDIT MATTERS (Continued)

2. Impairment assessment of trade and other receivables, other loan receivables and loan receivables (Continued)

The key audit matter

關鍵審核事項

In determining the impairment provision/expected credit losses of trade and other receivables, other loan receivables and loan receivables, the recoverability of these receivables was assessed by the management taking into account the credit quality and likelihood of their collection.

於釐定貿易及其他應收款項、應收其他貸款及應收貸款的減值撥備／預期信貸虧損時，管理層經考慮信貸質素及收回的可能性而評估該等應收款項的可收回性。

關鍵審核事項 (續)

2. 貿易及其他應收款項、應收其他貸款及應收貸款減值評估 (續)

How the matter was addressed in our audit

吾等於審核中如何處理事項

- evaluating the management's process for reviewing the collectability of the receivables by reference to the credit quality, likelihood of their collection and the past settlement history and records;
- tracing a sample of the actual cash settlements during the year to bank receipts; and
- tracing a sample of the post year end subsequent settlements to bank receipts.
- 評估管理層經參考信貸質素、收回的可能性及過往結算歷史及記錄後檢討應收款項的可收回性的流程；
- 根據銀行收據抽樣追蹤年內的實際現金結算；及
- 根據銀行收據抽樣追蹤於年終後的其後結算。

KEY AUDIT MATTERS (Continued)

3. Impairment assessment of goodwill

Refer to Notes 3 and 4 to the consolidated financial statements for the Group's accounting policies and accounting estimates and judgements and refer to Note 17 to the consolidated financial statements for detailed disclosures of goodwill recognised by the Group as at 30 June 2020.

The key audit matter

關鍵審核事項

As at 30 June 2020, the net carrying amount of approximately HK\$5,110,000 of the Group's goodwill was mainly allocated to a cash-generating unit, namely, the provision of private educational services in Hong Kong, which the activity arose from the acquisition of Wind Fly Dragon Int'l Limited ("Wind Fly").

The assessment of the recoverability of goodwill is based on the future business prospects and the forecast business performance of the business.

於2020年6月30日，貴集團商譽的賬面淨值約5,110,000港元主要分配至一個現金產生單位，即於香港提供私人教育服務，為來自收購千里飛龍國際有限公司（「千里飛龍」）之業務。

商譽可收回性的評估乃根據該業務的未來業務前景及預測業務表現進行。

關鍵審核事項（續）

3. 商譽減值評估

有關貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關貴集團於2020年6月30日已確認的商譽詳細披露情況，請參閱綜合財務報表的附註17。

How the matter was addressed in our audit

吾等於審核中如何處理事項

Our audit procedures included:

- evaluating the independence, competence, capabilities and objectivity of the external valuation expert engaged by management;
- evaluating the valuation methodologies and assumptions including comparing source and market data used in the underlying assumptions for the valuation of Wind Fly with reference to comparable companies;

吾等的審核程序包括：

- 評估管理層委聘的外部估值專家的獨立性、職權、能力及客觀性；
- 評估估值方法及假設，包括對經參考可資比較公司後對千里飛龍進行估值的相關假設所用的資料來源及市場數據進行比較；

KEY AUDIT MATTERS *(Continued)*

3. Impairment assessment of goodwill *(Continued)*

The key audit matter

關鍵審核事項

There is inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability of goodwill and, accordingly, this is one of the key judgemental areas upon which our audit focused on. There is a risk that the key assumptions, estimates and judgements on which the calculations are based are inappropriate and that goodwill is misstated as a consequence.

商譽之可收回性評估所依據之預測及貼現未來現金流量本質上涉及不明朗因素，因此為我們審核時專注之其中一個關鍵判斷範疇。風險在於計算所依據之關鍵假設、估計及判斷並不適當，引致錯誤陳述商譽。

關鍵審核事項 (續)

3. 商譽減值評估 (續)

How the matter was addressed in our audit

吾等於審核中如何處理事項

- assessing the appropriateness of the key assumptions, including budgeted revenue, pre-tax discount rate and growth rate beyond the five-year period, used for calculating the recoverable amount of the cash-generating unit as adopted by management for the goodwill impairment assessment; and
- evaluating the appropriateness of the relevant disclosures in respect of the impairment assessment of goodwill in the consolidated financial statements.
- 評核管理層為進行商譽減值評估所採納並用於計算現金產生單位的可收回金額的關鍵假設（包括預算收入、稅前貼現率及五年期後之增長率）的適宜性；及
- 評估綜合財務報表中有關商譽減值評估的相關披露的適宜性。

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事（「董事」）須對其他資料負責。其他資料包括載入年報的資料，但不包括綜合財務報表及吾等的核數師報告。

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

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，並於此過程中，考慮其他資料與綜合財務報表或吾等於審核中所得知的情況是否有重大不一致，或似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為此其他資料有重大錯誤陳述，吾等須報告有關事實。吾等就此並無任何事項須報告。

董事及管治人員就綜合財務報表須承擔的責任

董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的列報，及落實董事認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項及採用持續經營會計基礎，除非董事有意將 貴集團清盤或停止經營，或除此之外並無其他實際可行的辦法。

管治人員負責監督 貴集團的財務申報程序。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定此等綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。本報告僅根據百慕達1981年公司法第90條向作為實體的閣下作出，不作其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。

合理確定屬高層次的核證，惟概不保證根據香港審計準則進行的審核工作總將始終察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤而產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核有關的內部控制，以設計適當的審核程序，但並非為對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的合適性及作出會計估計和相關披露的合理性。

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

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

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

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

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

核數師就審核綜合財務報表須承擔的責任 (續)

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

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲得的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，吾等須於核數師報告中提請注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以就綜合財務報表發表意見。吾等須負責集團審核的方向、監督及執行。吾等須為吾等的審核意見承擔全部責任。

吾等與管治人員就（其中包括）審核的計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括吾等在審核過程中識別的內部控制的任何重大不足之處。

吾等亦向管治人員作出聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施（如適用）。

Independent Auditor's Report 獨立核數師報告

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

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

The engagement director on the audit resulting in this independent auditor's report is Tong Wai Hang.

核數師就審核綜合財務報表須承擔的責任 (續)

從與管治人員溝通的事項中，吾等釐定對本年度綜合財務報表的審核至關重要因而構成關鍵審核事項的事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中溝通有關事項。

出具本獨立核數師報告的審核項目董事為湯偉行。

Baker Tilly Hong Kong Limited
Certified Public Accountants

Hong Kong, 28 September 2020

Tong Wai Hang
Practising Certificate Number P06231

天職香港會計師事務所有限公司
執業會計師

香港，2020年9月28日

湯偉行
執業證書編號P06231

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 30 June 2020 截至2020年6月30日止年度

		NOTES 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue	收入			
– Provision of private educational services	– 提供私人教育服務		63,191	104,934
– Interest income from money lending	– 貸款利息收入		4,052	4,006
		7	67,243	108,940
Other income, gains and losses, net	其他收入、收益及虧損，淨額	8	(42,656)	405
Staff costs	員工成本	10	(41,097)	(51,286)
Tutor contractor fee	導師承包費		(12,608)	(22,337)
Lease payments	租賃付款		(25,550)	(42,004)
Marketing expenses	市場推廣開支		(2,504)	(5,266)
Printing costs	印刷費用		(733)	(367)
Depreciation and amortisation	折舊及攤銷		(13,159)	(10,202)
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的 金融資產的公平值變動		(10,752)	(19,826)
Other operating expenses	其他經營開支		(23,200)	(34,341)
Finance costs	財務費用	9	(1,518)	(40)
Share of results of a joint venture	應佔一間合營公司業績	20	(726)	(571)
Loss before tax	除稅前虧損	10	(107,260)	(76,895)
Income tax credit	所得稅抵免	12	53	65
Loss for the year	年度虧損		(107,207)	(76,830)

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

For the year ended 30 June 2020 截至2020年6月30日止年度

	NOTES 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other comprehensive (expense) income, net of income tax	其他全面(開支)收益, 扣除所得稅		
Items that will not be reclassified to profit or loss:	不會重新分類至損益的項目:		
Fair value changes on movements in equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益的股本工具變動的公平值變動	(2,993)	6,816
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目:		
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額	(8)	(85)
Other comprehensive (expense) income for the year, net of income tax	年度其他全面(開支)收益, 扣除所得稅	(3,001)	6,731
Total comprehensive expense for the year	年度全面開支總額	(110,208)	(70,099)
(Loss) profit for the year attributable to:	以下人士應佔年度(虧損)溢利:		
Owners of the Company	本公司擁有人	(107,194)	(77,438)
Non-controlling interests	非控股權益	(13)	608
		(107,207)	(76,830)
Total comprehensive (expense) income for the year attributable to:	以下人士應佔年度全面(開支)收益總額:		
Owners of the Company	本公司擁有人	(110,195)	(70,707)
Non-controlling interests	非控股權益	(13)	608
		(110,208)	(70,099)
Loss per share	每股虧損		
– Basic (HK\$)	– 基本(港元)	(0.20)	(0.14)
– Diluted (HK\$)	– 攤薄(港元)	(0.20)	(0.14)

13

The notes on pages 112 to 239 form part of these consolidated financial statements.

第112至239頁所載附註為此等綜合財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2020 於2020年6月30日

		NOTES 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元 (Note) (附註)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	4,786	16,829
Right-of-use assets	使用權資產	16	6,886	–
Goodwill	商譽	17	5,170	23,843
Other intangible assets	其他無形資產	18	99	297
Interest in an associate	於一間聯營公司的權益	19	–	–
Interest in a joint venture	於一間合營公司的權益	20	3,325	4,851
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的 金融資產	21	12,429	15,422
Non-current deposits	非流動按金	22	1,902	9,260
			34,597	70,502
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	23	12,779	25,908
Other loan receivables	其他應收貸款	24	12,000	43,000
Loan receivables	應收貸款	25	36,250	40,900
Current tax assets	即期稅項資產		72	72
Amount due from an associate	應收一間聯營公司款項	26	793	780
Financial assets at fair value through profit or loss	按公平值計入損益的 金融資產	27	48,548	65,984
Bank balances and cash	銀行結餘及現金	28	5,437	6,839
			115,879	183,483
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	29	15,470	15,606
Contract liabilities	合約負債	30	5,790	10,336
Lease liabilities	租賃負債	31	4,247	–
Current tax liabilities	即期稅項負債		25	74
Amounts due to related parties	應付關聯方款項	32	5,368	5,868
Other borrowings	其他借款	33	7,816	3,001
			38,716	34,885
Net current assets	流動資產淨值		77,163	148,598
Total assets less current liabilities	總資產減流動負債		111,760	219,100

Consolidated Statement of Financial Position 綜合財務狀況表

At 30 June 2020 於2020年6月30日

		NOTES 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元 (Note) (附註)
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	34	104	137
Lease liabilities	租賃負債	31	3,044	—
Provision for long service payments	長期服務金撥備	35	663	806
			3,811	943
Net assets	資產淨值		107,949	218,157
Capital and reserves	資本及儲備			
Share capital	股本	36	27,379	27,379
Reserves	儲備		80,485	190,680
Equity attributable to owners of the Company	本公司擁有人應佔權益		107,864	218,059
Non-controlling interests	非控股權益		85	98
Total equity	權益總額		107,949	218,157

The consolidated financial statements on pages 103 to 239 were approved and authorised for issue by the board of Directors on 28 September 2020 and are signed on its behalf by:

載於第103至239頁的綜合財務報表已於2020年9月28日獲董事會批准及授權刊發，並由下列人士代表簽署：

Tsang Ka Wai
曾家偉
Director
董事

Wong King Hoi
黃敬凱
Director
董事

Note: The Group has initially applied HKFRS 16 at 1 July 2019. Under the transition methods chosen, comparative information is not restated. (See Note 2)

附註：本集團已於2019年7月1日首次應用香港財務報告準則第16號。根據所選擇的過渡方法，比較資料不予重列。（見附註2）

The notes on pages 112 to 239 form part of these consolidated financial statements.

第112至239頁所載附註為此等綜合財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2020 截至2020年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔								Attributable to non-controlling interests 非控股權益應佔		Total
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元 (Note i) (附註i)	Merger reserve 合併儲備 HK\$'000 千港元 (Note ii) (附註ii)	Capital reserve 股本儲備 HK\$'000 千港元 (Note iii) (附註iii)	Fair value reserve (non-recycling) 公平價值儲備 (不可回撥) HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元		
At 1 July 2018	於2018年7月1日	27,379	403,188	386,954	(28,321)	446	(26,103)	(18)	(474,759)	288,766	(510)	288,256
(Loss) profit for the year	年度(虧損)溢利	-	-	-	-	-	-	-	(77,438)	(77,438)	608	(76,830)
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額	-	-	-	-	-	-	(85)	-	(85)	-	(85)
Fair value changes on movements in equity instruments at fair value through other comprehensive income	按公平價值計入其他全面收益的股本工具變動的公平價值變動	-	-	-	-	-	6,816	-	-	6,816	-	6,816
Total comprehensive income (expense) for the year	年度全面收益(開支)總額	-	-	-	-	-	6,816	(85)	(77,438)	(70,707)	608	(70,099)
Reclassification adjustment upon disposal of financial assets at fair value through other comprehensive income	出售按公平價值計入其他全面收益的金融資產時的重新分類調整	-	-	-	-	-	3,878	-	(3,878)	-	-	-
At 30 June 2019	於2019年6月30日	27,379	403,188	386,954	(28,321)	446	(15,409)	(103)	(556,075)	218,059	98	218,157

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 30 June 2020 截至2020年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Contributed surplus	Merger reserve	Capital reserve	Fair value reserve (non-recycling) 公平價值儲備 (不可回撥)	Translation reserve	Accumulated losses	Subtotal	Attributable to non-controlling interests 非控股權益應佔	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元 (Note i) (附註i)	合併儲備 HK\$'000 千港元 (Note ii) (附註ii)	股本儲備 HK\$'000 千港元 (Note iii) (附註iii)		匯兌儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	小計 HK\$'000 千港元	權益應佔 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 July 2019	於2019年7月1日	27,379	403,188	386,954	(28,321)	446	(15,409)	(103)	(556,075)	218,059	98	218,157
Loss for the year	年度虧損	-	-	-	-	-	-	-	(107,194)	(107,194)	(13)	(107,207)
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額	-	-	-	-	-	-	(8)	-	(8)	-	(8)
Fair value changes on movements in equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益的股本工具變動的公平值變動	-	-	-	-	-	(2,993)	-	-	(2,993)	-	(2,993)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	(2,993)	(8)	(107,194)	(110,195)	(13)	(110,208)
At 30 June 2020	於2020年6月30日	27,379	403,188	386,954	(28,321)	446	(18,402)	(111)	(663,269)	107,864	85	107,949

Notes:

- (i) The contributed surplus of the Group represented the credit arising from the cancellation of share premium account and the reduction of share capital of the Company in May 2015. The balance may be utilised by the directors of the Company ("Directors") in accordance with the Company's bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.
- (ii) The merger reserve represented the difference between the nominal value of the shares of Sino Network Group Limited ("Sino Network") and the Company issued in exchange for the entire issued share capital of Express Education Limited in 2010 and Sino Network pursuant to group reorganisation in 2011.
- (iii) The capital reserve represented capital contribution arising from transfers of interest in subsidiaries to shareholders and waiver of amount due to a shareholder in prior periods.

附註:

- (i) 本集團之實繳盈餘指本公司於2015年5月因註銷股份溢價賬及削減股本所產生之進賬。本公司董事(「董事」)可根據本公司之公司細則及所有適用之法律使用該結餘，包括用以抵銷本公司之累計虧損。
- (ii) 合併儲備指Sino Network Group Limited(「Sino Network」)與本公司根據集團重組於2010年就換取Express Education Limited及於2011年就換取Sino Network的全部已發行股本而發行的股份面值之間的差額。
- (iii) 股本儲備指於過往期間向股東轉讓於附屬公司的權益及豁免應付一名股東的款項所產生的注資。

The notes on pages 112 to 239 form part of these consolidated financial statements.

第112至239頁所載附註為綜合財務報表的一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2020 截至2020年6月30日止年度

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元 (Note) (附註)
	NOTES 附註			
Cash flows from operating activities	經營活動所得的現金流量			
Loss before tax	除稅前虧損		(107,260)	(76,895)
Adjustments for:	就以下項目作出調整：			
Share of results of a joint venture	應佔一間合營公司業績		726	571
Bank and other interest income	銀行及其他利息收入	8	(1,117)	(3,866)
Finance costs	財務費用	9	1,518	40
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的 金融資產的公平值變動		10,752	19,826
Loss on write off of property, plant and equipment	撇銷物業、廠房及設備的 虧損	8	4,601	903
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	7,654	10,004
Depreciation of right-of-use assets	使用權資產折舊	16	5,307	—
Amortisation of other intangible assets	其他無形資產攤銷	18	198	198
Impairment loss on goodwill	商譽之減值虧損	8	18,673	1,665
Impairment loss on other receivables, net	其他應收款項之 減值虧損，淨額	8	1,260	3,135
Impairment loss on other loan receivables	其他應收貸款之減值虧損	8	18,249	—
Impairment loss on a loan receivable	應收貸款之減值虧損	8	6,574	—
Write off of trade receivables	撇銷貿易應收款項	8	2	—
Write off of other receivables	撇銷其他應收款項	10	—	1
Write off of other payables	撇銷其他應付款項	8	(3,251)	—
Reversal of provision for long service payments	長期服務金撥備撥回	35	(109)	(456)
Dividend received from listed equity securities	已收上市股本證券的股息		21	20

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 30 June 2020 截至2020年6月30日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元 (Note) (附註)
	NOTES 附註		
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	(36,202)	(44,854)
Decrease in deposits, trade and other receivables	按金、貿易及其他應收款項減少	20,189	6,373
Increase in loan receivables	應收貸款增加	(1,924)	(9,140)
Increase in listed equity securities	上市股本證券增加	(1,237)	(12,774)
(Decrease) increase in contract liabilities	合約負債(減少)增加	(4,546)	10,336
Increase in other payables and accruals	其他應付款項及應計費用增加	2,413	5,968
Decrease in deferred income	遞延收入減少	—	(10,851)
Decrease in long service payments	長期服務金減少	(34)	(5)
Cash used in operations	營運所用現金	(21,341)	(54,947)
Hong Kong Profits Tax (paid) refunded	(已付)已退香港利得稅	(29)	22
Net cash used in operating activities	經營活動所用的現金淨額	(21,370)	(54,925)
Cash flows from investing activities	投資活動所得的現金流量		
Interest received	已收利息	150	647
Dividends received from a joint venture	已收一間合營公司的股息	800	1,000
Advance to an associate	向一間聯營公司墊款	(13)	(168)
Repayment from other loan receivables	其他應收貸款的還款	20,651	5,000
Purchase of property, plant and equipment	購買物業、廠房及設備	(177)	(2,272)
Proceeds from disposal of financial assets at fair value through other comprehensive income	出售按公平值計入其他全面收益的金融資產所得款項	—	10,382
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項	—	490
Proceeds from partial redemption of financial assets at fair value through profit or loss	贖回部分按公平值計入損益的金融資產所得款項	—	1,100
Net cash generated from investing activities	投資活動所得的現金淨額	21,411	16,179

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 30 June 2020 截至2020年6月30日止年度

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元 (Note) (附註)
		NOTES 附註		
Cash flows from financing activities	融資活動所得的現金流量			
Repayment to related parties	償還關聯方款項	39	(500)	—
Other borrowings raised	新增其他借款	39	14,500	5,000
Repayment of other borrowings	償還其他借款	39	(9,700)	(2,000)
Capital element of lease rentals paid	已付租賃租金之資本部分	39	(4,378)	—
Interest element of lease rentals paid	已付租賃租金之利息部分	39	(746)	—
Interest paid	已付利息	39	(611)	(39)
Net cash (used in) generated from financing activities	融資活動(所用)所得之現金淨額		(1,435)	2,961
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(1,394)	(35,785)
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物		6,839	42,709
Effects of exchange rate changes	匯率變動的影響		(8)	(85)
Cash and cash equivalents at end of the year	年終的現金及現金等價物		5,437	6,839

Note: The Group has initially applied HKFRS 16 at 1 July 2019. Under the transition methods chosen, comparative information is not restated. (See Note 2)

附註：本集團已於2019年7月1日首次應用香港財務報告準則第16號。根據所選擇的過渡方法，比較資料不予重列。(見附註2)

The notes on pages 112 to 239 form part of these consolidated financial statements.

第112至239頁所載附註為綜合財務報表的一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020 截至2020年6月30日止年度

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 26 January 2011 and continued in Bermuda on 7 May 2015 (Bermuda time). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. With effect from 2 March 2020, the principal place of business of the Company in Hong Kong has been changed to Room 1003A, 10th Floor, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") since 4 July 2011.

The Company acts as an investment holding company while its principal subsidiaries are principally engaged in the provision of private educational services, investment in securities and money lending business.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

1. 一般資料

本公司於2011年1月26日於開曼群島註冊成立及於2015年5月7日（百慕達時間）於百慕達存續為一家獲豁免之有限公司。本公司的註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。自2020年3月2日起，本公司於香港的主要營業地點已變更為香港九龍九龍灣宏照道33號國際交易中心10樓1003A室。其股份自2011年7月4日已於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司為一間投資控股公司，而其主要附屬公司主要從事提供私人教育服務、投資證券及借貸業務。

綜合財務報表以本公司的功能貨幣港元（「港元」）呈列。

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

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

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

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效的新訂及經修訂香港財務報告準則

本集團已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號的修訂	具有負補償的提前付款特性
香港會計準則第19號的修訂	計劃修訂、縮減或結算
香港會計準則第28號的修訂	於聯營公司及合營公司的長期權益
香港財務報告準則的修訂	2015年至2017年週期香港財務報告準則之年度改進

除下文所述者外，於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度的財務表現及狀況及／或綜合財務報表所載的披露並無造成重大影響。

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（常務詮釋委員會）詮釋第15號「經營租賃—優惠」及香港（常務詮釋委員會）詮釋第27號「評估涉及租賃法律形式的交易實質」。其就承租人引入單一會計模式，規定承租人就所有租賃確認使用權資產及租賃負債，惟租賃期為十二個月或以下的租賃（「短期租賃」）及低價值資產的租賃除外。出租人的會計規定則大致保留香港會計準則第17號的規定。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

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

HKFRS 16 "Leases" (Continued)

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

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

(i) 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 July 2019. For contracts entered into before 1 July 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.

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

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

本集團已自2019年7月1日起首次應用香港財務報告準則第16號。本集團已選用經修訂的追溯法，並因而就首次應用的累積影響確認為對2019年7月1日權益期初結餘的調整。比較資料未被重列且繼續根據香港會計準則第17號呈報。

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：

(i) 租賃的新定義

租賃定義的改變主要與控制權的概念有關。香港財務報告準則第16號根據客戶是否在一段時間內控制已識別資產的使用（其可由指定使用量釐定）而對租賃作出定義。當客戶有權指示已識別資產的使用以及從該使用中獲得絕大部分經濟利益時，即表示控制權已轉讓。

本集團僅對於2019年7月1日或之後訂立或變更的合約應用香港財務報告準則第16號中租賃的新定義。對於2019年7月1日前訂立的合約，本集團已採用過渡性可行權宜方法，以令對現有安排為租賃或包含租賃的過往評估不受新規定限制。因此，過往根據香港會計準則第17號評估為租賃的合約繼續按香港財務報告準則第16號入賬列為租賃，而先前評估為非租賃服務安排的合約繼續入賬列為待履行合約。

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

HKFRS 16 “Leases” (Continued)

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

(ii) Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to properties as disclosed in Note 38. For an explanation of how the Group applies lessee accounting, see Note 3.

At the date of transition to HKFRS 16 (i.e. 1 July 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 July 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 12%.

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：（續）

(ii) 承租人會計處理及過渡影響

香港財務報告準則第16號剔除以往香港會計準則第17號規定承租人將租賃分類為經營租賃或融資租賃的要求。反之，當本集團作為承租人，其須將所有租賃資本化，包括以往根據香港會計準則第17號分類為經營租賃的租賃（短期租賃及低價值資產租賃獲豁免除外）。就本集團而言，此等新資本化租賃主要涉及物業（於附註38披露）。有關本集團如何應用承租人會計處理的說明，請參見附註3。

於過渡至香港財務報告準則第16號當日（即2019年7月1日），本集團釐定剩餘租賃期限，並按剩餘租賃付款現值（使用於2019年7月1日的相關遞增借款利率貼現）計量過往分類為經營租賃的租賃之租賃負債。用作釐定剩餘租賃付款現值的加權平均遞增借款利率為12%。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

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

HKFRS 16 “Leases” (Continued)

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

(ii) Lessee accounting and transitional impact (Continued)

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:

- (A) 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 30 June 2020; and
- (B) 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).

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：（續）

(ii) 承租人會計處理及過渡影響（續）

為緩解香港財務報告準則第16號的過渡安排，本集團於首次應用香港財務報告準則第16號當日採用下列確認豁免及可行權宜方法：

- (A) 對於在首次應用香港財務報告準則第16號當日起計剩餘租賃期在十二個月內終止，即租賃期於2020年6月30日或之前結束的租賃，本集團選擇不應應用香港財務報告準則第16號對確認租賃負債及使用權資產的要求；及
- (B) 於計量首次應用香港財務報告準則第16號當日之租賃負債時，本集團對具有合理類似特徵的租賃組合採用單一貼現率（例如在類似經濟環境下，對於類似類別的相關資產，其剩餘租賃期相似的租賃）。

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

HKFRS 16 “Leases” (Continued)

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

(ii) Lessee accounting and transitional impact (Continued)

The following table reconciles the operating lease commitments as at 30 June 2019 to the opening balance for lease liabilities recognised as at 1 July 2019:

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：（續）

(ii) 承租人會計處理及過渡影響（續）

下表為於2019年6月30日的經營租賃承擔與於2019年7月1日確認的租賃負債期初結餘的對賬：

		1 July 2019 2019年7月1日 HK\$'000 千港元
Operating lease commitments at 30 June 2019	於2019年6月30日的經營租賃承擔	64,130
Less: commitments relating to leases exempt from capitalisation:	減：無需資本化的租賃承擔：	
– short-term leases and other leases with remaining lease term ending on or before 30 June 2020	– 剩餘租賃期於2020年6月30日或之前結束的短期租賃及其他租賃	(9,497)
– leases early terminated on or before 30 June 2020	– 於2020年6月30日或之前提前終止的租賃	(48,355)
Less: rent concession received during the year	減：於本年度內收取的租金寬減	(52)
		6,226
Less: total future interest expenses	減：未來利息開支總額	(556)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 July 2019	剩餘租賃付款現值（按於2019年7月1日的遞增借款利率貼現）	5,670
Analysed as:	分析為：	
– Current portion	– 即期部分	3,570
– Non-current portion	– 非即期部分	2,100
		5,670

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

For the year ended 30 June 2020 截至2020年6月30日止年度

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

HKFRS 16 "Leases" (Continued)

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

(ii) Lessee accounting and transitional impact (Continued)

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position at 30 June 2019.

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

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：（續）

(ii) 承租人會計處理及過渡影響（續）

與過往分類為經營租賃的租賃相關的使用權資產已按相等於就剩餘租賃負債確認的金額獲確認，並按2019年6月30日綜合財務狀況表內確認的與該租賃相關的任何預付或應計租賃付款金額進行調整。

下表概述採用香港財務報告準則第16號對本集團的綜合財務狀況表的影響：

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號影響的綜合財務狀況表的項目：	Carrying amount at 30 June 2019 於2019年6月30日的賬面值 HK\$'000 千港元	Capitalisation of operating lease contracts 經營租賃合約資本化 HK\$'000 千港元	Carrying amount at 1 July 2019 於2019年7月1日的賬面值 HK\$'000 千港元
Right-of-use assets	使用權資產	—	5,670	5,670
Total non-current assets	總非流動資產	70,502	5,670	76,172
Lease liabilities (current)	租賃負債（即期部分）	—	3,570	3,570
Total current liabilities	總流動負債	34,885	3,570	38,455
Net current assets	流動資產淨值	148,598	(3,570)	145,028
Total assets less current liabilities	總資產減流動負債	219,100	2,100	221,200
Lease liabilities (non-current)	租賃負債（非即期部分）	—	2,100	2,100
Total non-current liabilities	總非流動負債	943	2,100	3,043
Net assets	資產淨值	218,157	—	218,157

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

HKFRS 16 “Leases” (Continued)

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

(iii) 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 July 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liabilities, and the depreciation of the 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. This results in an insignificant impact on the reported loss for the year ended 30 June 2020 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 consolidated statement of cash flows, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element. 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 change in presentation of cash flows within the consolidated statement of cash flows.

Except as mentioned above, the adoption of HKFRS 16 does not have significant impact on certain line items on the consolidated statement of profit or loss and consolidated statement of cash flows if HKAS 17 had been applied during the year.

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

有關過往會計政策變動的性質和影響及所應用的過渡性選擇的進一步詳情載列如下：（續）

(iii) 對本集團的財務業績及現金流量的影響

於2019年7月1日首次確認使用權資產及租賃負債後，本集團（作為承租人）須確認租賃負債未償還結餘的應計利息開支以及使用權資產的折舊，而非按過往政策於租賃期內按直線基準確認經營租賃產生的租金開支。與倘若年內應用香港會計準則第17號的業績相比，此舉對截至2020年6月30日止年度本集團綜合損益表內呈報的虧損產生的影響並不重大。

於綜合現金流量表內，本集團（作為承租人）須將根據已資本化租賃支付的租金分拆為資本部分及利息部分。與過往根據香港會計準則第17號分類為融資租賃的租賃的處理方法類似，該等部分分類為融資現金流出，而非分類為經營現金流出（此乃屬於香港會計準則第17號項下的經營租賃時方適用）。儘管總現金流量未受影響，但採用香港財務報告準則第16號導致綜合現金流量表內的現金流量呈列出現改變。

除上述者外，倘於本年內應用香港會計準則第17號，則採用香港財務報告準則第16號不會對綜合損益表及綜合現金流量表的若干項目造成重大影響。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts ³
Amendment to HKFRS 16	COVID-19-Related Rent Concession ²
Amendments to HKFRS 3	Definition of a Business ⁵
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Hedge accounting ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Conceptual framework for Financial reporting 2018	Revised conceptual Framework for Financial Reporting ¹

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

² Effective for annual periods beginning on or after 1 June 2020.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for annual periods beginning on or after a date to be determined.

⁵ Effective for business combination for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

The Group is in the process of making an assessment of what the impact of these new standards, interpretations and amendments is expected to be in the period of initial applications. So far, it has concluded that the adoption of them will not have a significant impact on the Group's consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 ³
香港財務報告準則第16號的修訂	COVID-19—相關租金寬減 ²
香港財務報告準則第3號的修訂	業務的定義 ⁵
香港會計準則第1號及香港會計準則第8號的修訂	重大的定義 ¹
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號的修訂	對沖會計 ¹
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁴
財務報告概念框架2018	經修訂財務報告概念框架 ¹

¹ 於2020年1月1日或之後開始的年度期間生效。

² 於2020年6月1日或之後開始的年度期間生效。

³ 於2021年1月1日或之後開始的年度期間生效。

⁴ 於尚待確定日期或之後開始的年度期間生效。

⁵ 對收購日期為2020年1月1日或之後開始的首個年度期間開始或之後的業務合併生效。

本集團正評估此等新準則、詮釋及修訂於首次應用期間預計將產生之影響。至今所得結論為，採用此等新準則、詮釋及修訂將不會對本集團之綜合財務報表產生重大影響。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the disclosure requirements of Hong Kong Companies Ordinance.

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

3. 重大會計政策

綜合財務報表根據由香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例的披露規定所規定之適用披露事項。

綜合財務報表乃按歷史成本法編製，惟誠如下文會計政策所闡釋，於各報告期末若干金融工具乃按公平值計量。

歷史成本一般按為換取貨品及服務所提供代價的公平值計算。

公平值乃於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否可直接觀察或使用其他估值方法來估計。於估計某項資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮的資產或負債特點。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號「以股份為基礎的付款」範圍內的以股份為基礎的付款交易、香港會計準則第17號範圍內的租賃交易，以及與公平值相似但並非公平值的项目計量（例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）除外。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

3. 重大會計政策 (續)

非金融資產的公平值計量乃經計及一名市場參與者利用資產最高及最佳用途或出售予另一名將利用資產最高及最佳用途的市場參與者而產生經濟利益的能力。

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可存取之同類資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據為資產或負債直接或間接地可觀察之輸入數據（第一級包括之報價除外）；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司及受本公司及其附屬公司控制的實體的財務報表。本公司於以下情況即擁有控制權：

- 對被投資方擁有權力；
- 對所參與被投資方的可變動回報承擔風險或擁有權利；及
- 有能力利用其權力以影響其回報。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

3. 重大會計政策 (續)

綜合賬目基準 (續)

倘事實及狀況顯示上文列示三項控制元素的一項或多項有變，本集團會重新評估其是否控制被投資方。

倘本集團於被投資方的投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指示被投資方的相關活動時即對被投資方擁有權力。本集團於評估本集團於被投資方的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有的潛在投票權；
- 其他合約安排產生的權利；及
- 需要作出決定時，本集團目前能夠或不能指示相關活動的任何額外事實及情況（包括於過往股東大會上之投票模式）。

附屬公司綜合入賬於本集團取得有關附屬公司的控制權時開始，並於本集團失去有關附屬公司的控制權時終止。具體而言，於本年度所收購或出售的附屬公司的收入及開支自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司當日為止。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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

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

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

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 重大會計政策 (續)

綜合賬目基準 (續)

損益及其他全面收益的每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧損結餘。

如有需要，會對附屬公司的財務報表作出調整，以使其會計政策與本集團之會計政策一致。

所有集團內公司間的資產及負債、權益、收入、開支及現金流量（與本集團成員公司間之交易有關）均於綜合賬目時全數對銷。

本集團於現有附屬公司的擁有權權益的變動

本集團於現有附屬公司的擁有權權益的變動（並無導致本集團失去該等附屬公司的控制權）以權益交易入賬。本集團的相關權益部分（包括儲備與非控股權益）的賬面值均會予以調整，以反映其於附屬公司的相關權益的變動。非控股權益於重新歸於相關權益部分後所調整的金額與所付或所收代價的公平值間的差額，直接於權益確認並歸屬於本公司擁有人。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

Business combinations

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

3. 重大會計政策 (續)

本集團於現有附屬公司的擁有權權益的變動 (續)

倘本集團失去附屬公司的控制權，則收益或虧損會於損益中確認，並按(i)所收代價的公平值及任何保留權益的公平值的總額及(ii)本公司擁有人應佔該附屬公司的資產（包括商譽）及負債賬面值間的差額計算。先前於其他全面收益就該附屬公司確認的所有金額，會按猶如本集團直接出售該附屬公司的相關資產或負債入賬（即按適用香港財務報告準則所訂明／允許而重新分類至損益或轉撥至另一權益類別）。於失去控制權當日在前附屬公司保留的任何投資的公平值，會被視為根據香港財務報告準則第9號首次確認其後入賬的公平值，或（如適用）首次確認於一間聯營公司或一間合營公司的投資成本。

業務合併

收購業務乃採用收購法入賬。於業務合併中轉讓的代價以公平值計量，其乃按本集團所轉讓資產的收購日期公平值、本集團欠付被收購方前擁有人的負債及本集團發行以換取被收購方的控制權的股權的總額計算。收購相關成本一般於產生時在損益中確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy for share-based payments arrangements below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.

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

3. 重大會計政策 (續)

業務合併 (續)

於收購日期，所收購的可識別資產及所承擔的負債均以其公平值確認，惟：

- 遞延稅項資產或負債及有關僱員福利安排的資產或負債已分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 涉及被收購方以股份為基礎的付款安排或為取代被收購方以股份為基礎的付款安排而訂立的本集團以股份為基礎的付款安排的負債或股本工具於收購日期按香港財務報告準則第2號計量（見下文有關以股份為基礎的付款安排之會計政策）；及
- 按香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作銷售之資產（或出售類別）按該準則予以計量。

商譽之計量為所轉讓代價、於被收購方的任何非控股權益金額及收購方先前持有被收購方的股權（如有）的公平值的總和超出於收購日期所收購的可識別資產及承擔的負債的淨額的部分。倘（重新評估後）所收購的可識別資產及所承擔的負債的淨額超出所轉讓代價、於被收購方的任何非控股權益金額及收購方先前持有被收購方權益（如有）的公平值的總和，超出部分即時於損益中確認為議價購買收益。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

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

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

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

3. 重大會計政策 (續)

業務合併 (續)

屬現時擁有權權益且於清盤時賦予其持有人按比例應佔相關附屬公司淨資產的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公平值計量。

倘本集團於業務合併中轉讓的代價包括或然代價安排產生的資產或負債，或然代價按其收購日期公平值計量並視為於業務合併中所轉讓代價之一部分。或然代價的公平值變動（合資格作為按計量期調整）可追溯調整，並就商譽作出相應調整。計量期調整為於「計量期間」（不能超過自收購日期起計一年）就於收購日期存在的事實及情況獲得的其他資料產生的調整。

或然代價（不符合為計量期調整）之隨後入賬乃取決於或然代價如何劃分。劃分為權益的或然代價並非於隨後報告日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債的或然代價按隨後報告日期的公平值重新計量，而相應的收益或虧損於損益中確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy for business combination above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

3. 重大會計政策 (續)

業務合併 (續)

倘業務合併分階段完成，則本集團過往所持有被收購方的股本權益會於收購當日（即本集團獲得控制權當日）重新計量至公平值，所產生的收益或虧損（如有）於損益確認。過往於其他全面收益確認被收購方於收購當日前的權益所產生之金額會重新分類至損益，該權益被出售時，此類處理方法將會適用。

倘業務合併的初步會計處理於合併發生的報告期末尚未完成，則本集團呈報未完成會計處理的項目的臨時數額。該等臨時數額會於計量期間（見上文）內調整，並確認額外資產或負債，以反映所取得於收購當日存在而據所知可能已影響該日確認款額的相關事實與情況的新資料。

商譽

收購一項業務產生的商譽乃按於業務收購日期所確立的成本（見上文有關業務合併之會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽乃分配至預期從合併的協同效應中獲利的本集團各現金產生單位（「現金產生單位」）（或現金產生單位組別），即就內部管理而言監察商譽的最低層面及不大於經營分部。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

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

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

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

Investments in an associate and a joint venture

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 重大會計政策 (續)

商譽 (續)

已獲分配商譽之現金產生單位 (或現金產生單位組別) 每年或於單位有可能出現減值之跡象時更頻繁地進行減值測試。就於某個報告期因收購所產生之商譽而言，已獲分配商譽之現金產生單位 (或現金產生單位組別) 於該報告期末之前進行減值測試。當可收回金額少於該單位之賬面值，則減值虧損首先被分配以削減任何商譽之賬面值，其後以單位 (或現金產生單位之組別) 各資產之賬面值為基準按比例分配到其他資產。

若出售有關現金產生單位，商譽的應佔金額乃計入釐定出售收益或虧損之金額內。

本集團有關收購一間聯營公司及一間合營公司產生的商譽的政策載述如下。

於一間聯營公司及一間合營公司的投資

聯營公司是指本集團對其有重大影響力的實體。重大影響是指參與被投資方的財務和經營決策的權力，而不是控制或共同控制這些政策。

合營公司指一項聯合安排，對安排擁有共同控制權的訂約方據此對聯合安排的資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意的決定時存在。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture (Continued)

The results and assets and liabilities of an associate and a joint venture are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

3. 重大會計政策 (續)

於一間聯營公司及一間合營公司的投資 (續)

聯營公司及合營公司的業績及資產與負債以權益會計法計入此等綜合財務報表，除非有關投資（或當中部分）分類為持作銷售，於此情況下，則按香港財務報告準則第5號入賬。聯營公司或合營公司並未分類為持作銷售的投資的任何保留部分應使用權益法入賬。根據權益法，於聯營公司或合營公司的投資初步按成本於綜合財務狀況表確認，並於其後作出調整以確認本集團應佔該聯營公司或合營公司的損益及其他全面收益。當本集團應佔聯營公司或合營公司的虧損超出本集團於該聯營公司或合營公司的權益時（包括實質上構成本集團於該聯營公司或合營公司投資淨額一部分的任何長期權益），本集團終止確認其所佔的進一步虧損。僅於本集團產生法律或推定責任，或代表該聯營公司或合營公司支付款項的情況下，方會進一步確認虧損。

於一間聯營公司或一間合營公司的投資自被投資方成為一間聯營公司或一間合營公司當日起採用權益法入賬。於收購一間聯營公司或一間合營公司的投資時，投資成本超過本集團佔該被投資方可識別資產及負債公平淨值之任何部分乃確認為商譽，並計入投資的賬面值。倘本集團佔可識別資產及負債於重新評估後的公平淨值高於投資成本，則會於收購投資的期間即時在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture (Continued)

The requirements of HKFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture (see the accounting policy for impairment of other non-current assets below).

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

3. 重大會計政策 (續)

於一間聯營公司及一間合營公司的投資 (續)

香港財務報告準則第9號的規定獲應用以釐定是否需要就本集團於一間聯營公司或一間合營公司的投資確認任何減值虧損(見下文有關其他非流動資產減值之會計政策)。

當本集團對聯營公司不再有重大影響或對合營公司不再有共同控制權，則入賬列為出售該被投資方之全數權益，產生之收益或虧損於損益中確認。當本集團保留於前聯營公司或合營公司之權益及該保留權益為香港財務報告準則第9號範圍內一項金融資產，則本集團按於該日之公平值計量該保留權益，而公平值乃視為其初步確認時之公平值。聯營公司或合營公司之賬面值與任何保留權益之公平值及出售該聯營公司或合營公司相關權益之任何所得款項之間之差額，乃計入釐定出售聯營公司或合營公司之收益或虧損。此外，本集團按聯營公司或合營公司直接出售相關資產或負債所須依據之相同基準，就該聯營公司或合營公司先前確認於其他全面收益之所有金額入賬。因此，倘該聯營公司或合營公司先前於其他全面收益確認之收益或虧損會在相關資產或負債出售時重新分類至損益中，則本集團會在不再使用權益法時將此收益或虧損由權益重新分類至損益(如重新分類調整)。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in an associate and a joint venture (Continued)

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

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

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

Investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, an associate and a joint venture, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date of 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, please see Note 6. These investments are subsequently accounted for as follows, depending on their classification.

3. 重大會計政策 (續)

於一間聯營公司及一間合營公司的投資 (續)

倘於一間聯營公司的投資變成於一間合營公司的投資或於一間合營公司的投資變成於一間聯營公司的投資，本集團會繼續採用權益法。該擁有權益之改變毋須對公平值重新計量。

當本集團減少於一間聯營公司或一間合營公司之擁有權益，但本集團繼續採用權益法時，本集團則會將先前就該項擁有權益削減確認於其他全面收益之收益或虧損部分重新分類至損益中，前提為該收益或虧損於有關資產或負債出售時亦會重新分類至損益中。

倘一集團實體與本集團之一間聯營公司或一間合營公司進行交易時，所產生之溢利及虧損僅於有關聯營公司或合營公司之權益與本集團無關之情況下，方會確認於本集團之綜合財務報表中。

債務及股本證券投資

本集團對除於附屬公司、一間聯營公司及一間合營公司的投資之外的債務及股本證券投資的政策載列如下。

債務及股本證券的投資會於本集團承諾購買／出售該投資時確認／終止確認。投資初次按公平值加直接應佔交易成本列值，惟該等按公平值計入損益（「按公平值計入損益」）之投資除外，有關投資之交易成本直接於損益確認。有關本集團如何釐定金融工具公平值的說明，請參見附註6。該等投資其後視乎其分類按下列方式列賬。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in debt and equity securities (Continued)

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 the accounting policy for revenue and other income recognition below).
- 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 (“ECLs”), 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.
- 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.

3. 重大會計政策 (續)

債務及股本證券投資 (續)

除股本投資以外的投資

本集團持有之非股本投資分類為以下其中一個計量類別：

- 攤銷成本：倘投資乃持作收取合約現金流量，即純粹為支付本金及利息。投資所得利息收入乃使用實際利率法（見下文有關收入及其他收益確認之會計政策）計算。
- 按公平值計入其他全面收益（「按公平值計入其他全面收益」）—可回撥：倘投資之合約現金流量僅包括本金及利息付款，且投資乃按其目的為同時收取合約現金流量及出售之業務模式持有。公平值變動於其他全面收益內確認，惟預期信貸虧損（「預期信貸虧損」）、利息收入（使用實際利率法計算）及匯兌收益及虧損於損益內確認則除外。當投資被終止確認，於其他全面收益累計之金額自權益回撥至損益。
- 按公平值計入損益：倘投資不符合按攤銷成本或按公平值計入其他全面收益（可回撥）計量之標準，投資的公平值變動（包括利息）於損益內確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in debt and equity securities (Continued)

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purpose 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/accumulated losses. 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 accounting policy for revenue and other income recognition set out below.

Revenue and other income recognition

Income is classified by the Group as revenue when it arises from the provision of services and sale of goods in the ordinary course of the Group's business.

Revenue is recognised when control over a product is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

3. 重大會計政策 (續)

債務及股本證券投資 (續)

股本投資

於股本證券之投資應分類為按公平值計入損益，除非股本投資並非持作買賣用途，且於首次確認投資時，本集團選擇指定投資按公平值計入其他全面收益（不可回撥），以致公平值之後的變動於其他全面收益內確認。有關選擇以個別工具為基準作出，惟僅當發行人認為投資符合權益定義時方可作出。作出有關選擇後，於其他全面收益累計之金額將保留於公平值儲備（不可回撥），直至投資被出售為止。出售時，於公平值儲備（不可回撥）累計之金額轉撥至保留溢利／累計虧損，而非透過損益回撥。根據下文所載之收入及其他收益確認之會計政策，股本證券投資之股息（不論分類為按公平值計入損益或按公平值計入其他全面收益）會於損益內確認為其他收入。

收入及其他收益確認

本集團將其日常業務過程中提供服務及銷售貨品所產生之收益分類為收入。

收入於產品的控制權按本集團預期有權獲取的承諾代價數額（不包括該等代表第三方收取的金額）轉移至客戶時確認。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue and other income recognition (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:

Franchising income includes initial fees and continuing franchise fees. Initial fees are recognised when the Group has performed substantially all initial services and other obligations required of the franchisor (the Group) under the franchise agreements. Continuing franchise fees represent fees charged for the use of continuing rights granted by a franchise agreement, or for other services provided during the period of a franchise agreement, are recognised as revenue as the services are provided or the rights are used.

Income from provision of tutoring and education services is recognised when the tutorial and educational services are rendered.

Revenue from sale of goods is recognised when the customer takes possession of and accepts the products.

Supporting services income is recognised when the services are rendered.

Dividend income from investments is recognised when the shareholder's right to receive payment have been established.

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 the accounting policy for credit losses from financial instruments below).

3. 重大會計政策 (續)

收入及其他收益確認 (續)

本集團的收入及其他收益確認政策之進一步詳情如下：

特許經營收入包括首次費及持續特許經營費。首次費於本集團已履行特許經營協議所規定特許人（本集團）的絕大部分首次服務及其他義務時確認。持續特許經營費指因使用特許經營協議授予的持續權利或於特許經營協議期間提供的其他服務而收取之費用，於提供服務或使用權利時確認為收入。

來自補習及教育服務的收益乃於提供補習及教育服務時確認。

銷售貨品的收入於客戶擁有及接納產品時確認。

支援服務收入乃於提供服務時確認。

當股東收取款項的權利確立時，投資的股息收入予以確認。

利息收入採用實際利率法於其產生時確認。就按攤銷成本或按公平值計入其他全面收益（可回撥）計量且並無出現信貸減值的金融資產而言，實際利率適用於資產的賬面總值。就已出現信貸減值的金融資產而言，實際利率適用於資產的攤銷成本（即扣除虧損撥備的賬面總值）（見下文有關金融工具的信貨虧損之會計政策）。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and other income recognition (Continued)

Further details of the Group's revenue and other income recognition policies are as follows: (Continued)

Government grants are recognised in the consolidated 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.

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.

As a lessee

Policy applicable from 1 July 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. 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.

3. 重大會計政策 (續)

收入及其他收益確認 (續)

本集團的收入及其他收益確認政策之進一步詳情如下：(續)

倘可合理保證將收取政府補助金且本集團將符合其附帶條件，則政府補助金會初步於綜合財務狀況表確認。補償本集團已產生開支的補助金於開支產生的相同期間有系統地於損益確認為收益。

租賃資產

本集團會於合約初始生效時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制已識別資產用途的權利，則該合約屬租賃或包含租賃。當客戶有權指示已識別資產之用途以及自該用途獲得絕大部分經濟利益時，即表示擁有控制權。

作為承租人

自2019年7月1日起適用的政策：

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入賬列作所有租賃的單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租賃期為12個月或以下的短期租賃及低價值資產租賃除外。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。與該等並未資本化租賃相關的租賃付款於租賃期內按系統化基準確認為開支。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leased assets (Continued)

As a lessee (Continued)

Policy applicable from 1 July 2019: (Continued)

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.

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 the accounting policy for impairment of other non-current assets below). Depreciation is calculated to write off the cost of right-of-use assets using the straight-line method over the lease term.

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.

3. 重大會計政策 (續)

租賃資產 (續)

作為承租人 (續)

自2019年7月1日起適用的政策：(續)

當將租賃資本化時，租賃負債初次按租賃期內應付租賃付款的現值確認，並使用租賃中隱含的利率或（倘該利率不可輕易釐定）使用相關增量借款利率貼現。於初次確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。不取決於某一指數或比率的可變租賃付款不包括在租賃負債的計量內，因此於其產生的會計期間於損益中扣除。

於租賃資本化時確認的使用權資產初次按成本計量，其包括租賃負債的初始金額加上在開始日期或之前作出的任何租賃付款，以及產生的任何初次直接成本。於適用情況下，使用權資產的成本亦包括拆除及移除相關資產或還原相關資產或該資產所在地而產生的估計成本，該成本須貼現至其現值並扣除任何已收取的租賃優惠。使用權資產隨後按成本減累計折舊及減值虧損列賬（見下文有關其他非流動資產減值之會計政策）。折舊乃按直線法於租賃期內攤銷使用權資產的成本計算。

當未來租賃付款因某一指數或比率變動而變更，或當本集團根據剩餘價值擔保估計預期應付的金額有變，或因重新評估本集團是否合理確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將會作出相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leased assets (Continued)

As a lessee (Continued)

Policy applicable from 1 July 2019: (Continued)

The Group presents right-of-use assets and lease liabilities as separate line items in the consolidated statement of financial position.

Policy applicable prior to 1 July 2019:

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currencies

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

3. 重大會計政策 (續)

租賃資產 (續)

作為承租人 (續)

自2019年7月1日起適用的政策：(續)

本集團在綜合財務狀況表將使用權資產和租賃負債呈列為獨立項目。

於2019年7月1日前適用的政策：

經營租賃付款（包括經營租賃項下持有的收購土地的成本）乃按租賃期以直線基準確認為開支，除非另有系統基準更能代表租賃資產經濟效益損耗之時間模式則作別論。經營租賃下產生之或然租金於產生期間確認為開支。

倘訂立經營租賃時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少，除非另有系統基準更能代表租賃資產經濟效益損耗之時間模式則作別論。

外幣

編製各獨立集團實體的財務報表時，以該實體的功能貨幣以外的貨幣（外幣）進行的交易，按交易當日的現行匯率確認。於報告期末，以外幣列值的貨幣項目以當日的現行匯率重新換算。以公平值列賬並以外幣列值的非貨幣項目按釐定公平值日期的現行匯率重新換算。按歷史成本以外幣入賬的非貨幣項目，不予重新換算。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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

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

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

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

3. 重大會計政策 (續)

外幣 (續)

結算貨幣項目及重新換算貨幣項目產生之匯兌差額會於產生期間於損益內確認，惟應收或應付海外業務之貨幣項目之匯兌差額，既無計劃結算且出現之可能性亦不大（因此為海外業務淨投資之一部分），初步於其他全面收益確認，並於出售或部分出售本集團之權益時由權益重新分類至損益除外。

就呈列綜合財務報表而言，本集團經營業務的資產及負債乃按於各報告期末的現行匯率換算為本集團的列賬貨幣（即港元）。收入及開支項目乃按該期內的平均匯率進行換算，惟倘期內匯率顯著波動則除外，於該情況下，則採用交易日期當日的現行匯率。所產生的匯兌差額（如有）會於其他全面收益中確認並於權益中匯兌儲備項下累計（倘適用，則撥歸至非控股權益）。

於出售海外業務（即出售本集團於海外業務之全部權益，或涉及失去對一間附屬公司（包括海外業務）之控制權之出售，或部分出售於聯合安排或一間聯營公司（包括海外業務，其保留權益變為金融資產）中之權益）時，本公司擁有人應佔該業務而於權益內累計之所有匯兌差額會重新分類至損益。

此外，有關部分出售一間附屬公司且不會引致本集團失去對該附屬公司控制權，按比例份額之累計匯兌差額會再分配到非控股權益及不會於損益內確認。至於所有其他部分出售（即聯營公司或聯合安排之部分出售且不引致本集團失去重大影響力或共同控制權），按比例份額之累計匯兌差額會重新分類至損益。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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

Borrowing costs

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

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

Short-term employee benefits and retirement benefit costs

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are carried at their present values.

Payments to Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are recognised as an expense in profit or loss as and when employees have rendered services that entitling them to the contributions.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3. 重大會計政策 (續)

外幣 (續)

透過收購海外業務所產生之商譽及按公平值調整所收購的可識別資產將被視作該海外業務之資產及負債，並按各報告期末之現行匯率換算。由此產生之匯兌差額乃於其他全面收益內確認。

借款成本

因收購、興建或生產需要長時間籌備方可作其擬定用途或銷售的合資格資產所產生的直接借款成本，乃計入該等資產的成本中，直至該等資產已大致上可作其擬定用途或銷售為止。

所有其他借款成本於其產生期間於損益中確認。

短期僱員福利及退休福利成本

薪金、年度花紅、帶薪年假、定額供款退休計劃的供款以及非貨幣福利之成本於僱員提供相關服務之期間內計提。倘付款或結算遭延遲且其影響屬重大，則該等款項按其現值列賬。

向強制性公積金計劃及國家營辦之退休福利計劃支付之款項乃於僱員提供之服務令其獲得供款時於損益中確認為開支。

撥備

本集團因過往事項致使現時負有責任（法律或推定責任），並很可能須結付該責任，且能就該數額作出可靠估計時，須確認撥備。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for long service payments

Provision for long service payments under the requirements of the Hong Kong Employment Ordinance is recognised when the employees have rendered services entitling them to the benefits. The amounts recognised are determined at the management's best estimate of the future cash outflow for settlement of the obligations and measured on a discounted basis, if the effect is material.

Share-based payments arrangements

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

3. 重大會計政策 (續)

撥備 (續)

確認為撥備的金額為於報告期末對履行現時責任所需代價的最佳估計，並經計及該項責任所附帶的風險及不確定因素計量。當使用估計現金流量計算撥備以結清現時責任，則其賬面值為該等現金流量的現值（當金錢時間值影響屬重大）。

當結算撥備所需之部分或全部經濟利益預期可自第三方收回時，如實質上確定將可獲償付及應收款項金額可作可靠計量時，則應收款項確認為資產。

長期服務金撥備

按照香港僱傭條例規定的長期服務金撥備於僱員提供的服務令其獲得福利時確認。所確認金額乃按管理層對履行責任之未來現金流出最佳估計釐定並按貼現基準計量（倘影響屬重大）。

以股份為基礎付款之安排

就授出附帶符合特定歸屬條件之購股權而言，所獲取服務之公平值乃參考於授出日期已授出購股權之公平值而釐定並於歸屬期間以直線基準支銷，而權益（購股權儲備）亦會相應增加。

就於授出日期即時歸屬之購股權而言，已授出購股權之公平值即時於損益列作開支。

於購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於購股權儲備中確認之款項將轉撥至累計虧損。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

3. 重大會計政策 (續)

稅項

本年度之所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報(除稅前虧損)不同,乃由於包括其他年度應課稅或可扣稅收入或開支及不能課稅或扣稅的項目。本集團的即期稅項負債乃按報告期末已實行或大致上已實行的稅率計算。

遞延稅項乃按綜合財務報表的資產及負債賬面值與計算應課稅溢利所用相應稅基間的暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產通常於很可能出現可用以扣減暫時差額的應課稅溢利時就所有可扣減暫時差額確認。若於一項交易中,因業務合併以外原因之初始確認資產及負債而引致的暫時差額既不影響應課稅溢利亦不影響會計溢利,則不會確認該等遞延稅項資產及負債。此外,倘因初步確認商譽而產生暫時差額,遞延稅項負債不會被確認。

遞延稅項負債乃按有關於附屬公司及聯營公司的投資,及於合營公司的權益的應課稅暫時差額而確認,惟若本集團可控制暫時差額撥回及暫時差額很可能將不會於可見將來撥回的情況除外。與該等投資及權益相關的可扣減暫時差額產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用暫時差額利益且預期於可見將來撥回時方始確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值乃於各報告期末檢討，並扣減至不再有足夠應課稅溢利可抵銷全部或部分將收回的資產為止。

遞延稅項資產及負債按預期清付負債或變現資產期間適用的稅率，按於報告期末已實施或大致實施稅率（及稅法）計量。

遞延稅項負債及資產的計量反映於報告期末本集團預期收回或清付其資產及負債賬面值的方式而引致的稅務後果。

就計量以公平值模式計算的投資物業的遞延稅項而言，該等物業賬面值乃假設透過出售而全數收回，除非有關假設被駁回。當投資物業可予折舊並於目的為隨時間消耗該等投資物業所包含的絕大部分經濟利益（而非透過出售）的商業模式下持有，有關假設會被駁回。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Current and deferred tax for the year

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

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 重大會計政策 (續)

稅項 (續)

本年度之即期及遞延稅項

即期及遞延稅項於損益中確認，惟倘其與於其他全面收益或直接於權益中確認的項目相關則除外，在此情況下，則即期及遞延稅項亦會分別於其他全面收益或直接於權益中確認。倘即期稅項或遞延稅項於業務合併中初次入賬時產生，則稅務影響乃計入業務合併之賬目。

物業、廠房及設備

物業、廠房及設備乃按成本減其後的累計折舊及其後的累計減值虧損（如有）於綜合財務狀況表列賬。

資產按其估計可使用年限以直線法撇銷成本並扣除其剩餘價值確認折舊。估計可使用年期、剩餘價值及折舊方法於各報告期末予以檢討，任何估計變動的影響將按前瞻基準列賬。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。因出售或報廢物業、廠房及設備項目產生的任何盈虧，乃按該資產的出售所得款項與賬面值差額釐定並於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy for impairment on other non-current assets below).

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair values at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Alternatively, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy for impairment on other non-current assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3. 重大會計政策 (續)

無形資產

獨立收購的無形資產

獨立收購且具有限可使用年期之無形資產會按成本減累計攤銷及任何累計減值虧損列值。具有限可使用年限之無形資產攤銷按直線法在其估計可使用年期確認。估計可使用年期及攤銷方法於各報告期末檢討，任何估計變動之影響按前瞻基準入賬。獨立收購且具無限可使用年期之無形資產會按成本減任何其後累計減值虧損列值（見下文有關其他非流動資產減值之會計政策）。

於一項業務合併中所收購的無形資產

於一項業務合併中所收購的無形資產與商譽分開確認並初步按收購日期的公平值（視為彼等的成本）確認。

於初步確認後，於一項業務合併中所收購及使用年期有限之無形資產乃按成本減累計攤銷及任何累計減值虧損呈報，其基準與分開購入之無形資產相同。另外，於一項業務合併中收購且具無限可使用年期之無形資產乃按成本減任何其後累計減值虧損列值（見下文有關其他非流動資產減值之會計政策）。

無形資產於出售或預期使用或出售不會產生未來經濟利益時終止確認。終止確認無形資產產生之盈虧乃按出售所得款項淨額與資產賬面值間之差額計量，並於資產終止確認時於損益中確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for credit losses (see the accounting policy for credit losses from financial instruments below).

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Cash and cash equivalents are assessed for ECLs in accordance with the accounting policy for credit losses from financial instruments below.

3. 重大會計政策 (續)

貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時確認。只要到期支付代價前僅需時間推移，收取代價之權利則為無條件。

貿易及其他應收款項初步按公平值確認及其後以實際利率法按攤銷成本減信貸虧損撥備計量（見下文金融工具之信貸虧損之會計政策）。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包含手頭現金及活期存款，以及可隨時轉換成已知現金款項之短期高流動投資，受不重大風險之價值變動所規限，並擁有於獲得後一般於三個月以內到期的短促到期日，其可按要求償還並構成本集團現金管理之組成部分。

就綜合財務狀況表而言，現金及現金等價物包含手頭現金及銀行現金，包括定期存款及與現金性質相近而不受限制使用之資產。

現金及現金等價物乃根據以下金融工具之信貸虧損之會計政策就預期信貸虧損進行評估。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets

Credit losses from financial instruments

The Group recognises a loss allowance for ECLs on financial assets measured at amortised cost (including bank balances and cash, trade and other receivables, other loan receivables, loan receivables and amount due from an associate).

Financial assets measured at fair value, including equity securities measured at FVPL and financial assets designated at FVOCI (non-recycling), are not subject to ECL assessment.

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 if the debt is drawn down), discounted when the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over 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.

3. 重大會計政策 (續)

信貸虧損及資產減值

金融工具之信貸虧損

本集團就按攤銷成本計量之金融資產(包括銀行結餘及現金、貿易及其他應收款項、其他應收貸款、應收貸款及應收一間聯營公司款項)確認預期信貸虧損之虧損撥備。

按公平值計量之金融資產(包括按公平值計入損益計量之股本證券及指定為按公平值計入其他全面收益之金融資產(不可回撥))毋須進行預期信貸虧損的評估。

預期信貸虧損之計量

預期信貸虧損乃以概率加權估計的信貸虧損。信貸虧損以所有預期現金短缺(即根據合約應付予本集團的現金流量及本集團在債務削減時預期收取的現金流量之間的差額)的現值計量,並在貼現影響重大時進行貼現。

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之最長合約期間。

在計量預期信貸虧損時,本集團會考慮在無須付出過多成本或努力之情況下即可獲得合理及可靠的資料,當中包括有關過往事件、當前狀況及未來經濟狀況預測之資料。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Credit losses and impairment of assets (Continued)

Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs which result from possible default events over the expected lives of these financial assets. 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 end of the reporting period.

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. The 12-month ECLs are losses that are expected to result from possible default events within 12 months after the end of the reporting period.

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 end of the reporting period 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 1 year 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.

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

金融工具之信貸虧損 (續)

預期信貸虧損之計量 (續)

應收貿易款項之虧損撥備始終按等同於全期預期信貸虧損的金額計量，此乃因該等金融資產預期年內可能有違約事件產生。該等金融資產之預期信貸虧損乃根據本集團之過往信貸虧損經驗使用撥備矩陣進行估算，並根據債務人之特定因素及對報告期末當前及預測的一般經濟狀況作出的評估進行調整。

就所有其他金融工具而言，本集團以等同於12個月預期信貸虧損的金額確認虧損撥備，除非有關金融工具自首次確認以來的信貸風險顯著增加，在此情況下，虧損撥備將以等同於全期預期信貸虧損的金額計量。12個月預期信貸虧損乃預計於報告期末後12個月內因可能違約事件而產生之虧損。

信貸風險顯著增加

於評估金融工具的信貸風險自初步確認以來是否已顯著增加時，本集團會比較於報告期末及於初步確認日期評估的金融工具發生違約的風險。進行重新評估時，本集團認為，倘(i)借款人不大可能於本集團無追索權（如變現抵押品（如持有））之情況下向本集團悉數支付其信貸責任；或(ii)金融資產已逾期1年，則構成違約事件。本集團會考慮合理可靠的定量及定質資料，包括過往經驗及在無須付出過多成本或努力下即可獲得的前瞻性資料。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets (Continued)

Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

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 and interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- 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.

ECLs are remeasured at the end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs 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.

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

金融工具之信貸虧損 (續)

信貸風險顯著增加 (續)

具體而言，評估信貸風險自初步確認以來是否已顯著增加時會考慮以下資料：

- 未能於合約到期日期支付本金及利息；
- 金融工具外部或內部信貸評級的實際或預期顯著惡化（如有）；
- 債務人經營業績的實際或預期顯著惡化；及
- 目前或預期之科技、市場、經濟或法律環境的變動對債務人向本集團履行其責任的能力有重大不利影響。

取決於金融工具的性質，信貸風險大幅增加的評估乃按個別基準或共同基準進行。倘按共同基準進行評估，金融工具則按共同的信貸風險特徵（如逾期狀況及信貸風險評級）進行分類。

預期信貸虧損於各報告期末時進行重新計量以反映金融工具自初步確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets (Continued)

Credit losses from financial instruments (Continued)

Basis of calculation of interest income

Interest income recognised (see the accounting policy for revenue and other income recognition above) 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 the end of each reporting period, 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.

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 debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost or disappearance of an active market for a security because of supervision of issuer's shares trading.

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

金融工具之信貸虧損 (續)

利息收入之計算基準

確認之利息收入(見上文有關收入及其他收益確認之會計政策)按金融資產的賬面總值計算,除非金融資產出現信貸減值,在此情況下,利息收入按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。

於各報告期末,本集團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之估計未來現金流量有不利影響的事件時,金融資產將出現信貸減值。

金融資產信貸減值的證據包括以下可觀察事件:

- 債務人出現重大財政困難;
- 違反合約,如違約或拖欠支付利息或本金;
- 借款人可能將會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造成不利影響;或
- 股本工具投資的公平值顯著或長期下降至低於其成本或由於對發行人股份買賣的監督而導致證券的活躍市場消失。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets (Continued)

Credit losses from financial instruments (Continued)

Write-off policy

The gross carrying amount of a financial 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.

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:

- property, plant and equipment;
- right-of-use assets;
- goodwill;
- other intangible assets;
- interests in an associate and a joint venture; and
- investments in subsidiaries in the Company's statement of financial position.

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

金融工具之信貸虧損 (續)

撤銷政策

若日後實際上不可收回款項，本集團會撤銷（部分或全部）金融資產的賬面總值。該情況通常出現在本集團釐定債務人並無資產或收入來源可產生足夠的現金流量償還須予撤銷的金額。

倘先前撤銷的資產其後收回，則於收回的期間內於損益中確認為減值撥回。

其他非流動資產之減值

內部及外部來源資料於各報告期末進行審閱，以識別下列資產是否可能出現減值、或先前確認之減值虧損已經不再存在或可能已經減少之跡象（商譽則除外）：

- 物業、廠房及設備；
- 使用權資產；
- 商譽；
- 其他無形資產；
- 於一間聯營公司及一間合營公司的權益；及
- 本公司財務狀況表中於附屬公司的投資。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets (Continued)

Impairment of other non-current assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill 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 CGU).

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the CGU to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (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).

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

其他非流動資產之減值 (續)

倘出現任何有關跡象，則會估計資產之可收回金額。此外，對於商譽及具無限可使用年期之無形資產，每年均會估計其可收回金額，而不論是否存在任何減值跡象。

— 計算可收回金額

資產之可收回金額乃其公平值減出售成本與使用價值間之較高者。在評估使用價值時，估計未來現金流量會以反映當時市場對貨幣時間價值及資產特有的風險之評估之稅前貼現率貼現至其現值。倘資產所產生之現金流入基本上無法獨立於其他資產所產生的現金流入，則按照獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。

— 確認減值虧損

當資產或所附屬的現金產生單位的賬面值高於其可收回金額時，減值虧損便會在損益中確認。就現金產生單位所確認的減值虧損會先分配至減低任何分配至該單一（或一組）現金產生單位的商譽的賬面值，其後會按比例減低該單一（或一組）現金產生單位的其他資產的賬面值，惟該資產的賬面值不可被減至低於其個別公平值扣除出售成本（如可計量）或使用價值（如可釐定）。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Credit losses and impairment of assets (Continued)

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.

Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see the accounting policy for revenue and other income recognition above). 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 the accounting policy for trade and other receivables above).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

3. 重大會計政策 (續)

信貸虧損及資產減值 (續)

其他非流動資產之減值 (續)

- 減值虧損撥回

倘若用以釐定資產(不包括商譽)可收回金額的估計發生有利的變化,則會將減值虧損撥回,而與商譽有關的減值虧損一概不予撥回。

減值虧損撥回以過往年度並無確認減值虧損時將予釐定的資產賬面值為限。減值虧損撥回會於確認撥回的年度內計入損益。

合約負債

合約負債於客戶在本集團確認相關收入(見上文有關收入及其他收益確認之會計政策)前,支付代價時確認。如本集團有無條件的權利在本集團確認相關收入前收取代價,則合約負債亦會獲確認。在此等情況下,相應的應收款項亦會獲確認(見上文有關貿易及其他應收款項之會計政策)。

倘合約包括重大融資部分,合約餘額包括根據實際利率法計算的應計利息。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payables

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.

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 accounting policy for borrowing costs above.

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 of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (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).

3. 重大會計政策 (續)

應付款項

應付款項初始按公平值確認，其後按攤銷成本計量，除非貼現的影響不大，在該情況下，其按成本列值。

計息借款

計息借款初始按公平值減去交易成本計量。初始確認後，計息借款採用實際利率法以攤銷成本計量。利息開支乃根據上述借款成本的會計政策確認。

關聯方

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關聯）。
 - (ii) 一間實體為另一實體之聯營公司或合營公司（或另一實體為某集團旗下成員公司之聯營公司或合營公司之成員公司）。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

(b) An entity is related to the Group if any of the following conditions applies: (Continued)

- (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).
- (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 group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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.

3. 重大會計政策 (續)

關聯方 (續)

(b) 倘符合下列任何條件，則該實體與本集團有關聯：(續)

- (iii) 兩間實體均為同一第三方之合營公司。
- (iv) 一間實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。
- (vi) 實體受(a)內所識別的人士控制或共同控制。
- (vii) (a)(i)內所識別的人士對實體有重大影響或屬該實體（或該實體之母公司）之主要管理層成員。
- (viii) 該實體或該實體所在集團之任何成員，為本集團或本集團母公司提供主要管理人員服務。

個人的近親指於其與該實體進行交易時，預期可能影響該人士或受該人士影響的家族成員。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision makers 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.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

3. 重大會計政策 (續)

分部報告

經營分部及於綜合財務報表呈報之各分部項目的金額乃從為向本集團各項業務及地理位置分配資源及評估其表現而定期向本集團首席經營決策者提供的財務資料當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等分部具有類似的經濟特徵以及在產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質方面類似，則作別論。個別不重要的經營分部若符合以上大部分條件，則可予合併計算。

報告期後事項

提供有關本集團於報告期末之狀況之額外資料或顯示持續經營假設並不適當之報告期後事項為調整事項，反映於綜合財務報表。並非調整事項之報告期後事項，如屬重大時乃於綜合財務報表附註披露。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgement

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Impairment assessment for goodwill and other intangible assets

The Group tests annually whether goodwill and other intangible assets have suffered any impairment in accordance with accounting policies stated in Note 3. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell, whichever are higher. These calculations require the use of judgments and estimates.

4. 重要會計判斷及估計涉及不確定性的主要來源

於應用附註3所述的本集團會計政策時，董事須對未能輕易自其他途徑確定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及其他被視為相關的因素為基準。實際結果可能與該等估計不同。

估計及相關假設會持續進行檢討。倘對會計估計的修訂僅影響進行修訂的期間，則修訂乃於該期間確認，或倘修訂影響目前及未來期間，則於修訂期間及未來期間確認。

重要會計判斷

下述為董事於應用本集團的會計政策過程中作出且對在綜合財務報表內所確認的金額有最重大影響的重要判斷（下列涉及估計者除外）。

商譽及其他無形資產減值評估

本集團根據附註3所載之會計政策按年測試商譽及其他無形資產是否遭致任何減值。可收回金額乃根據使用價值計算或公平值減出售成本（以較高者為準）釐定。該等計算須作出判斷及估計。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical accounting judgement (Continued)

Impairment assessment for goodwill and other intangible assets (Continued)

Judgement is required to determine key assumptions adopted in the valuation models for impairment review purpose. Changing the assumptions selected by management in assessing impairment could materially affect the result of the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the key assumptions applied, it may be necessary to take additional impairment charge to the consolidated statement of profit or loss and other comprehensive income. Please refer to Notes 17 and 18 for details.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment allowances on trade and other receivables, other loan receivables and loan receivables

The Group estimates the loss allowances for trade and other receivables, other loan receivables and loan receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are 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 end of the reporting period. Where the estimation is different from the previous estimate, such difference will affect the carrying amounts of trade and other receivables, other loan receivables and loan receivables and thus the impairment loss in the period in which such estimate is changed.

4. 重要會計判斷及估計涉及不確定性的主 要來源 (續)

重要會計判斷 (續)

商譽及其他無形資產減值評估 (續)

釐定用作減值檢討的估值模式所採用之主要假設需要加以判斷。改變管理層選定用來評估減值的假設可能會對減值測試的結果造成重大影響，並因此影響本集團的財務狀況及經營業績。倘所應用的主要假設出現重大不利變動，則可能需要在綜合損益及其他全面收益表中扣除額外減值。有關詳情謹請參閱附註17及18。

估計涉及不確定性的主要來源

下文載列於報告期末有關未來的主要假設及估計涉及不確定性的其他主要來源，而不確定性存在導致下一個財政年度的資產及負債賬面值須作出重大調整的重大風險。

貿易及其他應收款項、其他應收貸款及應收貸款 的減值撥備

本集團通過評估預期信貸虧損估計貿易及其他應收款項、其他應收貸款及應收貸款的虧損撥備。此舉要求運用估計及判斷。預期信貸虧損按本集團過往信貸虧損經驗（就債務人的特定因素作出調整）及於報告期末就當前及預測的整體經濟狀況的評估計算。倘估計異於過往估計數字，則相關差額將影響貿易及其他應收款項、其他應收貸款及應收貸款之賬面值，從而影響相關估計數字變動期間之減值虧損。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Provision for long service payments

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

In making this judgement, the management mainly considers the number of current employees who have achieved the required number of years of service to the Group, at the end of the reporting period, who are eligible for long service payments under the Hong Kong Employment Ordinance, the employee turnover rate as well as salary growth. Any change in these estimates will affect the provision to be recognised.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Directors determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where observable market data are not available, the Group engages independent qualified professional valuers to perform the valuation and works closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. The use of valuation models and assumptions in valuing these financial instruments is subjective and requires varying degrees of judgement. Note 6 provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

4. 重要會計判斷及估計涉及不確定性的主要來源 (續)

估計涉及不確定性的主要來源 (續)

長期服務金撥備

長期服務金撥備乃根據對須履行按照香港僱傭條例有關本集團於香港僱員的責任所作出未來付款的最佳估計計算。

在作出此判斷時，管理層主要考慮於報告期末，符合所需服務本集團年資並合資格獲得香港僱傭條例項下的長期服務金的目前僱員人數、僱員流失率以及薪金增長。此等估計的任何變動將影響予以確認的撥備。

公平值計量及估值程序

本集團部分資產及負債就財務呈報目的按公平值計量。董事為公平值計量釐定適當的估值方法及輸入數據。

於估計一項資產或一項負債的公平值時，本集團使用可獲得的市場可觀察數據。當無法獲得可觀察市場數據時，本集團委任獨立合資格專業估值師進行估值並與獨立合資格專業估值師緊密合作，為估值模式建立適當的估值方法及輸入數據。

於估計若干類別金融工具之公平值時，本集團採用包括並非根據可觀察市場數據之輸入數據之估值方法。就估值此等金融工具時所使用的估值模式及假設乃屬主觀性，並須作出不同程度之判斷。附註6提供有關釐定各類資產及負債之公平值所用之估值方法、輸入數據及主要假設之詳細資料。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The management reviews the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new shares issues and debt financing.

The capital structure of the Group mainly consists of net debt, which includes lease liabilities and other borrowings less bank balances and cash, and equity attributable to owners of the Company. The Group considers the cost of capital and the risks associated with each class of capital to monitor its capital structure on the basis of a gearing ratio. The ratio is expressed by as a percentage of total debts less bank balances and cash over the total equity. The Group's overall strategy remains unchanged during the years ended 30 June 2020 and 2019.

The gearing ratios at 30 June 2020 and 2019 are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Total debts (Note)	總債務 (附註)	15,107	3,001
Less: Bank balances and cash	減：銀行結餘及現金	(5,437)	(6,839)
Net debt	淨債務	9,670	(3,838)
Equity attributable to owners of the Company	本公司擁有人應佔權益	107,864	218,059
Gearing ratio	資產負債比率	9%	N/A 不適用

Note:

Total debts included lease liabilities and other borrowings of the Group as detailed in Notes 31 and 33.

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

5. 資本風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，同時透過優化債務及權益平衡為股東帶來最大回報。本集團的整體策略與上年度維持不變。

管理層定期檢討資本架構。作為本檢討的一部分，董事考慮資本成本與各類別資本有關的風險，並將透過派付股息、發行新股及債務融資平衡其整體資本架構。

本集團的資本架構主要包括淨債務（包括租賃負債及其他借款減銀行結餘及現金），以及本公司擁有人應佔權益。本集團考慮資本成本及各類別資本相關的風險，以資本負債比率監察其資本架構。該比率為總債務減銀行結餘及現金再除以總權益之百分比。本集團的整體策略於截至2020年及2019年6月30日止年度維持不變。

於2020年及2019年6月30日的資產負債比率如下：

附註：

總債務包括本集團的租賃負債及其他借款，詳情見附註31及33。

本公司及其任何附屬公司概無受限於外部施加的資本規定。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS Categories of financial instruments

6. 金融工具 金融工具類別

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at FVPL	按公平值計入損益的金融資產	48,548	65,984
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本計量的金融資產 (包括現金及現金等價物)	68,216	125,190
Financial assets at FVOCI	按公平值計入其他全面收益的 金融資產	12,429	15,422
Financial liabilities	金融負債		
Amortised cost	已攤銷成本	29,253	12,593

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVOCI, trade and other receivables, other loan receivables, loan receivables, amount due from an associate, financial assets at FVPL, bank balances and cash, other payables and accruals, amounts due to related parties, other borrowings and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate the effects of these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

財務風險管理目標及政策

本集團的主要金融工具包括按公平值計入其他全面收益的金融資產、貿易及其他應收款項、其他應收貸款、應收貸款、應收一間聯營公司款項、按公平值計入損益的金融資產、銀行結餘及現金、其他應付款項及應計費用、應付關聯方款項、其他借款及租賃負債。該等金融工具的詳情於各附註中披露。有關該等金融工具的風險及如何減輕該等風險之影響的政策載於下文。管理層管理及監察該等風險，以確保及時及有效地實施適當措施。

就金融工具或其管理及計量風險之方式而言，本集團承受之風險類別並無變動。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Interest rate risk

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The Group is also exposed to fair value interest rate risk related primarily to its fixed-rate other loan receivables, loan receivables, other borrowings and lease liabilities. The Directors consider the Group's exposure of the fair value interest rate risk on fixed-rate other loan receivables, loan receivables, other borrowings and lease liabilities and the cash flow interest rate risk on its bank balances are insignificant. Therefore, no sensitivity analysis is presented.

Equity price risk

The Group is exposed to equity price risk through its investment in listed equity securities which included in financial assets at FVOCI (see Note 21) and financial assets at FVPL (see Note 27). The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on listed equity securities.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If the prices of the respective listed equity securities had been 10% (2019: 10%) higher/lower, the post-tax loss for the year would decrease/increase by approximately HK\$1,522,000 (2019: approximately HK\$2,203,000) as a result of the change in fair value of listed security investments.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

利率風險

由於銀行結餘的現行市場利率之波動，本集團的銀行結餘承受現金流量利率風險。本集團亦承受主要與其固定利率的其他應收貸款、應收貸款、其他借款及租賃負債相關的公平值利率風險。董事認為，本集團就固定利率的其他應收貸款、應收貸款、其他借款及租賃負債承受的公平值利率風險以及其銀行結餘承受的現金流量利率風險並不重大。因此，並無呈列敏感度分析。

證券價格風險

本集團因其計入按公平值計入其他全面收益的金融資產（見附註21）及按公平值計入損益的金融資產（見附註27）的上市股本證券投資而承受證券價格風險。管理層透過持有具多元風險之投資組合管理此風險。本集團的證券價格風險主要集中於上市股本證券。

敏感度分析

以下敏感度分析是根據於報告期末所承受之證券價格風險釐定。

倘各上市股本證券之價格已上升／下跌10%（2019年：10%），則本年度的除稅後虧損將減少／增加約1,522,000港元（2019年：約2,203,000港元），這為上市證券投資的公平值變動所致。

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

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 bank balances, trade and other receivables, other loan receivables, loan receivables and amount due from an associate. The Group's exposure to credit risk arising from bank balances is limited because the counterparties are banks for which the Group considers to have low credit risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

(i) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which customers operate and therefore significant concentrations of credit risk primarily arise when the significant exposure to individual customers. At the end of the reporting period, the Group has a certain concentration of credit risk as 11% (2019: 9%) and 33% (2019: 29%) of the trade receivables was due from the largest customer and the five largest customers respectively.

In respect of trade receivables, management has a credit policy in place and the exposure to the credit risk is monitored on an ongoing basis. 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. The Group allows an average credit period within 30 days (2019: within 30 days) to its trade customers. Normally, the Group does not obtain collateral from customers. Management considers the aggregate risks arising from the possibility of credit losses are limited and to be acceptable.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險

信貸風險指交易對手不履行其合約責任給本集團帶來財務虧損之風險。本集團信貸風險主要歸因於銀行結餘、貿易及其他應收款項、其他應收貸款、應收貸款以及應收一間聯營公司款項。由於交易對手是本集團認為其信貸風險較低的銀行，因此本集團承受因銀行結餘產生的信貸風險有限。

信貸風險的最大承受為綜合財務狀況表中每項金融資產的賬面值。

(i) 貿易應收款項

本集團承受的信貸風險主要受各客戶的個別特徵影響，而非受客戶經營所在的行業或國家影響，因此，當對個人客戶的承擔重大時，重大集中的信貸風險就會發生。於報告期末，本集團有若干集中的信貸風險，原因為貿易應收款項的11% (2019年：9%) 及33% (2019年：29%) 分別來自最大客戶及五大客戶。

對於貿易應收款項，管理層制定信貸政策，並持續監控所承受的信貸風險。對所有需要若干信貸金額的客戶進行單獨的信貸評估。該等評估著重於客戶過往的到期付款歷史及當前的付款能力，並考慮客戶的特定資料以及與客戶經營所在的經濟環境有關的資料。本集團為其貿易客戶提供30天內的平均信貸期 (2019年：30天內)。通常，本集團不會自客戶取得抵押品。管理層認為，因信貸虧損的可能性而產生的總體風險有限且可接受。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(i) Trade receivables (Continued)

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. The management estimated the expected loss rate is zero based on past experience and industrial data.

(ii) Other financial assets

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparties' ability to meet its obligations

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(i) 貿易應收款項 (續)

本集團以等於全期預期信貸虧損的金額計量貿易應收款項的虧損撥備，該金額使用撥備矩陣計算。由於本集團的過往信貸虧損經驗並未顯示出不同客戶群的虧損模式有顯著差異，因此無法根據本集團不同客戶群進一步區分基於逾期狀態的虧損撥備。管理層根據過往的經驗及行業數據估計預期虧損率為零。

(ii) 其他金融資產

本集團考慮首次確認資產後的違約可能性及信貸風險於各報告期間有否持續明顯增加。為評估信貸風險有否明顯增加，本集團比較於報告日期及首次確認日期資產發生違約的風險。其考慮合理獲得且具支持性的前瞻性資料。以下指標尤其需重點考慮：

- 內部信貸評級
- 外部信貸評級 (盡可能獲得)
- 預期將導致交易對手履行其責任的能力發生重大改變的業務、財務或經濟狀況實際或預期的重大不利變化

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

A summary of the assumptions underpinning the Group's ECL model is as follows:

Category 類別	Definition of category 類別的釋義	Basis for recognition of ECL provision 確認預期信貸虧損撥備的基準
Stage 1 第一階段	Exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination. 自初始確認後之信貸風險並無顯著增加，且於產生時並無信貸減值之情況。	Portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. 確認與未來十二個月出現違約事件之可能性有關的全期預期信貸虧損的部分。
Stage 2 第二階段	Exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired. 自初始確認後之信貸風險顯著增加，惟並無信貸減值之情況。	Lifetime expected losses (i.e. reflecting the remaining lifetime of the financial asset) is recognised. 確認全期預期虧損，即反映金融資產的剩餘存續期。
Stage 3 第三階段	Exposures are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. 當發生會對該資產的估計未來現金流量造成不利影響之一項或多項事件，則有關情況會被評定為出現信貸減值。	Lifetime expected losses is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 確認全期預期虧損，並透過應用實際利率於攤銷成本（扣除撥備）而非賬面總值計算利息收入。

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from other receivables, other loan receivables and loan receivables are set out in Notes 23, 24 and 25 respectively.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

本集團之預期信貸虧損模式基於的假設總結如下：

有關本集團因其他應收款項、其他應收貸款及應收貸款而產生的信貸風險的進一步量化披露分別載於附註23、24及25。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(A) Other loan receivables

At the end of the reporting period, the Group had a concentration of credit risk as 93% (2019: 100%) of the other loan receivables due from the Group's largest debtor.

The management of the Group assess the collectability on the carrying value of the other loan receivables at the end of each reporting period. Management considers that the exposure to credit risk is mitigated in view of management's dedicated effort in monitoring the outstanding balance and positive development on settlement arrangement.

Having assessed the other loan receivables under the ECL model, as at 30 June 2019, the Directors concluded that there had been a significant increase in credit risk since initial recognition but are not credit-impaired. As a result, the other loan receivables at 30 June 2019 are classified as stage 2.

At 30 June 2020, other loan receivables of approximately HK\$18,249,000 (2019: HK\$nil) were individually determined to be impaired. The individually impaired receivables related to debtors that were in financial difficulties and management assessed that only a portion of the receivables was expected to be recovered. Consequently, specific loss allowance was recognised.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(A) 其他應收貸款

於報告期末，本集團的信貸風險集中，原因為93% (2019年：100%) 的其他應收貸款來自本集團的一名最大債務人。

本集團管理層於各報告期末評估其他應收貸款賬面值的可收回性。管理層認為，由於管理層致力於監控尚未收回結餘及結算安排的積極發展，因此減輕信貸風險。

在評估預期信貸虧損模式下的其他應收貸款後，於2019年6月30日，董事得出結論，自初始確認以來，信貸風險已顯著增加，但並無信貸減值。因此，於2019年6月30日的其他應收貸款分類為第二階段。

於2020年6月30日，其他應收貸款約18,249,000港元 (2019年：零港元) 已個別釐定為已減值。個別已減值的應收款項與財務困難之債務人有關，而管理層評估僅有一部分應收款項預期可獲收回。因此，特定的虧損撥備已獲確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(A) Other loan receivables (Continued)

ECLs allowances of other loan receivables

An analysis of changes in the corresponding ECL allowances is as follows:

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 July 2019	於2019年7月1日之結餘	-	-	-	-
New receivables originated	新產生應收款項	249	-	-	249
Transfer to lifetime ECLs that are credit impaired	轉撥至信貸減值之全期預期信貸虧損	(249)	-	249	-
Impact on year ended ECLs of exposures transferred between stages during the year	年內各階段之間轉撥對年末預期信貸虧損風險之影響	-	-	18,000	18,000
Balance at 30 June 2020	於2020年6月30日之結餘	-	-	18,249	18,249

(B) Loan receivables

At the end of the reporting period, the Group had a concentration of credit risk as 83% (2019: 82%) of the loan receivables due from the Group's three (2019: three) largest borrowing customers.

The Directors consider that the credit risk arising from the loan receivables is significantly mitigated by the collaterals held, if required. The Group seeks to maintain strict control over its outstanding loans and interest receivables to minimise credit risk. Overdue balances are reviewed regularly by management.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(A) 其他應收貸款 (續)

其他應收貸款之預期信貸虧損撥備

相應的預期信貸虧損撥備之變動之分析如下：

	Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 July 2019	-	-	-	-
New receivables originated	249	-	-	249
Transfer to lifetime ECLs that are credit impaired	(249)	-	249	-
Impact on year ended ECLs of exposures transferred between stages during the year	-	-	18,000	18,000
Balance at 30 June 2020	-	-	18,249	18,249

(B) 應收貸款

於報告期末，本集團的信貸風險集中，原因為應收貸款的83%（2019年：82%）來自本集團三個（2019年：三個）最大借款客戶。

董事認為，如有需要，持有的抵押品可大幅減輕應收貸款產生的信貸風險。本集團對其尚未償還貸款及應收利息維持嚴格控制，以盡量降低信貸風險。管理層定期審閱逾期結餘。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Loan receivables (Continued)

Movements in the gross amount of loan receivables are as follows:

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(B) 應收貸款 (續)

應收貸款總額之變動如下：

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於2018年7月1日	31,760	7,493	–	39,253
New loans originated	新產生貸款	15,006	–	–	15,006
Repaid during the year	於本年度已償還	(5,866)	–	–	(5,866)
At 1 July 2019	於2019年7月1日	40,900	7,493	–	48,393
New loans originated	新產生貸款	4,052	–	–	4,052
Transfer	轉撥	(6,574)	(7,493)	14,067	–
Repaid during the year	於本年度已償還	(2,128)	–	–	(2,128)
Write off during the year	於本年度撇銷	–	–	(7,493)	(7,493)
At 30 June 2020	於2020年6月30日	36,250	–	6,574	42,824
By class at 30 June 2020	於2020年6月30日按類別劃分				
– Loans receivable	– 應收貸款	33,850	–	6,396	40,246
– Interest receivables	– 應收利息	2,400	–	178	2,578
		36,250	–	6,574	42,824
By class at 30 June 2019	於2019年6月30日按類別劃分				
– Loans receivable	– 應收貸款	40,296	6,878	–	47,174
– Interest receivables	– 應收利息	604	615	–	1,219
		40,900	7,493	–	48,393

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(B) Loan receivables (Continued)

ECLs allowances of loan receivables

An analysis of changes in the corresponding ECL allowances is as follows:

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(B) 應收貸款 (續)

應收貸款之預期信貸虧損撥備

相應的預期信貸虧損撥備之變動之分析如下：

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018, 30 June 2019 and 1 July 2019	於2018年7月1日、 2019年6月30日及 2019年7月1日	-	7,493	-	7,493
Transfer to lifetime ECLs that are credit impaired	轉撥至信貸減值之 全期預期信貸虧損	-	(7,493)	7,493	-
Impact on year ended ECLs of exposures transferred between stages during the year	年內各階段之間轉撥對年末預期 信貸虧損風險之影響	-	-	6,574	6,574
Impairment loss written off during the year	年內撇銷減值虧損	-	-	(7,493)	(7,493)
At 30 June 2020	於2020年6月30日	-	-	6,574	6,574
By class at 30 June 2020	於2020年6月30日按類別劃分				
- Loans receivable	- 應收貸款	-	-	6,396	6,396
- Interest receivables	- 應收利息	-	-	178	178
		-	-	6,574	6,574
By class at 30 June 2019	於2019年6月30日按類別劃分				
- Loans receivable	- 應收貸款	-	6,878	-	6,878
- Interest receivables	- 應收利息	-	615	-	615
		-	7,493	-	7,493

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(C) Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables, amount due from an associate and bank balances. The Group accounts for its credit risk by appropriately providing for ECLs on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

At 30 June 2020, other receivables of approximately HK\$4,395,000 (2019: approximately HK\$3,135,000) were individually determined to be impaired. The individually impaired receivables related to debtors that were in financial difficulties and management assessed that only a portion of the receivables was expected to be recovered. Consequently, specific loss allowance was recognised.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(C) 按攤銷成本計量的其他金融資產

按攤銷成本計量的其他金融資產包括其他應收款項、應收一間聯營公司款項以及銀行結餘。本集團就其信貸風險適當地及時計提預期信貸虧損。於計算預期信貸虧損率時，本集團會考慮各類應收款項之歷史虧損率並就前瞻性之宏觀經濟數據作出調整。

於2020年6月30日，其他應收款項約4,395,000港元（2019年：約3,135,000港元）被個別釐定為已減值。個別已減值的應收款項與財務困難之債務人有關，而管理層評估僅有一部分應收款項預期可獲收回。因此，特定的虧損撥備已獲確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

- (C) Other financial assets at amortised cost (Continued)
ECLs allowances of deposits and other receivables

An analysis of changes in the corresponding ECL allowances is as follows:

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

- (C) 按攤銷成本計量的其他金融資產 (續)
按金及其他應收款項之預期信貸虧損撥備

相應的預期信貸虧損撥備之變動之分析如下：

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 July 2018	於2018年7月1日之結餘	–	7,626	–	7,626
New receivables originated	新產生應收款項	129	–	–	129
Transfer to lifetime ECLs not credit impaired	轉撥至並無信貸減值之全期預期信貸虧損	(1)	1	–	–
Impact on year ended ECLs of exposures transferred between stages during the year	年內各階段之間轉撥對年末預期信貸虧損風險之影響	–	3,007	–	3,007
Impairment loss written off during the year	年內撇銷減值虧損	–	(7,627)	–	(7,627)
Balance at 30 June 2019 and 1 July 2019	於2019年6月30日及2019年7月1日之結餘	128	3,007	–	3,135
New receivables originated	新產生應收款項	687	–	–	687
Transfer to lifetime ECLs that are credit impaired	轉撥至信貸減值之全期預期信貸虧損	(784)	(448)	1,232	–
Impact on year ended ECLs of exposures transferred between stages during the year	年內各階段之間轉撥對年末預期信貸虧損風險之影響	–	–	3,163	3,163
Reversal of impairment loss during the year	年內減值虧損撥回	(31)	(2,559)	–	(2,590)
Balance at 30 June 2020	於2020年6月30日之結餘	–	–	4,395	4,395

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

(ii) Other financial assets (Continued)

(C) Other financial assets at amortised cost (Continued)

Except for the abovementioned receivables, the Group has assessed that the ECL rate for other financial assets at amortised cost is immaterial under 12 months expected losses method. Thus no loss allowance for other financial assets at amortised cost.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents which are deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

As at 30 June 2020 and 2019, the Group has no available short and medium term banking facilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay and includes both interest and principal cash flows for non-derivative financial liabilities.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

(ii) 其他金融資產 (續)

(C) 按攤銷成本計量的其他金融資產 (續)

除上述應收款項外，本集團已按12個月預期虧損法評估按攤銷成本計量的其他金融資產之預期信貸虧損率並不重大。因此，並無就按攤銷成本計量的其他金融資產作出任何虧損撥備。

流動資金風險

於管理流動資金風險時，本集團監督及維持現金及現金等價物處於管理層認為充足的水平，以撥付本集團的營運及減低現金流量波動的影響。

於2020年及2019年6月30日，本集團並無可供使用之短期及中期銀行信貸。

下表載列本集團的非衍生金融負債餘下合約到期的詳情。列表乃根據本集團可能須還款的最早日期，按金融負債的未貼現現金流量而編製，包括非衍生金融負債的利息及本金現金流量。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from market interest rates prevailing at the end of the reporting period.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

列表載有利息及本金現金流量。在利息流量按浮動利率計息的範圍內，未貼現金額乃自報告期末的現行市場利率得出。

		Weighted average interest rate rate	On demand or within 1 year	More than 1 year but not more than 5 years 1年以上 但不超過 5年	Total undiscounted cash flows 未貼現 現金流量 總額	Carrying amount 賬面值
		加權 平均利率 %	按要求或 1年內 HK\$'000 千港元	5年 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 30 June 2020	於2020年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A 不適用	8,778	–	8,778	8,778
Lease liabilities	租賃負債	12%	4,863	3,353	8,216	7,291
Amounts due to related parties	應付關聯方款項	N/A 不適用	5,368	–	5,368	5,368
Fixed-rate other borrowings	固定利率的其他借款	12%	8,023	–	8,023	7,816
			27,032	3,353	30,385	29,253
As at 30 June 2019	於2019年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A 不適用	3,724	–	3,724	3,724
Amounts due to related parties	應付關聯方款項	N/A 不適用	5,868	–	5,868	5,868
Fixed-rate other borrowings	固定利率的其他借款	12%	3,060	–	3,060	3,001
			12,652	–	12,652	12,593

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets 金融資產	Fair value as at 於下列日期的公平值		Fair value hierarchy 公平值 級別	Valuation technique(s) and key input(s) 估值方法及 關鍵輸入數據
	30 June 2020 2020年 6月30日 HK\$'000 千港元	30 June 2019 2019年 6月30日 HK\$'000 千港元		
Financial assets at FVOCI (Note 21)				
– Unlisted equity interest	12,429	15,422	Level 3	Market approach
				Major significant unobservable inputs:
				(i) Price-to-book ("P/B") ratio of comparable listed companies; and
				(ii) Discount for lack of marketability
按公平值計入其他全面收益的金融資產 (附註21)				
– 非上市股本權益	12,429	15,422	第三級	市場法
				主要重大不可觀察輸入數據：
				(i) 可比較上市公司的市賬率（「市賬率」）；及
				(ii) 就缺乏市場流通性折讓

6. 金融工具 (續)

金融工具之公平值計量

此附註就有關本集團如何釐定若干金融資產的公平值提供資料。

根據經常性基準按公平值計量的本集團金融資產的公平值

本集團部分金融資產於各報告期末按公平值計量。下表所載資料說明如何釐定該等金融資產之公平值（尤其是所用估值方法及輸入數據）。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets that are measured
at fair value on a recurring basis (Continued)

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

Financial assets 金融資產	Fair value as at 於下列日期的公平值		Fair value hierarchy 公平值 級別	Valuation technique(s) and key input(s) 估值方法及 關鍵輸入數據
	30 June 2020 2020年 6月30日 HK\$'000 千港元	30 June 2019 2019年 6月30日 HK\$'000 千港元		
Financial assets at FVPL (Note 27)				
– Listed equity securities	18,227	26,379	Level 1	Quoted bid prices in an active market
– Suspended listed equity securities	30,321	31,808	Level 3	Index Return Method Major significant unobservable inputs: (i) Change in share price of comparable listed companies during the suspension period; and (ii) Discount for lack of marketability
– Unlisted convertible bonds	–	7,797	Level 3	Discounted cash flow model for debt component and the Black-Scholes Model Major significant unobservable input: (i) Discount rate
按公平值計入損益的 金融資產 (附註27)				
– 上市股本證券	18,227	26,379	第一級	活躍市場所報買入價
– 暫停上市股本證券	30,321	31,808	第三級	指數回報法 主要重大不可觀察輸入數據： (i) 暫停買賣期間可比較上市公司的 股價變動；及 (ii) 就缺乏市場流通性折讓
– 非上市可換股債券	–	7,797	第三級	貼現現金流量模式（債務部分） 及柏力克－舒爾斯模式 主要重大不可觀察輸入數據： (i) 貼現率

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

There was no change in valuation techniques during the year ended 30 June 2020. The Directors believe that the estimated fair values resulting from the valuation technique(s), which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statement of profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

Below is a summary of relationship of unobservable input(s) to fair value, significant unobservable inputs to the valuation of financial instruments together with a quantitative analysis as at 30 June 2020:

Financial assets 金融資產	Valuation technique 估值方法	Relationship of unobservable input(s) to fair value 不可觀察輸入數據與公平值的關係	Significant unobservable Input(s) 重大不可觀察輸入數據	Range/amount 範圍／金額	Sensitivity of fair value to the input(s) 輸入數據公平值之敏感度
Unlisted equity interest – approximately HK\$12,429,000 (2019: HK\$15,422,000)	Market approach	Higher the P/B ratio, higher the fair value and vice versa	P/B ratio	1.17 times (2019: 1.37 times)	5% increase (decrease) in the P/B ratio would result in increase (decrease) in fair value of approximately HK\$621,000 (2019: HK\$771,000)
		Higher the discount rate of lack of marketability, lower the fair value and vice versa	Discount for lack of marketability	9.6% (2019: 20%)	5% increase (decrease) in the discount rate of lack of marketability would result in (decrease) increase in fair value of approximately HK\$66,000 (2019: HK\$193,000)
非上市股本權益—約12,429,000港元 (2019年：15,422,000港元)	市場法	市賬率越高，公平值越高，反之亦然	市賬率	1.17倍 (2019年：1.37倍)	市賬率增加（減少）5%會導致公平值增加（減少）約621,000港元（2019年：771,000港元）
		缺乏市場流通性的貼現率越高，公平值越低，反之亦然	就缺乏市場流通性貼現	9.6% (2019年：20%)	缺乏市場流通性的貼現率增加（減少）5%會導致公平值（減少）增加約66,000港元（2019年：193,000港元）

6. 金融工具（續）

金融工具之公平值計量（續）

根據經常性基準按公平值計量的本集團金融資產的公平值（續）

於截至2020年6月30日止年度，估值方法並無變動。董事認為估值方法得出之估計公平值（於綜合財務狀況表入賬）及相關公平值變動（於綜合損益及其他全面收益表入賬）為合理，亦為於報告期末最恰當之價值。

於2020年6月30日，不可觀察輸入數據與公平值的關係、金融工具估值之重大不可觀察輸入數據連同定量分析的概要如下：

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets that are measured
at fair value on a recurring basis (Continued)

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

Financial assets 金融資產	Valuation technique 估值方法	Relationship of unobservable input(s) to fair value 不可觀察輸入數據與 公平值的關係	Significant unobservable input(s) 重大不可觀察 輸入數據	Range/amount 範圍/金額	Sensitivity of fair value to the input(s) 輸入數據公平值之敏感度
Suspended listed equity securities – approximately HK\$30,321,000 (2019: HK\$31,808,000)	Index Return Method	Higher the share price of the comparable companies, higher the fair value and vice versa	Change in share price of comparable companies during the suspension period	-60.82% to 43.28% (2019: -35.05% to -2.99%)	5% increase (decrease) in share price of comparable companies would result in increase (decrease) in fair value of approximately HK\$86,000 (2019: HK\$303,000)
		Higher the discount rate of lack of marketability, lower the fair value value and vice versa	Discount for lack of marketability	45% (2019: 35%)	5% increase (decrease) in the discount rate of lack of marketability would result in (decrease) increase in fair value of approximately HK\$1,240,000 (2019: HK\$856,000)
暫停買賣上市股本證券— 約30,321,000港元 (2019年: 31,808,000港元)	指數回報法	可比較公司的股價越高， 公平值越高，反之亦然	暫停買賣期間可比較 公司的股價變動	-60.82% 至43.28% (2019年: -35.05%至 -2.99%)	可比較公司的股價增加(減少) 5%會導致公平值增加 (減少)約86,000港元 (2019年: 303,000港元)
		缺乏市場流通性的貼現率 越高，公平值越低， 反之亦然	就缺乏市場流通性 貼現	45% (2019年: 35%)	缺乏市場流通性的貼現率增加 (減少)5%會導致公平值 (減少)增加約1,240,000港元 (2019年: 856,000港元)
Unlisted convertible bonds – HK\$nil (2019: approximately HK\$7,797,000)	Discounted cash flows model for debt component and the Black-Scholes Model	Higher the discount rate, lower the fair value and vice versa	Discount rate	N/A (2019: 15.93%)	N/A (2019: 5% increase (decrease) in the discount rate would result in (decrease) increase in fair value of approximately HK\$10,000)
非上市可換股債券—零港元 (2019年: 約7,797,000港元)	貼現現金流量模式 (債務部分)及 柏力克—舒爾斯模式	貼現率越高，公平值越低， 反之亦然	貼現率	不適用 (2019年: 15.93%)	不適用 (2019年: 貼現率增加 (減少)5%會導致公平值 (減少)增加約10,000港元)

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets that are measured
at fair value on a recurring basis (Continued)

Fair value hierarchy

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

公平值級別

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 30 June 2020	於2020年6月30日				
Financial assets at FVOCI	按公平值計入其他全面收益 的金融資產				
– Unlisted equity interest	– 非上市股本權益	–	–	12,429	12,429
Financial assets at FVPL	按公平值計入損益的 金融資產				
– Listed equity securities excluding suspended shares	– 上市股本證券 (不包括 暫停買賣的股份)	18,227	–	–	18,227
– Suspended shares	– 暫停買賣的股份	–	–	30,321	30,321
		<u>18,227</u>	<u>–</u>	<u>42,750</u>	<u>60,977</u>
As at 30 June 2019	於2019年6月30日				
Financial assets at FVOCI	按公平值計入其他全面收益 的金融資產				
– Unlisted equity interest	– 非上市股本權益	–	–	15,422	15,422
Financial assets at FVPL	按公平值計入損益的 金融資產				
– Listed equity securities excluding suspended shares	– 上市股本證券 (不包括 暫停買賣的股份)	26,379	–	–	26,379
– Suspended shares	– 暫停買賣的股份	–	–	31,808	31,808
– Unlisted convertible bonds	– 非上市可換股債券	–	–	7,797	7,797
		<u>26,379</u>	<u>–</u>	<u>55,027</u>	<u>81,406</u>

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

For the year ended 30 June 2020 截至2020年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

There were no transfers between Level 1 and 2 and no transfers into or out of Level 3 during the year ended 30 June 2020 and 2019.

The details of movements in fair value measurements in Level 3 are as follows:

Reconciliation of Level 3 fair value measurements

At beginning of the year	於年初
Redemption	贖回
Change in fair value recognised in profit or loss (included in change in fair value of financial assets at FVPL)	於損益確認的公平值變動 (計入按公平值計入損益的金融資產的公平值變動)
Change in fair value recognised in other comprehensive income (included in fair value reserve (non-recycling))	於其他全面收益確認的公平值變動 (計入公平值儲備 (不可回撥))
At end of the year	於年末

The Group did not have any financial liabilities measured at fair value as at 30 June 2020 and 2019.

Fair value of the Group's financial assets and liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of Group's financial assets and liabilities recorded at cost or amortised cost in the consolidated financial statements approximate their fair values as at 30 June 2020 and 2019.

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產 的公平值 (續)

截至2020年及2019年6月30日止年度，第一級與第二級之間並無任何轉移，亦無轉入或轉出第三級。

第三級公平值計量的變動詳情如下：

第三級公平值計量的對賬

2020 2020年		2019 2019年	
Financial assets at FVPL	Financial assets at FVOCI	Financial assets at FVPL	Financial assets at FVOCI
按公平值 計入損益的 金融資產	按公平值 計入其他 全面收益的 金融資產	按公平值 計入損益的 金融資產	按公平值 計入其他 全面收益的 金融資產
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
39,605	15,422	47,098	16,114
(7,900)	–	(1,100)	–
(1,384)	–	(6,393)	–
–	(2,993)	–	(692)
30,321	12,429	39,605	15,422

本集團於2020年及2019年6月30日並無任何按公平值計量之金融負債。

並非根據經常性基準按公平值計量的本集團金融 資產及負債的公平值

董事認為於2020年及2019年6月30日按成本或攤銷成本於綜合財務報表記賬的本集團金融資產及負債的賬面值與其公平值相若。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION

The Group's operating and reporting segments have been identified on the basis of internal management reports prepared in accordance with the accounting policies conform to HKFRSs, that are regularly reviewed by the executive Directors, being the chief operating decision maker ("CODM") of the Group, in order to allocate resources to segments and to assess their performances.

The Group's operations have been organised based on three operating divisions as described below. Similarly, the information reported to the CODM is also prepared on such basis. No operating segments identified by the CODM have been aggregated in arriving the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- Provision of private educational services – secondary tutoring services, primary tutoring services, skill courses and test preparation courses, franchising income, English language training and test preparation courses and dance tuition services
- Investment in securities – trading of securities
- Money lending – providing loans as money lender

Other operating segments which do not meet the quantitative thresholds prescribed by HKFRS 8 "Operating Segments" for determining reportable segments are combined as "Others".

7. 收入及分部資料

本集團的經營及報告分部已根據符合香港財務報告準則的會計政策編製的內部管理報告基準予以識別，有關報告由作為本集團的首席經營決策者（「首席經營決策者」）的執行董事定期審閱以向分部分配資源及評估其表現。

本集團的經營已按下文所述的三個經營分部組成。同時，向首席經營決策者報告的資料亦已根據有關基準編製。在達致本集團可報告分部時，並無綜合首席經營決策者所識別的經營分部。

具體而言，本集團的可報告及經營分部如下：

- 提供私人教育服務 – 中學補習服務、小學輔導服務、展藝課程及應試課程、特許經營收入、英語培訓及應試課程以及舞蹈教學服務
- 投資證券 – 買賣證券
- 借貸 – 作為貸款人提供貸款

未符合香港財務報告準則第8號「經營分部」有關釐定可報告分部的量化標準的其他經營分部則合併為「其他」。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 30 June 2020

7. 收入及分部資料 (續)

(a) 分部收入及業績

本集團按經營及可報告分部進行的收入及業績分析如下：

截至2020年6月30日止年度

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按收入確認時間劃分				
Over time	於一段時間	62,765	–	4,052	66,817
Point in time	於一個時間點	426	–	–	426
Segment revenue (revenue from external customers)	分部收入 (來自外部客戶收入)	63,191	–	4,052	67,243
Segment results	分部業績	(61,121)	(10,681)	(2,586)	(74,388)
Interest on other borrowings	其他借款利息				(626)
Share of results of a joint venture	應佔一間合營公司業績				(726)
Unallocated corporate income	未分配公司收入				1,117
Unallocated corporate expenses	未分配公司開支				(32,637)
Loss before tax	除稅前虧損				(107,260)

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

The following is an analysis of the Group's revenue and results by operating and reportable segments:
(Continued)

For the year ended 30 June 2019

7. 收入及分部資料 (續)

(a) 分部收入及業績 (續)

本集團按經營及可報告分部進行的收入及業績分析如下：(續)

截至2019年6月30日止年度

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Disaggregated by timing of revenue recognition	按收入確認時間劃分				
Over time	於一段時間	103,687	—	4,006	107,693
Point in time	於一個時間點	1,247	—	—	1,247
Segment revenue (revenue from external customers)	分部收入 (來自外部客戶收入)	104,934	—	4,006	108,940
Segment results	分部業績	(47,838)	(20,977)	3,939	(64,876)
Interest on other borrowings	其他借款利息				(40)
Share of results of a joint venture	應佔一間合營公司業績				(571)
Unallocated corporate income	未分配公司收入				3,866
Unallocated corporate expenses	未分配公司開支				(15,274)
Loss before tax	除稅前虧損				(76,895)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. The CODM assesses segment results using a measure of operating loss whereby certain items are not included in arriving at the segment results of the operating segments (i.e. interest on other borrowings, share of results of a joint venture, unallocated corporate income and expenses).

經營分部的會計政策與附註3所述有關本集團的會計政策相同。首席經營決策者以經營虧損的計量來評估分部業績，當中若干項目在計算經營分部的分部業績時並無包括在內，即其他借款利息、應佔一間合營公司業績、未分配公司收入及開支。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

As at 30 June 2020

7. 收入及分部資料 (續)

(b) 分部資產及負債

本集團按經營及可報告分部進行的資產及負債分析如下：

於2020年6月30日

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Assets	資產				
Segment assets	分部資產	25,624	49,171	36,940	111,735
Unallocated assets	未分配資產				
Bank balances and cash	銀行結餘及現金				4,827
Other loan receivables	其他應收貸款				12,000
Interest in a joint venture	於一間合營公司的權益				3,325
Financial assets at FVOCI	按公平值計入其他全面 收益的金融資產				12,429
Other corporate assets	其他公司資產				6,160
					150,476
Liabilities	負債				
Segment liabilities	分部負債	31,234	1,177	50	32,461
Unallocated liabilities	未分配負債				
Current tax liabilities	即期稅項負債				25
Deferred tax liabilities	遞延稅項負債				104
Other borrowings	其他借款				7,816
Other corporate liabilities	其他公司負債				2,121
					42,527

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities (Continued)

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:
(Continued)

As at 30 June 2019

7. 收入及分部資料 (續)

(b) 分部資產及負債 (續)

本集團按經營及可報告分部進行的資產及負債分析如下：(續)

於2019年6月30日

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Assets	資產				
Segment assets	分部資產	63,201	73,367	41,636	178,204
Unallocated assets	未分配資產				
Bank balances and cash	銀行結餘及現金				6,174
Other loan receivables	其他應收貸款				43,000
Interest in a joint venture	於一間合營公司的權益				4,851
Financial assets at FVOCI	按公平值計入其他全面 收益的金融資產				15,422
Other corporate assets	其他公司資產				6,334
					<u>253,985</u>
Liabilities	負債				
Segment liabilities	分部負債	30,475	911	50	31,436
Unallocated liabilities	未分配負債				
Current tax liabilities	即期稅項負債				74
Deferred tax liabilities	遞延稅項負債				137
Other borrowings	其他借款				3,001
Other corporate liabilities	其他公司負債				1,180
					<u>35,828</u>

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to the operating segments other than bank balances and cash (other than those included in the money lending segment), other loan receivables, interest in a joint venture, financial assets at FVOCI and other corporate assets; and
- all liabilities are allocated to the operating segments other than current tax liabilities, deferred tax liabilities, other borrowings and other corporate liabilities.

7. 收入及分部資料 (續)

(b) 分部資產及負債 (續)

就監控分部表現及於分部之間分配資源的目的而言：

- 除銀行結餘及現金（計入借貸分部者除外）、其他應收貸款、於一間合營公司的權益、按公平值計入其他全面收益的金融資產及其他公司資產外，所有資產均分配至經營分部；及
- 除即期稅項負債、遞延稅項負債、其他借款及其他公司負債外，所有負債均分配至經營分部。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(c) Other segment information

7. 收入及分部資料 (續)

(c) 其他分部資料

		Provision of educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
For the year ended 30 June 2020	截至2020年6月30日止年度					
Capital additions	資本添置	(209)	(3)	–	–	(212)
Amortisation cost of intangible assets	無形資產的攤銷成本	(198)	–	–	–	(198)
Depreciation charge on owned property, plant and equipment	自有物業、廠房及設備的折舊費用	(7,121)	(463)	–	(70)	(7,654)
Depreciation charge on right-of-use assets	使用權資產的折舊費用	(3,940)	–	–	(1,367)	(5,307)
Reversal of provision for long service payments	長期服務金撥備撥回	109	–	–	–	109
Change in fair value of financial assets at FVPL	按公平值計入損益的金融資產的公平值變動	–	(10,752)	–	–	(10,752)
Impairment loss on goodwill	商譽之減值虧損	(18,673)	–	–	–	(18,673)
Reversal of impairment loss (impairment loss) on other receivables	其他應收款項之減值虧損撥回 (減值虧損)	2,491	(701)	–	(3,050)	(1,260)
Impairment loss on other loan receivables	其他應收貸款之減值虧損	–	(249)	–	(18,000)	(18,249)
Impairment loss on a loan receivable	應收貸款之減值虧損	–	–	(6,574)	–	(6,574)
Write off of trade receivables	撇銷貿易應收款項	(2)	–	–	–	(2)
Write off of other payables	撇銷其他應付款項	3,251	–	–	–	3,251
For the year ended 30 June 2019	截至2019年6月30日止年度					
Capital additions	資本添置	(1,873)	(47)	–	(352)	(2,272)
Amortisation cost of intangible assets	無形資產的攤銷成本	(198)	–	–	–	(198)
Depreciation charge on owned property, plant and equipment	自有物業、廠房及設備的折舊費用	(9,335)	(617)	–	(52)	(10,004)
Reversal of provision for long service payments	長期服務金撥備撥回	456	–	–	–	456
Change in fair value of financial assets at FVPL	按公平值計入損益的金融資產的公平值變動	–	(19,826)	–	–	(19,826)
Impairment loss on goodwill	商譽之減值虧損	(1,665)	–	–	–	(1,665)
Impairment loss on other receivable	其他應收款項之減值虧損	(2,939)	(29)	–	(167)	(3,135)

The Group's assets, revenue and results for the year derived from activities located outside Hong Kong are less than 10% of the Group's total assets, revenue and results for the year.

No individual customer accounted for over 10% of the Group's total revenue during both years.

本集團於本年度來自位於香港以外地區業務的資產、收入及業績少於本集團於本年度的總資產、收入及業績的10%。

於兩個年度內，概無個別客戶佔本集團總收入超過10%。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(d) Revenue from major services

7. 收入及分部資料 (續)

(d) 主要服務收入

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	於香港財務報告準則第15號範圍內來自客戶合約之收入		
Secondary tutoring services	中學補習服務	28,757	53,879
Primary tutoring services, skill courses and test preparation courses	小學輔導服務、展藝課程及應試課程	16,507	18,555
Franchising income	特許經營收入	4,769	5,704
English language training and test preparation courses	英語培訓及應試課程	2,271	9,229
Dance tuition services	舞蹈教學服務	10,887	17,567
		63,191	104,934
Revenue from other sources	其他來源之收入		
Loan interest income	貸款利息收入	4,052	4,006
		67,243	108,940

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

For the year ended 30 June 2020 截至2020年6月30日止年度

8. OTHER INCOME, GAINS AND LOSSES, NET

8. 其他收入、收益及虧損，淨額

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest income on	以下各項利息收入		
– other loan receivables	– 其他應收貸款	731	3,216
– unlisted convertible bonds	– 非上市可換股債券	105	635
– bank deposits	– 銀行存款	1	6
– other interest income	– 其他利息收入	280	9
Government grants (Note)	政府補助 (附註)	978	–
Supporting services income	支援服務收入	–	139
Loss on write off of property, plant and equipment	撇銷物業、廠房及設備的虧損	(4,601)	(903)
Impairment loss on	以下各項的減值虧損		
– goodwill	– 商譽	(18,673)	(1,665)
– other receivables, net	– 其他應收款項，淨額	(1,260)	(3,135)
– other loan receivables	– 其他應收貸款	(18,249)	–
– a loan receivable	– 應收貸款	(6,574)	–
Write off of trade receivables	撇銷貿易應收款項	(2)	–
Write off of other payables	撇銷其他應付款項	3,251	–
Others	其他	1,357	2,103
		(42,656)	405

Note:

The Group successfully applied for funding support from the Employment Support Scheme (“ESS”) and One-off Relief Grant for Private Schools Offering Non-formal Curriculum (“Grant for PSNFCs”) under the Anti-epidemic Fund, set up by the Hong Kong Special Administrative Region (“HKSAR”) Government.

The purpose of the ESS is to provide financial support to employers to retain employees who may otherwise be made redundant. Under the terms of the grant, the Group is required not to implement redundancies during the subsidy period and to spend all the funding on paying wages to their employees.

The Grant for PSNFCs is provided as a relief measure in light of that the classes of the Group have been suspended since end of January 2020 due to coronavirus disease 2019 (“COVID-19”). The Group is required to use the Grant for PSNFCs for expenses in school operation and be responsible for ensuring its effective use.

附註：

本集團成功申請由香港特別行政區（「香港特別行政區」）政府設立的抗疫基金下的保就業計劃（「保就業計劃」）的資助及提供非正規課程的私立學校的一次性紓困資助（「非正規課程的私立學校的資助」）。

保就業計劃旨在向僱主提供財政支援以保留可能會被遣散的僱員。根據補貼條款，本集團於補助期內不得裁員並須將全數資助用於支付其僱員的工資。

鑒於本集團的課程因2019冠狀病毒病（「COVID-19」）自2020年1月底已暫停，提供非正規課程的私立學校的資助是一項紓困措施。本集團須將提供非正規課程的私立學校的資助用作學校營運開支並負責確保其有效使用。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

9. FINANCE COSTS

9. 財務費用

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest on other borrowings	其他借款的利息	626	40
Interest on lease liabilities	租賃負債的利息	882	—
Interest expenses to securities companies	向證券公司支付的利息開支	10	—
		1,518	40

10. LOSS BEFORE TAX

10. 除稅前虧損

Loss before tax has been arrived at after charging (crediting):

除稅前虧損已扣除(抵免)下列項目:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Directors' emoluments (Note 11)	董事酬金(附註11)	1,229	1,432
Other staff costs	其他員工成本	38,195	47,602
Other staff's retirement benefit scheme contributions	其他員工的退休福利計劃供款	1,673	2,252
Total staff costs	員工成本總額	41,097	51,286
Compensation to landlords due to early termination of leases	因提前終止租賃而向業主支付的補償	2,496	—
Legal and professional fee	法律及專業費用	1,423	4,789
Rental related fees and charges (including building management fee, air conditioning charges and government rent and rates)	租金相關費用及支出(包括樓宇管理費、空調費以及政府地租及差餉)	7,147	9,015
Related expenses for copiers	影印機相關開支	1,413	5,319
Sales commission	銷售佣金	466	3,409
Other daily operation related expenses	其他日常營運相關開支	10,255	11,809
Total other operating expenses	其他營運開支總額	23,200	34,341

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

For the year ended 30 June 2020 截至2020年6月30日止年度

10. LOSS BEFORE TAX (Continued)

Loss before tax has been arrived at after charging (crediting):
(Continued)

10. 除稅前虧損 (續)

除稅前虧損已扣除 (抵免) 下列項目: (續)

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬	690	690
Write off of other receivables	撇銷其他應收款項	—	1
Reversal of provision for long service payments	長期服務金撥備撥回	(109)	(456)
Expense relating to short-term leases for properties and other leases for properties with remaining lease term ending on or before 30 June 2020	與短期物業租賃及剩餘租賃期於2020年6月30日或之前結束的其他物業租賃相關的開支	8,746	—
Expense relating to leases for properties early terminated on or before 30 June 2020	於2020年6月30日或之前提前終止物業租賃的相關開支	16,804	—
Total minimum lease payments for properties previously classified as operating leases under HKAS 17 (Note)	過往根據香港會計準則第17號分類為經營租賃的物業最低租賃付款總額 (附註)	—	42,004

Tutor contractor fee is calculated based on (i) certain percentage of revenue derived from secondary tutoring services and English language training and test preparation courses; and (ii) fixed hourly rate on primary tutoring services, skill courses and test preparation courses.

Lease payments represent the minimum lease payments paid or payable to lessors which are independent third parties.

Note:

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 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 July 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 2.

導師承包費乃根據(i)來自中學補習服務及英語培訓及應試課程收入的若干百分比;及(ii)小學輔導服務、展藝課程及應試課程之每小時固定收費計算。

租賃付款指向出租人 (獨立第三方) 已付或應付的最低租賃付款。

附註:

本集團已使用經修訂追溯法初步應用香港財務報告準則第16號並於2019年7月1日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租賃相關使用權資產。於2019年7月1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，而非根據先前政策，按直線法於租期內確認經營租賃產生的租金開支。根據此方法並未重列可比較資料。見附註2。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS

11. 董事及主要行政人員的酬金及五位最高薪酬僱員及導師

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Directors' fees	董事袍金	360	360
Other emoluments to Directors	向董事支付的其他酬金		
– basic salaries, allowances and other benefits in kind	– 基本薪金、津貼及其他實物福利	835	1,032
– discretionary bonus	– 酌情花紅	–	–
– retirement benefit scheme contributions	– 退休福利計劃供款	34	40
		1,229	1,432

The bonus is determined with reference to the operating results, individual performance and comparable market statistics during both years.

花紅乃經參考於兩年內的經營業績、個人表現及可比較市場統計數據而釐定。

Details of emoluments paid by the Group to the Directors and chief executive are as follows:

本集團向董事及主要行政人員支付的酬金詳情如下：

		Other emoluments 其他酬金				
		Directors' fee 董事袍金 HK\$'000 千港元	Basic salaries, allowances and other benefits in kind 基本薪金、津貼及其他實物福利 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 千港元	Share-based payments 以股份為基礎付款 HK\$'000 千港元
						Total 總計 HK\$'000 千港元
Year ended 30 June 2020	截至2020年6月30日止年度					
Mr. Yip Chung Yin Jeffrey	葉頌賢先生	–	403	–	12	–
Mr. Tsang Ka Wai	曾家偉先生	–	216	–	11	–
Mr. Wong King Hoi	黃敬凱先生	–	216	–	11	–
Ms. Jor Stephanie Wing Yee	左穎怡女士	120	–	–	–	–
Mr. Leung Ki Chi James	梁其智先生	120	–	–	–	–
Mr. Fenn David	范德偉先生	120	–	–	–	–
Total	總計	360	835	–	34	–

Note:

(i) Resigned with effect from 24 February 2020.

附註：

(i) 於2020年2月24日辭任。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Details of emoluments paid by the Group to the Directors and chief executive are as follows: (Continued)

11. 董事及主要行政人員的酬金及五位最高薪酬 僱員及導師 (續)

本集團向董事及主要行政人員支付的酬金詳情如下：(續)

		Other emoluments 其他酬金					
	Directors' fee	Basic salaries, allowances and other benefits in kind 基本薪金、津貼及其他實物福利	Discretionary bonus 酌情花紅	Retirement benefit scheme contributions 退休福利計劃供款	Share-based payments 以股份為基礎付款	Total 總計	
	董事袍金 HK\$'000 千港元	實物福利 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	以股份為基礎付款 HK\$'000 千港元	總計 HK\$'000 千港元	
Year ended 30 June 2019 截至2019年6月30日止年度							
Mr. Yip Chung Yin Jeffrey	葉頌賢先生	—	600	—	18	—	618
Mr. Tsang Ka Wai	曾家偉先生	—	216	—	11	—	227
Mr. Wong King Hoi	黃敬凱先生	—	216	—	11	—	227
Ms. Jor Stephanie Wing Yee	左穎怡女士	120	—	—	—	—	120
Mr. Leung Ki Chi James	梁其智先生	120	—	—	—	—	120
Mr. Fenn David	范德偉先生	120	—	—	—	—	120
Total	總計	360	1,032	—	40	—	1,432

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

For the year ended 30 June 2020 截至2020年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Among the five highest paid individuals (excluding tutors) of the Group during the year, none of them is Director (2019: one was Director whose remuneration is set out above). Details of the remuneration for the five (2019: remaining four) highest paid individuals are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Basic salaries, allowances and other benefits in kind	基本薪金、津貼及其他實物福利	2,635	2,451
Discretionary bonus	酌情花紅	—	—
Retirement benefit scheme contributions	退休福利計劃供款	90	63
		2,725	2,514

The number of the highest paid individuals who are not Directors whose remuneration fell within the following bands is as follows:

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
HK\$1 to HK\$500,000	1港元至500,000港元	2	1
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	3	3
		5	4

11. 董事及主要行政人員的酬金及五位最高薪酬僱員及導師 (續)

本集團於本年度之五位最高薪酬人士（不包括導師）中概無人士為董事（2019年：一名為董事，其薪酬載於上文）。五位（2019年：餘下四名）最高薪酬人士之薪酬詳情如下：

薪酬於以下範圍之非董事之最高薪酬人士人數如下：

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

For the year ended 30 June 2020 截至2020年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Details of tutor contractor fee of the five highest paid tutors (excluding Directors) during the year are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Tutor contractor fee	導師承包費	8,091	12,614

The tutor contractor fees to the five highest paid tutors (excluding Directors) were within the following bands:

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	2	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	—	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1	—
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	—	1
		5	5

No emoluments were paid by the Group to the existing or former Directors or the five highest paid employees and tutors as an inducement to join or upon joining the Group or as compensation for loss of office.

During the years ended 30 June 2020 and 2019, no director waived or agreed to waive their emoluments on a voluntary basis.

11. 董事及主要行政人員的酬金及五位最高薪酬 僱員及導師 (續)

於年內，五位最高薪酬導師（不包括董事）的導師承包費詳情如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Tutor contractor fee	導師承包費	8,091	12,614

五位最高薪酬導師（不包括董事）的導師承包費介乎以下範圍：

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	2	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	—	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	—	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1	—
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	—	1
		5	5

本集團並無向現任或前任董事或五位最高薪酬僱員及導師支付酬金作為吸引加入或於加入本集團時的酬金或作為離職補償。

於截至2020年及2019年6月30日止年度，概無董事自願放棄或同意放棄其酬金。

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Salaries, allowance and other benefits in kind paid to or for the executive Directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries, while directors' fees are paid to or for the independent non-executive Directors in respect of those persons' services as Directors.

11. 董事及主要行政人員的酬金及五位最高薪酬僱員及導師 (續)

已付或就執行董事支付的薪金、津貼及其他實物福利一般為就與管理本公司及其附屬公司事務相關的其他服務人士的已付或應收酬金，而董事袍金為向或就作為董事提供服務的獨立非執行董事支付。

12. INCOME TAX

12. 所得稅

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅		
– Provision for the year	– 一年內撥備	–	45
– Over-provision in respect of prior years	– 過往年度超額撥備	(20)	(78)
The People's Republic of China ("PRC")	中華人民共和國(「中國」)		
Enterprise Income Tax	企業所得稅	–	–
		(20)	(33)
Deferred tax (Note 34)	遞延稅項(附註34)	(33)	(32)
Total income tax credit recognised in profit or loss	於損益確認之所得稅抵免總額	(53)	(65)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax has been made as the subsidiaries of the Group have no assessable profit or have sufficient tax losses brought forward to set off against current year's estimated assessable profit for the year.

香港利得稅根據兩個年度之估計應評稅利潤按16.5%的稅率計算。由於本集團的附屬公司並無應評稅利潤或擁有足夠抵銷本年度的年度估計應評稅利潤的承前稅項虧損額，故並無就香港利得稅計提撥備。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

12. INCOME TAX (Continued)

The provision for PRC Enterprise Income Tax is based on the estimated taxable income for PRC taxation purposes at the rate of taxation applicable to each year. A subsidiary established in the PRC was subject to the PRC Enterprise Income Tax at 25% for both years.

The tax credit for the year can be reconciled to loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅 (續)

中國企業所得稅撥備乃根據中國稅項之估計應課稅收入按各年度所適用之稅率計算。於中國成立之一間附屬公司於兩個年度均須按25%繳納中國企業所得稅。

本年度的稅項抵免與綜合損益及其他全面收益表所載的除稅前虧損對賬如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss before tax	除稅前虧損	(107,260)	(76,895)
Notional tax on loss before taxation, calculated at the rates applicable to loss in the jurisdictions concerned	按有關司法權區適用的 虧損稅率計算的除稅前 虧損的名義稅項	(17,701)	(12,692)
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(1,555)	(1,003)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	9,977	4,885
Tax effect of share of results of a joint venture	應佔合營公司業績的稅務影響	120	94
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	(1,865)	783
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	11,116	8,365
Utilisation of tax losses previously not recognised	動用過往未確認的稅務虧損	(125)	(419)
Over-provision in prior years	過往年度超額撥備	(20)	(78)
Income tax credit for the year	年內所得稅抵免	(53)	(65)

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

For the year ended 30 June 2020 截至2020年6月30日止年度

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company for both years are based on the following data:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損的虧損		
Loss for the year attributable to owners of the Company	本公司擁有人應佔年度虧損	(107,194)	(77,438)
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損的普通股加權平均數	547,570,880	547,570,880

No adjustment has been made in calculating the diluted loss per share amount presented for the years ended 30 June 2020 and 2019 as there were no dilutive potential ordinary shares in issue during the year.

13. 每股虧損

本公司擁有人於兩個年度應佔之每股基本及攤薄虧損乃根據以下數據計算：

由於年內並無發行具攤薄性的潛在普通股，故於計算截至2020年及2019年6月30日止年度呈列之每股攤薄虧損金額時並無作出調整。

14. DIVIDENDS

The board of Directors does not recommend the payment of a final dividend for the year ended 30 June 2020 (2019: HK\$nil).

14. 股息

董事會不建議就截至2020年6月30日止年度派付末期股息（2019年：零港元）。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 July 2018	於2018年7月1日	36,851	5,652	7,253	9,055	58,811
Additions	添置	1,389	190	190	503	2,272
Disposals/write off	出售／撇銷	(2,553)	(247)	(408)	(32)	(3,240)
At 30 June 2019 and 1 July 2019	於2019年6月30日及 2019年7月1日	35,687	5,595	7,035	9,526	57,843
Additions	添置	83	12	21	96	212
Disposals/write off	出售／撇銷	(31,246)	(2,726)	(3,578)	(87)	(37,637)
At 30 June 2020	於2020年6月30日	4,524	2,881	3,478	9,535	20,418
ACCUMULATED DEPRECIATION	累計折舊					
At 1 July 2018	於2018年7月1日	17,519	3,444	6,008	6,376	33,347
Depreciation expense	折舊費用	7,606	862	478	1,058	10,004
Eliminated on disposals/write off	出售／撇銷時抵銷	(1,886)	(167)	(262)	(22)	(2,337)
At 30 June 2019 and 1 July 2019	於2019年6月30日及 2019年7月1日	23,239	4,139	6,224	7,412	41,014
Depreciation expense	折舊費用	5,710	704	336	904	7,654
Eliminated on disposals/write off	出售／撇銷時抵銷	(26,830)	(2,661)	(3,473)	(72)	(33,036)
At 30 June 2020	於2020年6月30日	2,119	2,182	3,087	8,244	15,632
CARRYING AMOUNTS	賬面值					
At 30 June 2020	於2020年6月30日	2,405	699	391	1,291	4,786
At 30 June 2019	於2019年6月30日	12,448	1,456	811	2,114	16,829

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

For the year ended 30 June 2020 截至2020年6月30日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold improvements	20% – 30%
Furniture and fixtures	20% – 30%
Office equipment	20%
Computer equipment	20%

15. 物業、廠房及設備 (續)

物業、廠房及設備的成本值以直線法折舊，按其估計可用年期予以撇銷，每年的折舊率如下：

租賃裝修	20% – 30%
傢俬及裝置	20% – 30%
辦公室設備	20%
電腦設備	20%

16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Leased properties 租賃物業 HK\$'000 千港元 (Note i) (附註i)	Leased office equipment 租賃辦公室設備 HK\$'000 千港元 (Note ii) (附註ii)	Total 總計 HK\$'000 千港元
COST	成本			
At 30 June 2019	於2019年6月30日	–	–	–
Impact on initial application of HKFRS 16 (Note 2)	首次應用香港財務報告準則第16號的影響 (附註2)	5,670	–	5,670
At 1 July 2019	於2019年7月1日	5,670	–	5,670
Additions arising from entering into new lease contracts	訂立新租賃合約產生的添置	5,685	838	6,523
At 30 June 2020	於2020年6月30日	11,355	838	12,193
ACCUMULATED DEPRECIATION	累計折舊			
At 1 July 2019	於2019年7月1日	–	–	–
Depreciation expense	折舊費用	5,180	127	5,307
At 30 June 2020	於2020年6月30日	5,180	127	5,307
CARRYING AMOUNTS	賬面值			
At 30 June 2020	於2020年6月30日	6,175	711	6,886
At 1 July 2019	於2019年7月1日	5,670	–	5,670

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

For the year ended 30 June 2020 截至2020年6月30日止年度

16. RIGHT-OF-USE ASSETS (Continued)

Notes:

- (i) The Group has obtained the right to use certain properties as its education centres, office premises and warehouse through tenancy agreements. The leases typically run for an initial period of 2 to 3 years, at the end of which period all terms are renegotiated.

During the year ended 30 June 2020, the Group leased a number of education centres which contain variable lease payment terms that are based on gross receipts generated from the education centres and minimum annual lease payment terms that are fixed. These payment terms are common in Hong Kong where the Group operates. The amount of fixed and variable lease payments for the year is summarised below:

Education centres – Hong Kong 教育中心－香港

At 30 June 2020, it is estimated that an increase in gross receipts generated from these education centres by 5% would have no material impact on the lease payments.

- (ii) The Group leases certain office equipment under leases expiring 5 years. None of the leases includes an option to renew the lease or purchase the leased equipment at the end of the lease term at a price deemed to be a bargain purchase option. None of the leases includes variable lease payments.

16. 使用權資產 (續)

附註：

- (i) 本集團已透過租賃協議獲授權使用若干物業作為其教育中心、辦公室物業及倉庫。租賃一般初步為期2至3年，所有條款於期末重新磋商。

於截至2020年6月30日止年度，本集團租賃多個教育中心，該等租賃含有基於教育中心所產生收入總額的可變租賃支付條款及固定最低年度租賃支付條款。該等支付條款於香港（本集團經營所在地）屬普遍。年內固定及可變租賃付款金額概述如下：

Fixed payments 固定付款 HK\$'000 千港元	Variable payments 可變付款 HK\$'000 千港元	Total payments 付款總額 HK\$'000 千港元
1,280	–	1,280

於2020年6月30日，估計該等教育中心所產生收入總額增加5%將不會對租賃付款產生重大影響。

- (ii) 本集團根據租約租賃若干辦公室設備，租期為5年。該等租約概無包含可於租賃期末按視作優先購買選擇權的價格重續租約或購買租賃設備的選擇權。概無租賃包含可變租賃付款。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

17. GOODWILL

17. 商譽

		CGU 1 現金產生 單位1 HK\$'000 千港元	CGU 2 現金產生 單位2 HK\$'000 千港元	CGU 3 現金產生 單位3 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本				
At 1 July 2018, 30 June 2019, 1 July 2019 and 30 June 2020	於2018年7月1日、2019年 6月30日、2019年7月1日 及2020年6月30日	60	25,448	559	26,067
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2018	於2018年7月1日	—	—	559	559
Impairment loss recognised	已確認減值虧損	—	1,665	—	1,665
At 30 June 2019 and 1 July 2019	於2019年6月30日及 2019年7月1日	—	1,665	559	2,224
Impairment loss recognised	已確認減值虧損	—	18,673	—	18,673
At 30 June 2020	於2020年6月30日	—	20,338	559	20,897
CARRYING AMOUNTS	賬面值				
At 30 June 2020	於2020年6月30日	60	5,110	—	5,170
At 30 June 2019	於2019年6月30日	60	23,783	—	23,843

For the purposes of impairment testing, goodwill has been allocated to three CGUs which are engaged in money lending business ("CGU 1"), private educational services ("CGU 2") and IT services ("CGU 3"), respectively.

為進行減值測試，商譽已分配至三個現金產生單位，分別為從事借貸業務（「現金產生單位1」）、私人教育服務（「現金產生單位2」）及資訊科技服務（「現金產生單位3」）。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

17. GOODWILL (Continued)

CGU 1 – Money lending business

Based on the result of impairment test, no impairment loss on goodwill allocated to CGU 1 is recognised during the years ended 30 June 2020 and 2019.

CGU 2 – Private educational services (dance tuition services)

The recoverable amount of CGU 2 is determined based on value-in-use calculation using discounted cash flow method under income approach, which is considered to be more likely to capture the future growth potentials of CGU 2. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2019: 3%). This growth rate does not exceed the long-term average growth rates for the market in which CGU 2 operates. The cash flows are discounted using a discount rate of 14% (2019: 14%). The discount rate used is pre-tax and reflects specific risks relating to CGU 2. Other key assumption for the value-in-use calculation relates to the estimation of cash inflows/outflows which included budgeted revenue, such estimation is based on the CGU 2's past performance and management's expectations for the market development including the fluctuation in dance tuition services business in the current economic environment in Hong Kong.

As the CGU 2 has been reduced to its recoverable amount of approximately HK\$5,110,000 (2019: approximately HK\$23,783,000) as at 30 June 2020 by reference to valuations carried out by an independent qualified professional valuer, an impairment loss of approximately HK\$18,673,000 (2019: approximately HK\$1,665,000) has been included in "Other income, gains and loss, net" for the year ended 30 June 2020. The Directors believe that any adverse change in the assumptions used in the calculation of the recoverable amount would result in further impairment losses.

17. 商譽 (續)

現金產生單位1 – 借貸業務

根據減值測試結果，截至2020年及2019年6月30日止年度並無就分配至現金產生單位1的商譽確認減值虧損。

現金產生單位2 – 私人教育服務 (舞蹈教學服務)

現金產生單位2之可收回金額乃使用收入法下的貼現現金流量法按使用價值計算釐定，該方法被視為較有可能捕捉現金產生單位2的未來增長潛力。該計算基於管理層批准的五年期財務預算作出的現金流量預測。推斷五年期後的現金流量會使用估計的3%加權平均增長率(2019年：3%)。該增長率不超過現金產生單位2經營所在市場的長期平均增長率。現金流量採用14%(2019年：14%)的貼現率貼現。所使用的貼現率是稅前並反映與現金產生單位2相關的特定風險。使用價值計算的其他關鍵假設與現金流入／流出的估算有關，其中包括預算收入，此估計乃基於現金產生單位2的過往表現及管理層對市場發展的期望，包括香港當前經濟環境下舞蹈教學服務業務的波動。

由於參照獨立合資格專業估值師所進行的估值，現金產生單位2已減少至其於2020年6月30日的可收回金額約5,110,000港元(2019年：約23,783,000港元)，截至2020年6月30日止年度的減值虧損約18,673,000港元(2019年：約1,665,000港元)已計入「其他收入、收益及虧損，淨額」。董事相信，計算可收回金額所用假設的任何不利變動將導致進一步的減值虧損。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

17. GOODWILL (Continued)

CGU 2 – Private educational services (dance tuition services) (Continued)

The following table indicates the approximate change in the recoverable amount of the CGU 2 at the end of the reporting period in response to reasonably possible changes in the assumptions used in the calculation.

		2020 2020年		2019 2019年	
		Increase/ (decrease) in the assumptions 假設之 增加／ (減少) %	Effect on recoverable amount 對可收回 金額的 影響 HK\$'000 千港元	Increase/ (decrease) in the assumptions 假設之 增加／ (減少) %	Effect on recoverable amount 對可收回 金額的 影響 HK\$'000 千港元
Pre-tax discount rate	稅前貼現率	5	(1,654)	5	(3,119)
Pre-tax discount rate	稅前貼現率	(5)	1,886	(5)	3,567
Growth rate beyond the five-year period	五年期後之增長率	5	251	5	487
Growth rate beyond the five-year period	五年期後之增長率	(5)	(244)	(5)	(474)

CGU 3 – IT services

Due to uncertain operating environment, the estimated recoverable amount of CGU 3 was below its carrying amount and goodwill allocated to this unit was fully impaired in prior years.

17. 商譽 (續)

現金產生單位2－私人教育服務（舞蹈教學服務）（續）

下表列示於報告期末現金產生單位2之可收回金額因應計算所用假設的合理可能變動而出現的概約變動。

現金產生單位3－資訊科技服務

由於經營環境不明朗，現金產生單位3的估計可收回金額低於其賬面值，而分配至該單位的商譽已於過往年度悉數減值。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

		Trademark 商標 HK\$'000 千港元	Franchise rights 特許權 HK\$'000 千港元	IT systems 資訊科技系統 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本				
At 1 July 2018, 30 June 2019, 1 July 2019 and 30 June 2020	於2018年7月1日、2019年 6月30日、2019年7月1日 及2020年6月30日	2,957	1,979	2,960	7,896
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2018	於2018年7月1日	2,957	1,484	2,960	7,401
Amortisation expense	攤銷費用	–	198	–	198
At 30 June 2019 and 1 July 2019	於2019年6月30日及 2019年7月1日	2,957	1,682	2,960	7,599
Amortisation expense	攤銷費用	–	198	–	198
At 30 June 2020	於2020年6月30日	2,957	1,880	2,960	7,797
CARRYING AMOUNTS	賬面值				
At 30 June 2020	於2020年6月30日	–	99	–	99
At 30 June 2019	於2019年6月30日	–	297	–	297

The Group's trademark protects the design and specification of "MODERN BACHELOR EDUCATION" logo, and was assessed to have an indefinite useful life. On the date of acquisition (i.e. 31 December 2010), the fair value of this trademark is assessed using an income approach under the relief from royalty method by an independent qualified professional valuer.

Franchise rights represent the right to use the name "MODERN BACHELOR EDUCATION" under contractual franchise agreements in the business of primary tutoring services. The amortisation period of franchise rights is 10 years.

本集團的商標保護「現代小學士」標誌的設計及規格，並被評定為具有無限可使用年期。於收購日期（即2010年12月31日），此商標的公平值乃由一名獨立合資格專業估值師採用權利金節省法的收入法作出評估。

特許權指根據小學輔導服務業務的合約特許協議使用「現代小學士」名稱的權利。特許權的攤銷期為10年。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

19. INTEREST IN AN ASSOCIATE

19. 於一間聯營公司的權益

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cost of unlisted investment	非上市投資成本	5	5
Share of post-acquisition results and reserves, net of dividends received	應佔收購後業績及儲備 (扣除已收股息)	(5)	(5)
Balance at end of the year	於年末結餘	—	—

Particulars of the Group's associate at 30 June 2020 are as follows:

本集團於2020年6月30日的聯營公司詳情如下：

Name of associate	Place of incorporation/operation	Proportion of nominal value of issued capital held by the Group		Proportion of voting power held		Principal activities
聯營公司名稱	註冊成立/營運地點	已發行股本面值比例		所持投票權比例		主要業務
		2020 2020年	2019 2019年	2020 2020年	2019 2019年	
Modern Legend Management Consultant of Education Limited ("Modern Legend") (Note)*	Hong Kong/ Hong Kong	50%	50%	50%	50%	Investment holding and its subsidiary is principally engaged in the provision of private educational and training services in the PRC
現代智高教育管理諮詢有限公司(「現代智高」)(附註)*	香港/香港	50%	50%	50%	50%	投資控股及其附屬公司主要於中國從事提供私人教育及培訓服務

* Neither Baker Tilly Hong Kong Limited nor another member firm of Baker Tilly International is the auditor of the associate.

* 天職香港會計師事務所有限公司及天職國際的其他成員公司均非該聯營公司的核數師。

Note: On 18 November 2016, Modern Legend was incorporated and the Group subscribed 50% equity interest of Modern Legend. The Group has ability to exercise significant influence through its shareholding.

附註：於2016年11月18日，現代智高獲註冊成立，本集團認購現代智高的50%股權。本集團能夠透過其股權行使重大影響力。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

19. INTEREST IN AN ASSOCIATE (Continued)

The associate is accounted for using the equity method in these consolidated financial statements.

The Group has discontinued recognition of its share of profit (loss) of an associate. The amount of unrecognised share of result of the associate, extracted from the relevant management accounts of the associate, for the year and cumulatively, are as follows:

19. 於一間聯營公司的權益 (續)

該聯營公司於該等綜合財務報表中乃採用權益法入賬。

本集團已終止確認其應佔一間聯營公司之溢利(虧損)。年內及累計未確認應佔該聯營公司之業績金額(摘錄自該聯營公司之相關管理賬目)如下:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Unrecognised share of profit (loss) of an associate for the year	年內未確認應佔一間聯營公司之 溢利(虧損)	140	(269)
Cumulative unrecognised share of losses of an associate	累計未確認應佔一間聯營公司之 虧損	(679)	(819)

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

For the year ended 30 June 2020 截至2020年6月30日止年度

20. INTEREST IN A JOINT VENTURE

20. 於一間合營公司的權益

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cost of unlisted investments	非上市投資成本	14,000	14,000
Share of post-acquisition results, net of dividends received	應佔收購後業績 (扣除已收股息)	(10,675)	(9,149)
Balance at end of the year	於年末結餘	3,325	4,851

At 30 June 2020, the Group had interest in the following joint venture:

於2020年6月30日，本集團於以下合營公司擁有權益：

Name of joint venture 合營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
		2020 2020年	2019 2019年	2020 2020年	2019 2019年	
Full Profit Hong Kong Development Limited ("Full Profit")	Hong Kong	50%	50%	50%	50%	Provision of management and consultancy services for kindergartens
盈豐香港發展有限公司 ("盈豐")	香港	50%	50%	50%	50%	為幼兒園提供管理及諮詢服務

The joint venture is accounted for using the equity method in these consolidated financial statements.

該合營公司於該等綜合財務報表中乃採用權益法入賬。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

20. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of a material joint venture

Summarised financial information in respect of the material joint venture of the Group and its subsidiary (collectively “Full Profit Group”) is set out below. The summarised financial information below represents amounts shown in the joint venture’s financial statements prepared in accordance with HKFRSs.

Full Profit Group

Current assets	流動資產
Non-current assets	非流動資產
Current liabilities	流動負債

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	現金及現金等價物
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債（不包括貿易及其他應付款項及撥備）

20. 於一間合營公司的權益（續）

重大合營公司之財務資料概要

本集團重大合營公司及其附屬公司（統稱「盈豐集團」）之財務資料概要載列如下。下文所述之財務資料概要乃指合營公司根據香港財務報告準則編製之財務報表中所示的金額。

盈豐集團

2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
671	2,504
—	1
10	978

上述資產及負債金額包括以下各項：

2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
565	2,476
—	—

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

For the year ended 30 June 2020 截至2020年6月30日止年度

20. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of a material joint venture (Continued)

Full Profit Group (Continued)

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue	收入	1,502	2,092
Profit for the year	年度溢利	734	1,042
Other comprehensive income for the year	年度其他全面收入	—	—
Total comprehensive income for the year	年度全面收入總額	734	1,042
Dividend received from the joint venture	自合營公司收取的股息	800	1,000

The above profit for the year includes the following:

上述年度溢利包括以下各項：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	1	2
Interest income	利息收入	1	1
Taxation	稅項	121	125

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

For the year ended 30 June 2020 截至2020年6月30日止年度

20. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of a material joint venture (Continued)

Full Profit Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Full Profit Group recognised by the Group in the consolidated financial statements:

20. 於一間合營公司的權益 (續)

重大合營公司之財務資料概要 (續)

盈豐集團 (續)

上述財務資料概要與本集團於綜合財務報表內所確認於盈豐集團之權益賬面值之對賬：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Net assets of Full Profit Group	盈豐集團的資產淨值	661	1,527
Proportion of the Group's ownership interest in Full Profit Group	本集團於盈豐集團擁有權益的比例	50%	50%
Effect of fair value adjustments at acquisition	收購時公平值調整之影響	14,000	14,000
Other adjustments	其他調整	(11,006)	(9,913)
Carrying amount of the Group's interest in Full Profit Group	本集團於盈豐集團之權益之賬面值	3,325	4,851

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

For the year ended 30 June 2020 截至2020年6月30日止年度

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

21. 按公平值計入其他全面收益的金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets at FVOCI	按公平值計入其他全面收益的 金融資產		
– unlisted equity interest in overseas, at fair value (Note)	– 海外非上市股本權益， 按公平值 (附註)	12,429	15,422

Note:

On 9 November 2016, Fastek Investments Limited ("Fastek"), an indirect wholly-owned subsidiary, entered into a subscription agreement with the investee and the guarantor, to subscribe approximately 9.49% of unlisted equity interest at a cash consideration of approximately HK\$28,459,000. On 24 January 2017, Fastek further subscribed 13 rights shares of the unlisted equity interest at a cash consideration of approximately HK\$2,372,000. The investee acts as an investment holding company and its subsidiaries (collectively, "Investee Group") are principally engaged in the dealing in securities, advising on securities, advising on corporate finance, asset management, provision of wealth management service and money lending business in Hong Kong.

On 6 December 2019, an independent third party had subscribed 35 shares of the unlisted equity interest of the investee. As a result, the shareholding of Fastek in the Investee Group has been diluted from 9.49% to 8.41%.

During the year ended 30 June 2020, the management had determined a fair value loss of approximately HK\$2,993,000 (2019: approximately HK\$692,000) by reference to valuations carried out by an independent qualified professional valuer.

The fair value of the unlisted equity interest is assessed by market approach which is considered that such method can reflect the going concern of the investee and provide direct market reference on the value from a group of comparable companies in the market. Details on the valuation technique(s) and inputs used are set out in fair value measurements of financial instruments in Note 6.

附註：

於2016年11月9日，間接全資附屬公司Fastek Investments Limited (「Fastek」)與被投資方及擔保人訂立認購協議，以現金代價約28,459,000港元認購非上市股本權益約9.49%。於2017年1月24日，Fastek以現金代價約2,372,000港元進一步認購非上市股本權益的13股供股股份。被投資方為一間投資控股公司及其附屬公司（統稱「被投資集團」）主要於香港從事的證券交易、證券諮詢、企業融資諮詢、資產管理、提供財富管理服務及借貸業務。

於2019年12月6日，一名獨立第三方已認購被投資方非上市股本權益的35股股份。因此，Fastek於被投資集團的股權已由9.49%攤薄至8.41%。

截至2020年6月30日止年度內，管理層經參考一名獨立合資格專業估值師進行之估值已釐定公平值虧損約2,993,000港元（2019年：約692,000港元）。

非上市股本權益的公平值乃透過市場方法進行評估，該方法被認為可以反映被投資方的持續經營狀況，並提供市場上一組可資比較公司的價值作直接市場參考。所採用的估值方法及輸入數據詳情載於附註6中的金融工具之公平值計量。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

22. NON-CURRENT DEPOSITS

22. 非流動按金

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Rental deposits (Note 23)	租金按金 (附註23)	1,902	9,260

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Accrued revenue and trade receivables	應計收入及貿易應收款項	665	967
Rental deposits	租金按金	3,293	13,449
Other deposits	其他按金	346	646
Prepayments	預付款項	945	1,497
Other receivables	其他應收款項	13,827	21,744
Less: Impairment loss on other receivables, net	減：其他應收款項之 減值虧損·淨額	(4,395)	(3,135)
		14,681	35,168
Less: Rental deposits (shown under non-current assets)	減：租金按金 (列入非流動資產)	(1,902)	(9,260)
Trade and other receivables (shown under current assets)	貿易及其他應收款項 (列入流動資產)	12,779	25,908

Included in the Group's other receivables, prepayments and deposits were rental deposits and other receivable amounting to approximately HK\$1,902,000 (2019: approximately HK\$9,260,000) and approximately HK\$1,234,000 (2019: approximately HK\$3,388,000) respectively, which are expected to be recovered or recognised as expenses after more than one year. All of the other trade and other receivables are expected to be recovered or recognised as expenses within one year.

計入本集團的其他應收款項、預付款項及按金為金額分別約1,902,000港元(2019年：約9,260,000港元)及約1,234,000港元(2019年：約3,388,000港元)的租金按金及其他應收款項，預期將於逾一年後收回或確認為開支。預期所有其他貿易及其他應收款項將於一年內收回或確認為開支。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

23. TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis

The following is an ageing analysis of accrued revenue and trade receivables, presented based on the invoice date at the end of the reporting period which approximated the respective revenue recognition dates:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Accrued revenue not yet billed	尚未發出賬單的應計收入	473	443
Trade receivables:	貿易應收款項：		
1 to 30 days	1至30日	144	410
31 to 60 days	31至60日	37	107
61 to 90 days	61至90日	3	—
More than 90 days	超過90日	8	7
		665	967

Trade receivables are usually due within 30 days (2019: within 30 days) from the date of billing. Further details on the Group's credit policy are set out under "Credit risk" in Note 6.

23. 貿易及其他應收款項 (續)

(a) 賬齡分析

以下為根據報告期末發票日期（其與各收入確認日期相若）呈列的應計收入及貿易應收款項的賬齡分析：

貿易應收款項通常自發出賬單之日起計30日內（2019年：30日內）到期。有關本集團信貸政策的進一步詳情載於附註6中的「信貸風險」。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

23. TRADE AND OTHER RECEIVABLES (Continued)

(b) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	502	485
1 to 30 days past due	逾期1至30日	123	386
31 to 60 days past due	逾期31至60日	29	89
61 to 90 days past due	逾期61至90日	3	—
More than 90 days past due	逾期90日以上	8	7
Amounts past due	逾期金額	163	482
		665	967

During the year, impairment loss of approximately HK\$2,000 (2019: HK\$nil) was written off against trade receivables directly for which the Group considered that recovery of the amounts was remote.

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

As at 30 June 2020, receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

23. 貿易及其他應收款項 (續)

(b) 並無減值的貿易應收款項

在個別及整體下均不被視為需減值的貿易應收款項的賬齡分析如下：

於本年度內，減值虧損約2,000港元（2019年：零港元）直接與貿易應收款項撇銷，這是由於本集團認為該等款項收回的可能性極小。

既無逾期亦無減值的應收款項與近期並無違約記錄的廣泛客戶有關。

於2020年6月30日，已逾期但並無減值的應收款項與多名與本集團有良好還款記錄的獨立客戶有關。基於過往經驗，管理層認為並無必要就該等結餘作出減值撥備，原因是信貸質素並無重大變動及結餘被視為可悉數收回。

24. OTHER LOAN RECEIVABLES

24. 其他應收貸款

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other loan receivables	其他應收貸款	30,249	43,000
Less: Impairment loss	減：減值虧損	(18,249)	—
		12,000	43,000

On 7 September 2018, Rosy Lane Investments Limited (“Rosy Lane”), a direct wholly-owned subsidiary of the Company, entered into an agreement (“Loan Disposal Agreement”) with Mr. Wong Kui Shing (“Mr. Wong”), an independent third party, in respect of disposal of the promissory note receivable. Pursuant to the Loan Disposal Agreement, Rosy Lane had conditionally agreed to sell and assign, and Mr. Wong had conditionally agreed to purchase and be assigned, Rosy Lane’s rights, titles, benefits and interests in and to the outstanding principal and interest accrued (“Aggregate Outstanding Sum”) of approximately HK\$53,529,000, the promissory note receivable and the share mortgage at a consideration of HK\$48,000,000 (“Consideration”) with maturity date on 17 June 2019 (“Maturity Date”).

The Consideration was determined after arms’s length negotiation between Rosy Lane and Mr. Wong principally with reference to the amount of Aggregate Outstanding Sum as at 30 June 2018 and its recoverability, with a discount of approximately 10.33%. A write off of approximately HK\$5,529,000 was recognised in “Other operation expenses” for the year ended 30 June 2018.

A repayment commitment letter was signed by Mr. Wong on 1 August 2019, to repay the outstanding principal of HK\$43,000,000 and interests of approximately HK\$3,216,000 in 7 instalments from 31 August 2019 to 29 February 2020.

於2018年9月7日，本公司的直接全資附屬公司 Rosy Lane Investments Limited (「Rosy Lane」) 與獨立第三方王鉅成先生 (「王先生」) 就出售應收承兌票據訂立協議 (「貸款出售協議」)。根據貸款出售協議，Rosy Lane 已有條件同意出售及轉讓，而王先生已有條件同意購買並接受轉讓 Rosy Lane 約 53,529,000 港元的尚未收回本金及應計利息 (「尚未收回金額總額」)、應收承兌票據及股份按揭的權利、擁有權、利益及權益，代價為 48,000,000 港元 (「代價」)，到期日為 2019 年 6 月 17 日 (「到期日」)。

代價乃經 Rosy Lane 與王先生公平磋商後釐定，當中主要參考尚未收回金額總額於 2018 年 6 月 30 日的金額及其可收回性 (折讓約 10.33%)。已就截至 2018 年 6 月 30 日止年度於「其他經營開支」確認撇銷金額約 5,529,000 港元。

王先生於 2019 年 8 月 1 日簽署還款承諾書，以償還未償還本金 43,000,000 港元及利息約 3,216,000 港元，自 2019 年 8 月 31 日至 2020 年 2 月 29 日分 7 期支付。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

24. OTHER LOAN RECEIVABLES (Continued)

Mr. Wong settled the first instalment, amounting to HK\$15,000,000, on 31 August 2019 in accordance with the revised repayment schedule, while left the outstanding principal of HK\$28,000,000 unpaid as at 30 June 2020. Up to the date of this report, HK\$10,000,000 was subsequently repaid by Mr. Wong. The Directors considered that the recovery of the unsettled balance was remote and an impairment loss of HK\$18,000,000 (2019: HK\$nil) was recognised during the year ended 30 June 2020.

The remaining balance of other loan receivables, amounting to approximately HK\$2,249,000, represents the outstanding considerations arising from the redemption of the unlisted convertible bonds (see Note 27 (iii)). Up to the date of this report, HK\$2,000,000 was subsequently repaid by the debtor. The Directors considered that the recovery of the unsettled balance was remote and an impairment loss of approximately HK\$249,000 (2019: HK\$nil) was recognised during the year ended 30 June 2020.

Further details on the Group's credit policy are set out in Note 6(ii)(A).

25. LOAN RECEIVABLES

Loan receivables	應收貸款
Less: Impairment loss	減：減值虧損

Loan receivables represent outstanding principals and interest arising from the money lending business of the Group.

As at 30 June 2020, all of the loan receivables are entered with the counterparties with a maturity within the next twelve months, unsecured and interest-bearing at fixed rates mutually agreed between the contracting parties, ranging from 9% to 10.5% (2019: 8.5% to 10.5%) per annum.

24. 其他應收貸款 (續)

王先生根據經修訂償還時間表於2019年8月31日償還首期款項15,000,000港元，而未償還的本金28,000,000港元於2020年6月30日尚未支付。截至本報告日期，王先生其後償還10,000,000港元。董事認為收回未清償結餘的可能性甚微，並已於截至2020年6月30日止年度內確認減值虧損18,000,000港元（2019年：零港元）。

其他應收貸款餘下結餘約2,249,000港元為因贖回非上市可換股債券而產生的未償還代價（見附註27(iii)）。截至本報告日期，債務人其後償還2,000,000港元。董事認為收回未清償結餘的可能性甚微，並已於截至2020年6月30日止年度內確認減值虧損約249,000港元（2019年：零港元）。

有關本集團信貸政策的進一步詳情載於附註6(ii)(A)。

25. 應收貸款

2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
42,824	48,393
(6,574)	(7,493)
36,250	40,900

應收貸款指本集團借貸業務所產生之尚未收回本金及利息。

於2020年6月30日，所有與訂約的另一方訂立之應收貸款於未來十二個月內到期，為無抵押及按訂約方共同協定的固定利率計息，年利率介乎9%至10.5%（2019年：8.5%至10.5%）。

25. LOAN RECEIVABLES (Continued)

The Group seeks to maintain strict control over its loan receivables in order to minimise credit risk by reviewing borrowers' and their guarantors' financial positions.

The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment includes evaluation of collectability and ageing analysis of the loan receivables and on management's judgement on creditworthiness, collateral and past collection history of each borrower.

Except for a loan receivable with outstanding principal and interest as at 30 June 2020 in aggregate amount of approximately HK\$6,574,000 (2019: approximately HK\$7,493,000) which has been past due and impaired during the year with a maturity in March 2020, all other loan receivables were neither past due nor impaired at 30 June 2020. Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Further details on the Group's credit policy are set out in Note 6(ii)(B).

25. 應收貸款 (續)

本集團對其應收貸款力求維持嚴格控制，透過審查借款人及其擔保人之財務狀況，以盡量降低信貸風險。

本集團有按個別基準評估應收貸款之減值的政策。評估包括對應收貸款之可收回性評估及賬齡分析以及管理層對各借款人之信譽、抵押品及過往收賬記錄之判斷。

除於2020年3月到期而尚未償還本金及利息（截至2020年6月30日）的應收貸款總額約6,574,000港元（2019年：約7,493,000港元）（其已逾期及於年內作出減值），所有其他應收貸款於2020年6月30日既未逾期亦未作出減值。既未逾期亦未作出減值的應收款項與近期並無違約記錄的客戶有關。

有關本集團信貸政策的進一步詳情載於附註6(ii)(B)。

26. AMOUNT DUE FROM AN ASSOCIATE

26. 應收一間聯營公司款項

		Maximum amount outstanding during the year 於年內尚未償還的 最高金額	
At 30 June 2020 於2020年 6月30日 HK\$'000 千港元	At 30 June 2019 於2019年 6月30日 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Modern Legend 現代智高	793	798	910

The amount is unsecured, non-interest bearing and repayable on demand.

該款項為無抵押、免息及須按要求償還。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 按公平值計入損益的金融資產

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Listed equity securities in Hong Kong, at fair value	按公平值列賬的香港上市股本 證券	(i)	18,227	26,379
Suspended listed equity securities in Hong Kong, at fair value	按公平值列賬的香港暫停買賣 上市股本證券	(ii)	30,321	31,808
Unlisted convertible bonds, at fair value	按公平值列賬的非上市 可換股債券	(iii)	—	7,797
			48,548	65,984

Notes:

- (i) The amount represents equity securities listed in Hong Kong. The fair values of the investments are determined with reference to the quoted market bid prices in the Stock Exchange.
- (ii) As at 30 June 2020, the fair value of the suspended listed equity securities represents the equity securities of Convoy Global Holdings Limited (a company listed on the Main Board of the Stock Exchange with stock code: 1019) ("Convoy Shares"), which was determined by the Directors with reference to valuations carried out by an independent qualified professional valuer. During the year ended 30 June 2020, loss on change in fair value in respect of the Convoy Shares amounting to approximately HK\$1,487,000 (2019: approximately HK\$6,292,000) was recognised in profit or loss.

The fair value of the Convoy Shares is assessed by index return method, which is a generally accepted approach in the industry. Details on the valuation technique(s) and inputs used are set out in fair value measurements of financial instruments in Note 6.

附註：

- (i) 該款項指於香港上市的股本證券。投資之公平值乃經參考於聯交所報市場買入價後釐定。
- (ii) 於2020年6月30日，暫停買賣上市股本證券之公平值指康宏環球控股有限公司（一間於聯交所主板上市的公司，股份代號：1019）之股本證券（「康宏股份」），其由董事經參照獨立合資格專業估值師進行之估值釐定。於截至2020年6月30日止年度內，有關康宏股份的公平值變動虧損約1,487,000港元（2019年：約6,292,000港元）已於損益確認。

康宏股份之公平值按指數回報法進行評估，此乃業內公認的方法。估值方法及輸入數據詳情載於附註6中的金融工具之公平值計量。

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (iii) On 12 January 2018, the Group acquired unlisted convertible bonds from an independent third party at a cash consideration of HK\$9,300,000. The convertible bonds were issued by Larry Jewelry International Company Limited (a company listed on GEM of the Stock Exchange with stock code: 8351) ("Larry Jewelry"). The convertible bonds is unsecured, bears interest at a fixed rate of 7.5% per annum and matured on the second anniversary of the first issue date (i.e. 4 September 2019) ("Maturity Date").

The initial conversion price of the convertible bonds is HK\$0.3 subject to adjustments in accordance with the certain conditions. The conversion period of the convertible bonds commencing from the date of first issue of the convertible bonds up to and including the date falling on the seventh day immediately prior to the Maturity Date.

At any time prior to the Maturity Date, Larry Jewelry may redeem the convertible bonds at 100% of the principal amount outstanding plus interest accrued by giving written notice to the Group. The Group has no right to request Larry Jewelry to redeem the convertible bonds at any time prior to the Maturity Date.

During the year ended 30 June 2019, the unlisted convertible bonds of HK\$1,100,000 were partial redeemed by Larry Jewelry.

As at 30 June 2019, the fair value of the unlisted convertible bonds were determined by the Directors with reference to valuations carried out by an independent qualified professional valuer. During the year ended 30 June 2019, loss on change in fair value in respect of the unlisted convertible bonds amounting to approximately HK\$101,000 was recognised in profit or loss.

On the Maturity Date, the unlisted convertible bonds were fully redeemed by Larry Jewelry at a cash consideration of HK\$7,900,000, resulting in a fair value gain of approximately HK\$103,000 recorded in the profit or loss during the year ended 30 June 2020.

27. 按公平值計入損益的金融資產 (續)

附註：(續)

- (iii) 於2018年1月12日，本集團以現金代價9,300,000港元向一名獨立第三方收購非上市可換股債券。可換股債券乃由俊文寶石國際有限公司（一間於聯交所GEM上市之公司，股份代號：8351）（「俊文寶石」）發行。可換股債券乃無抵押，按7.5%固定年利率計息並已於發行首日起計第二個週年日（即2019年9月4日）（「到期日」）到期。

可換股債券之初始轉換價為0.3港元，可根據若干條件予以調整。可換股債券之轉換期為自可換股債券發行首日起至緊接到到期日前第七日（包括當日）止期間。

於到期日前任何時間內，俊文寶石可透過向本集團發出書面通知，按全部未償還本金額另加應計利息之金額，贖回可換股債券。本集團無權要求俊文寶石於到期日前任何時間內贖回可換股債券。

於截至2019年6月30日止年度內，非上市可換股債券1,100,000港元由俊文寶石部分贖回。

於2019年6月30日，董事經參照一名獨立合資格專業估值師進行之估值釐定非上市可換股債券之公平值。於截至2019年6月30日止年度內，已於損益確認非上市可換股債券的公平值變動虧損約101,000港元。

於到期日，俊文寶石以現金代價7,900,000港元悉數贖回非上市可換股債券，致使於截至2020年6月30日止年度內的損益中錄得公平值收益約103,000港元。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

28. BANK BALANCES AND CASH

Bank balances carried interest at market rates ranging from 0.001% to 0.002% (2019: 0.125% to 0.135%) per annum.

As at 30 June 2020, the Group's bank balances and cash with an aggregate carrying amount of approximately HK\$28,000 (2019: approximately HK\$322,000) were denominated in Renminbi ("RMB") and placed with bank in the PRC, which is not a freely convertible currency in the international market. The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

28. 銀行結餘及現金

銀行結餘按介乎每年0.001%至0.002% (2019年: 0.125%至0.135%)的市場利率計息。

於2020年6月30日，本集團總賬面值約28,000港元 (2019年: 約322,000港元)之銀行結餘及現金以人民幣(「人民幣」)計值，並存於中國的銀行，而人民幣並非國際市場上之自由兌換貨幣。中國政府已實行外匯管制，資金匯出中國境外須受中國政府實施之匯兌限制所規限。

29. OTHER PAYABLES AND ACCRUALS

Other payables	其他應付款項
Accrued tutor contractor fee, salary and other accruals	應計導師承包費、薪金及其他應計費用

29. 其他應付款項及應計費用

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other payables	8,778	3,724
Accrued tutor contractor fee, salary and other accruals	6,692	11,882
	15,470	15,606

30. CONTRACT LIABILITIES

Provision of private educational services	提供私人教育服務
– advances received from customers	— 自客戶收到的墊款

30. 合約負債

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Provision of private educational services – advances received from customers	5,790	10,336

The contract liabilities primarily related to the advance consideration received from the students for the provision of private educational services, for which revenue is recognised when the services have been rendered.

合約負債主要與就提供私人教育服務向學生收取的預付代價有關，據此，收入於提供服務時確認。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

30. CONTRACT LIABILITIES (Continued)

The movements in contract liabilities are summarised as follows:

30. 合約負債 (續)

合約負債的變動概述如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	10,336	10,851
Decrease in contract liabilities as a result of recognising revenue during the year that was included in contract liabilities at the beginning of the year	因於年初確認已計入合約負債的年內收益使合約負債減少	(9,861)	(10,715)
Increase in contract liabilities as a result of receiving advance consideration from the students for the provision of private educational services	因就提供私人教育服務向學生收取預付代價使合約負債增加	5,315	10,200
At end of the year	於年末	5,790	10,336

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

For the year ended 30 June 2020 截至2020年6月30日止年度

31. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at 30 June 2020 and at the date of transition to HKFRS 16:

		30 June 2020 2020年6月30日		1 July 2019 (Note) 2019年7月1日 (附註)	
		Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 千港元
Within 1 year	一年內	4,247	4,863	3,570	3,997
After 1 year but within 2 years	一年後但兩年內	2,210	2,439	1,846	1,968
After 2 years but within 5 years	兩年後但五年內	834	914	254	261
		3,044	3,353	2,100	2,229
At 30 June 2020	於2020年6月30日	7,291	8,216	5,670	6,226
Less: Total future interest expenses	減：未來利息開支總額		(925)		(556)
Present value of lease liabilities	租賃負債之現值		7,291		5,670

Note:

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 30 June 2019 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in Note 2.

31. 租賃負債

下表列示本集團租賃負債於2020年6月30日及於過渡至香港財務報告準則第16號當日的餘下合約到期日：

附註：

本集團已使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2019年7月1日之期初結餘，以確認先前根據香港會計準則第17號分類為經營租賃的租賃的相關租賃負債。於2019年6月30日的比較資料並無予以重列。有關過渡至香港財務報告準則第16號的影響的更多詳情載於附註2。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

32. AMOUNTS DUE TO RELATED PARTIES

32. 應付關聯方款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Amounts due to a director and a non-controlling shareholder of Able Investment Development Limited (“Able Investment”)	應付利東投資發展有限公司（「利東投資」）一名董事及一名非控股股東款項	495	495
Amount due to a director of Wind Fly Dragon Int'l Limited (“Wind Fly”)	應付千里飛龍國際有限公司（「千里飛龍」）一名董事款項	4,873	5,373
		5,368	5,868

The amounts are unsecured, non-interest bearing and repayable on demand.

該等項款乃無抵押、免息及按要求時償還。

33. OTHER BORROWINGS

As at 30 June 2020 and 2019, other borrowings of the Group from independent third parties are unsecured, repayable within one year and carried a fixed interest rate at 12% (2019: 12%) per annum.

During the year ended 30 June 2020, the Company entered into a loan agreement amounting to HK\$5,000,000 with an independent third party which is unsecured, interest-bearing at a fixed rate of 12% per annum and repayable on or before 27 June 2020. The borrowing have been fully repaid by the Company on 17 August 2020.

33. 其他借款

於2020年及2019年6月30日，本集團來自獨立第三方的其他借款乃無抵押、需於一年內償還並按每年12%（2019年：12%）固定利率計息。

於截至2020年6月30日止年度內，本公司與一名獨立第三方訂立一份金額為5,000,000港元的貸款協議，該貸款為無抵押、按固定年利率12%計息及須於2020年6月27日或之前償還。本公司已於2020年8月17日全數償還該筆借款。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

34. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised and movements thereon during both years:

34. 遞延稅項負債

以下為兩個年度確認的遞延稅項負債及其變動：

	Intangible assets 無形資產 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018 於2018年7月1日	(80)	(89)	(169)
Credited to profit or loss during the year 年內於損益中計入	32	–	32
At 30 June 2019 and 1 July 2019 於2019年6月30日及2019年7月1日	(48)	(89)	(137)
Credited to profit or loss during the year 年內於損益中計入	33	–	33
At 30 June 2020 於2020年6月30日	(15)	(89)	(104)

At the end of the reporting period, the Group had unused tax losses of approximately HK\$257,461,000 (2019: approximately HK\$190,861,000) available for offsetting against future profits of the companies in which the losses arose. As at 30 June 2020 and 2019, no deferred tax assets have been recognised in respect of tax losses due to unpredictability of future profit streams. All tax losses can be carried forward indefinitely.

於報告期末，本集團的未動用稅項虧損約257,461,000港元（2019年：約190,861,000港元）可用以抵銷產生虧損公司的未來溢利。於2020年及2019年6月30日，由於未來溢利來源的不可預測性，並無就稅項虧損確認遞延稅項資產。所有稅項虧損可無限期結轉。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

35. PROVISION FOR LONG SERVICE PAYMENTS

35. 長期服務金撥備

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	806	1,267
Credited to profit or loss during the year	計入年內損益	(109)	(456)
Reductions arising from payments	付款產生之扣減	(34)	(5)
At end of the year	於年末	663	806

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

長期服務金撥備乃根據未來付款的最佳估計作出，而未來付款乃用於結算根據香港僱傭條例就本集團在香港的僱員須承擔的責任。

36. SHARE CAPITAL

36. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
<i>Authorised</i>	<i>法定</i>		
Ordinary shares of HK\$0.05 each	每股面值0.05港元的普通股		
At 1 July 2018, 30 June 2019 and 30 June 2020	於2018年7月1日、2019年6月30日及 2020年6月30日	6,000,000,000	300,000
<i>Issued and fully paid</i>	<i>已發行及繳足</i>		
Ordinary shares of HK\$0.05 each	每股面值0.05港元的普通股		
At 1 July 2018, 30 June 2019 and 30 June 2020	於2018年7月1日、2019年6月30日及 2020年6月30日	547,570,880	27,379

The shares issued rank *pari passu* with other shares of the Company in issue in all respects. None of the Company or its subsidiaries repurchased, sold, redeemed or cancelled any of the Company's shares during the years ended 30 June 2020 and 2019.

已發行股份於所有方面與本公司已發行之其他股份享有同等地位。於截至2020年及2019年6月30日止年度內，本公司或其附屬公司概無購回、出售、贖回或註銷任何本公司股份。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

37. SHARE OPTION SCHEME

The Company has a share option scheme (“Share Option Scheme”) which was adopted pursuant to a resolution in writing of all shareholders passed on 11 June 2011 (“Adoption Date”). The purposes of the Share Option Scheme are to attract and retain the best available personnel and to provide additional incentives or rewards to full time or part-time employees, Directors (whether executive or non-executive), consultants, supplier, customer, joint venture partner, business associates and advisor (professional or otherwise) of the Company for their contribution to the Company and to promote the Company’s success. The Share Option Scheme became effective on 4 July 2011 (“Effective Date”). Subject to earlier termination by the Directors and approved in advance by the shareholders in a general meeting, the Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date and expiring at 5:00 p.m. on the business day preceding the tenth anniversary of the Adoption Date.

The total number of shares of the Company available for issue under the Share Option Scheme must not in aggregate, exceed 10% of the issued share capital of the Company at the Effective Date.

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme (including exercised, cancelled or outstanding options) to each participant (other than a substantial shareholder, chief executive or director as explained below) in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

37. 購股權計劃

本公司根據全體股東於2011年6月11日（「採納日期」）通過的書面決議案採納購股權計劃（「購股權計劃」）。購股權計劃旨在吸引及留住最佳員工，及為本公司的全職或兼職僱員、董事（無論為執行或非執行）、諮詢人、供應商、客戶、合營夥伴、業務夥伴及顧問（專業或其他）提供額外獎勵或回報，以獎賞彼等對本公司所作的貢獻，並促進本公司的成功。購股權計劃於2011年7月4日（「生效日期」）生效。購股權計劃將自生效日期起至採納日期第十週年前營業日下午五時正屆滿時止期間有效，惟可由董事在取得股東於股東大會上事先批准之情況下提早終止。

根據購股權計劃，可供發行之本公司股份總數合共不得超過本公司於生效日期已發行股本之10%。

於任何十二個月期間內根據購股權計劃可能授予每位參與者（不包括下文所述之主要股東、主要行政人員或董事）之購股權（包括已行使、註銷或尚未行使之購股權）獲行使而可發行之股份數目上限不得超過本公司當時已發行股本之1%。超出此上限之任何進一步授出購股權須於股東大會上取得股東批准。

37. SHARE OPTION SCHEME (Continued)

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, in the 12-month period up to and including the date of grant, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options, which may specify the minimum period for which the options must be held before they can be exercised, may be accepted in writing by a participant within 21 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. No consideration is payable on the grant of an option. The exercise period for the share options granted is determined by the Directors, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of the conditional adoption of the Share Option Scheme by the shareholders subject to the provisions for early termination under the Share Option Scheme.

During the year ended 30 June 2020 and 2019, no share option was granted, exercised, cancelled or lapsed. As at 30 June 2020 and 2019, no share options were outstanding.

37. 購股權計劃 (續)

向本公司董事、主要行政人員或主要股東或彼等各自之任何聯繫人士(定義見上市規則)授予購股權須事先取得獨立非執行董事(不包括身為購股權承授人之任何獨立非執行董事)批准。此外,倘若於直至授出日期(包括該日)止十二個月期間內,授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之任何購股權超出本公司已發行股份之0.1%且總值(根據授出當日本公司股份之收市價計算)超逾5,000,000港元,則須在股東大會上取得股東批准。

於承授人繳交1港元之名義代價後,參與者可於要約日期起計21日內以書面接納獲授購股權之要約(其可能訂明於購股權獲行使前須持有購股權的最短期間)。授出購股權毋須支付代價。已授出購股權之行使期由董事決定,該期間可於接納獲授購股權之要約日期開始,但無論如何須於股東有條件採納購股權計劃日期起計十年內終止,並須受購股權計劃項下之提早終止條文所規限。

於截至2020年及2019年6月30日止年度,並無購股權獲授出、行使、註銷或失效。於2020年及2019年6月30日,並無尚未行使的購股權。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

38. OPERATING LEASE COMMITMENTS

The Group as lessee

As at 30 June 2019, the Group had commitments for the following future minimum lease payments under non-cancellable operating leases to mainly independent third parties in respect of rented premises which fall due as follows:

		HK\$'000 千港元
Within one year	一年內	35,324
In the second to fifth years inclusive	第二年至第五年(首尾兩年包括在內)	28,806
		64,130

Leases are negotiated and rentals are fixed for lease terms of 1 to 5 years.

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 July 2019 to recognise lease liabilities relating to these leases (see Note 2). From 1 July 2019 onwards, future lease payments are recognised as lease liabilities in the consolidated statement of financial position in accordance with the accounting policy for leased assets set out in Note 3, and the details regarding the Group's future lease payments are disclosed in Note 31.

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

38. 經營租賃承擔

本集團為承租人

於2019年6月30日，本集團根據不可撤銷經營租賃就租賃物業主要向獨立第三方承擔的未來最低租賃付款的到期情況如下：

		HK\$'000 千港元
Within one year	一年內	35,324
In the second to fifth years inclusive	第二年至第五年(首尾兩年包括在內)	28,806
		64,130

租約經磋商後為固定租金，租期為1至5年。

本集團為先前根據香港會計準則第17號分類為經營租賃的租賃項下持有的多項物業的承租人。本集團已首次採用經修訂追溯法應用香港財務報告準則第16號。根據該方法，本集團已調整於2019年7月1日的期初結餘，以確認與該等租賃有關的租賃負債（見附註2）。自2019年7月1日起，根據附註3所載租賃資產的會計政策，未來租賃付款於綜合財務狀況表內確認為租賃負債，有關本集團未來租賃付款的詳情於附註31披露。

39. 融資活動產生負債的對賬

下表詳列本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生的負債為現金流量或未來現金流量將於本集團綜合現金流量表分類為融資活動所得的現金流量。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

39. 融資活動產生負債的對賬 (續)

		Lease liabilities 租賃負債 (Note 31) (附註31) HK\$'000 千港元	Amounts due to related parties 應付關聯方款項 (Note 32) (附註32) HK\$'000 千港元	Other borrowings 其他借款 (Note 33) (附註33) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於2018年7月1日	–	5,868	–	5,868
Other borrowing raised	其他新增借款	–	–	5,000	5,000
Repayment of other borrowing	償還其他借款	–	–	(2,000)	(2,000)
Interest paid	已付利息	–	–	(39)	(39)
<i>Non-cash changes:</i>	<i>非現金變動:</i>				
Finance costs	財務費用	–	–	40	40
At 30 June 2019	於2019年6月30日	–	5,868	3,001	8,869
Impact on initial application of HKFRS 16 (Note)	首次應用香港財務報告準則第16號之影響 (附註)	5,670	–	–	5,670
At 1 July 2019	於2019年7月1日	5,670	5,868	3,001	14,539
Repayment to related parties	償還關聯方款項	–	(500)	–	(500)
Other borrowings raised	其他新增借款	–	–	14,500	14,500
Repayment of other borrowings	償還其他借款	–	–	(9,700)	(9,700)
Capital element of lease rentals paid	已付租賃租金之資本部分	(4,378)	–	–	(4,378)
Interest element of lease rentals paid	已付租賃租金之利息部分	(746)	–	–	(746)
Interest paid	已付利息	–	–	(611)	(611)
<i>Non-cash changes:</i>	<i>非現金變動:</i>				
Finance costs	財務費用	882	–	626	1,508
Increase in lease liabilities from entering into new leases during the year	年內訂立新租賃產生的租賃負債增加	6,523	–	–	6,523
Accrued rental expense and imputed interest included in other payables and accruals	計入其他應付款項及應計費用的應計租賃開支及推算利息	(692)	–	–	(692)
Prepaid rental expense included in trade and other receivables	計入貿易及其他應收款項的預付租賃開支	32	–	–	32
At 30 June 2020	於2020年6月30日	7,291	5,368	7,816	20,475

Note:

The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17 (see Note 2).

附註:

本集團已首次採用經修訂追溯法應用香港財務報告準則第16號並已調整於2019年7月1日的期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債 (見附註2)。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

40. LITIGATION

- (1) On 19 December 2017, Fastek received a writ of summons (“Writ”) with statement of claim issued in the Court of First Instance of the High Court of Hong Kong (“CFI”) by Convoy and certain subsidiaries of Convoy (“Plaintiffs”) to claim an order against Fastek, as one of the placees under the placing of Convoy Shares conducted in October 2015, that Fastek was wrongly placed the Convoy Shares and wrongly received certain circular financing facilities by one of the Plaintiffs.

On 31 May 2018, the Plaintiffs filed an amended statement of claim against, among other defendants, Fastek as one of the defendants, pursuant to which:

- (i) Convoy (the 1st plaintiff) seeks, inter alia, (i) a declaration and order as against the placees that the allotment of the Convoy Shares is null and void or has been rescinded and set aside; (ii) an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy, as against, among others, Fastek;
- (ii) Convoy Collateral Limited and CSL Securities Limited (the 2nd plaintiff and the 3rd plaintiff) seek, inter alia, an order against, among others, Fastek as one of the direct recipients of funds under the said circular financing arrangement for an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy; and
- (iii) the Plaintiffs seek against all the defendants (a) general or special damages; (b) interests; (c) costs; (d) further and/or other reliefs.

40. 訴訟

- (1) 於2017年12月19日，Fastek 接獲康宏及康宏若干附屬公司（「該等原告」）於香港高等法院原訟法庭（「原訟法庭」）發出的傳訊令狀（「令狀」）連同申索陳述書，該等原告尋求針對Fastek（作為於2015年10月進行之康宏股份配售事項的其中一名承配人）獲不當配發康宏股份及不當獲授其中一名該等原告授出的若干循環融資額度的頒令。

於2018年5月31日，該等原告發出針對（包括其他被告）Fastek（作為其中一名被告）的經修訂申索陳述書，據此：

- (i) 康宏（第一原告）尋求（其中包括）(i)針對承配人就康宏股份的配發屬作廢及無效或已被撤銷及擱置的聲明及頒令；(ii)交出利潤賬目及一項就違反受信責任、普通法及／或法定責任、不誠實協助、非法及／或合法手段串謀而針對（其中包括）Fastek作出的有關支付任何應付款項、將予評定之衡平補償及／或將予評定之損害賠償的頒令；
- (ii) 康宏財務有限公司及康證有限公司（第二原告及第三原告）尋求針對（其中包括）Fastek（作為上述循環融資安排的其中一名直接接收人）有關交出利潤賬目的頒令及就違反受信責任、普通法及／或法定責任、不誠實協助、非法及／或合法手段串謀而作出的有關支付任何應付款項、將予評定之衡平補償及／或將予評定之損害賠償的頒令；及
- (iii) 該等原告尋求針對所有被告的(a)一般或特別損害賠償；(b)利息；(c)訟費；(d)進一步及／或其他濟助。

40. LITIGATION (Continued)

(1) (Continued)

On 5 June 2018, the solicitors for Fastek received a letter from the solicitors for the Plaintiffs dated 4 June 2018 which clarified that the amended statement of claim (which states “re-filed on 31 May 2018”) served on Fastek on 31 May 2018 has yet to be officially filed in the CFI pending the resolutions of the Plaintiffs’ applications lodged to Mr. Justice Harris on 4 June 2018 to amend the statement of claim and to add new parties by amending the Writ.

On 25 July 2018, Fastek received a sealed order of the hearing for the Plaintiffs’ summons held on 28 June 2018 (“Order”). Pursuant to the Order, it is ordered, among other matters, that as between the Plaintiffs and Fastek (among certain other defendants), the Plaintiffs do have leave to file and serve the amended Statement of Claim. On 9 July 2018, the Plaintiffs served on Fastek copies of the amended Writ and amended statement of claim.

Pursuant to the order of Mr. Justice Harris granted on 12 July 2019, the Plaintiffs have filed and served its re-amended Writ and the re-amended statement of claim on 16 July 2019.

The Plaintiffs filed and served their reply to Fastek’s defence filed on 18 October 2018 on 13 February 2020.

Thereafter, the Plaintiffs filed their re-re-amended statement of claim on 27 July 2020 pursuant to the order of Mr. Justice Harris granted during the hearing of the striking out application taken out by the 26th defendant on 9 January 2020.

40. 訴訟 (續)

(1) (續)

於2018年6月5日，Fastek的律師收到該等原告的律師發出日期為2018年6月4日的函件，澄清於2018年5月31日送達Fastek的經修訂申索陳述書（當中陳述「於2018年5月31日重新提交」）尚未正式遞交予原訴法庭，有待該等原告於2018年6月4日向夏利士法官遞交呈請之決議以修訂申索陳述書及通過修訂令狀增加新涉事方。

於2018年7月25日，Fastek收到一份有關於2018年6月28日就該等原告傳訊令狀所舉行的聆訊而發出的已蓋印命令（「命令」）。根據該命令，其責令（其中包括）在該等原告與Fastek（包括若干其他被告）之間，該等原告有權提交並發出經修訂申索陳述書。於2018年7月9日，該等原告向Fastek發出經修訂令狀及經修訂申索陳述書之副本。

根據夏利士法官於2019年7月12日發出的命令，該等原告已於2019年7月16日提交並送達再經修訂令狀及再經修訂申索陳述書。

該等原告已於2020年2月13日對Fastek於2018年10月18日提出的辯護提交及送達彼等的回覆。

其後，根據夏利士法官在第26位被告於2020年1月9日提出剔除申請的聆訊期間發出的命令，該等原告於2020年7月27日提交彼等第三次修訂的申索陳述書。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

40. LITIGATION (Continued)

- (2) On 2 January 2018, Fastek received a petition dated 27 December 2017 made by the petitioner filed with the CFI, whereby the petitioner seeks, among other things, a declaration that the placement of Convoy Shares to Fastek in October 2015 is void *ab initio* and of no legal effect.

Please refer to the announcements of the Company dated 19 December 2017, 2 January 2018, 4 June 2018, 7 June 2018 and 25 July 2018 for details on the litigations involving the Group.

Given that the litigations are still at a preliminary stage and has not gone into substantive pleading stage, having considered the alleged claims and consulted with the Company's legal advisers, the Directors are of the views that (i) it is premature to assess the possible outcome of any claim which is pending, either individually or on a combined basis; (ii) it is uncertain as to whether there will be any impact, and if so, the quantum, on the financial position of the Group; and (iii) no provision for the claims in these legal proceedings is required to be made based on their current development. The Directors will monitor these litigations against the Group closely.

40. 訴訟 (續)

- (2) 於2018年1月2日，Fastek接獲呈請人作出的日期為2017年12月27日並已提交原訟法庭的呈請，據此，呈請人尋求（其中包括）宣佈於2015年10月向Fastek配售的康宏股份自始無效，且不具法律效力。

有關涉及本集團的訴訟詳情，請參閱本公司日期為2017年12月19日、2018年1月2日、2018年6月4日、2018年6月7日及2018年7月25日之公佈。

由於各項訴訟仍處初步階段且尚未進入實質辯護階段，經考慮到所提出的申索及諮詢本公司法律顧問後，董事認為(i)不論以個別或綜合基準，現時評估任何有待裁定申索的可能結果言之尚早；(ii)難以確定會否對本集團的財務狀況造成任何影響，而如會，則難以確定其影響的程度；及(iii)根據現時事態發展，無須就該等法律程序的申索作出撥備。董事將緊密監察該等訴訟對本集團的影響。

41. RELATED PARTY TRANSACTIONS

- (a) Parties are considered to be related if one party has, directly or indirectly, the ability to control or jointly control or has significant influence over the other party in making financial and operating decisions. The management is of the view that the following company was related party that had significant transactions or balances with the Group during the year.

Name of related party
關聯方名稱

Relationship with the Group
與本集團的關係

Full Profit
盈豐

A joint venture indirectly held by the Group
本集團間接持有的合營公司

- (b) Save as the balances with related parties as disclosed in the consolidated statement of financial position, the Group entered into the following significant transactions with related party during the year:

41. 關聯方交易

- (a) 倘一方有能力在其他方作出財務及經營決策時直接或間接控制或共同控制或對其他方有重大影響，則該方被認為是其他方的關聯方。管理層認為，以下公司為年內與本集團進行重大交易或有結餘的關聯方。

- (b) 除綜合財務狀況表所披露與關聯方的結餘外，本集團於年內與關聯方訂立以下重大交易：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Tuition fee income from:	來自以下公司之學費收入：		
– Full Profit	– 盈豐	–	36
Other income from:	來自以下公司之其他收入：		
– Full Profit	– 盈豐	–	38

- (c) The key management personnel includes Directors and chief executive of the Company and the compensation paid to them is disclosed in Note 11.

- (c) 主要管理人員包括董事及本公司主要行政人員，而向彼等支付的酬金於附註11中披露。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

42. PRINCIPAL SUBSIDIARIES

Particulars of Company's principal subsidiaries as at 30 June 2020 are set out as follows:

42. 主要附屬公司

本公司於2020年6月30日之主要附屬公司詳情載列如下：

Name of principal subsidiary 主要附屬公司名稱	Place of incorporation/ establishment 註冊／成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本／註冊股本	Attributable equity interest of the Group 本集團應佔 股本權益		Principal activities 主要業務
				2020 2020年	2019 2019年	
Able Investment 利東投資	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	Hong Kong 香港	US\$10,000 10,000美元	88.75% 88.75%	88.75% 88.75%	Investment holding 投資控股
Bachelor Education Centre Limited 學士教室有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	88.75% 88.75%	88.75% 88.75%	Inactive (2019: provision of a physical office physical office to a fellow subsidiary) 無業務 (2019年：向一間同系附屬公司 提供實體辦公室)
Intelligent Education Limited 現代新幹線教育有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100% 100%	100% 100%	Inactive 無業務
Modern Education (Hong Kong) Limited 現代教育(香港)有限公司	Hong Kong 香港	Hong Kong 香港	HK\$41,429,473 41,429,473港元	100% 100%	100% 100%	Provision of tutoring services 提供補習服務
Rosy Lane ¹	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Sino Network Group Limited ¹	BVI 英屬處女群島	Hong Kong 香港	US\$13,983 13,983美元	100% 100%	100% 100%	Investment holding 投資控股
Wise Action Limited 智僑有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100% 100%	100% 100%	Investment in securities 投資證券
China Rich Finance Limited 漢富財務有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,000 1,000港元	100% 100%	100% 100%	Money lending 借貸
Modern Bachelor Education Limited 現代小學士有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100% 100%	100% 100%	Provision of primary tutoring services, skill courses and test preparation courses 提供小學輔導服務、展藝課程及應試 課程
Fastek	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment in securities 投資證券

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

For the year ended 30 June 2020 截至2020年6月30日止年度

42. PRINCIPAL SUBSIDIARIES (Continued)

Particulars of Company's principal subsidiaries as at 30 June 2020 are set out as follows: (Continued)

42. 主要附屬公司

本公司於2020年6月30日之主要附屬公司詳情載列如下：(續)

Name of principal subsidiary 主要附屬公司名稱	Place of incorporation/ establishment 註冊/成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/註冊股本	Attributable equity interest of the Group 本集團應佔 股本權益		Principal activities 主要業務
				2020 2020年	2019 2019年	
Central Talent Holdings Limited 英屬處女群島	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Modern iClass Limited 現代多元教室有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100% 100%	100% 100%	Provision of interest classes 提供興趣班
Lucky Joy Investment Limited 喜喜投資有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100% 100%	100% 100%	Provision of physical offices to fellow subsidiaries (2019: Provision of physical offices to fellow subsidiaries and a related company) 向同系附屬公司提供實體辦公室 (2019年：向同系附屬公司及一間關聯公司提供實體辦公室)
Think Smart Global Limited 英屬處女群島	BVI 英屬處女群島	Hong Kong 香港	US\$500 500美元	70% 70%	70% 70%	Investment holding 投資控股
Cosmic Path Holdings Limited 英屬處女群島	BVI 英屬處女群島	Hong Kong 香港	US\$100 100美元	100% 100%	100% 100%	Investment holding 投資控股
Wisdom Union Holdings Limited 英屬處女群島	BVI 英屬處女群島	Hong Kong 香港	US\$4,000 4,000美元	100% 100%	100% 100%	Investment holding 投資控股
Wind Fly 千里飛龍	Hong Kong 香港	Hong Kong 香港	HK\$19,010,000 19,010,000港元	100% 100%	100% 100%	Provision of dance tuition services 提供舞蹈教學服務
Paramount Ride Limited ¹ 英屬處女群島	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Diligent Lush Holdings Limited 蔚勤控股有限公司	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Smart Now Limited 聰永有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 1港元	100% 100%	100% 100%	Inactive 無業務

¹ The companies are directly held by the Company. All other subsidiaries are indirectly held by the Company.

¹ 該等公司由本公司直接持有。所有其他附屬公司由本公司間接持有。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

42. PRINCIPAL SUBSIDIARIES (Continued)

None of the subsidiaries had any debt securities outstanding at the end of, or during, either reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

43. RETIREMENT BENEFIT PLANS

The Group operated a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme were held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of MPF Scheme was to make the required contributions under the scheme. Under the MPF Scheme, the employer and its employees and each required to make contribution to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000 effective from 1 June 2014 for the MPF Scheme. No forfeited contribution was available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. Each of the PRC subsidiaries is required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

The total cost charged to the consolidated statement of profit or loss and other comprehensive income of approximately HK\$1,707,000 (2019: approximately HK\$2,292,000) represented contributions payable to the above schemes by the Group during the year ended 30 June 2020.

42. 主要附屬公司 (續)

於報告期末或報告期內，概無附屬公司擁有任何尚未行使的債務證券。

上表所列之本公司附屬公司，乃董事認為對本集團之業績或資產具重大影響之附屬公司。董事認為，一併列出其他附屬公司之詳情將會使有關資料過於冗長。

43. 退休福利計劃

本集團根據強制性公積金計劃條例為香港所有合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃的資產透過一名獨立受託人控制的基金與本集團所持資產分開持有。根據強積金計劃的規則，僱主及其僱員分別須按規則訂明的比率向計劃作出供款。本集團對強積金計劃的唯一責任為根據該計劃作出所需供款。根據強積金計劃，僱主及其僱員各自須按僱員有關收入（受自2014年6月1日起生效的每月有關收入之上限30,000港元所規限）之5%向計劃供款。並無已沒收供款可用作扣減未來年度應付供款。

於中國受僱的僱員須參與中國政府設立的國家管理退休福利計劃。各中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃的唯一責任為根據計劃作出所需供款。

於綜合損益及其他全面收益表中扣除之總費用約1,707,000港元（2019年：約2,292,000港元）指本集團於截至2020年6月30日止年度內向上述計劃應繳納之供款。

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

For the year ended 30 June 2020 截至2020年6月30日止年度

44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

44. 本公司財務狀況及儲備表

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司的投資	322	322
Current assets	流動資產		
Prepayments and other deposits	預付款項及其他按金	173	313
Amounts due from subsidiaries	應收附屬公司款項	113,406	214,367
Bank balances and cash	銀行結餘及現金	1,570	2,115
		115,149	216,795
Current liabilities	流動負債		
Accruals	應計費用	1,004	1,025
Amounts due to subsidiaries	應付附屬公司款項	44,973	31,839
Other borrowing	其他借款	5,005	—
		50,982	32,864
Net current assets	流動資產淨值	64,167	183,931
Net assets	資產淨值	64,489	184,253
Capital and reserves	資本及儲備		
Share capital	股本	27,379	27,379
Reserves (Note)	儲備 (附註)	37,110	156,874
Total equity	權益總額	64,489	184,253

The Company's statement of financial position was approved and authorised for issue by the board of Directors on 28 September 2020 and are signed on its behalf by:

本公司的財務狀況表已於2020年9月28日獲董事會批准及授權刊發，並由下列人士代表簽署：

Tsang Ka Wai

曾家偉

Director

董事

Wong King Hoi

黃敬凱

Director

董事

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

For the year ended 30 June 2020 截至2020年6月30日止年度

44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Note:

Movement in the Company's reserves are as follows:

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於2018年7月1日	403,188	386,954	(28,079)	(554,719)	207,344
Loss and total comprehensive expense for the year	年度虧損及全面開支 總額	—	—	—	(50,470)	(50,470)
At 30 June 2019 and 1 July 2019	於2019年6月30日及 2019年7月1日	403,188	386,954	(28,079)	(605,189)	156,874
Loss and total comprehensive expense for the year	年度虧損及全面開支 總額	—	—	—	(119,764)	(119,764)
At 30 June 2020	於2020年6月30日	403,188	386,954	(28,079)	(724,953)	37,110

At 30 June 2020 and 2019, the Company had no reserves available for distribution in accordance with the Company Law of Bermuda.

44. 本公司財務狀況及儲備表 (續)

附註：

本公司的儲備變動如下：

於2020年及2019年6月30日，本公司並無儲備可供根據百慕達公司法進行分派。

45. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in these consolidated financial statements, the following significant events took place subsequent to 30 June 2020:

Placing of new shares under general mandate

On 27 July 2020, the Company and Orient Securities Limited ("Placing Agent") entered into a placing agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 33,500,000 shares of the Company to be allotted and issued pursuant to the terms and conditions of the placing agreement at a price of HK\$0.90 per share, which represented a discount of approximately 8.16% to the closing market price of the shares of the Company on 27 July 2020, under a general mandate granted to the Directors at the annual general meeting of the Company held on 19 December 2019, to not less than six placees, who and whose ultimate beneficial owners are independent third parties ("Placing"). The Placing was completed on 14 August 2020 and the net proceeds were approximately HK\$29.40 million.

45. 報告期後事項

除該等綜合財務報表其他章節所披露者外，於2020年6月30日後發生以下重大事項：

根據一般授權配售新股份

於2020年7月27日，本公司與東方滙財證券有限公司（「配售代理」）訂立配售協議，據此，本公司已有條件同意根據本公司於2019年12月19日舉行的股東週年大會授予董事的一般授權，透過配售代理按盡力基準以每股股份0.90港元（較本公司於2020年7月27日的股份收市價折讓約8.16%）的價格向不少於六名承配人（其本身及其最後實益擁有人為獨立第三方）配售本公司根據配售協議的條款及條件將予配售及發行的股份最多33,500,000股股份（「配售事項」）。配售事項已於2020年8月14日完成，所得款項淨額為約29,400,000港元。

45. EVENTS AFTER THE REPORTING PERIOD

(Continued)

Save as disclosed elsewhere in these consolidated financial statements, the following significant events took place subsequent to 30 June 2020: (Continued)

Effect on the Group of COVID-19

With the outbreak and spread of the COVID-19 in 2020, the Group's provision of private educational services business is being adversely affected. As a result of the HKSAR Government's announcement of the closure of all schools in Hong Kong from end of January 2020 to May 2020 and from July 2020 to September 2020, the Group has suspended all classes and either changed to online teaching, cancelled or rearranged the classes, resulting in certain loss of tuition fee income from all education centres during the period of such closures. The Group will closely monitor the evolving COVID-19 situation, yet an estimate of its financial impact on the Group cannot be reliably measured at this stage due to the uncertainty of the spread of the epidemic.

Listed equity securities in Hong Kong

The fair values of listed equity securities are determined based on the quoted market closing price available on the Main Board and GEM of the Stock Exchange at the end of the reporting period.

As at the date of the board of Directors' approval of these consolidated financial statements, the realised and unrealised losses on financial assets at FVPL from changes in fair value on financial assets at FVPL held as at 30 June 2020 amounted to approximately HK\$12,000 and HK\$1,347,000 respectively.

46. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 July 2019. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 2.

45. 報告期後事項 (續)

除該等綜合財務報表其他章節所披露者外，於2020年6月30日後發生以下重大事項：(續)

COVID-19對本集團的影響

由於2020年COVID-19的爆發及傳播，本集團提供私人教育服務業務受到不利影響。由於香港特區政府有關自2020年1月底至2020年5月及自2020年7月至2020年9月關閉所有香港學校的公佈，本集團已暫停所有課程及改為網上授課、取消或重新安排課程，導致於關閉學校期間來自所有教育中心的學費收入錄得若干虧損。本集團將密切監察COVID-19的事態發展，惟由於疫情傳播的不確定性，於此階段尚未能可靠計量其對本集團財務影響的估算。

香港上市股本證券

上市股本證券的公平值乃基於報告期末於聯交所主板及GEM所報的市場收市價而釐定。

於董事會批核該等綜合財務報表之日，於2020年6月30日持有的按公平值計入損益的金融資產的公平值變動導致按公平值計入損益的金融資產的已變現及未變現虧損分別約12,000港元及1,347,000港元。

46. 比較數字

本集團已於2019年7月1日首次應用香港財務報告準則第16號。根據所選擇之過渡方法，並無重列比較資料。會計政策變更的進一步詳情於附註2中披露。

Five-Year Financial Summary

五年財務概要

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below.

以下為本集團按下文附註所載基準編製過去五個財政年度的已刊發業績及資產與負債概要。

RESULTS

業績

		Year ended 30 June 截至6月30日止年度				
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收入	67,243	108,940	109,027	153,859	189,778
Loss before tax	除稅前虧損	(107,260)	(76,895)	(9,670)	(330,112)	(144,802)
Income tax credit (expenses)	所得稅抵免(開支)	53	65	1,438	(814)	(321)
Loss for the year	年度虧損	(107,207)	(76,830)	(8,232)	(330,926)	(145,123)
(Loss) profit for the year attributable to:	以下人士應佔年度(虧損)溢利:					
Owners of the Company	本公司擁有人	(107,194)	(77,438)	(8,246)	(333,326)	(144,718)
Non-controlling interests	非控股權益	(13)	608	14	2,400	(405)
		(107,207)	(76,830)	(8,232)	(330,926)	(145,123)

ASSETS AND LIABILITIES

資產及負債

		As at 30 June 於6月30日				
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Total assets	總資產	150,476	253,985	316,062	586,837	798,521
Total liabilities	總負債	(42,527)	(35,828)	(27,806)	(221,964)	(189,649)
		107,949	218,157	288,256	364,873	608,872
Equity attributable to:	以下人士應佔權益:					
Owners of the Company	本公司擁有人	107,864	218,059	288,766	314,272	560,702
Non-controlling interests	非控股權益	85	98	(510)	50,601	48,170
		107,949	218,157	288,256	364,873	608,872



香港教育

(國際)投資集團有限公司

Hong Kong Education (Int'l) Investments Ltd.

