



南海控股有限公司
NAN HAI CORPORATION LIMITED

NAN HAI CORPORATION LIMITED

南海控股有限公司

2020 Annual Report 年報

Incorporated in Bermuda with limited liability
於百慕達註冊成立之有限公司

Stock Code 股份代碼: 680



Contents 目錄

Corporate Information 公司資料	2
Chairman's Statement 主席報告	4
Management Discussion and Analysis 管理層討論及分析	8
Report of the Directors 董事會報告	32
Corporate Governance Report 企業管治報告	61
Environmental, Social and Governance Report 環境、社會及管治報告	79
Independent Auditor's Report 獨立核數師報告	113
Consolidated Income Statement 綜合收益表	121
Consolidated Statement of Comprehensive Income 綜合全面收益報表	122
Consolidated Statement of Financial Position 綜合財務狀況報表	123
Consolidated Statement of Cash Flows 綜合現金流量報表	125
Consolidated Statement of Changes in Equity 綜合權益變動表	127
Notes to the Financial Statements 財務報表附註	129
List of Properties 物業一覽表	267
Five-Year Financial Summary 五年財政摘要	268



Corporate Information

公司資料

The information of the Company as at the date of this report was as follows:

DIRECTORS

Executive Directors

Mr. YU Pun Hoi (*Chairman*)

Ms. LIU Rong (*Chief Executive Officer*)

Non-executive Director

Mr. LAM Bing Kwan

Independent Non-executive Directors

Mr. LAU Yip Leung

Mr. XIAO Sui Ning

Mr. HO Yeung Nang

COMPANY SECRETARY

Ms. Jay Shree Aggarwal

AUDITOR

BDO Limited

Certified Public Accountants

Hong Kong

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

12/F., The Octagon

No. 6 Sha Tsui Road

Tsuen Wan

New Territories

Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM10

Bermuda

PRINCIPAL REGISTRAR

MUFG Fund Services (Bermuda) Limited

4th Floor

North Cedar House

41 Cedar Avenue

Hamilton HM 12

Bermuda

於本報告日期，本公司之資料如下：

董事

執行董事

于品海先生(主席)

劉榮女士(行政總裁)

非執行董事

林秉軍先生

獨立非執行董事

劉業良先生

肖遂寧先生

何養能先生

公司秘書

Jay Shree Aggarwal 女士

核數師

香港立信德豪會計師事務所有限公司

執業會計師

香港

香港主要營業地點

香港

新界

荃灣

沙咀道6號

嘉達環球中心12樓

註冊辦事處

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM10

Bermuda

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited

4th Floor

North Cedar House

41 Cedar Avenue

Hamilton HM 12

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

680

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
China CITIC Bank International Limited
Bank of Communications Co., Ltd.
Luso International Banking Ltd.
China Merchants Bank Co., Ltd.

WEBSITE ADDRESS

<http://www.nanhaicorp.com>

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
皇后大道東 183 號
合和中心 54 樓

股份代號

680

主要往來銀行

星展銀行(香港)有限公司
香港上海滙豐銀行有限公司
中信銀行(國際)有限公司
交通銀行股份有限公司
澳門國際銀行股份有限公司
招商銀行股份有限公司

網址

<http://www.nanhaicorp.com>

Chairman's Statement

主席報告



Chairman's Statement

主席報告

Nan Hai Corporation Limited ("Nan Hai") (the "Company") is a corporation listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (stock code: 680). On behalf of the board of directors (the "Board") of the Company, I present to our shareholders the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2020.

In 2020, based on its diversified core business strategic deployment, the Group continued to operate in the areas of culture and media services, property development and enterprise cloud services, through Dadi Media (HK) Limited and its subsidiaries, Dadi Cinema Investment Limited and its subsidiaries and Digicine Oristar Technology Development (Beijing) Company Limited and its subsidiaries (collectively referred to as "Dadi Media"), Nan Hai Development Limited and its subsidiaries (collectively referred to as "Nan Hai Development") and Sino-i Technology Limited (stock code: 250) and its subsidiaries (collectively referred to as "Sino-i"). In the meantime, the Group has also engaged in businesses through Dadi News Media (HK) Limited and its subsidiaries (collectively referred to as "News Media Business") as well as Dadi Innovation (HK) Limited and its subsidiaries (collectively referred to as "Innovative Business").

2020 is a historical year when the sudden outbreak of COVID-19 epidemic ("Epidemic") swept across the world, disrupting our normal studies, work and life, and plunging many domestic and foreign companies into crisis. However, when a major crisis arises, it also means a greater opportunity. Looking back over the past year, although the Epidemic has had a huge impact on many industries, it has also prompted many enterprises to engage in profound reflection and optimisation, accelerating the development of many industries, shortening what might have taken 2 to 3 years to develop to a few months, such as e-commerce, online local services and online education. In this situation, many traditional offline enterprises have been determined to undergo digital transformation, while many online enterprises have been faced with new challenges. During the year, the majority of companies went through a stress test, testing their accumulated experience and capabilities in various areas, as well as their managers' ability to cope and resist stress.

Nan Hai Corporation Limited (南海控股有限公司) (「南海」) (「本公司」) 為於香港聯合交易所有限公司 (「聯交所」) 上市之公司 (股份代號: 680)。本人謹代表本公司董事會 (「董事會」) 向本公司股東呈報本公司及其附屬公司 (統稱「本集團」) 截至 2020 年 12 月 31 日止年度之年度報告。

2020 年，在多元核心業務戰略下，本集團透過旗下大地傳播 (香港) 有限公司及其附屬公司、大地影院投資有限公司及其附屬公司及數碼辰星科技發展 (北京) 有限公司及其附屬公司 (統稱「大地傳播」)，南海發展有限公司及其附屬公司 (統稱「南海發展」) 和中國數碼信息有限公司 (股份代碼: 250) 及其附屬公司 (統稱「中國數碼」) 持續深耕於文化與傳播服務、房地產開發及企業雲服務領域，各項業務持續推進。同時，本集團通過大地傳媒 (香港) 有限公司及其附屬公司 (統稱「新聞傳播業務」) 及大地創意商業 (香港) 有限公司及其附屬公司 (統稱「創意商業」) 繼續布局相關領域。

2020 注定是載入史冊的一年，突如其來的新型冠狀病毒疫情 (「疫情」) 席捲了全球，打擾了我們正常的學習、工作和生活，也使得境內外很多企業陷入了危機之中。然而，每次重大危機的出現，也往往意味著更大的契機。回顧這一年，疫情雖然給不少行業都帶來了巨大衝擊，但也推動了眾多從業者和企業進行深刻反思和優化升級，加速了很多行業本身的發展態勢，將原本可能需要 2-3 年的發展縮短到了幾個月內，例如電商、本地服務線上化、在線教育等。這使得很多傳統線下企業堅定了數字化轉型的決心，也給很多線上企業提出了新的課題。在這一年裏，絕大多數企業都面臨了一次壓力測試，全方位校驗了過往的積累和內功，也考驗了管理者的應變和抗壓能力。

Chairman's Statement

主席報告

2020 was also a very challenging year for the Group. The Group continued to navigate and expand in the midst of crisis. In terms of business direction, the Group continues to focus on the three major industry directions of culture and media services, enterprise cloud services and property development, as well as further development in news media business and innovative business. Due to the impact of the Epidemic, the Group's revenue and results for 2020 decreased significantly as compared to 2019, mainly due to the severe impact of the Epidemic on the cinema investment business. In addition, considering the impact of the Epidemic on the macro economy, in line with the principle of prudence, certain impairment arrangements were made for goodwill, property, plant and equipment and intangible assets of the Group's culture and media segment and innovative business segment.

Under such severe circumstances, the Group has been actively optimising its internal business, integrating and sharing resources among related businesses within the segment, increasing cost control and expense control, and actively developing its online business in order to survive under the adverse market conditions. Although the Culture and Media Services segment was hit hard last year, it was given a rare opportunity to enhance its capabilities and undergo digital transformation. As a result of the effective internal and external measures, the Company was able to complete and launch its cinema resumption as soon as it resumed operation, and the business was on track quickly. The Property Development segment has also been actively exploring quality projects based on its existing project experience. In response to the Epidemic, it has been controlling operating costs, optimising the progress of construction works and trying out live streaming of property sales, with a view to achieving sustainable development of property projects on the basis of ensuring stable operation of the Company. Leveraging the trend towards online retail driven by the Epidemic, the Enterprise Cloud Services segment launched a global portal, increased its promotion of digital commerce business and combined its cloud computing technology to support its service, resulting in rapid business growth during the year. The News Media Business segment continued to develop its internet news and lifestyle services business, focusing on online marketing in response to the Epidemic, thus successfully establishing itself as a local media leader. Moving away from the traditional offline retail model, Crabtree & Evelyn under the Innovative Business has used digital platforms and social channels to promote its products and the new products have received widespread acclaim and achieved satisfactory sales volumes.

2020對於本集團來說也是極具挑戰的一年，本集團在危機中不斷摸索，不斷拓展。業務方向上，依舊堅持文化與傳播服務、企業雲服務、房地產開發作為三大產業發展方向，並進一步布局於新聞傳播業務及創意商業業務。受到疫情影響，2020年本集團的營收規模與業績相較2019年出現大幅下降，一方面主要是由於影院投資業務受疫情影響嚴重；另一方面，出於疫情對宏觀經濟影響的考慮，本著謹慎性原則，對本集團文化與傳播分部、創意商業分部的商譽、物業、廠房及設備、無形資產等進行了一定規模的減值安排。

在這種嚴峻情形下，本集團積極開展內部業務優化，將板塊內相關業務進行整合與資源共享，加大成本控制和費用管控的力度，積極開展線上業務，以在惡劣的市場環境下求得生存空間。「文化與傳播服務」雖然在今年遭受了重創，但也提供了一次難得的修煉內功以及數字化轉型的機會，得益於富有成效的內外措施，公司在復工後，第一時間完成並啟動了影院復工方案，並迅速回歸經營正軌。「房地產開發」亦在現有的項目經驗基礎上，積極開拓優質項目，並針對疫情，控制運營成本、合理優化工程施工節奏、試水直播賣房，在保證公司平穩運行的基礎上，力求實現房地產項目的持續發展。「企業雲服務」借助疫情推動的零售業線上化的進程，推出了全球門戶業務，並加大了數字商務業務的推廣力度，結合自身的雲計算技術支撐服務，業績在本年獲得了快速增長。「新聞傳播業務」繼續發展互聯網新聞及生活服務業務，針對疫情，重點開展線上營銷，成功奠定本地媒體領導地位。「創意商業」的「瑰珀翠」擺脫傳統線下零售模式後，也在借助數字平台、社交渠道等策略推廣產品，新產品也獲得了廣泛的贊譽和滿意的銷量。

Chairman's Statement

主席報告

Since July, as China demonstrated its resilience and vitality in the prevention and control of the Epidemic and the recovery of the economy, market confidence was gradually restored and the industry showed gradual recovery. The trend of changing market conditions driven by the Epidemic will not end abruptly. New technologies and products will continue to emerge and competition will intensify. The Group will continue to focus on the three major industry directions of culture and media services, enterprise cloud services and property development, and actively seek development opportunities in the areas of news media and innovative business. At the same time, the Group will continue to explore the OMO (Online — Merge — Offline) business model, make use of internet technology and big data operations to upgrade and transform its existing business, continue to improve operational efficiency, enhance the Company's profitability and promote its sustainable development.

Last but not least, I would like to express my gratitude to the shareholders for their concern and support, and also to the Board and all staff of the Company for their dedication and contribution. The management will spare no effort to lead the Company steadily into the future.

Yu Pun Hoi

Chairman

Hong Kong, 30 March 2021

7月以來，隨著中國在疫情防控和經濟恢復上顯示的強大修復能力和旺盛的生機活力，市場信心在逐步恢復，各行業的景氣度也在逐漸提升。但由疫情推動的市場環境變化趨勢不會戛然而止，反而會更加的多變，新技術和新產品將不斷涌現，競爭也將不斷加劇。本集團將繼續深耕文化與傳播服務、企業雲服務、房地產開發三大產業方向，並在新聞傳播、創意商業等方向積極尋找發展機會。同時繼續深入探索OMO（線上線下融合）經營模式，利用互聯網技術和大數據運營，升級改造現有業務，持續提升經營效率，切實提高公司盈利能力，促進公司可持續發展。

最後，感謝各位股東對本集團的關注與支持，感謝本公司董事會和全體員工的辛勤努力。管理層將不遺餘力地帶領公司朝著未來穩步前進。

于品海

主席

香港，2021年3月30日



Management Discussion and Analysis

管理層討論及分析



Management Discussion and Analysis

管理層討論及分析

The Group continued to operate in the areas of culture and media services, property development and enterprise cloud services, through Dadi Media, Nan Hai Development and Sino-i. In the meantime, the Group has also engaged in businesses through News Media Business and Innovative Business.

During the year, revenue of the Group was approximately HK\$10,010.8 million (2019: HK\$9,321.2 million), representing a year-on-year increase of approximately 7.4% as compared to the corresponding period of last year. Loss for the year of the Group was approximately HK\$2,529.7 million (2019: HK\$641.4 million). The loss was primarily due to the impact of the Epidemic on the business of the culture and media services segment, and also, as a matter of prudence, the Group made a provision for impairment of the Group's property, plant and equipment, goodwill and other intangible assets in the culture and media services and innovative business segments of approximately HK\$1,107.3 million. Such impairment was calculated in accordance with Hong Kong Accounting Standard 36 — Impairment of Assets. The provision for impairment was a non-cash item and had no impact on the operations and working capital of the Group. The net assets of the Group as at 31 December 2020 were approximately HK\$3,324.7 million (2019: HK\$5,294.3 million).

The Group issued credit enhanced notes in aggregate amount of US\$850 million in May and June 2020, which were listed on the Hong Kong Stock Exchange. The successful issuance of these notes has improved the debt structure of the Group.

During the year, as China demonstrated its resilience and vitality in the prevention and control of the Epidemic and the recovery of the economy, market confidence was gradually restored and the industry showed gradual recovery. The Group's business will continue to improve in the long term as consumers' disposable income and appetite for cultural and personal care products increases. The Group will continue to take measures to control its costs and expenses, and make every effort to promote the recovery process and improve the performance of each segment.

本集團透過旗下大地傳播、南海發展和中國數碼持續深耕於文化與傳播服務、房地產開發及企業雲服務領域，各項業務持續推進。同時，本集團通過新聞傳播業務及創意商業繼續布局相關領域。

年內，本集團之收益同比上升約7.4%至約100.108億港元（2019年：93.212億港元），本集團年內錄得虧損約25.297億港元（2019年：6.414億港元）。造成虧損的主要原因除疫情對文化與傳播服務分部在業務上的影響外，還有本集團根據謹慎性原則，對文化與傳播服務及創意商業分部之物業、廠房及設備、商譽及其他無形資產計提減值撥備合計約11.073億港元，此項撥備乃根據香港會計準則第36號——資產減值計算得出。有關減值撥備屬非現金項目，未對本集團的營運及流動資金產生影響。本集團資產淨值於2020年12月31日約33.247億港元（2019年：52.943億港元）。

本集團於2020年5月及6月先後合計發行了8.5億美元的信用增強票據，並於香港聯交所上市。該等票據的成功發行有利於本集團進一步優化負債結構。

年內，隨著中國在疫情防控 and 經濟恢復上顯示的強大修復能力和旺盛生機活力，市場信心也在逐步恢復，行業的景氣度也在逐漸提升。並且隨著消費者可支配收入和對文化、個人護理產品等可選消費需求的增加，本集團業務長期向好。本集團將持續採取措施控制成本和開支，全力推動復蘇進程，努力提升各分部業績。



Culture and Media Services

文化與傳播服務



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year, the revenue of this business segment was approximately HK\$1,157.9 million (2019: HK\$4,652.8 million). Loss before income tax was approximately HK\$2,842.1 million (2019: HK\$868.8 million).

In 2020, in accordance with the Chinese government's directive to prevent and control the Epidemic, all cinemas nationwide were closed from late January 2020 and resumed operations gradually in July 2020. The recovery of China's film market after the resumption showed that watching movies in theatres remained one of the most important forms of entertainment for Chinese audiences. Satisfactory performance in box office has once again restored the confidence of film industry practitioners and has given confidence to the continued steady development of China's film industry in the post-epidemic period.

In 2020, the national gross box office of the film market was approximately RMB18.603 billion (excluding service charges), representing a year-on-year decrease of approximately 68.7%, while the total admission of audience was approximately 549 million, representing a year-on-year decrease of approximately 68.2%. As a result of the foregoing, during the year, the operating income of cinema operation and cinema media advertising of this business segment decreased significantly as compared to the corresponding period of 2019, and the box office revenue of the cinema business of this business segment including tax amounted to approximately RMB958 million (excluding service charges), representing a year-on-year decrease of approximately 70.8%.

業務回顧

年內，本業務部門之收益約為11.579億港元（2019年：46.528億港元），所得稅前虧損約為28.421億港元（2019年：8.688億港元）。

2020年，依據中國政府疫情防控指令，全國影院自2020年1月底全部暫停營業，直至2020年7月開始陸續複業。復工後，中國電影市場加速回暖，昭示著走進影院看電影仍是中國觀眾最主要的娛樂消費方式之一，其產出的喜人票房，再次為電影從業者重塑信心，也為疫情後期中國電影產業持續穩健發展堅定了信心。

2020年，全國電影市場總票房約為186.03億元人民幣（不含服務費），同比減少約68.7%；觀影總人次約為5.49億，同比減少約68.2%。受此影響，年內本業務部門影院終端及影院媒體廣告的經營收入較2019年同期大幅減少，本業務部門影院業務含稅票房收入約為9.58億元人民幣（不含服務費），同比下降約70.8%。

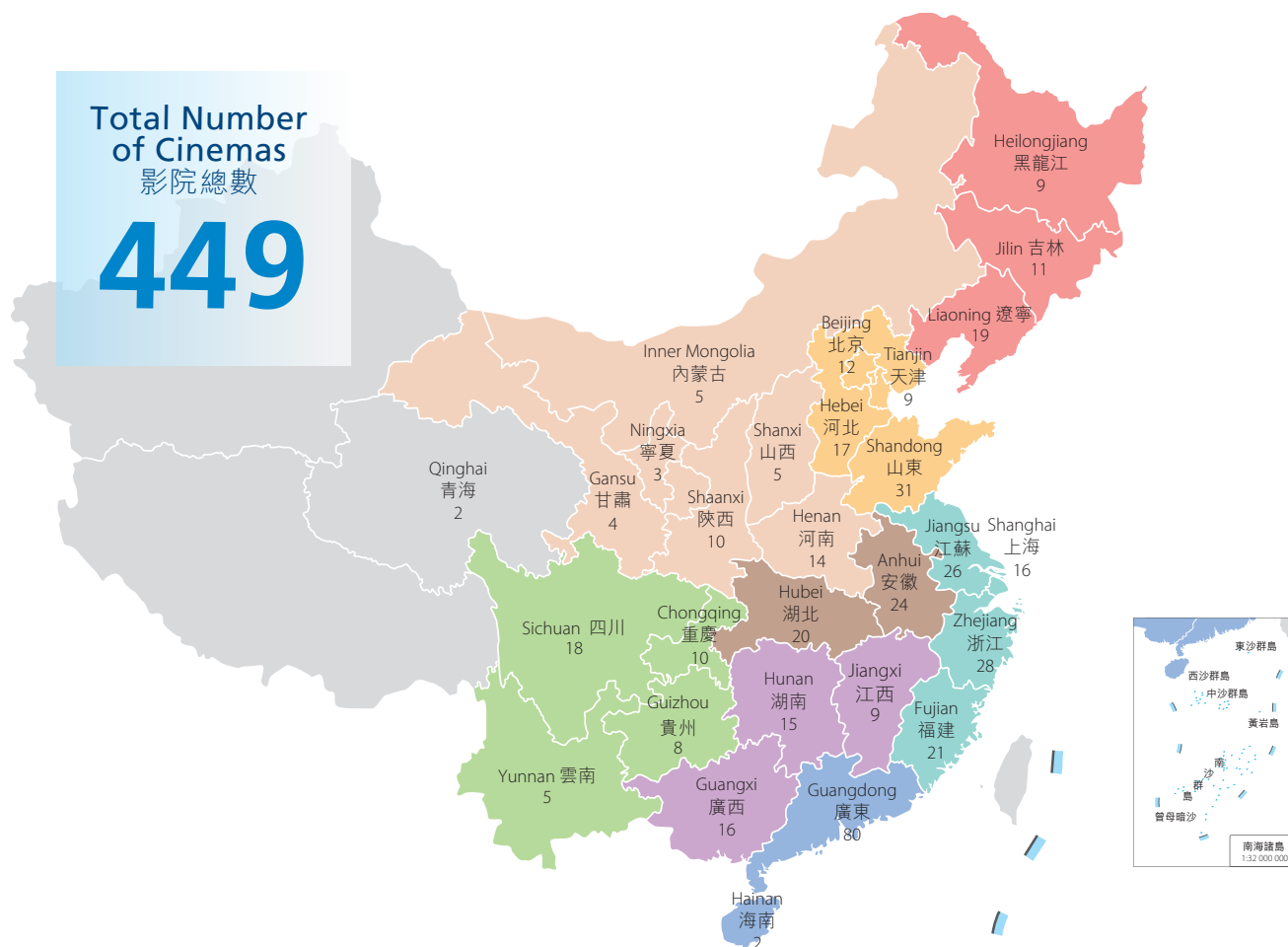


Management Discussion and Analysis

管理層討論及分析

GEOGRAPHICAL DISTRIBUTION OF CINEMA OPERATION OF THE GROUP AS AT 31 DECEMBER 2020

截至2020年12月31日本集團影院地區分佈圖



Heilongjiang	黑龍江	9
Jilin	吉林	11
Liaoning	遼寧	19
Beijing	北京	12
Hebei	河北	17
Shandong	山東	31
Tianjin	天津	9
Jiangsu	江蘇	26
Shanghai	上海	16
Zhejiang	浙江	28
Fujian	福建	21

Guangdong	廣東	80
Hainan	海南	2
Guangxi	廣西	16
Hunan	湖南	15
Jiangxi	江西	9
Anhui	安徽	24
Hubei	湖北	20
Henan	河南	14
Shanxi	山西	5
Shaanxi	陝西	10
Ningxia	寧夏	3
Inner Mongolia	內蒙古	5
Gansu	甘肅	4

Guizhou	貴州	8
Sichuan	四川	18
Yunnan	雲南	5
Chongqing	重慶	10
Qinghai	青海	2

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

During the year, box office of the cinema business of this business segment contributed to approximately 6.6% of the national box office revenue (tax included), representing a year-on-year increase of approximately 1.1%, with the admission of audiences of approximately 27.56 million, maintaining its No. 2 in ranking among cinema investment and management companies throughout China. As at 31 December 2020, this business segment had an aggregate of 449 cinemas with 2,828 screens operating in 29 provinces (autonomous regions, municipalities) and 182 cities across China.

During the period of closure, our cinemas under this business segment implemented a series of proactive measures in response to the Epidemic. We paid attention to the state's preferential policies for the industry and strived to obtain various subsidies; we also actively negotiated with landlords for better terms such as rent waivers and reductions. Internally, we fully mobilised our staff and used live streaming platforms to interact with film fans, conducting content sharing and online retail. Benefiting from the continuous improvement of the online functions of our own channels, our cinemas were able to offer a wide range of products and services to their core members through a variety of marketing and promotional activities, further enhancing member loyalty.

In addition, our business segment focused on product technology and IT system upgrade and digital transformation, upgrading the customer version of its own channel (APP and mini-programs), enhancing the full cycle operational capability for members and optimising user experience. We also continued to optimise our business and management processes and promoted online processes to improve management efficiency. As a result of the internal and external measures, the Company was able to complete and reopen its cinemas as soon as it resumed operation, and business was back on track quickly.

Upon resumption of operation, this business segment strictly complied with the relevant national regulations on epidemic prevention, while continuing to implement the OMO (Online — Merge — Offline) business model, further pursuing its "Film +" strategy and quickly implementing the OMO business model on a pilot basis. This business segment 1) cooperated with other merchants in the same area to provide more and better local services to users; 2) cooperated with major online platforms to gain new users through the traffic portals of these platforms; 3) used a variety of operation tools (APP, official accounts (公眾號), mini-programs, etc.) to reach more users, better serve users and increase user activity; 4) generated interactive sales with members through live streaming, fans communities; and 5) continued to explore the operation of non-film diversified content.

In this business segment, Dadi Media (HK) Limited and its subsidiaries (collectively referred to as "Dadi Film") under Dadi Media, continued to pursue a steady and yet progressive approach to creation and production during the Epidemic, and continued to refine the post-release work of completed projects to lay a solid foundation for the upcoming release. In terms of original project development and external project collaboration, we were actively involved in the development of original projects and in negotiating partnerships with outstanding external teams to prepare topics for our next projects.

業務回顧(續)

年內，本業務部門之影院業務含稅票房市場份額全國佔比約為6.6%，同比上升約1.1%，觀影人次約2,756萬，繼續鞏固全國影院投資管理公司第二名的市場地位。截至2020年12月31日，本業務部門在全國擁有影院449家，銀幕2,828塊，覆蓋全國29個省（自治區、直轄市），182個城市。

停業期間，本業務部門之影院推行了一系列的舉措積極應對疫情。對外，關注國家對行業的優惠政策，爭取各項補貼收入；積極與業主談判，爭取更好的免租減租等條款；對內，充分調動員工積極性，利用互聯網直播平台與影迷開展互動，進行內容分享和線上零售。受益於自有渠道線上功能的不斷完善，影院可以通過多樣化的營銷及促銷活動向核心會員推出豐富的產品和服務，進一步增強了會員粘性。

此外，本業務部門還集中產品技術力量加快了IT架構升級和數字化轉型，實現了自有渠道客戶端（APP和小程序）的版本升級，提升了會員全周期的運營能力，優化了用戶體驗；持續優化業務及管理流程，並大力推廣流程的線上化，提升了管理效率。得益於富有成效的內外措施，使得公司在復工後，第一時間完成並啟動了影院復工方案，並迅速回歸經營正軌。

復工後，本業務部門在嚴格遵守國家防疫有關規定的同時，持續深耕OMO（線上線下融合）業務模式，繼續深化「電影+」戰略，快速實施了OMO業務模式的落地試點。1)通過聯合同商圈內的其他商戶，為用戶提供更多更好的在地服務；2)與各大互聯網平台合作，借力互聯網平台流量入口獲得新用戶；3)綜合運用多種運營工具（APP、公眾號、小程序等等）觸達更多用戶，更好的服務用戶，提升用戶的活躍度；4)運用直播、影迷社群等與會員產生互動銷售；及5)繼續探索非電影多元化內容的經營。

本業務部門中，大地傳播旗下大地傳播（香港）有限公司及其附屬公司（統稱「大地電影」）在疫情期間依然踐行穩扎穩打，精益求精的創制作理念，在成片方面繼續完善已完成項目的後期發行工作，為接下來的正式上映做紮實的基礎。在原創項目開發及外部項目合作方面，積極進行原創項目開發策劃以及與外部優秀團隊合作洽談的工作，為公司接下來的項目運作做題材準備。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

The Epidemic has brought unprecedented challenges to the cinema industry, but in the midst of the crisis, a unique opportunity has arisen for 數碼辰星科技發展(北京)有限公司 (Digicine Oristar Technology Development (Beijing) Company Limited*) and its subsidiary (collectively referred to as “Oristar”) in its process of transformation. Oristar has been positioned as an internet service company for the cinema industry, and has deepened and optimized the revenue management platform of the Oristar cloud cinema (Software as a Service (“SaaS”)-based cinema digitalization total solution) to provide cinemas with a closed-loop support for business including ticket sales, retail, membership management, membership marketing, cinema operation decision-making support and big data BI (business intelligence) services, and offer complete mobile solutions for consumers and operators in respect of APP, H5, mini programs, etc.

During the year, Oristar completed an “error-free” contactless online system switching for cinemas of the Group and realized the first “non-inductive” cloud-based upgrade in the domestic cinema industry. At the same time, Oristar completed the switching and transfer of information of nearly 100 external customers in respect of the revenue management platform product of the Oristar cloud, which have won positive feedback from customers, reflecting Oristar’s spirit of being the first and being innovative as well as its positive industry influence. At the same time, Oristar has further optimized the capabilities of the “Oristar cloud” platform and continued to improve and innovate in terms of empowering cinema marketing, basic revenue management, and in-depth membership operations.

With the continuous expansion of product capabilities and market influence, as at 31 December 2020, Oristar provided services for approximately 1,947 cinemas, covering approximately 12,500 halls in 31 provinces (autonomous regions, municipalities) across China.

On 22 December 2020, Sino-i and the Company entered into the sale and purchase agreement, pursuant to which Sino-i has conditionally agreed to purchase (or procure the purchase) and the Company has conditionally agreed to sell (or procure the sale) to Sino-i the entire equity interest of 數碼辰星科技發展(北京)有限公司 (Digicine Oristar Technology Development (Beijing) Company Limited*), for the consideration of RMB488 million. Such transaction is still subject to, amongst other things, the approval of independent shareholders of Sino-i. Upon completion of the above-mentioned transaction, the financial performance and financial position of Oristar will still be consolidated into the consolidated financial statements of the Group. For details, reference shall be made to the Company’s announcement dated 22 December 2020.

業務回顧(續)

疫情給影院行業帶來了前所未有的挑戰，然而危中有機，數碼辰星科技發展(北京)有限公司及其附屬公司(統稱「辰星科技」)迎來了轉型過程中一個難得的機會。辰星科技秉持影院產業互聯網服務公司的定位，深化完善辰星雲影院收益管理平台(SaaS(軟件即服務)化的影院數字化整體解決方案)為影院提供從售票、零售、會員管理、會員營銷、影院經營決策支持以及大數據商業智能服務的業務閉環支持，並提供APP、H5、小程序等面向消費者和經營者的完整移動端解決方案。

年內，辰星科技完成了本集團影院「零失誤」無接觸在線系統切換，實現了國內影院行業首創「無感式」雲化升級，同時完成近100家外部客戶的辰星雲收益管理平台產品的切換與數據遷移，得到客戶一致好評，體現了辰星科技敢為人先、勇於創新的精神，樹立了良好的行業影響力。同時，辰星科技進一步完善了「辰星雲」的平台能力，在賦能影院營銷、基礎收益管理、會員深度運營等方面持續改進和創新。

在產品能力和市場影響力的不斷擴大之下，截至2020年12月31日，辰星科技服務影院數達到約1,947家，累計覆蓋影廳約12,500個，覆蓋中國31個省(自治區、直轄市)。

於2020年12月22日，中國數碼與本公司訂立股權買賣協議，據此，中國數碼有條件同意購買(或促使購買)，而本公司有條件同意向中國數碼出售(或促使出售)數碼辰星科技發展(北京)有限公司全部股權，代價為人民幣4.88億元。該等交易須待(其中包括)中國數碼獨立股東批准後，方可作實。上述交易完成後，辰星科技之財務表現及財政狀況將仍然併入本集團之綜合財務報表綜合計算。詳情請參閱本公司日期為2020年12月22日之公告。

* For identification purpose only

Management Discussion and Analysis

管理層討論及分析

PROSPECTS

In 2020, China overtook the United States as the largest box office market in the world. This demonstrates the effectiveness of China's anti-epidemic measures and the vitality and potential of the Chinese film market, even with the impact of the Epidemic. We remain optimistic about the stable development of the China's film market. On the other hand, in 2021, a number of high quality films will be presented to audiences and with the continuous development of China's film market, the themes of the films will become more diversified. The in-depth development of the Chinese comics, the comedy films, the exploration of science fiction films and crime films, and the extension of movie IPs to multiple genres will be the new trend of new films to be released in 2021, and all these factors will further drive the China's box office to record highs.

This business segment will capitalise on the team spirit and technical product reserves honed during the Epidemic to capture the momentum of stable market development. This business segment continues to explore the development and utilisation of cinema scenes, collaborate with a number of quality content providers and build a film-based consumer entertainment platform in an efficient and effective manner to meet the consumer needs in various aspects such as business model, scenes, products and services. With the view of satisfying the high standard and quality of cinema projects, Dadi Film will also actively develop distribution channels for its projects, promote concrete cooperation with internet and other channels, integrate online and offline resources, deepen the implementation of its OMO strategic plan for cinemas, provide assistance to cinemas in terms of membership operation, cost reduction and efficiency enhancement, so as to achieve more business revenue. At the same time, we will continue to optimise the business and organisational structure, reduce operating and management costs and enhance the operational efficiency and profitability.

展望

2020年，中國正式取代美國，成為全球票房第一。這一方面說明了中國抗疫工作效果顯著，更證明了即便受到了疫情的衝擊，中國電影市場仍具有極強的活力和潛力。我們對中國電影市場的穩定發展保持樂觀態度。另一方面，2021年一批高質量的影片將會與觀眾見面，伴隨中國電影市場的不斷成熟，電影的題材範圍將變得更加多元。國漫宇宙深度開發，喜劇電影百花齊放，科幻類型片多維探索，犯罪題材充分開掘，電影IP向多空間延伸，將成為2021年待映新片的新趨勢，而這些因素都將進一步推動中國電影票房邁上新台階。

本業務部門將運用在疫情中錘煉出來的團隊向心力和技術產品儲備，迎合市場穩定發展的大勢。繼續探索影院場景的開發利用，與更多優質內容方進行合作，從好、從快地持續構建以電影為基礎的消費娛樂平台。從業務模式、場景、產品、服務等多方面全方位地滿足用戶的消費需求。大地電影也會同時在滿足院線項目高標準高質量的基礎上，積極開拓項目發行渠道，實質推進同互聯網等渠道的合作，整合線上線下資源，深耕影院OMO戰略計劃，在會員經營、降本增效等方面為影院提供助力，獲取增量業務收益。同時，將持續優化業務和組織結構，降低經營管理成本，提升經營效率和盈利能力。



Property Development

房地產開發

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year, revenue of this business segment was approximately HK\$7,557.1 million (2019: HK\$3,301.0 million) and profit before income tax was approximately HK\$3,015.0 million (2019: HK\$2,762.7 million). The increase of revenue was mainly due to the recognition of the income of Phase 4 of “The Peninsula” during the year.

“The Peninsula” Project in Shenzhen

The “Peninsula”, a flagship project of Nan Hai Development, is located in the prime triangle zone formed by Qianhai Shenzhen-Hong Kong cooperation free trade zone, Houhai financial and commercial center and Shekou free trade zone. It is bordered by Shekou Fishing Port to the west, Shekou Mountain Lookout Park to the north, Dongjiaotou Reclamation to the east, near the Western Corridor Port site, and the waterfront promenade and Shenzhen Bay to the south, enjoying a unique mountain and sea view of the Shenzhen Bay Area. The project is developed in five phases with a total gross floor area of over one million sq.m., establishing a diversified business environment including high-end housing, intelligent business, smart hotel, office sharing, creative theater and yacht club.

Phases 1 and 2 of “The Peninsula” have been sold out. The sale of Phase 3 was launched in April 2016 and almost sold out. The sale of Phase 4 was launched on 23 April 2019 with the sell through rate reaching 82% on that day. As at 31 December 2020, accumulated sales amounted to approximately RMB7,539 million. The project is currently under renovation and is scheduled for delivery in mid-2021. The Group is holding 55,800 sq.m. of the commercial portion to establish businesses including smart hotel, intelligent business and shared offices according to the idea of “world citizen style and stay with the trend”. Operation is scheduled to commence in late 2021.

業務回顧

年內，本業務部門之收益約為75.571億港元（2019年：33.010億港元），所得稅前溢利約為30.150億港元（2019年：27.627億港元）。收益增加的主要原因為「半島·城邦」四期於年內確認收入。

深圳「半島·城邦」項目

南海發展旗下項目深圳「半島·城邦」，地處前海深港合作自貿區、後海金融商業中心與蛇口自貿區黃金三角核心地帶，西臨蛇口漁港碼頭，北側依托於蛇口山望海公園，東側與東角頭填海區相鄰，靠近西部通道口岸用地，南側憑藉濱海步行長廊與深圳灣緊緊相連，坐擁深圳灣區得天獨厚的山海資源。項目共分五期開發，總建築面積逾百萬平方米，打造高端住宅、智能商業、智能酒店、共享辦公、創想劇院、游艇會等多元業態。

其中，「半島·城邦」一期、二期已售罄，三期於2016年4月開盤，現已基本售罄。「半島·城邦」四期於2019年4月23日開盤銷售，開盤當天去化率82%，截至2020年12月31日，累計銷售額約75.39億元人民幣，目前項目處於精裝修施工階段，計劃於2021年年中交付；本集團自持之5.58萬平方米商業部分，正按照「世界公民風格、與時代同步」的理念打造智能酒店、智能商業、共享辦公等業態，計劃將於2021年年底開業。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

“Free Man Garden” Project in Guangzhou

Located at the Guangzhou airport economic development area, adjacent to Baiyun International Airport and Guangzhou North Comprehensive Passenger Transportation Hub, “Free Man Garden” project of Nan Hai Development in Guangzhou creates an eco-friendly residential area of 1.5 million square meters in Baiyun district, Guangzhou featuring new environment-friendly concepts, scarce urban green belts and excellent community operations. The project will be developed into a large integrated leisure residential area for approximately 10,000 households with a 100,000 sq.m. central green lawn, a 20,000 sq.m. clubhouse, a 2,000 sq.m. heated swimming pool, a basketball court, a yoga studio, a table tennis court, a large gymnasium, and two kindergartens and a public school with a nine-year education system. The “Free Man Garden” project comprises a total of eight phases, of which Phases 1, 2, 4 and 7 have been almost sold out. As at 31 December 2020, a total of 725 flats in Phase 5 and 6 with an aggregate area of approximately 93,257sq.m. were sold for sales amount of approximately RMB2,296 million. Phase 3 known as “Freedom Lane (自由里)” with a gross floor area of approximately 36,000 sq.m. is self-owned for providing comprehensive services of catering, entertainment and culture and commenced operation with a grand opening held on 28 December 2019. Currently, famous brands including Dadi Cinema, McDonald’s and RT-MART have opened and banks, post offices, medical stations, cultural centres and other amenities are also available.

Moreover, the Group has created a new model of operation in real estate business and developed quality projects in various ways. The “Jinghu Boulevard” Project sitting to the east of “Free Man Garden” in Guangzhou in which the Group has invested in is currently with an aboveground floor area of approximately 80,000 sq.m. and will be developed into a commercial complex integrating catering, hotel, entertainment, etc. Leveraging on the experience accumulated in the development of “The Peninsula” and “Free Man Garden” projects, the Group is actively exploring strategic cooperation in respect of a number of projects and invest in the construction of various quality projects in order to materialize a steady and sustainable development of the property development business.

業務回顧(續)

廣州「自由人花園」項目

南海發展旗下項目廣州「自由人花園」，坐落廣州空港經濟開發區，毗鄰白雲國際機場與廣州北站綜合交通樞紐，以新銳的環保理念、稀缺的城市綠地、卓越的小區運營，創寫廣州白雲150萬平方米生態人居版圖。該項目將建設成為一個容納約10,000戶的大型綜合悠閑住宅小區，配備10萬平方米的中心綠化草地，2萬平方米高級會所，以及2,000平方米恒溫泳池、籃球場、瑜珈室、乒乓球場、大型健身房，且小區配備兩所幼兒園及一所九年制公立名校。「自由人花園」總計八期，其中一期、二期、四期和七期基本售罄，五、六期截至2020年12月31日共售出725套，面積約93,257平方米，銷售金額約22.96億元人民幣。三期自持之商業項目「自由里」總建築面積約3.6萬平方米，已於2019年12月28日盛大開業，現已進駐了大地影院、麥當勞、大潤發超市等大型商戶，配套銀行、郵局、醫療站、文化活動中心等生活設備，打造餐飲、娛樂、文化為一體的多元綜合服務體。

另外，本集團積極創新房地產經營模式，以多種形式開拓優質項目，目前已投資位於廣州自由人花園東側的廣州鏡湖大道項目，地上建築面積約8萬平方米，將建設成為涵蓋餐飲、酒店、娛樂等功能的綜合商業項目。本集團依托「半島·城邦」和「自由人花園」項目經驗，積極拓展多個項目的戰略合作，實現房地產業務穩定可持續發展。



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

During the year, Nan Hai Development also launched a series of measures to respond to the Epidemic, including operational cost control, optimization of the pace of project construction, active communication with property owners on delivery of properties and trial selling of “Free Man Garden” through livestream to ensure the Company’s stable operation. At the same time, the outbreak of the Epidemic has also put forward new requirements for the development of the property service industry, and has accelerated the increase of demand for services. The rational division of internal functional areas, community ancillary facilities, the concept of health inherent in the products and high-quality services have demonstrated significant values. Through this “Epidemic War”, the property service company of Nan Hai Development has comprehensively improved its service quality and capability in multiple dimensions such as emergency response, material deployment and innovative technology application, and promoted service loyalty and brand value, so as to offer quality experience.

PROSPECTS

The Epidemic outbreak in early 2020 has a significant impact on the domestic economic development and the operation of the real estate market in China. Overall, although the economy is facing major challenges, the central policy level maintains real estate regulation and control, and holds on to the unchanged position of “houses are for living but not for speculation (房住不炒)”. In order to promote the stable operation of the real estate market, the central and local governments have introduced a number of financial policies and prudent monetary policies to support the real estate industry in certain cities. In response to the impact of the Epidemic, the national macroeconomic policies have enhanced countercyclical adjustments and local policies have been more flexible. With the improving situation of the Epidemic prevention and control and the orderly progress of resumption of work and production, as well as the release of backlog of housing demand after the Epidemic eases, the real estate market in China continues to recover, especially the land markets in major cities.

With a forward-looking strategic mindset, Nan Hai Development shall actively grasp the opportunities of national strategic focus areas and urban development, continue to cultivate the core city cluster of the Greater Bay Area and actively seek development opportunities in the Yangtze River Delta region. In terms of land reserve, Nan Hai Development has been prudent and proactive in acquiring land resources through a variety of land acquisition strategies, including co-operations, acquisitions, urban renewal and strategic acquisitions, in addition to tendering and auctioning. In a highly competitive industry environment, Nan Hai Development insists on “putting products at the core and customers first” and continues to refine and improve its products and customer satisfaction. In addition to improving our products, we are actively responding to customer demand for quality, further enhancing the reputation of the Peninsula brand and laying a solid foundation for continued improvement in our industry competitiveness. In 2021, we will focus on upgrading our talent, enhancing operations and risk management, and establishing a sound foundation for sustainable development.

業務回顧(續)

年內，南海發展推出了一系列應對措施來應對疫情，包括控制運營成本、合理優化工程施工節奏、積極與業主溝通交房事宜、「自由人花園」試水直播賣房等，保證公司平穩運營。同時，疫情的發生也為物業服務行業的發展提出了新的要求，加速刺激了服務需求的釋放，內部功能區域劃分的合理性、小區配套、產品健康理念及高質量服務彰顯出重要價值。南海發展旗下物業服務公司通過這場「戰疫」，在應急響應、物資調配、創新技術應用等多個維度全方位提升了服務質量與能力，促成服務粘性和品牌價值釋放，賦能美好的體驗。

展望

2020年初爆發的疫情對中國經濟發展及房地產市場運行造成較大衝擊。總體來看，雖然經濟面臨較大挑戰，中央政策層面仍保持房地產調控定力，堅持「房住不炒」定位不變。為促進房地產市場平穩運行，中央和地方多個城市出台若干支持房地產行業的財政政策和穩健的貨幣政策。為應對疫情帶來的影響，國家宏觀政策逆周期調節力度加大，地方因城施策也更加靈活。隨著疫情防控形勢的向好和復工復產的有序推進，迭加疫情緩和後前期積壓的購房需求積極釋放，中國房地產市場持續恢復，尤其是熱點城市土地市場相對活躍。

憑藉前瞻性的戰略思維，南海發展將積極把握國家戰略重點區域及城市發展機遇，持續深耕粵港澳大灣區核心城市群並在長三角地區積極尋找開發機會。土地儲備方面，南海發展秉持一貫審慎而積極的態度，在招拍掛以外通過合作、收購、城市更新及戰略獲取的多元購地策略，持續加大獲取土地資源。在競爭激烈的行業環境下，南海發展堅持「以產品為核，以用戶為先」，持續精研與提升產品力及客戶滿意度。在全面提升產品力的同時，積極響應客戶對品質的需求，進一步提升半島品牌的知名度，為持續提升行業競爭力奠定了紮實良好的基礎。2021年我們將聚焦人才梯隊升級，提升運營和風險管控，為可持續發展奠定堅實基礎。

Enterprise Cloud Services

企業雲服務



恪守初心·砥砺前行

践行“客户成功第一”

热烈庆祝中企动力21周年

1999
—
2020

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

This business segment provided a comprehensive digital marketing, digital business solutions and cloud computing infrastructure services to corporate clients in China. The main products/services included domain name, public cloud, mini program mall, mailbox, digital marketing, etc., covering various aspects such as infrastructure, website building tools and services, digital marketing and online transactions as required by enterprises for digital operation.

For the small and medium-sized customers, we provide standardised enterprise service tools in the form of SaaS, as well as relatively standardised and yet customised services. We have integrated the quality partners and resources in the industry to create a mature and stable product ecosystem to meet the individual needs of our customers as far as possible. For strategic clients in various industries, we provide personalised, high-end customised services across the entire industry chain through our sub-brand “CE Ultimate (中企高呈)”.

Having made unremitting efforts over time, we have established a nationwide, industry-wide, omni-channel business system that enabled us to reach customers in a timely and effective manner. At the same time, we have set up more than 80 branches to form a localised service operation network across the country, providing face-to-face rapid response and localised delivery to our customers and effectively solving the problems of “the last kilometer” of corporate services.

In 2020, with the gradual containment of the Epidemic, the trend towards online personal consumption and the digitalisation of business operations was evident, and the volume of export business experienced a rapid growth. In addition to the existing full network responsive portal and foreign trade portal, 中企動力科技股份有限公司 (CE Dongli Technology Company Limited, “CE Dongli”) under this business segment has launched a global portal business. Through its own domestic and foreign trade SEO (Search Engine Optimization) marketing products and Google SEM (Search Engine Marketing) products, CE Dongli effectively met the online display and marketing needs of different customers in domestic and foreign trade.

業務回顧

本業務部門向中國企業客戶提供全方位的數字營銷、數字商務整體解決方案及雲計算基礎設施服務。主要產品／服務包括域名、公有雲、小程序商城、郵箱、數字營銷等，覆蓋企業數字化經營所需的基礎設施、建站工具及服務、數字營銷、線上交易等諸多環節。

針對廣大的中小客戶，我們通過SaaS的形式為廣大客戶提供標準化企業服務工具，同時提供相對標準化的定制服務。我們整合了業內優質合作夥伴和資源，共同打造成熟穩定的產品生態，最大程度的滿足不同客戶的個性化需求。針對各行業戰略性大客戶，我們通過子品牌「中企高呈」提供覆蓋全產業鏈條的個性化高端定制服務。

通過長期不懈的努力，我們建立了覆蓋全國、全行業、全渠道的立體商務體系，能夠在第一時間有效觸達客戶；同時，我們成立了80多家分公司，形成了覆蓋全國的本地化服務運營網絡，具備為客戶提供面對面的快速響應和本地化交付的能力，有效解決了企業服務的「最後一公里」的問題。

2020年，隨著疫情的逐步控制，個人消費線上化、企業經營數字化趨勢明顯，出口業務量增長迅速。本業務部門下屬中企動力科技股份有限公司（「中企動力」）在原有全網響應式門戶和外貿門戶基礎上，推出了全球門戶業務，通過中企自有內外貿SEO（Search Engine Optimization 搜索引擎優化）推廣產品及谷歌SEM（Search Engine Marketing 搜索引擎營銷）產品，有效滿足內貿外貿不同客戶線上展示和營銷需求。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

The Epidemic has greatly accelerated the process of online retail, resulting in an urgent need for the shift of retail outlets which were originally offline only in all sectors to online operation. Manufacturers of different brands/merchants of origin urgently needed an online presence to communicate with consumers across the country in order to run private domain traffic. CE Dongli has strengthened the promotion of digital commerce business, providing customers with an integrated e-commerce solution to help them open up online and offline sales channels and better meet the needs of multi-scene and multi-channel operation in the digital era. Coupled with the underlying cloud computing technology support services of 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited, "Xinnet"), CE Dongli helped customers to achieve better business growth.

During the year, with CE Dongli and Xinnet being its main operating entities, this business segment was committed to the development of cloud services for corporate digitalization and smart operation by providing comprehensive IaaS (Infrastructure as a Service), SaaS application, corporate e-commerce services, "corporate digitalization transformation" total solutions and big databased business intelligence cloud services to China market. During the year, revenue of this business segment was approximately HK\$966.4 million (2019: HK\$957.4 million). Profit before income tax was approximately HK\$25.9 million (2019: loss before income tax of HK\$68.0 million). The profit was primarily attributable to 1) this business segment's various products, which effectively met the urgent need of customers to start online operations quickly under the pressure of the Epidemic, significantly boosting the number of users and enhancing sales efficiency; 2) this business segment's continuous investment in research and development of production platforms in recent years, which has improved production efficiency and reduced labour input per unit of product, thereby improving gross profit margin; and 3) the various measures taken by this business segment to reduce management and administrative expenses, enhance efficiency, reduce costs, pursue and enjoy various concessions and waivers in accordance with relevant government policies to minimise the impact of the Epidemic during the year.

業務回顧(續)

疫情極大的加速了零售業態的線上化進程，原來純線下形態存在的各行業終端零售門店迫切需要線上化經營，各品牌廠家／原產地商家迫切需要以線上化的方式與遍佈全國的消費者進行溝通，進而進行私域流量運營，中企動力加大了數字商務業務的推廣力度，為客戶提供一體化電商解決方案，幫助客戶打通線上線下的銷售通路，更好的滿足數字化時代多場景多渠道的經營需求。並結合北京新網數碼信息技術有限公司(「新網」)的雲計算底層技術支撐服務，幫助客戶更好的實現商業增長。

年內，本業務部門致力於企業數字化智能經營雲服務的發展，以旗下核心企業中企動力及新網為經營主體，面向中國市場提供全方位的IaaS(基礎設施即服務)、SaaS服務應用、企業電子商務服務、「企業數字化轉型」整體解決方案以及基於大數據的商業智能雲服務。年內，本業務部門之收益約為9.664億港元(2019年：9.574億港元)，所得稅前溢利約為0.259億港元(2019年：所得稅前虧損0.680億港元)。該等盈利主要由於1)本業務部門多款產品，有效滿足了客戶在疫情壓力下迅速開展在線經營的迫切需求，對於用戶量的增長起到了明顯的推動作用並大幅提升了銷售效率；2)本業務部門近幾年對生產平台持續的研發投入，提升了生產效率，降低了單位產品的人工投入，從而提升了毛利率；及3)為最大限度降低疫情影響，本業務部門於年內採取多種措施壓縮管理及行政開支，提升效率，降低費用，並依據相關政府政策爭取並享受了各項優惠及減免。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

CE Dongli

With 20 years' service experience, CE Dongli has a SaaS product system that meets the digital needs of enterprises in China and has built up a large business and localization service network. At the same time, it has integrated leading partners from various industries to build a market for corporate services, providing enterprises in China with enterprise digital business solutions with professional technology and comprehensive services.

During the year, CE Dongli had the following key initiatives:

Firstly, self-service website building products were launched, forming a complete product spectrum for large and medium-sized customers to small and micro customers, in order to meet the different needs of customers of various scales and expand the number of potential users while enhancing user experience. Over 10,000 paid users have developed templates for website building during the year.

Secondly, in response to the trend of online enterprise marketing, the existing SEO business was integrated with the portal business and other third party products into different product combinations and solutions. During the year, the marketing products grew by approximately 22.45%, with increase of approximately 70.68% in the fourth quarter when compared to the fourth quarter of 2019.

Thirdly, with the significant growth of China's export data in 2020 and strong demand from customers for foreign trade marketing, CE Dongli re-optimized its existing foreign trade portal and Google SEM business and integrated with other third party resources to form a new solution. The launch of the new solution was highly recognized by the market, bringing a total number of customers to over 8,600.

Fourthly, with the far-reaching impact of the Epidemic on the retail industry, CE Dongli has stepped up its research and development and marketing efforts in the digital commerce business, and has a stable service capability in conducting major transactions; through cooperation with third parties, CE Dongli has achieved the integration of mobile payment, logistics and other related services, helping customers to fully integrate the information flow, capital flow and logistics of e-commerce business; during the year, the digital commerce business has established a customer operation team aimed at making customers successful, helping customers to complete the entire operation system from WeChat authentication, payment opening, shop construction (renovation) and shop marketing and promotion, which can help traditional customers to quickly establish an online and offline integrated operation system. During the year, there were a total of 1,348 new customers, representing an increase of approximately 239.43% when compared with 2019.

業務回顧(續)

中企動力

中企動力基於超過20年的服務經驗，擁有滿足廣大中國企業經營管理數字化需求的SaaS產品體系，構建了龐大的商務和本地化服務網絡，同時整合各行業頭部合作夥伴共同搭建了企業服務生態市場，以專業的技術和全方位的服務為中國企業提供企業數字化經營解決方案。

年內，中企動力主要有以下主要動作：

第一，推出了自助建站產品，形成了從大中型客戶到小微客戶的完整產品序列，以滿足各類規模客戶的差異化需求，在提升用戶體驗的同時擴大了潛在用戶的數量。年累計已發展模版建站付費用戶過萬家。

第二，針對企業市場投放線上化的趨勢，重新優化了原有的SEO業務，並與門戶業務以及其他第三方產品整合成不同的產品組合和解決方案，年內，營銷類產品增長了約22.45%，尤其第四季度與2019年第四季度相比同比增長約70.68%。

第三，2020年中國出口數據顯著增長，客戶外貿營銷需求強勁，中企動力重新優化了原有的外貿門戶和谷歌SEM業務，並整合其他第三方資源形成新的解決方案，新的解決方案的推出獲得了市場的高度認可，客戶數量累計超過8,600家。

第四，疫情對零售業態產生了極為深遠的影響，中企動力加大了對於數字商務業務的研發和市場推廣力度，目前已經在核心交易環節和主要交易場景上具備穩定可靠的服務能力；通過三方生態合作，實現了移動支付，物流配送等相關服務的集成，幫助客戶實現了電商業務的信息流，資金流，物流的全面整合；年內，數字商務業務已經建立了以客戶成功為目標的客戶運營團隊，幫助客戶完成從微信認證，支付開通，到店鋪搭建(裝修)，以及店鋪營銷推廣等完整的運營服務體系，可以幫助傳統客戶快速地建立起線上線下一體化的運營體系。年內，共新增客戶1,348個，同比2019年增長約239.43%。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Xinnet

During the year, Xinnet continued to serve domestic medium, small and micro enterprises through online, direct sales and a nationwide agent channel system. In addition to business such as domain name management, public cloud IaaS, mailbox, etc., it also continues to expand the enterprise market in the area of website building and corporate application services. It continues to enrich the product line in respect of public cloud products, adding products including Redis, RabbitMQ, cloud backup and big data in order to meet the needs of users for PaaS (Platform as a Service) products. The scale of the information center continues to expand. In addition to the existing three regions of Northern China I, II, and Hong Kong, the scale of resources of the public cloud continues to increase by adding three regions in the Northern China, so as to meet the growing business needs. At the same time, in view of the weak technical capabilities and strong business needs of medium, small and micro enterprises, as the first domestic company to propose the concept of enterprise cloud service center, it reaches users with the most direct SaaS application, at the same time covering data products of basic cloud resource, which has become one of the few suppliers in China of overall cloud service product, which assists medium, small and micro enterprises to achieve digital transformation.

PROSPECTS

The management of this business segment believes that "Epidemic prevention and control" will continue to be a major theme for the entire community in 2021. At the macro level, the domestic economy will gradually recover and return to normal growth (the International Monetary Fund estimates that China's GDP growth rate will be approximately 8% in 2021), while the export business of enterprises in China will continue to grow rapidly due to the spread of the Epidemic abroad.

We also note that the Epidemic will greatly accelerate the digital transformation of enterprises in China, which will have a profound impact on their brand building, channels, retailing, membership management and interaction. The Epidemic has significantly changed consumers' lifestyle and spending habits. The variety and frequency of online shopping will increase significantly, and there will be a shift from in-store purchases to online ordering and home delivery. The population of online consumers is rapidly expanding, online shopping is no longer the exclusive domain of young people, more elderly people will also join online shopping. The process of building brand awareness has changed dramatically, with consumers gradually moving from offline shop displays and advertising to self-selecting information, watching live streams and forming relatively closed communities. Changes in consumer behaviour and habits will affect business activities and boundaries: 1. corporate brands will pay more attention to online displays and online placement; 2. with the increasing cost of online traffic, low-cost and sustainable revenue-generating private domain traffic operation and member interaction will become an important business capability for enterprises; 3. enterprises not only need to develop their own online sales, but also need to integrate their existing offline channels and terminals to help them complete their online transformation; and 4. retail shops will place more emphasis on digital business capabilities such as online display, online promotion, online transactions and maintaining customer relationships.

業務回顧(續)

新網

年內，新網繼續通過在綫、直銷和遍佈全國的代理商渠道體系，服務於全國的中小微企業。除域名托管、公有雲IaaS、郵箱等業務外，在建站及企業應用服務領域也繼續開拓企業市場。在公有雲產品方面繼續豐富產品綫，新增Redis、RabbitMQ、雲備份、大數據等產品，滿足用戶對PaaS(平台即服務)層產品的需求。數據中心規模持續增加，公有雲在現有華北一、二、香港三個區域的同時，新增華北三區，資源規模持續增加，以滿足不斷增長的業務需求。同時，針對中小微企業技術能力弱、業務需求強的特點，國內首家提出企業雲服務中心的概念，以最直接的SaaS應用觸達用戶，同時涵蓋基礎雲資源的流量產品，形成國內為數不多的整體雲服務產品供貨商，助力中小微企業數字化轉型。

展望

本業務部門管理層認為，2021年「疫情防控」將繼續是整個社會的主旋律。宏觀層面，國內經濟將逐步復蘇並恢復正常增長(國際貨幣基金組織預計2021年中國GDP增速約為8%)；由於國外疫情的蔓延，中國企業的出口業務將會繼續保持快速增長。

我們也注意到，疫情將極大加速中國企業數字化轉型進程，未來將對企業的品牌建設、渠道、零售、會員管理與互動等諸多環節產生極為深遠的影響，疫情深刻改變了消費者的生活和消費習慣。綫上消費的種類和頻次將會大大增加，原來到店消費也將更多的通過綫上下單及配送到家實現。綫上消費的人群迅速擴大，網購不再是年輕人的專利，更多的老年人也將加入網購的行列。消費者建立品牌認知的過程發生了極大的改變，原來綫下門店展示、廣告推送的形式，逐漸變為主動獲取信息、觀看直播、形成相對封閉的社群。消費者行為習慣的變遷將改變企業的經營行為和邊界：1、企業品牌將更加注重新綫上展示和綫上投放；2、隨著綫上流量的日益昂貴，低成本、可持續產生收益私域流量運營、會員互動將會成為企業必須具備的經營能力；3、企業不僅自身需要開展綫上銷售，更需要整合原有的綫下渠道和終端，協助他們完成綫上化轉型；及4、零售門店將會更加重視在綫展示、在綫推廣、在綫交易、客戶關係維護等數字化經營能力。

Management Discussion and Analysis

管理層討論及分析

PROSPECTS (Continued)

In light of above changes in the macro economy, consumer habits and business needs, we will make the following strategic and operational adjustments and initiatives:

Firstly, we will transform into a “digital marketing” business. On top of our existing portal business, we will continue to optimise our existing SEO business and integrate the product capabilities of our third-party partners such as SEM and marketing automation to further develop a new product portfolio and solutions to drive this business segment’s transformation from a website builder to an integrated digital marketing service provider.

Secondly, we will focus on the “digital commerce” business. We believe that building our own e-commerce portal is an important means for shops to achieve online sales and for companies to operate private traffic and to interact with consumers in the future. We will continue to push forward the development of our “digital commerce” business. By 2021, we aim to be a first-tier company in this field.

We understand that a comprehensive SaaS product and service requires solid internet technology and data platform capabilities. In the future, based on an in-depth understanding of the business environment of customers in different industries, this business segment will continue to increase its investment in data centres, cloud computing technology, automated operation and maintenance technology, big data technology and intelligent marketing technology to comprehensively enhance its core technology capabilities and further develop and optimise products and services for the digital intelligent operation and business of enterprises. In the future, we will make use of cloud computing, the middle structure of business (業務中台) and SaaS applications to develop digital marketing, data analytics and e-commerce operations services to help our traditional industry customers achieve digital transformation, better respond to changes in consumer demand and meet the challenges of the digital era.

展望(續)

基於上述宏觀經濟、消費者消費習慣的變遷以及企業經營需求的變化，我們將會作出以下戰略和業務層面的調整和舉措：

第一，向「數字營銷」轉型。我們將在現有門戶業務基礎上，繼續優化現有的SEO業務，並整合第三方合作夥伴的產品能力例如SEM、自動營銷等，進一步形成新的產品組合和解決方案，推動本業務部門由建站服務商向數字營銷綜合服務商轉型。

第二，重點發力「數字商務」業務。我們認為自建電商入口是未來門店實現線上銷售、企業實現私域流量運營和消費者互動的重要手段，未來，我們將會繼續大力推進「數字商務」業務的發展。我們希望2021年我們能夠成為該領域的第一梯隊企業。

我們深知，完善的SaaS產品、高效的服務需要紮實的互聯網技術和數據平台能力為支撐。未來，在深度理解不同行業客戶的商業場景的基礎上，本業務部門會持續加大對數據中心、雲計算技術、自動化運維技術、大數據技術、智能營銷技術的資本投入，全面提升核心技術能力，進一步研發和優化面向企業數字化智能經營商業場景的產品和服務。未來，我們將以雲計算、業務中台、SaaS應用為依托，大力發展數字營銷、數據分析、電商運營服務等能力，幫助傳統行業客戶實現數字化轉型，更好的響應消費者需求變化、迎接數字化時代的挑戰。



News Media Business and Innovative Business

新聞傳播業務與創意商業



Management Discussion and Analysis

管理層討論及分析

NEWS MEDIA BUSINESS

Business Review

There are two business divisions under the news media business, namely “HK01” and “Duowei Media”. During the year, revenue of this business segment was approximately HK\$102.3 million (2019: HK\$89.6 million) and loss before income tax was approximately HK\$288.3 million (2019: HK\$387.9 million).

Based in Hong Kong, “HK01” has more than 780 employees. It is a pioneer of advocacy media, aiming at creating an internet lifestyle platform, a brand new idea of combining internet with news media business, for Hong Kong people. During the year, this business segment continued to develop its internet news and lifestyle services business and successfully secured a leading position in the local media. According to ComScore, a world-renowned internet traffic monitoring platform, “HK01” ranked first in the News/Information — General News category in terms of total monthly visitors, ahead of other local media. At the same time, “HK01” has ranked No. 1 in terms of downloads in the news category for months, demonstrating its continued influence.

In terms of business performance, daily active users of the webpages and mobile applications of this business segment reached over 1.9 million on average, representing an increase of approximately 25% as compared to last year. The number of active users was over 2.58 million at the peak. In respect of page views, the average number of daily page views of the webpages and mobile applications reached over 38 million, more than double of last year's average. Page views approached 59 million at the peak. In addition, as at 31 December 2020, the number of members of this business segment was over 1.5 million, representing an increase of 50% as compared to the same period last year.

With high quality news reports, this business segment achieved remarkable results by winning a number of news awards, including four awards from the international Telly Awards in the USA; six awards from The 20th Consumer Rights Reporting Awards presented by the Consumer Council, the Hong Kong Journalists Association and the Hong Kong Press Photographers Association, including winning the “Most awards among the online media news organizations (歷屆獲獎最多傳媒機構)”; and 12 awards from “The Spark Awards 2020”.

This business segment also continued to expand its lifestyle services platform with the launch of the “EC Easy (醫師Easy)” health information platform, the “01 Space (01空間)” events platform and the new macroeconomic “巨子ICON” mobile app in the fourth quarter of 2020, which provides investors with comprehensive economic information, analysis and commentary on financial trends and global economic situation. At the same time, we will continue to develop the “HKshopNet (一網打盡)” shopping guide platform, the “LetZ Goal (齊動)” running service platform and will also focus on developing the members' economic circle and strive to create an exclusive ecosystem for “01 Members (01會員)”.

新聞傳播業務

業務回顧

新聞傳播業務包括「香港01」和「多維傳媒」。年內，本業務部門之收益約為1.023億港元(2019年：0.896億港元)，所得稅前虧損約為2.883億港元(2019年：3.879億港元)。

「香港01」立足於香港，在香港擁有正式員工超過780人，以倡議型媒體的先行者為出發點，旨在打造一個屬香港人的互聯網生活平台，是一種嶄新的將互聯網新聞媒體業務與互聯網生活服務結合的新構想。年內，本業務部門繼續發展互聯網新聞及生活服務業務，並成功奠定本地媒體領導地位。根據國際知名互聯網流量監測平台ComScore統計，「香港01」按月總瀏覽人數於新聞／資訊—綜合新聞類別中超越其他本地媒體，排名第一；同時，「香港01」於新聞類別的下載量已連續多月排名第一位，足見「香港01」持續的影響力。

在業務表現方面，本業務部門網頁及手機應用的日均活躍用戶超過190萬，相比去年增長約25%，而最高峰時活躍用戶更超越258萬；在瀏覽量方面，網頁及手機應用的日均瀏覽量超過3,800萬，相比去年平均數增長超過一倍，而在最高峰時，瀏覽量更超越5,900萬；另外，截至2020年12月31日，本業務部門會員人數已超過150萬，相比去年同期增長五成。

憑藉優質的新聞報道，本業務部門奪得多個新聞獎項，其中包括4項國際性的美國《Telly Awards》大獎；6項由消費者委員會、香港記者協會及香港攝影記者協會頒發的《第20屆消費權益新聞報道獎》，當中包括「歷屆獲獎最多傳媒機構」網絡媒體類別獎項；12項《卓越傳媒大獎The Spark Awards 2020》，成績斐然。

本業務部門亦持續拓展生活服務平台，在2020年內先後推出「醫師Easy」健康信息平台、「01空間」活動平台，以及在第4季度推出全新宏觀經濟「巨子ICON」手機應用程式，為投資者提供全方位的經濟資訊，分析及評論金融動向，闡述環球經濟實況。與此同時，亦繼續發展「一網打盡」導購平台、「齊動」跑步服務平台，以及重點發展會員經濟圈，致力打造一個專屬「01會員」的專屬生態圈。

Management Discussion and Analysis

管理層討論及分析

NEWS MEDIA BUSINESS (Continued)

Business Review (Continued)

Under the impact of the Epidemic, “HK01” has made rapid changes to meet the market environment, focusing its marketing strategy on online and launching a number of online and offline activities in “01 Space (01 空間)”. At the same time, “HK01” continued to launch a number of brand-oriented activities such as the “流動派” series and online activities such as “01 最賞睇娛樂大獎”. Despite the postponement or suspension of many offline activities in the market due to the Epidemic, this business segment was able to successfully organise the first “01 Gold Medal Awards (01 企業金勳大獎)”, with the winners announced in December 2020 and the award presentation ceremony in January 2021, to recognise Hong Kong companies that have struggled through adversity and to highlight the leading position of “HK01”.

Prospects

In 2021, it will be the 5th anniversary of “HK01” and this business segment will be embarking on a series of online and offline promotion activities and will continue to develop its leading position and influence in the Hong Kong media industry while leveraging internet technology to create a lifestyle platform for Hong Kong people. In particular, “HK01” mobile app will undergo a major change in the first quarter of 2021. The updated version will enhance the application’s big data to achieve accurate content delivery, which is expected to improve user experience and advertising conversion effect, and enhance advertisers’ confidence and satisfaction. At the same time, the new version will include various social interaction elements, allowing users to disseminate information to the public and friends through the “HK01” platform.

The newly launched mobile apps “巨子 ICON” and “EC Easy (醫師 Easy)” focus on economic, financial and health news information, such mobile apps coupled with various tools and services may expand advertising revenue streams.

In 2021, despite the continued impact of the Epidemic, we will overcome the difficulties and establish “HK01” as the most influential online lifestyle platform in Hong Kong, bringing a new online and offline experience across media to Hong Kong people.

新聞傳播業務(續)

業務回顧(續)

疫情影響下，「香港01」迎合市場大環境作出迅速轉變，市場營銷策略重點放在線上，在「01 空間」推出多個線上連動線下的活動；同時，持續推出多個品牌向活動如「流動派」系列及「01 最賞睇娛樂大獎」等在線活動。儘管在疫情下，市場上不少線下活動被迫延期或暫停，本業務部門仍能成功舉辦首屆「01 企業金勳大獎」，得獎名單在2020年12月公佈並於2021年1月舉行頒獎儀式，以表彰在逆境中砥礪前行的香港企業，同時突顯「香港01」之領導地位。

展望

展望2021年，「香港01」將踏入5周年，本業務部門將迎來一連串線上線下的推廣活動，繼續拓展「香港01」品牌於香港媒體業界之領導地位及影響力，同時將運用互聯網科技打造一個專屬香港人的生活平台。當中，「香港01」手機應用程式在2021年首季度進行重大變革，更新版本將會加強大數據之應用，以達至精準內容推送，期望能提升用戶體驗以及廣告轉化效果，增強廣告客戶之信心及滿意度；與此同時，新版本將加入各種社交互動元素，用戶可透過《香港01》平台自主向大眾及朋友發佈信息。

新推出之手機應用程式「巨子ICON」及「醫師Easy」將經濟財經類及健康類新聞信息打造成拳頭內容，配合各種工具與服務，以拓展廣告收入來源。

在2021年，儘管持續受到疫情影響，我們仍會迎難而上，打造「香港01」成為香港具影響力的互聯網生活平台，為香港市民帶來跨越媒體的線上線下新體驗。

Management Discussion and Analysis

管理層討論及分析

INNOVATIVE BUSINESS

Business Review

During the year, revenue of this business segment was approximately HK\$147.6 million (2019: HK\$255.5 million) and loss before income tax was approximately HK\$716.2 million (2019: HK\$382.3 million), of which approximately HK\$496.1 million represented impairment of goodwill and property, plant and equipment.

Following the completion of the restructuring in 2019 to exit its traditional retail model, the focus for Crabtree & Evelyn in 2020 was on building awareness for the relaunch of the brand and expanding its customer base by taking on new customers. This was to be achieved through the use of digital platforms, social channels, partnerships and influencers or key opinion leaders. In 2020, the new customer base grew by 803% as compared to 2019 and year-on-year sales in the e-commerce channel also increased by 67% as compared to 2019, laying a good foundation for future conversion of new customers.

In October 2020, the first global exploration collection was launched from Bali, this collection included both personal care as well as artisan lifestyle products made by craftsmen in local communities in Bali with a portion of profits from selected products going back into those communities through our partnership with a local charity. Management was pleased with the sell through of the collection, it having produced several star products and valuable learnings for future exploration collections.

In September 2020, the brand relaunched into Taiwan through a leading third party sales platform, it was intended as a soft launch but delivered results beyond expectations and showed a strong demand for the brand in the market.

During the year, the effects of the Epidemic on Crabtree & Evelyn were limited due to its sales channels being predominantly online and its products remaining in demand from customers not able to travel or in a lock down situation. It was also able to adapt its supply chain to ensure that there were no significant disruptions to product availability throughout the year.

Prospects

Leveraging on the momentum in brand awareness and customer acquisition generated in 2020, Crabtree & Evelyn will continue to grow on its key metrics of sales and customer base growth. As well as its own sales platforms, the brand will further increase distribution channels through key third parties in 2021.

Following the completion of product registrations in Mainland China, the brand will launch itself domestically in the Mainland China market in 2021. A second global exploration collection from a new destination will also be launched in 2021 following the success and learnings of the first exploration collection from Bali.

創意商業

業務回顧

年內，本業務部門之收益約為1.476億港元（2019年：2.555億港元），所得稅前虧損則約為7.162億港元（2019年：3.823億港元），其中約4.961億港元為商譽及物業、廠房及設備減值。

於2019年完成重組並脫離其傳統零售模式後，2020年，瑰珀翠的業務焦點集中於為重新推出品牌打響知名度，並透過吸納新客戶擴大其客戶基礎，並借助數字平台、社交渠道、合作夥伴關係及網絡紅人或關鍵意見領袖達成目標。於2020年，新客戶基礎較2019年增長803%，電商渠道同比銷售亦較2019年增加67%，為未來新客戶的轉化提供了良好的基礎。

於2020年10月，我們推出首個來自巴里島的全球探索系列，此系列包括個人護理產品以及由巴里島當地小區的工匠製作的生活用品。我們亦與當地慈善團體合作，將特選產品的部分收益回饋該等社區。管理層對該系列產品銷路感到滿意，該系列亦產生若干皇牌產品，為日後推出探索系列帶來寶貴經驗。

於2020年9月，品牌透過一個領先第三方銷售平台再次進軍台灣市場，此舉原屬試驗性質，但業績超乎預期，顯示市場對品牌的需求強勁。

年內，疫情對瑰珀翠的影響有限，原因是瑰珀翠以網上銷售為主，無法出行或受「封城」影響的客戶仍然對產品有所需求。瑰珀翠亦能調整其供應鏈，確保全年產品供應。

展望

憑藉於2020年的品牌知名度與客戶人數的上升趨勢，瑰珀翠將繼續在銷售及客戶基礎增長的關鍵指標上錄得增長。除自營銷售平台外，品牌將於2021年透過主要第三方進一步增加分銷渠道。

在中國大陸完成產品註冊後，品牌將於2021年進軍中國大陸市場。繼首個來自巴里島的探索系列獲得成功及汲取經驗後，我們將於2021年推出第二個來自新目的地的全球探索系列。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESOURCES AND LIQUIDITY

The Group continued to adopt prudent funding and treasury policies. As at 31 December 2020, net assets attributable to the owners of the Company amounted to approximately HK\$2,869.7 million (2019: approximately HK\$4,696.0 million), including cash and bank balances of approximately HK\$8,098.0 million (2019: approximately HK\$11,720.6 million) which were mainly denominated in US dollars, Renminbi and Hong Kong dollars. As at 31 December 2020, the Group's aggregate borrowings were approximately HK\$15,763.0 million (2019: approximately HK\$18,853.0 million), of which approximately HK\$11,105.6 million (2019: approximately HK\$10,625.9 million) were bearing interest at fixed rates while approximately HK\$4,657.4 million (2019: approximately HK\$8,227.1 million) were at floating rates. The Group has not entered into any interest rate hedge during the year.

The gearing ratio of the Group, which is calculated as the net debt divided by the total equity plus net debt was approximately 69.75% (2019: approximately 57.40%).

As at 31 December 2020, the capital commitment of the Group was approximately HK\$595.6 million (2019: approximately HK\$525.9 million), of which approximately HK\$18.1 million would be used for the renovation of self-owned property, approximately HK\$178.9 million would be used as capital expenditures for the expansion of its cinema business and approximately HK\$398.6 million would be used for property development.

As at 31 December 2020, the Group's contingent liabilities were approximately HK\$21.7 million in connection with the guarantees given to secure credit facilities (2019: approximately HK\$21.1 million).

As at 31 December 2020, certain right-of-use assets, buildings, other property, plant and equipment, properties under development and completed properties held for sale, investment properties, financial asset at FVOCI and bank deposits with a total net carrying value of approximately HK\$12,673.3 million were pledged to secure the credit facilities granted to the Group (2019: approximately HK\$15,083.3 million). In addition, trading securities with a carrying value of approximately HK\$0.2 million (2019: approximately HK\$0.2 million) and certain shares of several subsidiaries were pledged and bank accounts were charged for securing the Group's credit facilities.

Details of the bank and other borrowings and financing of the Group are set out in note 27 to the financial statements.

The Board considers that the Group will have sufficient financial resources to satisfy its future working capital and other financing requirements for at least the next twelve months from the reporting date. Details of which shall be referred to in note 2 to the financial statements of the Group.

財務資源及流動資金

本集團繼續採取審慎之資金及財務政策。於2020年12月31日，本公司擁有人應佔資產淨值約為28.697億港元（2019年：約46.960億港元），包括現金及銀行結存約為80.980億港元（2019年：約117.206億港元），主要以美元、人民幣及港元為單位。於2020年12月31日，本集團之借貸總額約為157.630億港元（2019年：約188.530億港元），其中約111.056億港元（2019年：約106.259億港元）乃按固定利率計息，而約46.574億港元（2019年：約82.271億港元）則按浮動利率計息。本集團年內並無簽訂任何利率對沖。

本集團之資本負債比率，即負債淨額除以權益總額加以負債淨額約為69.75%（2019年：約57.40%）。

於2020年12月31日，本集團之資本承擔約為5.956億港元（2019年：約5.259億港元），其中約0.181億港元將用作自有物業之翻新工程費用，約1.789億港元將用作擴展影院業務之資本開支，及約3.986億港元將用作房地產開發。

於2020年12月31日，本集團之或然負債約為0.217億港元，乃就信貸融資提供之擔保所致（2019年：約0.211億港元）。

於2020年12月31日，本集團之信貸融資是以賬面淨值總額約為126.733億港元之若干使用權資產、樓宇、其他物業、廠房及設備、待發展及已落成待售物業、投資性物業，按公允價值於其他全面收益處理之金融資產及銀行存款作為抵押（2019年：約150.833億港元）。此外，本集團已質押賬面值約為200,000港元（2019年：約200,000港元）之股權投資、數間附屬公司之若干股份，及銀行賬戶作為本集團信貸融資之抵押。

本集團的銀行及其他借貸及融資詳情載於財務報表附註27。

董事會認為，本集團自報告日期起計最少未來十二個月將有充足財務資源應付其日後營運資金及其他融資需求。詳情請參閱本集團財務報表附註2。

Management Discussion and Analysis

管理層討論及分析

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The Group operated mainly in the PRC, and its operating expenses and revenue were primarily denominated and settled in Renminbi. The Group adopted Hong Kong dollars as its reporting currency, and the reported assets, liabilities and results may be affected by Renminbi exchange rate. As the majority of the Group's borrowings were primarily denominated in US dollars and Renminbi, it was exposed to foreign exchange risk. The Group will still keep reviewing and monitoring the fluctuation in exchange rates between relevant currencies and consider using foreign exchange hedging instruments from time to time to minimize the risk exposure arising from changes in exchange rates. The Group will also proactively choose the type of currency for assets and liabilities based on its prejudgment of currency trend under practicable circumstances. During the year, the Group has not entered into any foreign exchange hedging instruments.

EMPLOYEE AND REMUNERATION POLICY

The Company employs and remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board of the Company. In general, salary review is conducted annually. As at 31 December 2020, the Group had 15,899 employees (2019: 18,789 employees). The salaries of and allowances for employees for the year ended 31 December 2020 were about approximately HK\$1,564.6 million (2019: HK\$2,222.0 million). The Group focuses on providing skill and quality training for various levels of staff, and provides on-the-job capability training to its staff; in respect of staff quality, corresponding training on personal work attitude and work habits is also provided.

匯率波動風險

本集團之主要業務位於中國，經營開支及收入主要以人民幣計值並結算。本集團以港元為匯報貨幣，所錄之資產、負債以及業績可能會受人民幣匯率影響。本集團之借貸以美元、人民幣為主，面臨外匯風險。本集團將持續審視及監察相關貨幣的匯率波動，不時考慮利用外匯對沖工具，降低匯率變化帶來的風險；亦會在可能的情況下，根據集團對貨幣走勢的預判，主動選擇資產和負債的貨幣種類。本集團年內並無簽訂任何滙率對沖。

僱員及薪酬政策

本公司員工的聘用及薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險、團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按本公司董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。於2020年12月31日，本集團有15,899名員工（2019年：18,789名員工）。截至2020年12月31日止年度，員工之薪金及津貼共約15.646億港元（2019年：22.220億港元）。本集團注重對員工技能和素質的培訓，針對不同崗位的需求，對員工進行崗位能力的培訓；在員工素質方面，對個人工作態度及工作習慣等方面也進行相應的培訓。

Report of the Directors

董事會報告

The Board herein present their report and the audited financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year, the Group was principally engaged in culture and media services, property development, enterprise cloud services, news media business and innovative business.

SEGMENT INFORMATION

Particulars of the Group's revenue and segment information for the year are set out in notes 5 and 6 to the financial statements respectively.

BUSINESS REVIEW

The description of principal risks and uncertainties that the Group may be facing is provided in the Risk Management and Internal Control section on pages 72 to 78 of this annual report and a fair review of the Group's business during the year, and the probable future business development of each segment of the Company are provided in the Management Discussion and Analysis section on pages 8 to 31 of this annual report. Also, the financial risk management objectives and policies of the Group can be found in note 48 to the financial statements. Particulars of important events affecting the Group that have occurred since the end of the financial year ended 31 December 2020 are provided in the Management Discussion and Analysis section. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Five-Year Financial Summary on page 268 of this annual report. In addition, discussions on the Group's environmental policies, relationships with its consumers and employees and compliance with relevant laws and regulations which have a significant impact on the Group are all contained in the Environmental, Social and Governance Report on pages 79 to 112 of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 121.

The directors of the Company have resolved not to recommend the declaration of any final dividend for the year ended 31 December 2020 (for the year ended 31 December 2019: nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 268.

PROPERTY, PLANT AND EQUIPMENT

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

董事會謹此提呈本集團截至2020年12月31日止年度之董事會報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股。年內，本集團主要從事文化與傳播服務、房地產開發及企業雲服務，新聞傳播業務及創意商業領域。

分部資料

本集團於本年度之收益及分部資料分別載於財務報表附註5及6。

業務回顧

有關本集團可能面對之主要風險及不確定因素之描述載於本年報第72頁至第78頁之風險管理及內部監控一節；有關本集團年內業務之中肯審視及本公司各分部之可能日後業務發展載於本年報第8至31頁之管理層討論與分析一節。此外，本集團財務風險管理目標及政策可於財務報表附註48閱覽。自截至2020年12月31日止財政年度結束以來所發生影響本集團之重要事件詳情載於管理層討論與分析一節。應用財務關鍵表現指標之本集團年內表現分析載於本年報第268頁之五年財政摘要。此外，有關本集團環境政策、與其消費者及僱員之關係以及遵守對本集團有重要影響之相關法例及規例之討論，全部載於本年報第79至112頁之環境、社會及管治報告。

業績及利潤分配

本集團於本年度之業績載於第121頁之綜合收益表。

本公司董事已決議不建議宣派截至2020年12月31日止年度之任何末期股息（截至2019年12月31日止年度：無）。

五年財政摘要

本集團過去五個財政年度之業績、資產及負債之摘要載於第268頁。

物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於財務報表附註13。

Report of the Directors

董事會報告

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31 December 2020 are set out in notes 15 and 16 to the financial statements respectively.

BANK AND OTHER BORROWINGS AND FINANCING

Details of the bank and other borrowings and financing of the Group as at 31 December 2020 are set out in note 27 to the financial statements.

SHARE CAPITAL AND SHARE PREMIUM

During the year, details of the movements in share capital and share premium of the Company are set out in notes 34 and 36 to the financial statements.

RESERVES

During the year, details of the movements in the reserves of the Company and the Group are set out in note 36 to the financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the amount of the Company's reserves available for distribution was approximately HK\$1,296.3 million. In addition, the Company's share premium account with a balance of approximately HK\$11,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's sales to the five largest customers and purchases from the five largest suppliers for the year ended 31 December 2020 accounted for less than 30.00% of the Group's total revenue and purchases respectively.

DONATIONS

During the year, the Group did not make any donations.

DIRECTORS' EMOLUMENTS

Details of directors' emoluments are set out in note 41 to the financial statements.

附屬公司及聯營公司

本公司於2020年12月31日之主要附屬及聯營公司之詳情分別載於財務報表附註15及16。

銀行及其他借貸及融資

本集團於2020年12月31日之銀行及其他借貸及融資之詳情載於財務報表附註27。

股本及股份溢價

年內，本公司股本及股份溢價之變動詳情載於財務報表附註34及36。

儲備

年內，本公司及本集團儲備之變動詳情載於財務報表附註36。

可供分派儲備

本公司於2020年12月31日可供分派之儲備約為12.963億港元。此外，本公司股份溢價賬內約為11,000港元，可作已繳足紅股之方式派發。

主要客戶及供應商

本集團五大客戶及五大供應商截至2020年12月31日止年度之銷售及購貨百分比，分別佔本集團總收益額及購貨額少於30.00%。

捐款

年內，本集團並無作出任何捐款。

董事酬金

董事酬金之詳情載於財務報表附註41。

Report of the Directors

董事會報告

DIRECTORS' INTEREST IN COMPETING BUSINESS

The director below is deemed to be interested in the business which competes or is likely to compete either directly or indirectly, with business of the Group and is required to make disclosure of interests pursuant to Rule 8.10(2) of the Listing Rules:

Ms. Liu Rong, an executive director of the Company, is a director and ultimate shareholder of 廣東大地電影院線股份有限公司 (GD Cinema Circuit Company Limited*) ("GD Cinema Circuit"). GD Cinema Circuit invests in cinema business and therefore is deemed to compete with the cinema investment business of the Group. However, the Board believes that the competition does not pose any material threat to the Group's business prospects due to the fact that the cinemas operated by the Group and the cinemas invested by the above-mentioned director who is interested in the competing business focus on different market segments.

In order to further safeguard the interest of the Group, those directors not interested in the competing business review on a regular basis the businesses and operations of the Group to ensure that its businesses are run on the basis that they are independent of, and at arm's length from, GD Cinema Circuit.

PENSION SCHEME

Details of retirement benefit plans in respect of the year are set out in note 40 to the financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report were as follows:

Mr. Yu Pun Hoi (Chairman)
Ms. Liu Rong (Chief Executive Officer)
Mr. Lam Bing Kwan*
Mr. Lau Yip Leung*
Mr. Xiao Sui Ning*
Mr. Ho Yeung Nang*

* Non-executive directors

* Independent non-executive directors

The Company has received annual confirmation from each of the existing independent non-executive directors of the Company confirming his independence to the Company pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the Company considers that such directors are independent to the Company.

In accordance with Bye-law 99 of the Company's Bye-Laws ("Bye-Laws"), Ms. Liu Rong and Mr. Ho Yeung Nang shall retire at the forthcoming annual general meeting ("AGM"). All of the above retiring directors, being eligible, will offer themselves for re-election.

* For identification purpose only

董事於競爭業務之權益

以下董事乃被視為於以下與本集團之業務構成或可能構成(不論直接或間接)競爭之業務中擁有權益,須根據上市規則第8.10(2)條作出披露:

本公司執行董事劉榮女士為廣東大地電影院線股份有限公司(「大地院線」)之董事兼最終股東。大地院線投資影院業務,故被視為與本集團之影院投資業務構成競爭。然而董事會相信該競爭不會對本集團業務前景帶來重大威脅,原因為由本集團所經營之影院與上述存有競爭利益之董事所投資之影院各自針對不同细分市场。

為了進一步保障本集團之利益,該等並無競爭業務權益之董事乃定期審閱本集團之業務及運作,以確保其業務與大地院線能在獨立及公平之基礎下經營。

退休金計劃

本年度退休福利計劃之詳情載於財務報表附註40。

董事

於年內及截至本報告日期,本公司之董事如下:

于品海先生(主席)
劉榮女士(行政總裁)
林秉軍先生*
劉業良先生*
肖遂寧先生*
何養能先生*

* 非執行董事

* 獨立非執行董事

本公司已接獲本公司各現任獨立非執行董事作出之年度確認書,確認其根據聯交所證券上市規則(「上市規則」)第3.13條於本公司之獨立性,而本公司認為該等董事獨立於本公司。

根據本公司的公司細則(「細則」)第99條,劉榮女士及何養能先生將於應屆之股東周年大會(「股東周年大會」)上輪值退任。所有上述退任董事都符合資格並願意膺選連任。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of directors of the Company and senior management of the Group as at the date of this report were as follows:

Biographical Details of Directors

Executive Directors

Mr. Yu Pun Hoi, aged 62, holding a degree of Doctor of Philosophy conferred by Peking University, joined the Board in September 2000. Mr. Yu is the chairman of the Board, the chairman of nomination committee of the Company, and a controlling shareholder of the Company.

Mr. Yu Pun Hoi is also an executive director and a member of nomination committee of Sino-i, and a director of a number of subsidiaries of the Company.

Ms. Liu Rong, aged 49, graduated from the Law School of Anhui University with a Bachelor degree in Laws, and got a Master of Laws conferred by the Law Institute of Chinese Academy of Social Science, and is also a qualified lawyer in the PRC. In addition, Ms. Liu graduated from the International MBA School of National School of Development of Peking University in 2013. Prior to joining the Group, Ms. Liu worked in law firms.

Ms. Liu joined Sino-i group in April 2002 and has been appointed as an executive director of the Company since March 2009, a member of nomination committee since March 2017, the chief executive officer of the Company since February 2018, and the general manager of the property development division of the Group since February 2021.

Ms. Liu is also the chairlady of the board of directors, the chairlady of nomination committee and a director of a number of subsidiaries of Sino-i, and a director and/or general manager of a number of subsidiaries of the Company.

Non-executive Director

Mr. Lam Bing Kwan, aged 71, graduated from the University of Oregon in the United States of America with a Bachelor degree in Business Administration in 1974. Prior to joining the Group, Mr. Lam had accumulated extensive experience in industries such as banking, property development and investment business.

Mr. Lam joined the Board in September 2000, and was re-designated as a non-executive director in April 2002. Mr. Lam is also a non-executive director of Sino-i, and an independent non-executive director of Lai Sun Development Company Limited, Lai Sun Garment (International) Limited and Lai Fung Holdings Limited. The securities of the above mentioned companies are listed on the Stock Exchange.

董事及高級管理人員履歷詳情

截至本報告日期的本公司董事及本集團高級管理人員履歷詳情如下：

董事履歷詳情

執行董事

于品海先生，62歲，持有北京大學哲學博士學位，於2000年9月加入董事會，現擔任本公司董事會主席，提名委員會主席，亦為本公司之控股股東。

于先生同時為中國數碼之執行董事及提名委員會成員，以及為若干本公司附屬公司之董事。

劉榮女士，49歲，持有安徽大學法學學士學位、中國社會科學院法學碩士學位及中國律師資格，並於2013年畢業於北京大學國家發展研究院國際MBA學院。加入本集團前，劉女士曾在律師事務所工作。

劉女士於2002年4月加入中國數碼集團，於2009年3月出任本公司執行董事，於2017年3月出任提名委員會成員，於2018年2月出任本公司行政總裁，並於2021年2月兼任本集團地產總經理。

劉女士同時為中國數碼之董事會主席、提名委員會主席及其若干附屬公司之董事，以及為若干本公司附屬公司之董事及／或總經理。

非執行董事

林秉軍先生，71歲，於1974年畢業於美國俄立岡大學，持有工商管理學士學位。加入本集團前，林先生積極參與銀行界、物業發展及投資業務，在此等行業具備豐富經驗。

林先生於2000年9月加入董事會，於2002年4月被調任為非執行董事。林先生同時為中國數碼之非執行董事，以及為麗新發展有限公司、麗新製衣國際有限公司及麗豐控股有限公司之獨立非執行董事。上述公司之證券於聯交所上市。

Report of the Directors

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Biographical Details of Directors (Continued)

Independent Non-executive Directors

Mr. Lau Yip Leung, aged 60, graduated from the City University of Hong Kong and awarded an honours degree of Bachelor of Arts in Accountancy in 1991, and also holds an MBA conferred by the University of Hull, UK. Mr. Lau is a fellow member of The Association of Chartered Certified Accountants, The Institute of Chartered Accountants in England and Wales, and the Hong Kong Institute of Certified Public Accountants. Mr. Lau is a certified public accountant in Hong Kong and started his public practice business in 1998. He is now the person-in-charge of Messrs. Fung Lau & Company, Certified Public Accountants.

Mr. Lau joined the Board in May 2006 and is also a member of audit committee and remuneration committee of the Company. In March 2012, Mr. Lau has been appointed as a member of nomination committee of the Company. Mr. Lau was appointed as the chairman of audit committee of the Company in September 2013.

Mr. Xiao Sui Ning, aged 73, graduated from Yunnan Finance and Management College (雲南經濟管理幹部學院) majoring in enterprise management.

Mr. Xiao joined the Board in April 2016 and has been appointed as the chairman of remuneration committee, and a member of audit committee and nomination committee of the Company. Mr. Xiao is also an independent non-executive director, the chairman of remuneration committee, and a member of audit committee and nomination committee of Sino-i. Mr. Xiao is also a director of LexinFintech Holdings Ltd. (listed on the NASDAQ stock exchange, stock code: LX).

Mr. Ho Yeung Nang, aged 71, holds a Bachelor's Degree in Arts from The University of Hong Kong and a Master's Degree in Business Administration from The Chinese University of Hong Kong. Mr. Ho served in different managerial positions in banking industry during the period from about 1973 to 1988. During the period from about 1989 to 1991, Mr. Ho was in Canada running his own business. In about 1992, Mr. Ho joined the Group and worked as a general manager of the property division of the Group, who left the Group in July 2009 and engaged in the position of chief operating officer of a private company engaged in coal mining and iron sand mining businesses in Indonesia and the Philippines respectively.

Mr. Ho joined the Board in September 2016 and has been appointed as a member of audit committee, remuneration committee and nomination committee of the Company. Mr. Ho is also an independent non-executive director and a member of audit committee, remuneration committee and nomination committee of Sino-i.

董事及高級管理人員履歷詳情(續)

董事履歷詳情(續)

獨立非執行董事

劉業良先生，60歲，於1991年畢業於香港城市大學，持有會計學榮譽文學學士學位及英國赫爾大學工商管理碩士學位。劉先生為英國特許公認會計師公會、英格蘭及威爾斯特許會計師公會及香港會計師公會的資深會員。劉先生為香港執業會計師並於1998年開始執業，現為馮劉會計師公司（執業會計師）的負責人。

劉先生於2006年5月加入董事會，並出任為本公司審核委員會及薪酬委員會成員，於2012年3月出任為本公司提名委員會成員。於2013年9月，劉先生獲委任為本公司審核委員會主席。

肖遂寧先生，73歲，畢業於雲南經濟管理幹部學院，主修企業管理。

肖先生於2016年4月加入董事會，並出任為本公司薪酬委員會主席兼審核委員會及提名委員會成員。肖先生同時為中國數碼之獨立非執行董事、薪酬委員會主席兼審核委員會及提名委員會成員。肖先生亦擔任深圳樂信控股有限公司（納斯達克交易所上市公司，股票代號為LX）之董事職位。

何養能先生，71歲，何先生持有香港大學文學士學位及香港中文大學工商管理碩士學位。何先生約於1973至1988年期間曾在銀行業擔任不同管理職位。約於1989年至1991年期間，何先生於加拿大自行經營業務。何先生約於1992年加盟本集團，擔任本集團地產部總經理，並於2009年7月離開本集團。自離開本集團以來何先生一直擔任一間私人公司之營運總監，該公司分別於印尼及菲律賓從事採煤及鐵砂開採業務。

何先生於2016年9月加入董事會，並出任為本公司審核委員會、薪酬委員會及提名委員會成員。何先生同時為中國數碼之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Biographical Details of Senior Management

Mr. Chen Ming Fei (aged 44)

General Manager

中企動力科技股份有限公司 (CE Dongli Technology Company Limited)

General Manager

北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited)

Mr. Chen, has engaged in sales for a number of years, and possesses acute insight in IT business, and has extensive and professional experiences in product creation, business strategy planning and business management. Prior to joining Sino-i group, Mr. Chen worked in Vorwerk of Co. KG, a German company.

In 2000, Mr. Chen joined CE Dongli, and was appointed as a national commercial director, sales deputy general manager, executive deputy general manager and business general manager. In January 2012, Mr. Chen was promoted to a general manager. Mr. Chen is also the general manager of Xinnet. Mr. Chen is also an executive director and a general manager of Sino-i, and a director and/or general manager of a number of subsidiaries of Sino-i. In January 2018, Mr. Chen was appointed as the chief executive officer of Sino-i.

Mr. Chen is also a director of a number of subsidiaries of the Company.

Mr. Shang Feng (aged 40)

Mr. Shang Feng graduated from Xidian University with a Bachelor's degree in Mechatronics and obtained a Master's degree in Software Engineering from University of Electronic Science and Technology of China. Prior to joining the Company, Mr. Shang has been involved in corporate management for more than 10 years and has extensive management experience and expertise in large chip manufacturing, telecommunications and automotive companies. Prior to joining the Company, Mr. Shang was the general manager of strategic operations of Zhihe Chuxing Science And Technology Co., Ltd.

Mr. Shang joined the Company in September 2018 and has been the General Manager of Group's cinemas since October 2019.

Mr. Shang is also a director of a number of subsidiaries of the Company.

董事及高級管理人員履歷詳情(續)

高級管理人員履歷詳情

陳鳴飛先生(44歲)

總經理

中企動力科技股份有限公司

總經理

北京新網數碼信息技術有限公司

陳先生從事銷售工作多年，對於IT行業有著敏銳的市場洞察力，在產品創意、商務策略規劃與商務管理方面具有豐富的實戰經驗和專業積累。加入中國數碼集團前，陳先生曾在德國福維克公司工作。

陳先生於2000年加入中企動力，歷任全國商務總監、銷售副總經理、常務副總經理及業務總經理，於2012年1月晉升為總經理。陳先生亦擔任新網總經理。陳先生亦為中國數碼之執行董事兼總經理以及為若干中國數碼附屬公司之董事及／或總經理。於2018年1月，陳先生獲委任為中國數碼行政總裁。

陳先生亦為本公司若干附屬公司之董事。

尚峰先生(40歲)

尚峰先生畢業於西安電子科技大學，持有西安電子科技大學機電一體化專業學士學位，以及成都電子科技大學軟件工程專業碩士學位。加入本公司前，尚先生從事企業管理逾十年，曾服務過大型芯片製造、通訊、以及汽車企業，具有較為豐富的經營管理經驗和專業積累。加入本公司前，尚先生曾擔任知合出行科技有限公司戰略運營總經理。

尚先生於2018年9月加入本公司，並於2019年10月開始出任本集團影院總經理。

尚先生亦為本公司若干附屬公司之董事。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, the interests and short positions of the directors and chief executive of the Company in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

The Company

Long and short positions in shares in issue

董事於股份及相關股份之權益及淡倉

於2020年12月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有須記錄於根據證券及期貨條例第352條存置之登記冊中或已根據上市規則附錄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」）或以其他方式知會本公司及聯交所之權益及淡倉如下：

本公司

於已發行股份之好倉及淡倉

Name of Director	Capacity/ Nature of interest	Number of shares held	Approximate percentage holding 持股概約 百分比	Notes
董事姓名	身份／權益性質	所持股份數目		附註
Yu Pun Hoi ("Mr. Yu")	Corporate interest	40,673,177,261 (L)	59.25%	1
于品海（「于先生」）	公司權益	21,735,849,057 (S)	31.66%	2

Notes:

- These 40,673,177,261 shares were collectively held by Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited, First Best Assets Limited and Unicorn Assets Group Limited companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
- These 21,735,849,057 shares were charged by Pippen Limited, Rosewood Assets Ltd. and First Best Assets Limited, such companies are indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
- (L) denotes long position and (S) denotes short position.

附註：

- 該等40,673,177,261股股份分別由于先生透過其全資擁有的公司大地控股有限公司間接全資擁有的Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited、First Best Assets Limited及Unicorn Assets Group Limited合共持有。
- 該等21,735,849,057股股份由于先生透過其全資擁有的公司大地控股有限公司間接全資擁有的Pippen Limited、Rosewood Assets Ltd.及First Best Assets Limited抵押。
- (L)指好倉，而(S)指淡倉。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Associated Corporations

As disclosed above, Mr. Yu is entitled to control the exercise of more than one-third of the voting power at general meetings of the Company. As such, Mr. Yu is taken to be interested in the shares of the associated corporations of the Company within the meaning of Part XV of the SFO. Sino-i is a company whose shares are listed on the Stock Exchange, and is an associated corporation of the Company within the meaning of Part XV of the SFO. As at 31 December 2020, the interests of the directors of the Company in shares and underlying shares of Sino-i were as follows:

Sino-i

Long position in shares in issue

董事於股份及相關股份之權益及淡倉(續)

相聯法團

如上述所披露，于先生於本公司股東大會上可控制行使超過三分之一之投票權。因此，于先生被視為於本公司相聯法團(定義見證券及期貨條例第XV部)之股份中佔有權益，中國數碼股份於聯交所上市，根據證券及期貨條例第XV部，被視為本公司之相聯法團。於2020年12月31日，本公司董事於中國數碼擁有之股份及相關股份之權益如下：

中國數碼

於已發行股份之好倉

Name of Director	Capacity/Nature of interest	Number of shares held	Approximate percentage holding	Notes
董事姓名	身份／權益性質	所持股份數目	持股概約百分比	附註
Mr. Yu 于先生	Corporate interest 公司權益	12,838,585,316 (L)	59.11%	1

Notes:

- These 12,838,585,316 shares were collectively held by Goalrise Investments Limited, View Power Investments Limited and Wise Advance Investments Limited, all of which are wholly-owned subsidiaries of the Company. Mr. Yu was taken to be interested in these shares by virtue of his controlling interests in shares of the Company.
- (L) denotes long position.

附註：

- 該等 12,838,585,316 股股份分別由本公司之全資附屬公司 Goalrise Investments Limited、View Power Investments Limited 及 Wise Advance Investments Limited 合共持有。于先生因於本公司股份持有控股權益而被視為於該等股份中擁有權益。
- (L) 指好倉。

Save as disclosed above, as at 31 December 2020, none of the directors nor chief executive of the Company had any interests or short positions in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules.

除上文所披露者外，於2020年12月31日，本公司董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有須記錄於根據證券及期貨條例第352條存置之登記冊中，或已根據上市規則附錄10所載之標準守則或以其他方式知會本公司及聯交所之權益或淡倉。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

On 28 May 2012, the Company adopted a share option scheme (the "Scheme"). Under the Scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board.

Since the adoption of the Scheme and during the year ended 31 December 2020, no share options have been granted under the Scheme by the Company. No share options were granted, exercised, cancelled or lapsed by the Company under the Scheme during the year ended 31 December 2020 and there were no outstanding share options under the Scheme as at 31 December 2020 and up to the date of this report.

A summary of the Scheme is as follows:

(1) Purpose

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution or would-be contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which any member of the Group holds any equity interests (the "Invested Entity").

(2) Participants

The participants include:

- any employee (whether full time or part time employee, including any executive directors but not any non-executive director) of the Company, its subsidiaries and any Invested Entity;
- any non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- any supplier of goods or services to any member of the Group or any Invested Entity;
- any customer of the Group or any Invested Entity;
- any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity;
- any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
- any ex-employee who has contributed or may contribute to the development and growth of the Group and any Invested Entity.

購股權計劃

於2012年5月28日，本公司採納一項購股權計劃（「該計劃」）。根據該計劃，於採納後十年內，董事會可隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

自採納該計劃以來及截至2020年12月31日止年度，本公司並無根據該計劃授出購股權。於截至2020年12月31日止年度，本公司概無根據該計劃已授出、獲行使、已註銷或已失效之購股權，而於2020年12月31日及截至本報告日期，於該計劃項下概無任何尚未行使購股權。

該計劃之概要如下：

(1) 目的

該計劃旨在提供鼓勵或獎賞參與者對本集團作出之貢獻或可能作出之貢獻及／或協助本集團聘請及留任能幹僱員及吸納對本集團與本集團任何成員公司持有其任何股本權益之公司（「所投資公司」）有價值之人才。

(2) 可參與之人士

可參與之人士包括：

- 本公司、其附屬公司及任何所投資公司之任何僱員（不論全職或兼職僱員，包括任何執行董事但不包括任何非執行董事）；
- 本公司、其任何附屬公司或任何所投資公司之任何非執行董事（包括獨立非執行董事）；
- 向本集團任何成員公司或任何所投資公司提供貨物或服務之任何供應商；
- 本集團或任何所投資公司之任何客戶；
- 向本集團或任何所投資公司提供研究、開發或技術支援或其他服務之任何人士或公司；
- 本集團或任何所投資公司之任何股東或任何成員公司，或本集團或任何所投資公司之任何成員公司所發行任何證券之任何持有人；及
- 對於本集團及任何所投資公司之發展及增長作出貢獻或可能作出貢獻之任何前僱員。

SHARE OPTION SCHEME (Continued)

(3) Maximum number of shares

The total number of shares which may be issued upon exercise of all share options to be granted under the Scheme must not in aggregate exceed 10% of the relevant class of shares of the Company in issue as at the date of approval of the Scheme and the limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes must not exceed 30% of the relevant class of shares of the Company in issue from time to time. No share options may be granted under the Scheme and any other schemes of the Company if this will result in such limit exceeded. As at the date of this report, the number of shares available for issue in respect thereof is 6,864,553,579 shares representing approximately 10% of the total number of shares of the Company in issue.

(4) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the share options granted to each participant under the Scheme and any other schemes (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent. of the relevant class of shares of the Company in issue. Any further grant of share options above this limit shall be subject to certain requirements as stipulated in the rules of the Scheme and to the relevant rules under the Listing Rules.

(5) The period within which the shares must be taken up under a share option

The period within which the shares must be taken up a share option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant share option.

(6) Minimum period for exercising a share option

The Board may at its discretion determine the minimum period for which a share option must be held before it can be exercised.

(7) Acceptance and payment on acceptance

The share option shall be deemed to have been accepted when the duplicate letter duly signed by the grantee, together with a remittance of HK\$1.00 in favour of the Company by way of consideration for the grant thereof, is received by the Company. To the extent that the offer is not accepted within 28 days in the manner aforesaid, it will be deemed to have been irrevocable declined and lapsed automatically.

購股權計劃(續)

(3) 股份最高數目

根據該計劃授出之購股權在悉數行使時可予發行之股份總數，不得超過該計劃獲採納之日時本公司已發行相關類別股份之10%及因悉數行使根據該計劃及其他計劃已授出但尚未行使之購股權而可予發行之股份數目限額，不得超過本公司不時已發行相關類別股份之30%。不得根據該計劃及本公司任何其他購股權計劃授出可能會導致超出此等限額之購股權。於本報告日期，購股權可予發行之股份數目最多為6,864,553,579股，相當於本公司已發行股份總數約10%。

(4) 各參與者可獲授權益之上限

每名參與者在任何12個月內獲授根據該計劃及任何其他購股權計劃授出之購股權(包括已行使及尚未行使之購股權)予以行使時所發行及將發行之股份總數，不得超過本公司已發行相關類別股份之1%。任何進一步授出超過該限額之購股權將須受該計劃之規則及上市規則項下相關規則所訂明之若干規定所規限。

(5) 購股權項下股份必須接納之期限

購股權涉及之股份必須接納的期限由董事會在授出購股權時全權決定，但該期限不得超過有關購股權授出之日起計10年。

(6) 行使購股權之最短期限

董事會可酌情釐定購股權在可被行使前必須持有之最短期限。

(7) 接納購股權及接納時所付款項

當本公司接獲由承授人簽署接納購股權之函件副本及向本公司繳付1.00港元之代價後，該購股權將被視為已獲承授人接納。倘要約並未以上述方式於28天內獲接納，該要約將被視為已不可撤回地拒絕及自動失效。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (Continued)

(8) Basis of determining the subscription price

The subscription price for shares under the Scheme shall be a price determined by the directors of the Company, but it must be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

(9) Remaining life of the scheme

The Scheme will remain in force for a period of 10 years commencing on 29 May 2012 up to 28 May 2022.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Except for the Scheme disclosed above, at no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company.

DIRECTORS' SERVICE CONTRACTS

None of the directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than the statutory compensation.

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 or existed during the year.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as disclosed in the paragraph "Connected Transactions", "Continuing Connected Transactions" and "Related Party Transactions" below, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party, and in which any directors of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

購股權計劃(續)

(8) 釐定認購價之基準

該計劃項下之股份認購價由本公司董事釐定，惟不得低於下列三者中的最高者：(i) 股份於授予購股權授出當日（須為交易日）的收市價（以聯交所日報表所載者為準）；(ii) 股份於授予購股權授出日期前五個交易日的平均收市價（以聯交所日報表所載者為準）；及(iii) 股份面值。

(9) 該計劃尚餘之有效期

該計劃之有效期為10年，由2012年5月29日起計，直至2022年5月28日止。

購買股份或債券之安排

除上述該計劃所披露外，年內，本公司或其附屬公司從未參與任何安排，致使本公司各董事藉收購本公司之股份或債券而獲益。

董事服務合約

概無董事與本公司簽訂本公司不可於一年內免賠償（法定賠償除外）而終止之服務合約。

管理合約

年內，概無訂立或存在任何有關本公司之全部或任何主要部分業務之管理及行政合約。

董事在交易、安排及合約中之重大權益

除下文「關連交易」、「持續關連交易」及「關聯方交易」各段所披露者外，本公司或其附屬公司於年終或年內任何時間並無簽訂任何有關本集團業務，而令本公司董事在其中直接或間接佔有重大利益之重要交易、安排或合約。

DIRECTORS' INDEMNITIES

Pursuant to the Company's Bye-Laws, save and except so far as the provisions of the Bye-Laws shall be avoided by any provisions of the statutes, the directors, managing directors, alternate directors, auditors, secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

The Bermuda Companies Act permits a company to exempt and indemnify its directors and officers from liability in the following terms:

- A company may in its bye-laws or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempt such officer or person from, or indemnify him in respect of, any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of any duty or breach of trust of which the officer or person may be guilty in relation to the company or any subsidiary thereof.
- Any provision, whether contained in the bye-laws of a company or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempting such officer or person from, or indemnifying him against any liability which by virtue of any rule of law would otherwise attach to him in respect of any fraud or dishonesty of which he may be guilty in relation to the company shall be void.

This indemnification may also cover any liabilities which the officer incurs in defending any proceedings (criminal or civil) where relief is granted to him, where he is acquitted, or where judgement is given in his favour. A company may advance money to an officer for the costs of defending proceedings, on the condition that the advance shall be repaid if any allegation of fraud or dishonesty is proven.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

董事彌償

根據本公司細則，除非法規之條款免除本條公司細則之規定，否則本公司現屆董事、董事總經理、替任董事、核數師、秘書及其他高級職員和現時辦理本公司任何事務之信託人(如有)及彼等各方之遺產執行人與遺產管理人，如因應各自之職務或信託責任而在執行職責或據稱職責時作出、贊同或遺漏作出任何行為，以致彼等任何一方或其任何遺產執行人或遺產管理人蒙受或招致任何訴訟、費用、收費、損失、損害及開支，本公司將動用其資產作出彌償並確保彼等免責，惟彼等自身蓄意疏忽或失責、詐騙及不誠實招致或引起之訴訟、費用、收費、損失、損害及開支(如有)不在此限。彼等概毋須就下列事項承擔責任：彼等當中其他人作出之行為、出具之收據、疏忽或失責，或因依循規定而聯同出具收據，或負責持管或保管本公司任何款項或物品之銀行或其他人等，或本公司放貸或投資任何金錢之抵押不足或欠妥，或彼等執行各自職務或信託責任期間可能出現之任何其他損失、不幸事件或損害或相關事宜，惟本賠償規定概不引伸至上述任何人士所涉及蓄意疏忽或失責、詐騙及不實誠之任何相關事項。

百慕達公司法批准公司於以下條款豁免及彌償其董事及高級職員之責任：

- 公司可於其細則或公司與任何高級職員，或任何受公司僱用為核數師之任何人士訂立之任何合約或安排中，豁免有關高級職員或人士，或彌償其有關因任何疏忽、失責、違反任何職責或違反誠信(當中該高級職員或人士可能涉及公司或其任何附屬公司之罪行)而導致之任何損失或其所附帶之責任。
- 任何條款(不論載於公司細則抑或公司與任何高級職員、或受公司僱用為核數師之任何人士訂立之任何合約或安排)，豁免有關高級職員或人士，或彌償其就任何詐騙及不實誠(當中可能涉及公司之罪行)因而任何法律法規附帶於彼之任何責任，將為無效。

在獲授救濟、無罪釋放或判決對其有利之情況下，本彌償亦涵蓋高級職員於抗辯任何司法程序(刑事或民事)時產生之任何責任。公司可就抗辯司法程序之費用向高級職員墊款，條件為倘證實任何欺詐或不誠實之指控，須償還有關墊款。

本公司已為本集團董事及高級職員安排適當董事及高級職員之責任保險。

Report of the Directors

董事會報告

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this report, there was no contract of significance to which the Company or any of its subsidiaries was a party and in which any controlling shareholder had a material interest subsisted during the year ended 31 December 2020.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

Save as disclosed in this report, no contract of significance has been entered into among the Company or any of its subsidiaries and the controlling shareholders or any of their subsidiaries during the year ended 31 December 2020, and no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries has been entered into during the year ended 31 December 2020.

CHANGE IN THE BOARD OF DIRECTORS

There was no change in the Board since the date of the Company's 2020 interim report and up to the date of this report.

CHANGES IN INFORMATION IN RESPECT OF DIRECTORS

There has been no change in the information of the directors since the date of the Company's 2020 interim report up to the date of this report.

REMUNERATION POLICY

The Company remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave and etc. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board. In general, salary review is conducted annually.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2020.

控股股東之合約權益

除本報告披露者外，於截至2020年12月31日止年度，本公司或其任何附屬公司概無訂立任何控股股東於當中擁有重大權益的任何重大合約。

與控股股東之合約

除本報告披露者外，於截至2020年12月31日止年度，本公司或其任何附屬公司並無與控股股東或彼等任何附屬公司訂立任何重大合約，而截至2020年12月31日止年度，控股股東或其任何附屬公司亦無就提供服務予本公司或其任何附屬公司訂立重大合約。

董事會變動

自本公司2020年中期報告日期以來直至本報告日期，概無董事會變動。

有關董事資料之變動

自本公司2020年中期報告日期以來直至本報告日期，概無董事資料變動。

薪酬政策

本公司員工的薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險及團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。

證券交易之標準守則

本公司已採納上市規則附錄10所載之標準守則。

本公司已向所有董事作出特定查詢，董事們確認，彼等於截至2020年12月31日止年度內一直遵守標準守則。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 31 December 2020, those persons (other than directors and chief executive of the Company) who had interests and short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東之權益及淡倉

於2020年12月31日，根據本公司按照證券及期貨條例第336條存置之登記冊所記錄，以下人士（本公司董事及最高行政人員除外）於本公司之股份或相關股份中擁有權益及淡倉：

Name of person holding an interest in shares which has been disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO 持有根據證券及期貨條例第XV部第2及3分部已向本公司披露股份權益之人士名稱／姓名	Nature of interest 權益性質	Number of shares held 所持股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本之概約百分比	
Dadi Holdings Limited 大地控股有限公司	Corporate interest 公司權益	40,673,177,261 (L) 21,735,849,057 (S)	59.25% 31.66%	1 4
Rosewood Assets Ltd.	Beneficial interest 實益權益	8,041,150,210 (L) 4,600,280,505 (S)	11.71% 6.70%	1
Pippen Limited	Beneficial interest 實益權益	14,830,245,497 (L) 13,225,806,452 (S)	21.60% 19.27%	1
Staverley Assets Limited	Beneficial interest 實益權益	4,893,197,974 (L)	7.12%	1
First Best Assets Limited	Beneficial interest 實益權益	9,544,736,998 (L) 3,909,762,100 (S)	13.90% 5.70%	1
Kung Ai Ming 龔愛明	Corporate interest 公司權益	6,530,443,498 (L) 6,461,043,498 (S)	9.51% 9.41%	2
Yu Ben Hei 于本熙	Corporate interest 公司權益	6,461,043,498 (L) 6,461,043,498 (S)	9.41% 9.41%	2
Macro Resources Ltd.	Beneficial interest 實益權益	4,361,043,498 (L) 4,361,043,498 (S)	6.35% 6.35%	2
Lim Siew Choon	Corporate interest 公司權益	5,514,986,997 (L)	8.03%	3
Empire Gate Industrial Limited	Beneficial interest 實益權益	5,514,986,997 (L)	8.03%	3
Central Huijin Investment Ltd.	Security interest 抵押權益	21,735,849,057 (L)	31.66%	5
China Construction Bank Corporation	Security interest 抵押權益	21,735,849,057 (L)	31.66%	5
CITIC Capital Holdings Limited	Corporate interest 公司權益	2,056,850,000 (L)	3%	
	Security interest 抵押權益	6,461,043,498 (L)	9.41%	6
CITIC Capital Equity Investment (Tianjin) Corporation Limited	Beneficial interest 實益權益	1,089,450,000 (L)	1.58%	
	Security interest 抵押權益	6,461,043,498 (L)	9.41%	6

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS (Continued)

Notes:

1. Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited, First Best Assets Limited and Unicorn Assets Group Limited are companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu. Their interests in shares are disclosed as the corporate interests of Mr. Yu above.
2. Macro Resources Ltd. and K Resources Group Limited are held as to 50% each by Ms. Kung Ai Ming and Mr. Yu Ben Hei, the son of Mr. Yu. Their respective interest in 4,361,043,498 and 2,100,000,000 shares were included as interest held by Ms. Kung Ai Ming and Mr. Yu Ben Hei. Ms. Kung Ai Ming owns interest of 69,400,000 shares through Redmap Resources Limited, her wholly owned company.
3. Empire Gate Industrial Limited is wholly owned by Mr. Lim Siew Choon. Its interest in shares was included as interest held by Mr. Lim Siew Choon.
4. These 21,735,849,057 shares were charged by Pippen Limited, Rosewood Assets Ltd. and First Best Assets Limited, such companies are indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.
5. These 21,735,849,057 shares were security interest indirectly held by Central Huijin Investment Ltd. through China Construction Bank Corporation, CCB International Group Holdings Limited, CCB Financial Holdings Limited, CCB International (Holdings) Limited and CCB International Overseas Limited.
6. These 6,461,043,498 shares were security interest indirectly held by CITIC Capital Holdings Limited through CITIC Capital MB Investment Limited, Prestige Way Holdings Limited, Prestige Way Limited, CITIC Capital Equity Investment (Tianjin) Corporation Limited and Infinite Benefits Limited.
7. (L) denotes long position and (S) denotes short position.

Save as disclosed above, as at 31 December 2020, no person (other than directors and chief executive of the Company) had notified to the Company any interests or short positions in shares or underlying shares of the Company which was required to be recorded in the register kept by the Company under Section 336 of the SFO.

主要股東之權益及淡倉(續)

附註：

1. Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited、First Best Assets Limited 及 Unicorn Assets Group Limited 為于先生間接全資擁有之公司，透過彼全資擁有之大地控股有限公司持控，該等公司之股份權益於上文披露納入為于先生之公司權益。
2. 龔愛明女士及于先生之兒子于本熙先生各自持有 Macro Resources Ltd. 及 K Resources Group Limited 50% 權益。該等公司分別於 4,361,043,498 及 2,100,000,000 股股份之權益納入為龔愛明女士及于本熙先生所持有之權益。龔愛明女士透過其全資擁有之公司 Redmap Resources Limited 擁有 69,400,000 股股份之權益。
3. Empire Gate Industrial Limited 為 Lim Siew Choon 先生之全資擁有公司。該公司擁有之股份權益納入為 Lim Siew Choon 先生所持有之權益。
4. 該等 21,735,849,057 股股份由于先生透過其全資擁有的公司大地控股有限公司間接全資擁有的 Pippen Limited、Rosewood Assets Ltd. 及 First Best Assets Limited 抵押。
5. 該等 21,735,849,057 股股份為抵押權益，由 Central Huijin Investment Ltd. 透過 China Construction Bank Corporation, CCB International Group Holdings Limited, CCB Financial Holdings Limited, CCB International (Holdings) Limited 及 CCB International Overseas Limited 間接持有。
6. 該等 6,461,043,498 股股份為抵押權益，由 CITIC Capital Holdings Limited 通過 CITIC Capital MB Investment Limited, Prestige Way Holdings Limited, Prestige Way Limited, CITIC Capital Equity Investment (Tianjin) Corporation Limited 及 Infinite Benefits Limited 間接持有。
7. (L) 指好倉，而 (S) 指淡倉。

除上文所披露者外，於 2020 年 12 月 31 日，概無人士（本公司董事及最高行政人員除外）知會本公司，其於本公司之股份或相關股份中擁有須記錄於本公司按照證券及期貨條例第 336 條存置之登記冊之權益或淡倉。

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group are set out in note 46 to the financial statements.

Save for the transactions mentioned in the below section headed “Connected Transaction” and the section headed “Continuing Connected Transactions” which are subject to the disclosure and annual review requirements under Chapter 14A of the Listing Rules and are subject to all connected transaction requirements when any of the relevant the agreements is renewed or its terms are varied pursuant to Rule 14A.60 of the Listing Rules, certain transactions mentioned under the note also constituted connected transactions or continuing connecting transactions as defined in Chapter 14A of the Listing Rules but are exempt from the reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in relation to these connected transactions.

CONNECTED TRANSACTION

On 11 May 2017, 南海智辰投資顧問(北京)有限公司 (Nan Hai Zhichen Investment Consultancy (Beijing) Company Limited*, an indirect wholly-owned subsidiary of the Company) (“Nan Hai Zhichen”) as lender, China CITIC Bank Corporation Limited as lending agent and 大地時代文化傳播(北京)有限公司 (Dadi Century Culture Media (Beijing) Company Limited*, “Dadi Century Beijing”) as borrower, entered into entrusted loan contract, pursuant to which Nan Hai Zhichen entrusted China CITIC Bank Corporation Limited to grant the entrusted loan in the principal amount of RMB200,000,000 to Dadi Century Beijing, with a term of three years. On 1 April 2020, Nan Hai Zhichen as lender and Dadi Century Beijing as borrower entered into the loan extension agreement to continue provision of the loan in the principal amount of RMB200,000,000, for the period from 11 May 2020 to 10 November 2021. For details, please refer to the announcement dated 1 April 2020 of the Company.

As at 1 April 2020, Ms. Liu, an executive Director of the Company, owns 80% of Dadi Century Beijing. In addition, Mr. Yu Cheung Hoi, an associate of Mr. Yu Pun Hoi (an executive Director of the Company), owns 20% of Dadi Century Beijing. Given the foregoing, Dadi Century Beijing is a connected person of the Company and the transactions contemplated under the loan extension agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

On 30 November 2020, Dadi Cinema (HK) Limited (“Dadi Cinema (HK)”), 大地時代電影文化傳播(北京)有限公司 (Dadi Century Film Culture Media (Beijing) Company Limited*) (“Dadi Century”), 寧波移山影視投資管理合夥企業(有限合夥) (Ningbo Yishan Cinema Investment Partnership (Limited Partnership)*) (“Ningbo Yishan”) and 廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited*) (“Guangdong Dadi”) entered into the capital injection agreement in relation to the capital injection of RMB600,000,000 as the additional registered capital of Guangdong Dadi made by Dadi Century. The registered capital of Guangdong Dadi will be increased from RMB2,346,427,999 to RMB2,946,427,999, among which Dadi Century will inject RMB600,000,000 into Guangdong Dadi by converting its shareholder’s loans into equity. Upon completion of the capital injection, the equity interest of the Group Companies and Ningbo Yishan in Guangdong Dadi will be 96.15% and 3.85% respectively. No further capital injection will be made by Dadi Cinema (HK) and Ningbo Yishan under the capital injection agreement.

關聯方交易

本集團之關聯方交易詳情載於財務報表附註46。

除下文「關連交易」一節及「持續關連交易」一節所述交易須遵守上市規則第14A章項下的披露及年度審閱規定及於任何相關協議根據上市規則第14A.60條重續或其條款予以更改而須遵守所有關連交易規定外，附註項下所述若干交易亦構成關連交易或持續關連交易（定義見上市規則第14A章），惟豁免上市規則第14A章項下之申報、年度審閱、公告、通函及獨立股東批准規定。本公司已遵守上市規則第14A章有關該等關連交易之披露規定。

關連交易

於2017年5月11日，本公司之間接全資附屬公司南海智辰投資顧問(北京)有限公司(「南海智辰」)(作為貸方)、中信銀行股份有限公司(作為貸款代理)與大地時代文化傳播(北京)有限公司(「大地時代北京」)(作為借方)訂立委託貸款合約，據此，南海智辰委託中信銀行股份有限公司向大地時代北京授出本金金額為人民幣200,000,000元之委託貸款，為期三年。於2020年4月1日，南海智辰(作為貸方)與大地時代北京(作為借方)訂立借款續期協議，繼續提供本金金額為人民幣200,000,000元之借款，期限自2020年5月11日至2021年11月10日。詳情請參閱本公司日期為2020年4月1日之公告。

於2020年4月1日，本公司執行董事劉女士擁有大地時代北京80%權益。此外，本公司執行董事于品海先生之聯繫人士于常海先生擁有大地時代北京20%權益。有鑑於此，大地時代北京為本公司之關連人士，而根據上市規則第14A章，借款續期協議項下擬進行交易構成本公司之關連交易。

於2020年11月30日，大地影院(香港)有限公司(「大地影院(香港)」)、大地時代電影文化傳播(北京)有限公司(「大地時代」)、寧波移山影視投資管理合夥企業(有限合夥)(「寧波移山」)及廣東大地影院建設有限公司(「廣東大地」)訂立增資協議，內容有關大地時代對廣東大地進行增資，新增註冊資本人民幣600,000,000元，將廣東大地註冊資本由人民幣2,346,427,999元增加至人民幣2,946,427,999元，其中大地時代將以股東貸款轉換為權益的方式對廣東大地出資人民幣600,000,000元。於增資完成後，集團公司及寧波移山於廣東大地的股權將分別為96.15%及3.85%，根據增資協議，大地影院(香港)及寧波移山將不會進一步出資。

* For identification purpose only

Report of the Directors

董事會報告

CONNECTED TRANSACTION (Continued)

As at 30 November 2020, 20% interest in Ningbo Yishan is held by Ms. Liu, an executive Director of the Company, and 80% interest in Ningbo Yishan is held by 北京大地夢工廠投資合夥企業(有限合夥) (Beijing Dadi Dreamworks Investment Partnership (Limited Partnership)*), an associate of Ms. Liu. As such, Ningbo Yishan is an associate of Ms. Liu and thus a connected person of the Company under Chapter 14A of the Listing Rules. Pursuant to the Capital Injection Agreement, the equity interest of Ningbo Yishan in Guangdong Dadi would be diluted and decreased from 4.84% to 3.85% upon the completion of the capital injection. As such, the effective equity interest of the Group in Guangdong Dadi will be increased from 95.16% to 96.15%, which shall be deemed as an acquisition of 0.99% equity interest in Guangdong Dadi from Ningbo Yishan by the Group for a deemed consideration of RMB29,040,000, representing 4.84% (being the equity interest of Ningbo Yishan in Guangdong Dadi prior to the capital injection) of RMB600,000,000, and constituting a connected transaction of the Company. For details please refer to the announcement dated 30 November 2020 of the Company.

CONTINUING CONNECTED TRANSACTIONS

During the financial year under review, the Company and certain subsidiaries entered into certain continuing connected transactions. As per the Listing Rules, all such continuing connected transactions are required to be disclosed in the annual report of the Company:

1. On 30 November 2017, the Company entered into the business cooperation framework agreement with GD Cinema Circuit for a fixed term from 1 December 2017 to 30 November 2020, pursuant to which GD Cinema Circuit shall supply the Group with motion pictures and license the Group to project such motion pictures in its cinemas. Upon commencement of the term, the Dadi Cinema Cooperation Agreement (ie. the cooperation agreement entered into between Guangdong Dadi and GD Cinema Circuit on 1 January 2015) and the Dadi Development Cooperation Agreement (ie. the cooperation agreement entered into between Dadi Development and GD Cinema Circuit on 1 January 2015) shall be terminated and cease to take effect. As at the date of the business cooperation framework agreement, Ms. Liu Rong, owns 80% of Dadi Century Beijing, which directly owns 82.49% equity interest of GD Cinema Circuit. Ms. Liu Rong also has an effective control of 12.95% equity interest of GD Cinema Circuit through Dadi Legend, which is an associate of Ms. Liu Rong. In addition, Mr. Yu Cheung Hoi, an associate of Mr. Yu (an executive director of the Company), owns 20% of Dadi Century Beijing. Given the foregoing, GD Cinema Circuit is a connected person of the Company. Particulars of which have been disclosed in the announcement dated 30 November 2017 issued by the Company, all capitalized terms used hereinbelow shall have the same meanings used in such announcement unless otherwise the contexts hereinbelow specify.

關連交易(續)

於2020年11月30日，本公司執行董事劉女士持有寧波移山20%權益，並由劉女士之聯繫人大地夢工廠投資合夥企業(有限合夥)持有寧波移山80%權益。因此，寧波移山為劉女士之聯繫人，故為上市規則第14A章項下本公司之關連人士。增資協議稀釋了寧波移山於廣東大地之股權，由4.84%降至完成增資後之3.85%。因此，本集團對廣東大地的實際股權由95.16%增至96.15%，將視為由本集團收購了寧波移山持有的廣東大地0.99%股權，視作代價為人民幣29,040,000元(相當於人民幣600,000,000元之4.84%(即增資前寧波移山於廣東大地之股權))，並構成本公司之關連交易。詳情請參閱本公司日期為2020年11月30日之公告。

持續關連交易

於回顧財政年內，本公司及其若干附屬公司訂立若干持續關連交易。根據上市規則，所有該等持續關連交易均須於本公司年報中披露：

1. 於2017年11月30日，本公司與大地院線訂立業務合作框架協議，年期為2017年12月1日至2020年11月30日，據此，大地院線將向本集團供應影片，並許可本集團在旗下影院放映有關影片。年期一經開始，大地影院合作協議(即廣東大地與大地院線於2015年1月1日所訂立之合作協議)及大地影院發展合作協議(即大地影院發展與大地院線於2015年1月1日所訂立之合作協議)將告終止及失效。於業務合作框架協議日期，劉女士擁有大地時代北京80%權益，而大地時代北京則直接擁有大地院線82.49%股權。劉女士亦透過大地傳奇(即劉女士之聯繫人)實際控制大地院線之12.95%股權。此外，本公司執行董事于先生之聯繫人于常海先生擁有大地時代北京20%權益。有鑑於此，大地院線為本公司之關連人士。有關詳情載於本公司所刊發日期為2017年11月30日之公告，除下文另有所指外，本報告所用詞彙與該等公告所界定者具有相同涵義。

* For identification purpose only

CONTINUING CONNECTED TRANSACTIONS (Continued)

1. (Continued)

The fee payable for the motion pictures procured through the GD Cinema Circuit will either be paid as a Fixed Fee Motion Picture or a Box Sharing Motion Picture, both of which are explained below.

(a) Fixed Fee Motion Pictures

The Group shall pay monthly, a fixed licensing fee to the GD Cinema Circuit for licensing each Fixed Fee Motion Picture from the GD Cinema Circuit during the motion picture projection period and such fixed licensing fee shall be in accordance with the same terms offered by GD Cinema Circuit to its other cinema operators. GD Cinema Circuit shall not be entitled to sharing of the Net Box Office of the Fixed Fee Motion Pictures.

(b) Box Sharing Motion Pictures

The Net Box Office of each Box Sharing Motion Picture shall be distributed in the following manner:

- (i) a sum equivalent to all fees payable to the distributor (from whom GD Cinema Circuit obtained its right to permit the Group to project such motion pictures in its cinemas) (the "Distributor Fees") shall be paid to the GD Cinema Circuit;
- (ii) the Group shall, during the term, pay an amount of not more than 1% of the Net Box Office of the Box Sharing Motion Picture to the GD Cinema Circuit and the exact percentage of such payment shall be agreed upon between the Group and the GD Cinema Circuit prior to the screening of the motion picture; and
- (iii) the remaining portion of the Net Box Office shall belong to the Group.

持續關連交易(續)

1. (續)

透過大地院線採購影片所須支付之費用須按不分賬影片或分賬影片之形式支付，兩者之解釋如下。

(a) 不分賬影片

本集團將就許可放映大地院線每部不分賬影片於影片放映期內向大地院線每月支付固定許可費用，而有關固定許可費用將根據與大地院線提供予其其他電影院運營商相同之條款而釐定。大地院線將無權分享不分賬影片之淨票房。

(b) 分賬影片

每部分賬影片之淨票房將按以下方式分配：

- (i) 大地院線將獲支付金額相當於須支付予發行人(大地院線向其取得允許本集團在旗下影院放映有關影片之權利)之全部費用之款項(「發行人費用」)；
- (ii) 本集團將於年期內向大地院線支付不多於分賬影片淨票房1%之款項，而本集團與大地院線須於放映影片前協定有關款項具體百分比；及
- (iii) 淨票房餘下部分將歸本集團所有。

Report of the Directors

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

1. (Continued)
- Pursuant to the business cooperation framework agreement, the maximum amount of payment to be made by the Group to the GD Cinema Circuit in relation to the provision of motion pictures, less the Distributor Fees are set out below:

		For the eleven months ended 30 November 2020 截至2020年 11月30日 止11個月 (HK\$'000) (千港元)	For the year ended 31 December 2019 截至2019年 12月31日 止年度 (HK\$'000) (千港元)	For the year ended 31 December 2018 截至2018年 12月31日 止年度 (HK\$'000) (千港元)	For the month ended 31 December 2017 截至2017年 12月31日 止月份 (HK\$'000) (千港元)
Maximum amount payable by the Group to the GD Cinema Circuit in relation to provision of motion pictures, less the Distributor Fees	本集團就獲提供影片向大地院線應付之最高款項減發行人費用	92,000	80,000	50,000	4,000

On 30 November 2020, the Company entered into the business cooperation framework agreement with GD Cinema Circuit for a fixed term from 1 December 2020 to 30 November 2023, pursuant to which GD Cinema Circuit shall supply the Group with motion pictures and license the Group to project such motion pictures in its cinemas.

On 30 November 2020, Ms. Liu, an executive Director of the Company, owns 80% of Dadi Century Beijing, which directly owns 82.49% equity interest of GD Cinema Circuit. Ms. Liu also has an effective control of 12.95% equity interest of GD Cinema Circuit through Dadi Legend, which is an associate of Ms. Liu. In addition, Mr. Yu Cheung Hoi, an associate of Mr. Yu Pun Hoi (an executive Director of the Company), owns 20% of Dadi Century Beijing. Given the foregoing, GD Cinema Circuit is a connected person of the Company. Accordingly, the business cooperation framework agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details please refer to the announcement dated 30 November 2020 of the Company.

持續關連交易(續)

1. (續)
- 根據業務合作框架協議，本集團就獲提供影片將向大地院線支付之最高款項減發行人費用載列如下：

於2020年11月30日，本公司與大地院線訂立業務合作框架協議，固定年期自2020年12月1日起至2023年11月30日止，據此，大地院線將向本集團供應影片，並許可本集團在旗下影院放映有關影片。

於2020年11月30日，本公司執行董事劉女士擁有大地時代北京80%權益，而大地時代北京則直接擁有大地院線82.49%股權。劉女士亦透過大地傳奇（即劉女士之聯繫人）實際控制大地院線之12.95%股權。此外，本公司執行董事于品海先生之聯繫人于常海先生擁有大地時代北京20%權益。有鑑於此，大地院線為本公司之關連人士。因此，根據上市規則第14A章，業務合作框架協議及其項下擬進行交易構成本公司之持續關連交易。詳情請參閱本公司日期為2020年11月30日之公告。

CONTINUING CONNECTED TRANSACTIONS (Continued)

The fee payable for the motion pictures procured through GD Cinema Circuit will either be paid as a Fixed Fee Motion Picture or a Box Sharing Motion Picture, both of which are explained below.

(a) Fixed Fee Motion Pictures

The Group shall pay monthly, a fixed licensing fee to GD Cinema Circuit for licensing each Fixed Fee Motion Picture from GD Cinema Circuit during the motion picture projection period and such fixed licensing fee shall be determined in accordance with the same terms offered by GD Cinema Circuit to its other cinema operators. GD Cinema Circuit shall not be entitled to sharing of the Net Box Office of the Fixed Fee Motion Pictures.

(b) Box Sharing Motion Pictures

The Net Box Office of each Box Sharing Motion Picture shall be distributed in the following manner:

- (i) a sum equivalent to all fees payable to the distributor (from whom GD Cinema Circuit obtained its right to permit the Group to project such motion pictures in its cinemas) (the "Distributor Fees") shall be paid to GD Cinema Circuit;
- (ii) the Group shall pay an amount of not more than 0.8% of the Net Box Office of a Box Sharing Motion Picture to GD Cinema Circuit in December 2020 and shall pay an amount of not more than 0.5% of the Net Box Office of a Box Sharing Motion Picture to GD Cinema Circuit between 1 January 2021 and 30 November 2023, and the exact percentage of such payment shall be agreed upon between the Group and GD Cinema Circuit prior to the projection of the motion picture; and
- (iii) the remaining portion of the Net Box Office shall belong to the Group.

Pursuant to the Business Cooperation Framework Agreement, the maximum amount of payment to be made by the Group to GD Cinema Circuit in relation to the provision of motion pictures (including both Fixed Fee Motion Pictures and Box Sharing Motion Pictures), less the Distributor Fees are set out below:

持續關連交易(續)

透過大地院線採購影片所須支付之費用須按不分賬影片或分賬影片之形式支付，兩者之解釋如下。

(a) 不分賬影片

本集團將就許可放映大地院線每部不分賬影片於影片放映期內向大地院線每月支付固定許可費用，而有關固定許可費用將根據與大地院線提供予其其他電影院運營商相同之條款而釐定。大地院線將無權分享不分賬影片之淨票房。

(b) 分賬影片

每部分賬影片之淨票房將按以下方式分配：

- (i) 大地院線將獲支付金額相當於須支付予發行人(大地院線向其取得允許本集團在旗下影院放映有關影片之權利)之全部費用之款項(「發行人費用」)；
- (ii) 本集團將於2020年12月向大地院線支付不多於分賬影片淨票房0.8%之款項，於2021年1月1日至2023年11月30日期間，向大地院線支付不多於分賬影片淨票房0.5%之款項，而本集團與大地院線須於放映影片前協定有關款項具體百分比；及
- (iii) 淨票房餘下部分將歸本集團所有。

根據業務合作框架協議，本集團就獲提供影片(包括不分賬影片及分賬影片)將向大地院線支付之最高款項減發行人費用載列如下：

	For the one month ended 31 December 2020 截至2020年 12月31日 止一個月 (HK\$'000) (千港元)	For the year ended 31 December 2021 截至2021年 12月31日 止年度 (HK\$'000) (千港元)	For the year ended 31 December 2022 截至2022年 12月31日 止年度 (HK\$'000) (千港元)	For the eleven months ended 30 November 2023 截至2023年 11月30日 止十一個月 (HK\$'000) (千港元)
Maximum amount payable by the Group to GD Cinema Circuit in relation to provision of motion pictures, less the Distributor Fees	4,000	30,000	35,000	37,000
本集團就獲提供影片向 大地院線應付之最高款 項減發行人費				

Report of the Directors

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

All the independent non-executive directors of the Company have reviewed the above continuing connected transactions, and confirmed that all such continuing connected transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

In accordance with Rule 14A.56 of the Listing Rules, the Company has engaged its auditors to report on all continuing connected transactions as mentioned above, and the auditors have issued to the Board a letter confirming that nothing has come to their attention that causes them to believe that all such continuing connected transactions:

- (1) have not been approved by the Board;
- (2) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (3) exceed the proposed annual caps as determined by the Company.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-Laws or the law in Bermuda.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Amber Treasure Ventures Limited (a wholly-owned subsidiary of the company) successfully completed the issuance of two tranches of credit enhanced notes due in 2022, with the amount and interest rate of US\$500,000,000 (3.50% per annum) and US\$350,000,000 (2.90% per annum) on 8 May 2020 and 11 June 2020. The notes are listed on the Hong Kong Stock Exchange.

As stated in the announcements of the Company dated 25 May 2017 and 21 July 2017, Amber Treasure Ventures Limited issued two tranches of credit enhanced notes due in 2020, with the amount and interest rate of US\$500,000,000 (3.00% per annum) and US\$400,000,000 (3.15% per annum) ("2017 Notes"), respectively. The notes were listed on the Hong Kong Stock Exchange. Amber Treasure Ventures Limited has fully repaid the outstanding principal of the 2017 Notes together with the accrued interest upon its maturity on 25 May 2020 and 21 July 2020 respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the year ended 31 December 2020.

持續關連交易(續)

本公司所有獨立非執行董事已審閱以上持續關連交易，並確認所有該等持續關連交易乃按以下方式訂立：

- (1) 本集團日常及一般營業過程中；
- (2) 正常或更佳商業條款；及
- (3) 根據規管有關交易的協議，按屬公平合理且符合本公司股東整體利益的條款訂立。

根據上市規則第14A.56條，本公司已委聘其核數師匯報上述所有持續關連交易，而核數師已向董事會發出一封函件，確認彼等並不知悉任何導致彼等相信所有該等持續關連交易：

- (1) 並未獲董事會批准；
- (2) 並非於所有重大方面根據規管交易的相關協議訂立；及
- (3) 超逾由公司釐定的建議年度上限。

優先購買權

細則或百慕達法例並無有關優先購買權之規定。

購買、出售或贖回上市證券

於2020年5月8日及2020年6月11日，Amber Treasure Ventures Limited (本公司之全資附屬公司)成功完成發行了兩筆於2022年到期的信用增強票據，金額及利率分別為500,000,000美元(年利率3.50%)及350,000,000美元(年利率2.90%)，有關票據已於香港聯交所上市。

誠如本公司日期為2017年5月25日及2017年7月21日之公告所述，Amber Treasure Ventures Limited發行了兩筆於2020年到期的信用增強票據，金額及利率分別為500,000,000美元(年利率3.00%)及400,000,000美元(年利率3.15%)(「2017年票據」)，有關票據於香港聯交所上市。Amber Treasure Ventures Limited已分別於2020年5月25日及2020年7月21日到期時悉數償還2017年票據之未償還本金額及應計利息。

除上文所披露者外，本公司或其任何附屬公司於截至2020年12月31日止年度內概無購買、出售或贖回其任何上市證券。

PUBLIC FLOAT

Based on the publicly available information and to the best knowledge of the directors, the Company has maintained during the year and up to the date of this report sufficient public float as required under the Listing Rules.

CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the "Corporate Governance Report" on pages 61 to 78.

AUDIT COMMITTEE

The Audit Committee comprises all the independent non-executive directors of the Company, namely Mr. Lau Yip Leung, Mr. Xiao Sui Ning and Mr. Ho Yeung Nang. The Audit Committee has reviewed with the auditor of the Company and management the accounting principles and practices adopted by the Group, the audited consolidated financial statements of the Group for the year ended 31 December 2020, and discussed the auditing, financial control, internal control and risk management systems.

AUDITOR

The financial statements for the year ended 31 December 2020 were audited by BDO Limited ("BDO"). A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO as auditor of the Company.

STRUCTURED AGREEMENTS

Reference is made to the joint announcements of the Company and its listed subsidiary, Sino-i, dated 15 November 2013, 6 December 2013 and 31 July 2015 (collectively, the "Announcements") in relation to a discloseable transaction under which Xinnet Technology Information Company Limited ("XWHT"), an indirect wholly-owned subsidiary of Sino-i, by means of the Structured Agreements, shall be entitled to control over Xinnet's management, businesses and operations in substance in addition to recognise and receive all economic benefits of the business of Xinnet. All capitalized terms used hereinbelow shall have the same meanings as those defined in the Announcements unless otherwise stated in this annual report.

公眾持股量

按本公司從公眾可取閱資料所得及就董事所知，本公司於年內及截至本報告日期已維持依據上市規則規定的公眾持股量。

企業管治

本公司企業管治實務之詳情載於第61至78頁之「企業管治報告」。

審核委員會

審核委員會包括本公司全體獨立非執行董事，劉業良先生、肖遂寧先生及何養能先生。審核委員會已與本公司核數師及管理層審閱本集團所採納之會計準則及實務、本集團截至2020年12月31日止年度之經審核綜合財務報表，並檢討核數、財務監控、內部監控及風險管理制度事宜。

核數師

截至2020年12月31日止年度之財務報表均由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。將於應屆股東周年大會上提呈一項續聘立信德豪為本公司核數師之決議案。

架構協議

茲提述本公司及其附屬公司中國數碼日期分別為2013年11月15日、2013年12月6日及2015年7月31日之聯合公告（統稱「該等公告」），內容有關須予披露交易，據此，新網華通信息技術有限公司（「新網華通」）（中國數碼之間接全資附屬公司）有權透過架構協議實質上掌控新網之管理、業務及營運，並同時確認及接收新網經營業務所得一切經濟利益。除本年報另有指明者外，本報告所用詞彙與該等公告所界定者具相同涵義。

Report of the Directors

董事會報告

STRUCTURED AGREEMENTS (Continued)

The Board hereby provides updated information in relation to the business operations of Xinnet through the Structured Agreements and the implications thereof as follows:

(a) Particulars and business activities of Xinnet:

Xinnet is a limited liability company established in the PRC and a wholly-owned subsidiary of ZQHT. Mr. Jiang is a PRC citizen, and an ultimate beneficial owner of 100% equity interest of ZQHT. Xinnet's main businesses are provision of virtual server hosting and maintenance services, provision of email services and registration of domain names in the PRC, which are all regarded as a kind of internet content services. Xinnet has obtained a valid licence for providing internet content services, issued by 北京市通信管理局 (Beijing Communications Administration).

(b) Summary of main terms of the Structured Agreement:

- (1) *Loan Agreement (dated 15 November 2013):*
 - (i) Parties: XWHT as lender; and Mr. Jiang as borrower
 - (ii) Loan amount: RMB1,500,000
 - (iii) The loan is interest free, and has no maturity date for repayment. Mr. Jiang shall have no right to effect any early repayment unless having the written consent from XWHT.
- (2) *Equity Pledge Agreement (dated 15 November 2013):*
 - (i) Parties: XWHT as pledgee; ZQHT as pledgor; and Xinnet
 - (ii) Assets pledged: 80% equity interest of Xinnet, free from encumbrance, as first fixed charge to XWHT as security.
 - (iii) ZQHT shall not dispose of the pledged 80% equity interest to any other party without obtaining the written approval of XWHT.

架構協議(續)

董事會謹此提供有關透過架構協議經營新網業務之最新消息及有關影響如下：

(a) 新網之詳情及主要業務：

新網為於中國成立之有限公司，為中企華通之全資附屬公司。蔣先生為中國公民，為中企華通100%股權之最終實益擁有人。新網之主要業務為於中國提供虛擬伺服器寄存及維護服務、提供電子郵箱服務及域名註冊服務。所有該等業務歸類為互聯網信息服務。新網已取得北京市通信管理局發出提供互聯網信息服務之有效牌照。

(b) 架構協議之主要條款摘要：

- (1) *借款協議(日期為2013年11月15日)：*
 - (i) 訂約方：新網華通作為貸方；及蔣先生作為借方
 - (ii) 貸款額：人民幣1,500,000元
 - (iii) 貸款為免息及並無到期還款日。除非獲新網華通書面同意，否則蔣先生將無權提早還款。
- (2) *股權質押協議(日期為2013年11月15日)：*
 - (i) 訂約方：新網華通作為質權人；中企華通作為出質人；及新網
 - (ii) 抵押資產：以第一固定押記形式向新網華通質押新網並無產權負擔之80%股權。
 - (iii) 除非獲新網華通書面同意，否則新網華通將不得向任何其他人士出售已抵押之80%股權。

STRUCTURED AGREEMENTS (Continued)

(b) Summary of main terms of the Structured Agreement: (Continued)

- (3) *Management and Technology Services Agreement (dated 15 November 2013):*
- (i) Parties: XWHT; and Xinnet
 - (ii) XWHT shall provide certain exclusive management and technology services to Xinnet.
 - (iii) The Management and Technology Services Agreement is solely terminable by XWHT but not Xinnet. In return for the provision of the exclusive services, XWHT shall be entitled to receive a service fee which is equivalent to the net profit of Xinnet as per its yearly audited financial statements.
- (4) *Option Agreement (dated 15 November 2013):*
- (i) Parties: XWHT as grantee; ZQHT as grantor; and Xinnet
 - (ii) ZQHT shall grant an exclusive option to XWHT at an option price of RMB1.00 to acquire up to 100% equity interest in the registered capital of Xinnet (no limit on the number of times the option may be exercised by XWHT). The total subscription price for 100% equity interest of Xinnet shall be equivalent to the total loan amount (being RMB1,500,000) under the Loan Agreement, and the subscription price for each option exercised shall be paid by direct set off on a dollar-for-dollar basis against the outstanding loan amount under the Loan Agreement.
- (5) *Power of Attorney (dated 15 November 2013):*
- (i) Parties: ZQHT; and XWHT
 - (ii) It is an irrevocable power of attorney under which XWHT shall be the sole attorney of ZQHT. XWHT shall have full power, without having to obtain ZQHT's any further consent or approval, to exercise such rights in Xinnet as (a) all shareholder's rights and voting rights in accordance with the corporate memorandum of Xinnet; and (b) rights of nomination and appointment of legal representative, chairman of the board, directors, general manager and other senior management personnel of Xinnet.

The Loan Agreement, the Equity Pledge Agreement, the Management and Technology Services Agreement, the Option Agreement and the Power of Attorney shall be executed simultaneously with each other.

架構協議(續)

(b) 架構協議之主要條款摘要：(續)

- (3) 管理及技術服務提供協議(日期為2013年11月15日)：
- (i) 訂約方：新網華通；及新網
 - (ii) 新網華通向新網提供多項獨家諮詢及技術服務。
 - (iii) 管理及技術服務提供協議僅可由新網華通(而非新網)單方面終止。新網華通有權收取服務費作為提供獨家服務之回報，金額相等於新網經審核年度財務報表所示之純利。
- (4) 購買權協議(日期為2013年11月15日)：
- (i) 訂約方：新網華通作為承授方；中企華通作為授予方；及新網
 - (ii) 中企華通將按購買權代價人民幣1.00元向新網華通授出獨家購買權，以認購新網註冊資本中100%股權(新網華通可行使購買權之次數不受限制)。新網100%股權之總認購價相當於借款協議項下之貸款總額(即人民幣1,500,000元)，而行使每份購買權所涉及認購價須按定額基準透過直接抵銷借款協議項下未償還貸款金額之形式支付。
- (5) 授權委託書(日期為2013年11月15日)：
- (i) 訂約方：中企華通；及新網華通
 - (ii) 此乃不可撤回授權書，據此，新網華通將為中企華通之唯一代理，而新網華通可於毋須取得中企華通任何同意或批准之情況下，全權行使於新網之權利，(a)根據新網之公司章程例行使一切股東權利及投票權；及(b)提名及委任新網之法定代表人、董事長、董事、總經理及其他高級管理人員。

借款協議、股權質押協議、管理及技術服務提供協議、購買權協議與授權委託書將同時簽立。

Report of the Directors

董事會報告

STRUCTURED AGREEMENTS (Continued)

(c) The significance of business activities of Xinnet to the Group:

By means of the Structured Agreements, the Group may engage in the business of virtual server hosting and maintenance in the PRC and such business may widen the spectrum of services of the Group. The widened services are expected to lead the Group to having not only a stronger foothold against its competitors in the PRC but also an achievement of efficiency and cost-effectiveness in provision of virtual server hosting and maintenance services to the customers of the Group.

(d) The financial impact of the Structured Agreements on the Group:

XWHT is a parent company of Xinnet as XWHT has the right to control Xinnet by virtual of the Structured Agreements. As a result, the financial position and operating results of Xinnet and its subsidiary shall be consolidated in the XWHT's financial statements from the date on which XWHT has gained control in Xinnet in accordance with the HKFRS.

During the year, Xinnet's revenue was approximately HK\$143,770,000 (2019: approximately HK\$113,604,000); profit before income tax was approximately HK\$16,472,000 (2019: loss before income tax approximately HK\$31,924,000); and total assets were approximately HK\$189,025,000 (2019: approximately HK\$186,209,000) have been consolidated into the Group's financial statement.

The profit for the year was mainly due to the increase in gross profit from domain names.

(e) The extent to which the Structured Agreements relate to requirement of applicable laws, rules and regulations other than the foreign ownership restriction:

In view of the PRC legal opinion, (i) the Structured Agreements have complied with the laws, rules and regulations in the PRC, and complied with the respective articles of association of XWHT, ZQHT and Xinnet; (ii) there is no law, rule or regulation specifically disallows foreign investors from using any structured agreement to gain control of or operate the business of Xinnet; and (iii) the Structured Agreements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC contract law.

架構協議(續)

(c) 新網業務對本集團之重要性：

通過架構協議，本集團可於中國從事虛擬伺服器寄存及維護業務，該業務可能會拓闊本集團之服務範圍。據預料該額外業務帶領本集團不僅於中國打造較其他競爭對手更為穩固的基礎，而且可以為本集團客戶提供虛擬伺服器寄存及維護服務達到具高效率及成本效益方式之成績。

(d) 架構協議對本集團之財務影響：

由於新網華通有權透過架構協議控制新網，故新網華通為新網之母公司。因此，根據香港財務報告準則，新網及其附屬公司之財務狀況及經營業績自新網華通取得新網之控制權當日起於新網華通之財務報表綜合入賬。

年內，新網收益約為143,770,000港元(2019年：約113,604,000港元)；除所得稅前溢利約為16,472,000港元(2019年：除所得稅前虧損約31,924,000港元)；及總資產約為189,025,000港元(2019年：約186,209,000港元)已於本集團財務報表綜合入賬。

年內溢利的主要原因為域名毛利增加。

(e) 架構協議與適用法律、規則及規例(而非外國所有權限制)規定相關之程度：

中國法律意見認為，(i) 架構協議已符合中國法例、規則及規例，並符合新網華通、中企華通及新網各自之章程細則；(ii) 並無法例、規則或規例具體列明不允許外國投資者運用任何架構協議控制或經營新網；及(iii) 根據中國合同法，架構協議將不會視作以合法形式掩蓋非法目的，亦不會視作無效。

STRUCTURED AGREEMENTS (Continued)

(f) Reasons for using the Structured Agreements and the risks associated therewith including actions taken to mitigate such risks:

Xinnet's main businesses are classified as value-added telecommunication services which is a kind of business restricted to foreign investors in the PRC. By virtue of 外商投資電信企業管理規定 (Provisions on the Administration of Foreign Investment Telecommunication Enterprises), foreign investors are not allowed to hold more than 50% in the equity interest of a PRC enterprise providing value-added telecommunication services.

The main businesses of Xinnet are considered as value-added businesses which widen the spectrum of services of the Group for its customers and in turn enhance the Group's competitiveness in the PRC market. As the Group faces the aforesaid restriction in equity interest of a PRC company, the Structured Agreements shall be regarded as a strategic arrangement by which the Group may fully and effectively control Xinnet, which in turn enables the Group to achieve the aforesaid purposes. In addition, the Structured Agreements offer flexibility to the Group in control of Xinnet — (a) control of its management, businesses and operations; and (b) owning of its 100% equity interest by exercising the call option under the Option Agreement when the restriction in having more than 50% equity interest of a PRC enterprise by foreign investors is removed or repealed.

In addition to the foreign ownership restriction under the prevailing applicable laws and regulations, the Structured Agreements do not violate any PRC laws, rules and regulations, and the execution of the Structured Agreements by the parties thereto does not violate any article in the articles of association of the contracting parties; and such prevailing provision and notice issued by the PRC authorities as (i) 《外商投資電信企業管理規定》 (Provisions on the Administration of Foreign Investment Telecommunication Enterprises) (amended in 2008) and 《外商投資產業指導目錄》 (Catalogue for Guidance of Foreign Investment Industries) (amended in 2015) issued by the State Council of the PRC, under which foreign investor shall not have more than 50% in a corporation providing value-added telecommunication services; and (ii) 《關於加強外商投資經營增值電信業務管理的通知》 (Notice of Strengthened Administration of Foreign Investment in and Operation of Value-Added Telecommunication Business) issued by the Ministry of Industry and Information Technology of the PRC in July 2006 under which a local PRC company holding an internet content provider licence shall not lease, transfer or sell the licence to foreign investors in any form, or provide any assistance to foreign investors to provide internet content services in the PRC, but such provision and notice are not governing or restricting the control of a PRC company through structured agreements.

架構協議(續)

(f) 使用架構協議之理由及與之相關風險(包括降低有關風險之措施):

新網之主要業務被歸類為增值電信服務，於中國為其中一類限制外商投資者之業務。根據外商投資電信企業管理規定，外商投資者不得擁有提供增值電信服務之中國企業超過50%權益。

新網之主要業務被視為增值業務，有助拓闊本集團向客戶提供之服務範圍，從而提高本集團於中國市場中之競爭力。由於本集團面臨著前述中國公司的股權限制，架構協議應被視為一項戰略安排，讓本集團可以充分地及有效地控制新網使本集團能夠實現前述目的。與此同時，架構協議為本集團控制新網方面提供靈活性 — (a) 控制其管理、業務及營運；及 (b) 當有關外商投資者於中國企業擁有超過50%權益之限制被刪除或廢除時可透過行使購買權協議項下購買權而持有其100%權益。

此外，根據現行適用法律及法規項下的外商擁有權限制，架構協議並無違反任何中國法律、規則及法規，且訂約各方執行架構協議並無違反訂約各方之任何公司章程；及中國當局頒佈該現行之規定及通知(即(i) 中國國務院所頒佈《外商投資電信企業管理規定》(2008年修訂)及《外商投資產業指導目錄》(2015年修訂)，當中訂明外商投資者不得擁有提供增值電信服務之企業超過50%權益；及(ii) 中國工業和信息化部於2006年7月所頒佈《關於加強外商投資經營增值電信業務管理的通知》，當中訂明持有互聯網信息服務供應商牌照之當地的中國公司不得以任何形式向外商投資者租賃、轉讓或出售牌照，或向外商投資者於中國提供互聯網信息服務提供任何援助)，惟有關規定及通知並無監管或限制透過架構協議控制中國公司。

Report of the Directors

董事會報告

STRUCTURED AGREEMENTS (Continued)

(f) Reasons for using the Structured Agreements and the risks associated therewith including actions taken to mitigate such risks: (Continued)

Given the foregoing, the Structured Agreements shall be regarded as valid documents binding all parties thereto as at the date of this report. However, if any new applicable law or regulation were enacted in the future in the PRC, the validity and enforceability of the Structured Agreements might have been affected, and as a result, the structured agreements of controlling Xinnet would have been disruptive which in turn would have affected the business of the Group.

The Ministry of Commerce of the PRC has issued certain consultation paper (草案徵求意見稿) in respect of a bill namely《中華人民共和國外國投資法》(Foreign Investment Law of the PRC) (the "Bill") in January 2015, which is to be enacted into an act or statute. As per sections 15 and 18 thereof, foreign investment means foreign investors directly or indirectly conduct certain investment activities, e.g. through structured agreements or trust arrangement to control a PRC company or holding equity interest of a PRC company. Any foreign investment in any business under the catalogue of restricted investment shall apply for an access permit from foreign investment authority under the State Council of the PRC as per section 27 thereof. There is no indication in the Bill that contracts under the contractual arrangement would be void.

Application for an access permit cited in the Bill could be viewed as a kind of administrative procedure rather than a prohibitive threshold, therefore, failure in obtaining the permit by fulfilling certain administrative procedures would not be very high. As Mr. Jiang is not a connected person of the Group, the risk of direct conflict of interest with the Group will be very low. It is unlikely for Mr. Jiang setting up another entity conducting business having a direct competition with Xinnet's, otherwise, Mr. Jiang would not execute and procure the execution of the Structured Agreements by which Mr. Jiang has given up the businesses of Xinnet. As at the date of this report, the Group is not aware that Mr. Jiang has carried out or is involved in any business having a direct competition with the businesses of the Group. If Mr. Jiang or ZQHT breaches any obligations or undertakings under any Structured Agreements, the operations of Xinnet would not be affected as the position of the Group in controlling Xinnet has been fully secured by (a) full control of the board of directors of Xinnet; and (b) obtaining a charge of 100% equity interest in Xinnet (as per the provision of the Loan Agreement, the pledgor has further charged the remaining 20% equity interest in Xinnet as first fixed charge in favour of the pledgee in October 2014).

架構協議(續)

(f) 使用架構協議之理由及與之相關風險(包括降低有關風險之措施): (續)

鑑於上述情況，架構協議於本報告日期被視為有效文件，對訂約各方具有約束力。然而，倘中國將來實施任何新適用法律或法規，架構協議之有效性及強行執行性可能會受到影響，因此對控制新網之架構協議會造成破壞從而會影響本集團業務。

中國商務部於2015年1月頒佈若干《草案徵求意見稿》，有關一份名為《中華人民共和國外國投資法》的議案(「草案」)，有待制定為法令或法規。根據草案第15條及第18條，外商投資指外商投資者直接或間接從事若干投資活動，例如透過架構協議或信託安排來控制中國公司或持有中國公司權益。根據草案第27條，《限制實施目錄》項下任何外商投資業務須向中國國務院外資投資主管部門申請准入許可。草案並無表明合約安排項下合約將失效。

草案所訂明准入許可申請可被視為一項行政程序而非禁止性門檻。因此，履行若干行政程序後取得准入許可之失敗機會不高。蔣先生並非本集團之關連人士，故與本集團出現直接利益衝突之風險非常低。蔣先生不大可能建立另一實體從事與新網直接競爭之業務，否則蔣先生不會簽訂及促使執行架構協議(蔣先生據此放棄新網之業務)。於本報告日期，本集團並無發現蔣先生進行或參與任何與本集團業務構成直接競爭之業務。由於本集團控制新網之地位已完全受以下各項所保障：(a) 完全控制新網之董事會；及(b) 持有新網之100%股權作為抵押品(根據借款協議之條文，出質人於2014年10月以第一固定押記形式向質權人進一步抵押新網餘下20%股權)，即使蔣先生或中企華通違反架構協議項下任何責任或承諾，新網之業務亦不會受到影響。

STRUCTURED AGREEMENTS (Continued)

(f) Reasons for using the Structured Agreements and the risks associated therewith including actions taken to mitigate such risks: (Continued)

Since the Bill has yet been enacted into an act or statute, the sections or provisions thereof might be further modified and amended after the consultation period, it is uncertain whether there will be any additional conditions imposed on foreign investors.

《中華人民共和國外商投資法》(Foreign Investment Law of the PRC) was promulgated on 15 March 2019 and was implemented on 1 January 2020. The Foreign Investment Law does not clearly stipulate the legality or effectiveness of foreign-invested enterprises in adopting structured agreements to control domestic companies in the PRC, nor does it require explicit requirements on the specific form of the structured agreements or the specific content of the structured agreements legal documentation. Thus, after the Foreign Investment Law come into force, its provisions shall not affect the effectiveness of the structured agreements legal documentation. However, there are still uncertainties in the interpretation and application of the PRC laws and regulations on the effectiveness of the structured agreements, and the interpretation of the relevant authorities may be different from the above. Therefore, we cannot assure that the above structured agreement will not be adversely affected.

The Structured Agreements might be subject to scrutiny of the tax authorities in the PRC, and additional tax might be imposed, but the Group does not expect that such tax risk is high and will lead to any substantial financial impact on the Group.

架構協議(續)

(f) 使用架構協議之理由及與之相關風險(包括降低有關風險之措施)：(續)

由於草案尚未制定為法令或法規，當中所載章節或條文可能於諮詢期後進一步修改及修訂，故無法確定會否對外商投資者施加任何額外條件。

《中華人民共和國外商投資法》於2019年3月15日頒佈並於2020年1月1日實施，該《外商投資法》未就外商投資企業採用協議控制架構控制中國境內公司的合法性或有效性進行明確規定，也未就協議控制架構的具體形式或協議控制法律文件具體內容提出明確要求，因此《外商投資法》生效後，其條款不會對協議控制法律文件的既有效力產生影響。但是因中國法律法規對於協議控制結構效力的解釋和適用仍然存在不確定性，其有關機關的詮釋可能與以上的理解不同，因此，我們無法保證以上的架構協議將不會受到不利影響。

架構協議或會受到中國稅務機關監察，可能會徵收額外稅項，惟本集團預期有關稅項風險不高，亦不會對本集團帶來任何重大財務影響。

Report of the Directors

董事會報告

STRUCTURED AGREEMENTS (Continued)

(g) Material change in the Structured Agreements:

No Structured Agreement has been supplemented or modified since the date of execution of all such Structured Agreements.

(h) Unwinding of the Structured Agreements:

No Structured Agreement has been unwound since the date of execution all such Structured Agreements. None of the Structured Agreement is to be unwound until and unless the restriction on ownership by foreign investors is removed or not in force. In the event of such restriction in foreign investment is removed or not in force, XHWT will exercise its option under the Option Agreement to acquire the entire equity interest in Xinnet. Upon completion of formal acquisition of the entire equity interest in Xinnet, the Structured Agreements will then be unwound.

On behalf of the Board

Yu Pun Hoi

Chairman

Hong Kong, 30 March 2021

架構協議(續)

(g) 架構協議之重大變化：

自簽訂架構協議日期以來，架構協議未作補充或修訂。

(h) 解除架構協議：

於簽訂架構協議日期以來，架構協議未被解除。除非及直至外商投資者擁有權限制被移除或失效，否則不會解除架構協議。倘外商投資有關限制遭解除或失效，新網華通將行使其根據購買權協議所獲授購買權以收購新網全部權益。於新網全部股權之正式收購完成後，屆時架構協議將解除。

代表董事會

于品海

主席

香港，2021年3月30日

Corporate Governance Report

企業管治報告

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 December 2020.

The Company is committed to maintain high corporate governance standard and unambiguous procedures to ensure the integrity, transparency and quality of disclosure in order to enhance its shareholders' value.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company has complied with the Corporate Governance Code (the "CG Code") and Corporate Governance Report as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2020 and as of the date of this report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code.

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2020.

The Company has also established written guidelines on no less exacting than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

BOARD OF DIRECTORS

As at the date of this report, the current Board is made up of six directors including two executive directors, one non-executive director and three independent non-executive directors (the "INEDs"). The directors are, collectively and individually, aware of their responsibilities to the shareholders. The directors' biographical information is set out on pages 35 to 37 under the heading "Biographical Details of Directors and Senior Management". During the year ended 31 December 2020 and up to the date of this report, the Board consisted of the following:

Executive Directors

Mr. Yu Pun Hoi (Chairman)

Ms. Liu Rong (Chief Executive Officer)

Non-executive Director

Mr. Lam Bing Kwan

Independent Non-executive Directors

Mr. Lau Yip Leung

Mr. Xiao Sui Ning

Mr. Ho Yeung Nang

董事會欣然提呈本公司於截至2020年12月31日止年度的企業管治報告。

本公司致力於維持高水平的企業管治標準及清晰程序，以確保資料披露之完整性、透明度及質素，藉以提升股東效益。

遵守企業管治守則

董事會認為，截至2020年12月31日止整個年度內及截至本報告日期，本公司已遵守上市規則附錄14所載之企業管治守則（「企業管治守則」）及企業管治報告。

證券交易標準守則

本公司已採納標準守則。

本公司已向所有董事作出特別查詢，董事們確認，彼等於截至2020年12月31日止年度整個期間內已遵守標準守則。

本公司亦就可能擁有本公司未刊登之內幕消息之有關僱員制定有關僱員進行證券交易之書面指引（「僱員書面指引」），該指引不低於標準守則所訂之標準。

本公司概不知悉有關僱員不遵守僱員書面指引之情況。

董事會

截至本報告日期，現行董事會由六名董事組成，包括兩名執行董事、一名非執行董事及三名獨立非執行董事（「獨立非執行董事」）。董事們共同及個別知悉彼等對股東之責任。董事之履歷資料載於第35至37頁「董事及高級管理人員履歷詳情」一節。於截至2020年12月31日止年度及截至本報告日期，董事會由下列人士組成：

執行董事

于品海先生（主席）

劉榮女士（行政總裁）

非執行董事

林秉軍先生

獨立非執行董事

劉業良先生

肖遂寧先生

何養能先生

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

The overall management of the Company's businesses is vested in the Board, which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and monitoring its affairs. All directors should take decisions objectively in the best interests of the Company.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned senior management of the Company.

The Board has the full support of its board committees and the senior management of the Company to discharge its responsibilities.

To the best knowledge of the Company, the Board members do not have any financial, business and family or other material/relevant relationship with each other. During the year, the Board held 14 meetings.

During the year, the chairman held a meeting with each of the non-executive directors and independent non-executive directors of the Company and obtained independent opinions relating to affairs of the Board and the Company without the presence of other executive directors.

Non-executive Directors

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term subject to re-election.

The Company has entered into service contracts with its non-executive directors (including INEDs) for a term of two years with effect from the signing date of service contracts.

Independent Non-executive Directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, during the year ended 31 December 2020, the Company has appointed three INEDs of whom Mr. Lau Yip Leung is a certified public accountant in Hong Kong.

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

Notwithstanding that Mr. Lau Yip Leung has served as an INED for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the requirement set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Lau Yip Leung remains independent; (ii) the Nomination Committee of the Company has assessed and is satisfied of the independence of Mr. Lau Yip Leung; and (iii) the Board considers that Mr. Lau Yip Leung remains independent of management and free of any relationship which could materially interfere with the exercise of his independent judgement. Notwithstanding the length of his service, the Company believes that his valuable knowledge and experience in the Group's business will continue to benefit the Company and the shareholders as a whole.

董事會(續)

董事會獲賦予本公司業務之全面管理權，透過監控本公司事務，肩負起領導、監察及共同承擔推動本公司成功之責任。全體董事應就本公司最佳利益作出客觀決定。

本公司之日常管理、行政及營運乃委以高級管理人員負責，授權職能及工作任務定期進行檢討。於訂立任何重大交易前，上述本公司高級管理人員須先獲得董事會批准。

董事會獲本公司之董事委員會及高級管理人員全面支援以履行其職責。

就本公司所知，董事會各成員之間概無財務、業務及家庭或其他重大／關聯關係。年內，董事會曾舉行14次會議。

年內，在其他執行董事缺席的情況下，主席與本公司各非執行董事及獨立非執行董事舉行會議，獲得與董事會及本公司事務相關的獨立意見。

非執行董事

守則條文A.4.1訂明，非執行董事應按特定任期委任，並須受重選所規限。

本公司已與非執行董事(包括獨立非執行董事)簽訂服務合約，彼等之任期均為自其簽訂服務合約之日起計兩年。

獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條之規定，截至2020年12月31日止年度，本公司已委任三名獨立非執行董事，其中劉業良先生為香港執業會計師。

本公司已收到各獨立非執行董事根據上市規則第3.13條規定作出之年度獨立性確認書。本公司認為所有獨立非執行董事均具獨立性。

儘管劉業良先生已擔任獨立非執行董事超過九年，(i)本公司董事會已根據上市規則第3.13條所載準則評估及審閱獨立性年度確認書，並確認劉業良先生仍為獨立人士；(ii)本公司提名委員會已評估且滿意劉業良先生之獨立性；及(iii)董事會認為劉業良先生獨立於管理層，亦不存在任何以致嚴重影響彼等行使獨立判斷的關係。儘管彼等服務任期較長，但本公司相信，彼等於本集團業務之豐富知識及經驗將繼續為本公司及股東整體帶來利益。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

Directors' Training

According to the Code Provision A.6.5, all directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the directors.

From time to time, directors are provided with written materials to develop and refresh their professional skills on the latest development of applicable laws, rules and regulations for the purpose of assisting them in discharging their duties. The Company had received from each of the directors the confirmations on taking continuous professional training during the year.

BOARD COMMITTEES

The Board has three board committees, namely Audit Committee, Remuneration Committee and Nomination Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities.

Executive Committee

In order to enhance the efficiency of the Company's decision making, the executive committee of the Company was abolished with effect from 28 April 2020.

Audit Committee

The Company formulated written terms of reference for the Audit Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2020 and up to the date of this report, the Audit Committee consisted of all INEDs as follows:

Mr. Lau Yip Leung (*Chairman of the Audit Committee*)
Mr. Xiao Sui Ning
Mr. Ho Yeung Nang

The primary duties of the Audit Committee are to ensure the objectivity and credibility of financial reports and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company.

During the year, the Audit Committee held 2 meetings, in particular, to review with management the accounting principles and practices adopted by the Group, the audited financial statements for the year ended 31 December 2019 and the unaudited interim results for the six months ended 30 June 2020, and discussed the auditing, financial control, internal control and risk management systems.

董事會(續)

董事培訓

根據守則條文A.6.5，全體董事應參與一項增進及重溫其知識及技能之持續專業發展課程，以確保彼等對董事會之貢獻仍屬知情及相關。本公司應負責安排培訓及撥款，適當重申董事之角色、職能及職責。

董事將不時獲發有關旨在增進及重溫其專業技能之最新發展的適用法例、規則及規例的書面材料，以協助彼等履行其職責。本公司已接獲各董事於年內參加持續專業培訓之確認書。

董事委員會

董事會成立三個董事委員會，即審核委員會、薪酬委員會及提名委員會，以監察本公司特定方面之事務及協助董事會履行責任。

執行委員會

為提升本公司之決策效率，本公司於2020年4月28日開始取消執行委員會。

審核委員會

根據上市規則之規定，本公司為審核委員會制定書面職權範圍。於截至2020年12月31日止年度及截至本報告日期，審核委員會由以下全體獨立非執行董事組成：

劉業良先生(審核委員會主席)
肖遂寧先生
何養能先生

審核委員會之基本職責乃確保財務報告及內部監控程序之客觀性及可信性，以及與本公司之核數師維持適當關係。

年內，審核委員會曾舉行2次會議，包括與管理層審閱本集團採納之會計準則及實務、截至2019年12月31日止年度之經審核財務報表及截至2020年6月30日止六個月之未經審核中期業績，並檢討有關核數、財務監控、內部監控及風險管理制度事宜。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Remuneration Committee

The Company formulated written terms of reference for the Remuneration Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2020 and up to the date of this report, the Remuneration Committee consisted of all the INEDs as follows:

Mr. Xiao Sui Ning (*Chairman of the Remuneration Committee*)
Mr. Lau Yip Leung
Mr. Ho Yeung Nang

The Remuneration Committee has adopted the second model described in paragraph B.1.2(c) under the CG Code (i.e. making recommendation to the Board on the remuneration packages of individual executive director and senior management member). The primary duties of the Remuneration Committee are responsible for making recommendations to the Board on the establishing of formal and transparent procedures for developing remuneration policies and the remuneration packages of individual executive directors and senior management. It takes into consideration on salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

During the year, the Remuneration Committee held 1 meeting, in particular, to review and recommend to the Board the remuneration policies and the remuneration packages of the individual executive directors and senior management of the Company.

For the year ended 31 December 2020, the emoluments paid or payable to members of senior management were within the following band:

Emolument band 酬金範圍

		Number of individuals 人數	
		2020	2019
Nil–HK\$1,000,000	零–1,000,000 港元	–	4
HK\$1,000,001–HK\$2,000,000	1,000,001 港元–2,000,000 港元	–	–
HK\$2,000,001–HK\$3,000,000	2,000,001 港元–3,000,000 港元	2	–

董事委員會(續)

薪酬委員會

根據上市規則之規定，本公司為薪酬委員會制定書面職權範圍。於截至2020年12月31日止年度及截至本報告日期，薪酬委員會由以下全體獨立非執行董事組成：

肖遂寧先生(薪酬委員會主席)
劉業良先生
何養能先生

薪酬委員會已採納企業管治守則第B.1.2(c)段所述的第二個模式(即向董事會提交個別執行董事及高級管理人員的薪酬待遇建議)。薪酬委員會之基本職責乃向董事會提議設立正規而具透明度程序以制訂薪酬政策及個別執行董事及高級管理人員之薪酬待遇，該薪酬政策會考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件。

年內，薪酬委員會曾舉行1次會議，包括檢討及建議董事會薪酬政策及本公司個別執行董事及高級管理層之薪酬待遇。

截至2020年12月31日止年度，已付及應付高級管理人員之酬金介乎下列範圍：

BOARD COMMITTEES (Continued)

Nomination Committee

The Company formulated written terms of reference for the Nomination Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2020 and up to the date of this report, the Nomination Committee consisted of the directors of the Company as follows:

Mr. Yu Pun Hoi (*Chairman of the Nomination Committee*)

Ms. Liu Rong

Mr. Lau Yip Leung*

Mr. Xiao Sui Ning*

Mr. Ho Yeung Nang*

* INEDs

The primary duties of the Nomination Committee are responsible for reviewing the structure, size and composition of the Board, formulating nomination policies, identifying individuals suitably qualified to become directors, assessing the independence of INEDs, and making recommendations to the Board on appointment of directors, and review the board diversity policy annually. The Nomination Committee has the authority given by the Board to seek external professional advice in the selection and recommendation for directorship, when required, fulfilling the requirements for professional knowledge and industry experience of any proposed candidates.

During the year, the Nomination Committee held 1 meeting, in particular, to review and assessment of the independence of all INEDs of the Company; to consider and recommend to the Board for approval the list of retiring directors for re-election at the annual general meeting held on 27 May 2020 (the "2020 AGM"); to review the structure, size and composition of the Board.

Nomination Policy

The Nomination Committee has adopted the nomination policy (the "Policy") which sets out the key nomination criteria and nomination procedures for the nomination of directors of the Company.

董事委員會(續)

提名委員會

根據上市規則之規定，本公司為提名委員會制定書面職權範圍。於截至2020年12月31日止年度及截至本報告日期，提名委員會由以下董事組成：

于品海先生(提名委員會主席)

劉榮女士

劉業良先生*

肖遂寧先生*

何養能先生*

* 獨立非執行董事

提名委員會之基本職責乃檢討董事會的架構、人數及組成、制定提名政策、物色適當人士擔任董事、評核獨立非執行董事之獨立性、就委任董事向董事會提出建議，及每年檢討董事會多元化政策。董事會已授權提名委員會，於必要時可就有關任何建議人選之專業知識及業界經驗之符合要求在挑選及推薦董事人選之事宜尋求外部專業意見。

年內，提名委員會曾舉行1次會議，包括檢討並評估本公司全體獨立非執行董事的獨立性；考慮並建議董事會通過輪值退任的董事於2020年5月27日舉行的股東周年大會(「2020年股東周年大會」)上膺選連任；檢討董事會架構、人數及組成。

提名政策

提名委員會已採納提名政策(「本政策」)，當中載列有關提名本公司董事之主要提名準則及提名程序。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Continued)

Nomination Policy (Continued)

Key Nomination criteria

The Nomination Committee shall identify and nominate qualified individuals for appointment as additional directors or to fill Board vacancies as and when they arise. The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate.

- Reputation for integrity
- Accomplishment and experience in any particular industry
- Professional and education background
- Commitment in respect of available time and relevant interest
- Diversity in all its aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service

The Nomination Committee shall make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive officer.

Nomination Procedures

1. Appointment of Directors
The Nomination Committee identifies individual(s) suitably qualified to become Board members, having due regard to the Policy and the diversity policy of the Board ("Board Diversity Policy"), and assesses the independence of the proposed INED(s) as appropriate.
 - (1) The Nomination Committee makes recommendation(s) to the Board.
 - (2) The Board considers the individual(s) recommended by the Nomination Committee, having due regard to the Policy and the Board Diversity Policy.
 - (3) The Board confirms the appointment of the individual(s) as director(s) or recommends the individual(s) to stand for election at a general meeting. Individual(s) appointed by the Board to fill a casual vacancy or as an addition to the Board will be subject to re-election by shareholders of the Company at the next annual general meeting after initial appointment in accordance with the Company's Bye-Laws.

董事委員會(續)

提名政策(續)

主要提名準則

提名委員會將物色及提名合資格人士以委任為新增董事或於董事會出現空缺時填補有關空缺。提名委員會評估建議候選人是否合適時將參考下列因素。

- 信譽
- 於任何特定行業之成就及經驗
- 專業及教育背景
- 可投入時間及相關利益
- 董事會之各多元化方面，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及任期

提名委員會將就委任或重新委任董事以及董事(尤其是主席及行政總裁)之繼任計劃向董事會提供推薦意見。

提名程序

1. 委任董事
提名委員會在顧及本政策及董事會成員多元化政策(「董事會成員多元化政策」)後，物色具備合適資格可成為董事會成員之人士，並評估建議獨立非執行董事之獨立性(如合適)。
 - (1) 提名委員會向董事會作出推薦建議。
 - (2) 董事會在顧及本政策及董事會成員多元化政策後，考慮提名委員會所推薦人士。
 - (3) 董事會確認委任有關人士擔任董事或推薦有關人士於股東大會上參選董事。獲董事會委任填補臨時空缺或董事會新增席位之人士須根據本公司之細則於初次任命後之下屆股東周年大會上由本公司股東重選連任。

BOARD COMMITTEES (Continued)

Nomination Policy (Continued)

Nomination Procedures (Continued)

2. Re-appointment of Directors

- (1) The Nomination Committee considers each retiring Director, having due regard to the Policy and the Board Diversity Policy and assesses the independence of each retiring INED.
- (2) The Nomination Committee makes recommendation(s) to the Board.
- (3) The Board considers each retiring director recommended by the Nomination Committee having due regard to the Policy and the Board Diversity Policy.
- (4) The Board recommends the retiring directors to stand for re-election at the annual general meeting in accordance with the Company's Bye-Laws.

The Nomination Committee will undertake the review and revision of the Policy, as and when needed.

BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy in relation to the nomination and appointment of new directors, which sets out the selection of board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience. Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Nomination Committee will give consideration to the Board Diversity Policy when identifying suitably qualified candidates to become members of the Board, and will review the Board Diversity Policy, so as to develop and review measurable objectives for the implementing the Board Diversity Policy and to monitor the progress on achieving these objectives.

The directors' biographical information as at the date of this report is set out on pages 35 to 37 under the heading "Biographical Details of Directors and Senior Management". The Nomination Committee reviewed the Board Diversity Policy and achievement of objectives and effectiveness of the Board Diversity Policy, and recommended the Board that the existing Board was appropriately structured and no change was required.

董事委員會(續)

提名政策(續)

提名程序(續)

2. 重新委任董事

- (1) 提名委員會在顧及本政策及董事會成員多元化政策後，考慮各退任董事並評估各退任獨立非執行董事之獨立性。
- (2) 提名委員會向董事會作出推薦建議。
- (3) 董事會在顧及本政策及董事會成員多元化政策後，考慮提名委員會所推薦各退任董事。
- (4) 董事會建議退任董事根據本公司之細則於股東周年大會上重選連任。

提名委員會將於有需要時檢討及修訂提名政策。

董事會成員多元化政策

董事會已採納有關提名及委任新董事的董事會成員多元化政策。當中載明甄選董事會成員候選人將以一系列多元化範疇為基準，並參考本公司的業務模式和特定需求，包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗和專業經驗。董事會成員委任乃基於用人唯才，而為有效達致董事會成員多元化，將考慮候選人的客觀條件。提名委員會將於物色合適且符合資格的候選人成為董事會成員時考慮董事會成員多元化政策，並檢討董事會成員多元化政策，以發展及審閱執行董事會成員多元化政策的計量目標，及監察達致該等目標的進度。

截至本報告日期的董事之履歷資料載於第35至37頁「董事及高級管理人員履歷詳情」一節。提名委員會已檢討董事會成員多元化政策以及多元化政策達標的情況及其成效，並建議董事會現有董事會架構合理，毋須作出改動。

Corporate Governance Report

企業管治報告

DIVIDEND POLICY

In deciding whether to propose a dividend and in determining the dividend amount, the Board of the Company takes into account, inter alia, the Group's earnings performance, financial position, general business conditions and strategies, interests of the shareholders of the Company, the Group's expected working capital requirements and future expansion plans, business cycle of the Group's business and other external or internal factors that may have an impact on the business, investment requirements and future prospects.

The proposed declaration of dividend is subject to the Board's decision and the declaration of any final dividend for any year is subject to shareholders' approval. The declaration of dividend is also subject to Bermuda law and the Company's Bye-laws.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the duties on corporate governance functions set out below:

- To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- To review and monitor the training and continuous professional development of directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- To review the Company's compliance with the code and disclosure in the Corporate Governance Report.

股息政策

本公司董事會採納的股息政策為，決定是否建議派付股息及釐定股息金額時，本公司董事會應考慮（其中包括）本集團之盈利表現、財務狀況、整體業務狀況及策略、本公司股東之利益、本集團之預期營運資金需求及未來擴展計劃、本集團業務之業務週期以及可能影響業務、投資需求及未來前景之其他外部或內部因素。

建議派付股息視乎董事會的決定而定，而宣派任何年度的末期股息須待股東批准後方可作實。派付股息亦須遵守百慕達法律及本公司之公司細則。

企業管治職能

董事會負責履行下列企業管治職能責任：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- 檢討本公司遵守守則的情況及在企業管治報告內的披露。

Corporate Governance Report

企業管治報告

NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

The attendance record of each director at the Board, Board committee meetings and general meetings of the Company held for the year ended 31 December 2020 is set out in the table below:

召開會議次數及董事出席記錄

下表列示各董事出席截至2020年12月31日止年度舉行的本公司董事會會議、董事委員會會議及股東大會的情況：

Name of Director	董事姓名	Attendance/Number of Meetings 出席／會議次數					
		Board Meeting	General Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Continuous Professional Development
		董事會會議	股東大會	審核委員會會議	薪酬委員會會議	提名委員會會議	持續專業發展
Executive Directors	執行董事						
Mr. Yu Pun Hoi	于品海先生	10	1	N/A 不適用	N/A 不適用	1	✓
Ms. Liu Rong	劉榮女士	13	–	N/A 不適用	N/A 不適用	1	✓
Non-executive Director	非執行董事						
Mr. Lam Bing Kwan	林秉軍先生	8	1	N/A 不適用	N/A 不適用	N/A 不適用	✓
Independent Non-executive Directors	獨立非執行董事						
Mr. Lau Yip Leung	劉業良先生	4	1	2	1	1	✓
Mr. Xiao Sui Ning	肖遂寧先生	4	–	2	1	1	✓
Mr. Ho Yeung Nang	何養能先生	4	1	2	1	1	✓
Number of meetings held during the year	年內召開會議次數	14	1	2	1	1	

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS AND AUDITOR'S REMUNERATION

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2020.

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 113 to 120.

The remuneration paid to the external auditors of the Group in respect of audit service and non-audit services for the year ended 31 December 2020 amounted to approximately HK\$12,596,000 and HK\$773,000, respectively. The non-audit services include professional advice on transactions as well broader business advisory and advisory service to assist the Company to comply with laws and regulations. An analysis of the remuneration paid to the external auditors of the Group is set out in note 8 to the financial statements.

有關財務報表之責任及核數師薪酬

根據上市規則及其他監管規定，董事會負責在年度報告、中期報告、涉及內幕消息事宜之公告及其他須披露資料內作出平衡、清晰及容易理解之評述。

董事得知彼等於編製本公司截至2020年12月31日止年度財務報表應負之責任。

本公司核數師就其關於財務報表之呈報責任發表之聲明載於第113至120頁之「獨立核數師報告」中。

截至2020年12月31日止年度，付予本集團核數師之核數服務及非核數服務之酬金分別約為12,596,000港元及773,000港元。非核數服務包括就交易提供專業意見以及提供廣泛業務諮詢及顧問服務以協助本公司遵守法律及法規。付予本集團核數師酬金之分析載於財務報表附註8內。

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

Ms. Jay Shree Aggarwal, who was an employee of the Company and became the company secretary with effect from 1 July 2018, has complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

1. Procedures for shareholders to convene an Special General Meeting ("SGM")

Pursuant to the Bye-law 62 of the Bye-Laws, the board may, whenever it thinks fit, convene an SGM, and SGM shall also be convened on requisition, as provided by the Companies Act 1981 of Bermuda (the "Companies Act"), or, in default, may be convened by the requisitionists.

Under Section 74 of the Companies Act, the directors of the Company, notwithstanding anything in its Bye-Laws shall, on the requisition of shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene an SGM of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.

If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

A meeting convened under Section 74 of the Companies Act by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

2. Procedures for putting forward proposals at shareholders' meeting

Subject to Section 79 of the Companies Act, it shall be the duty of the Company on the requisition in writing of such number of shareholders as is hereinafter specified, at the expense of the requisitionists unless the Company otherwise resolves:

- to give to the shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- to circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

公司秘書

Jay Shree Aggarwal 女士，為本公司僱員，自 2018 年 7 月 1 日起成為公司秘書，已遵守上市規則第 3.29 條有關專業培訓的規定。

股東權利

1. 股東召開股東特別大會（「股東特別大會」）之程序

根據細則第 62 條，董事會可在其認為適當之情況下召開股東特別大會，亦可按百慕達 1981 年公司法（「公司法」）之規定應請求召開股東特別大會，如董事會未能召開，則可由請求人召開股東特別大會。

在公司法第 74 條項下，不論公司細則有任何規定，本公司董事將於遞交請求日持有不少於附有本公司股東大會投票權之本公司已繳足股本十分之一（按遞交請求日計）的股東提出請求時，隨即正式召開股東特別大會。

請求之文件須註明會議目的並須由請求人簽署及遞交至本公司註冊辦事處，而該文件可由多份同樣形式之文件（每份由一位或多位請求人簽署）所組成。

倘董事並未於遞交請求日起計 21 日內正式召開大會，請求人或持有請求人總投票權超過半數的任何該等人士可自行召開大會，惟有關大會不得於遞交請求日起計滿三個月之後舉行。

如大會是根據公司法第 74 條由請求人召開，請求人須盡可能以董事召開大會之同等方式召開有關大會。

2. 於股東大會上提呈建議之程序

根據公司法第 79 條，本公司有責任在該等股東人數（定義見下文）提出書面請求時（除非本公司另行議決，否則費用由請求人自行承擔）：

- 向有權收取下屆股東周年大會通告之本公司股東，發出任何有可能在該大會上妥為動議並擬動議之任何決議案的通告；
- 向有權收取任何股東大會通告之股東傳閱任何不多於 1,000 字之陳述書，內容為有關在任何擬訂決議案所提述之事宜，或有關將在該大會上處理之事務。

SHAREHOLDERS' RIGHTS (Continued)

2. Procedures for putting forward proposals at shareholders' meeting (Continued)

The number of shareholders necessary for a requisition under Section 79 of the Companies Act shall be:

- (a) either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or
- (b) not less than one hundred shareholders.

Notice of any such intended resolution shall be given, and any such statement shall be circulated, to shareholders of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each such shareholder in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other shareholders of the Company by giving notice of the general effect of the resolution in any manner permitted for giving him notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

3. Shareholders' enquiries

Shareholders should direct their questions about their shareholdings to the branch share registrar of the Company in Hong Kong. Shareholders may at any time send their enquiries and concerns to the Board in writing at the Company's principal place of business in Hong Kong at 12/F., The Octagon, No.6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong, or to the Company by email at info@nanhaicorp.com. Shareholders may also make enquiries with the Board at the SGM/annual general meeting.

The details of the rights of shareholders of the Company can be found in the Company's website at www.nanhaicorp.com.

股東權利(續)

2. 於股東大會上提呈建議之程序(續)

根據公司法第79條提出請求之必要股東人數應為：

- (a) 代表不少於在請求日有權在該請求涉及的大會上表決之所有股東總表決權二十分之一的任何數目股東；或
- (b) 不少於100名股東。

任何此等擬訂決議案之通告及任何此等陳述書，應以准許用於送達大會通告之方式，將該決議案或陳述書之副本向有權收取大會通告之每位本公司股東發出及傳閱，而任何該決議案之通告，則須以准許用於向任何其他股東發出本公司會議通告之任何方式，向其發出該等決議案一般效力之通告送達，惟該副本之送達方式或該等決議案一般效力之通告之發出方式(視屬何情況而定)，須與會議通告發出之方式相同，而送達或發出之時間，亦須在切實可行範圍內與會議通告發出之時間相同，及如當時不能在切實可行情況送達或發出，則須於隨後在切實可行範圍內盡快送達或發出。

3. 股東查詢

股東應直接向本公司於香港之股份過戶登記分處提出有關其股權之疑問。股東可隨時以書面形式將其查詢及問題送達本公司之香港主要營業地址香港新界荃灣沙咀道6號嘉達環球中心12樓遞交致董事會或透過電郵地址 info@nanhaicorp.com 致本公司。股東亦可在本公司之股東特別大會／股東周年大會上向董事會作出查詢。

有關本公司股東權利的詳情，請瀏覽本公司網站 www.nanhaicorp.com。

Corporate Governance Report

企業管治報告

INVESTOR RELATIONS

The Company is committed to safeguard shareholders' interests and believes that effective communication with shareholders and other stakeholders is essential for enhancing investor relations and investor understanding of the business performance and strategies of the Group.

The Board adopted a Shareholders Communication Policy which aims to set out the provisions with the objective of ensuring that the shareholders of the Company and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders of the Company to exercise their rights in an informed manner, and to allow shareholders of the Company and potential investors to engage actively with the Company.

The Company endeavours to disclose all material information about the Group to all interested parties on a timely basis. All such publications together with additional information of the Group are timely updated on the Company's website at www.nanhaicorp.com.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems and reviewing their effectiveness at least annually through the Audit Committee. The Audit Committee assists the Board in monitoring the risk exposures and the operating effectiveness of the underlying risk management and internal control systems.

The Company assists the management in identifying, assessing, responding, monitoring and reporting corresponding risks through risk management and internal control structure. The system aims at managing instead of eliminating the risks of unfulfilled business goals that reasonably but not absolutely prevents the impact of material risks.

RISK MANAGEMENT STRUCTURE

The Company has established a sound risk management and internal control structure, adopting a top-down organizational structure from the Board to the specific internal control units with well-defined duties. The Group's Internal Audit and Monitoring Department assists the Board and/or the Audit Committee in the ongoing review of the effectiveness of the Group's risk management and internal control systems. The Board, through Audit Committee, is at least annually informed of significant risks that may impact on the Group's performance.

投資者關係

本公司致力保障股東權益，並相信與股東及其他利益相關者進行有效溝通對鞏固投資者關係以至投資者對本集團業務表現及策略之理解極為重要。

董事會已採納股東通訊政策，其所載條文旨在確保本公司股東及有意投資者可適時取得本公司之全面、相同及容易理解之資料，一方面使本公司股東可在知情情況下行使權力，另一方面讓本公司股東及有意投資者能積極地與本公司聯繫。

本公司致力適時向所有有關各方披露所有有關本集團之重大資料。所有發佈及本集團之額外資料於本公司網站 www.nanhaicorp.com 定期更新。

章程文件

年內，本公司的章程文件並無變動。

風險管理及內部監控

董事會知悉其監管本集團的風險管理及內部監控系統的責任，以及透過審核委員會至少每年一次檢討其成效。審核委員會協助董事會監察集團承受的風險水平、有關之風險管理和內部監控系統的運作成效。

本公司通過風險管理及內部控制的架構，協助管理層識別、評估、應對、監控、彙報相應的風險。該等系統旨在管理而非消除未能達成業務目標風險，只合理而非絕對保證可防範重大風險的影響。

風險管理架構

本公司建立一個良好的風險管理及內部監控結構，搭建了從董事會到具體內控崗位的自上而下、職責明確的組織架構。集團內部審計監察部協助董事會及／或審核委員會持續檢討本集團風險管理及內部監控系統的成效。董事會透過審核委員會至少每年一次獲悉可能影響本集團表現的重大風險。

RISK MANAGEMENT STRUCTURE (Continued)

風險管理架構(續)



Corporate Governance Report

企業管治報告

CONTROL APPROACH AND TOOLS

During the year, the management analyzed the control environment and the risks identified, and implemented various controls measures.

- i. **approach taken:** the management conducts interviews with relevant staff members, reviews relevant documentation of the internal control system and evaluates findings of any deficiencies in the design of the Group's internal control system, provides recommendations for improvement and assesses the effectiveness of such recommendations, where appropriate. The scope and findings of review on the risk management and internal control are reported to and reviewed by the Audit Committee annually.
- ii. **management information systems and technologies:** such systems and technologies are employed to keep track of the inputs and outputs of the Group's operations, such as financial data system and human resources. They are also employed to track the audit process in the authorization system, in which permissions and responsibility of authorisation are clearly identified and adequate records can be maintained in the system.
- iii. **reports and variance analysis:** such reports and analysis of each segment are conducted on a regular basis such that the performance of each segment can be easily accessible.
- iv. **audit and supervision:** during the year, the Group conducts overall deployment and management of risk management and internal control according to the "Nan Hai Corporation Limited Internal Audit System (南海控股有限公司內部審計制度)". According to the internal audit system, the Audit and Monitoring Department conducts auditing and verification of the Group's main business, finance, engineering, information technology and other fields. In the meantime, thorough inspection for defects in the internal system of the subsidiaries of the Group is conducted to ensure the compliance, rationality and risk controllability in the major business processes of the Company. By analyzing various internal control points relating to the business processes, we have a better picture of the current conditions of internal control, unearthed and rectify defects and weaknesses of the internal control system, made recommendations for rectification and oversaw the result of relevant rectification in order to prevent the potential risks of operation management, and improve corporate governance and cost-effectiveness.

監控方法及方式

於本年度內，管理層已對監控環境及其相關已識別風險作分析，並就此實施多項監控。

- i. **所採取方法：**管理層與相關員工進行面談，並審閱內部監控系統相關文件及評估本集團內部監控系統設計中所發現之任何不足，就改善措施提供推薦建議及評估實施有關推薦建議之有效性（倘適用）。對風險管理及內部監控審閱的範圍及結果會每年呈報審核委員會並經其審核。
- ii. **管理信息系統及技術：**此用於控制業務活動，允許密切追蹤本集團業務之輸入及輸出，如財務數據系統及人力資源。其亦於授權系統追蹤審核程序，據此，授權許可及責任獲明確識別及該系統可維持足夠記錄。
- iii. **報告及差異分析：**定期對各分部進行有關報告及分析，故可易於了解各分部之表現。
- iv. **審計監督：**年內，本集團依據《南海控股有限公司內部審計制度》，對風險管理和內部監控工作進行總體部署及管理。審計監察部依據內部審計制度，對集團主要業務、財務、工程、信息化等領域進行事後審計、核查，發現問題並提出改善方案。同時，對本集團各附屬公司內控制度進行查漏補缺，保證公司主要業務流程的合規性、合理性和風險可控性。通過分析有關業務流程的各個內部控制點，真實反映其內部控制的現況，找出內部控制體系的缺陷及薄弱環節，提出整改建議，並監督相關整改結果，以達成防範經營管理中潛在風險，並提升企業管治和經濟效益之目的。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT

As an important element of quality corporate governance, the overall risk management process is overseen by the Board through the Audit Committee. Rather than a separate and standalone process, risk management is integrated into the business and decision-making processes, including strategy formulation, business planning, capital allocation, investment decisions, internal control and day-to-day operations.

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its terms of reference. It endeavours to evaluate the level of risk and compare it against the predetermined levels of risk acceptable to the Company. For risk control and monitoring, it involves making decisions regarding acceptable risks and the ways to address unacceptable risks. The management will develop contingency plans for possible loss scenarios. Incidents and other situations incurring actual or potential loss will be investigated and properly documented as part of the effort to manage risks.

RISK EXPOSURES

The following illustrates the major risks of the Group.

Risk of China's policies on real estate — the property development business of the Company is operated in China. The outbreak of the Epidemic in 2020 has had a certain impact on the operation of the property market in China, but the PRC government has maintained its determination in regulating the property market and insisted on the positioning of "no speculation of residential properties". To promote the stable operation of the real estate market, the central government and a number of local cities have introduced a number of fiscal policies and sound monetary policies to support the real estate industry, including lowering the loan prime rate, increasing bank credit support and encouraging bond and equity financing. In response to the impact of the Epidemic, the national macro policy has become more counter-cyclical and the local authorities have become more flexible in applying city-specific policies. The management of the Company closely monitored the relevant policies and industry development trends to reduce its operational risks.

風險管理

董事會透過審核委員會監督集團的整體風險管理程序，是我們優良企業管治的重要一環。本公司深明風險管理不是分割、獨立的流程，而是納入各項業務及決策流程中，包括戰略制定、業務規劃、資金分配、投資決定、內部監控和日常運營。

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監控及傳達與任何活動、職務或程序有關風險。其致力評估風險水平並與預先釐定之可接納風險水平進行比較。就風險監控及監管而言，其涉及對可接納風險及如何應對非可接納者作出決定。管理層將對可能出現之損失情況制定應急方案。造成損失或險些造成損失的事故及其他情況將被調查及妥為存檔作為致力管理風險之一部分。

風險狀況

下列各項闡述本集團的主要風險。

中國的房地產政策風險 — 本公司的房地產開發業務均於中國境內開展經營，2020年爆發的疫情對中國房地產市場運行造成一定衝擊，但中國政府保持房地產調控定力，堅持「房住不炒」定位不變。為促進房地產市場平穩運行，中央和地方多個城市出台若干支持房地產行業的財政政策和穩健的貨幣政策，包括下調貸款基礎利率、加大銀行信貸支持力度、鼓勵債券和股權融資等。為應對疫情帶來的影響，國家宏觀政策逆周期調節力度加大，地方因城施策也更加靈活。本公司管理層密切關注相關政策動向及行業發展趨勢以降低自身運營風險。

Corporate Governance Report

企業管治報告

RISK EXPOSURES (Continued)

Quality risk on property projects — quality of property projects not only affects the profitability of property developers, but also exerts a considerable impact on their corporate image and culture, and in turn their core competitiveness. The Company established a sound project control mechanism in relation to organizational structure, function division, recruitment and project management by clearly defining job flows, standards and reward and punishment system to enhance the implementation of other systems. Hence, the quality of the projects is guaranteed and improved.

Risk of fluctuations in cinema revenue — subject to the nature of industry, box office receipts represent a large part of revenue structure of cinema business. In 2020, while the Group's cinema business was hit hard by the Epidemic, but at the same time provided a rare opportunity for the Company to strengthen its internal capabilities and transform its operations digitally. During the period of closure, the cinema implemented a series of measures to actively cope with the Epidemic. Externally, the cinema was mindful of the country's preferential policies for the industry and fought for various subsidies; internally, it continued to improve its own channels to further enhance the loyalty of its members. Thanks to effective internal and external measures, the Company was able to complete and initiate the resumption of the cinema programme as soon as possible after the resumption of work, and was able to get back on track quickly.

Risk of losing top creative talent — the Company's enterprise cloud services business relies on core technical staff and key management personnel for research, development and innovation. In an increasingly competitive environment, maintaining a stable technical team and continuously attracting high quality and talented people are key factors for the Company to maintain its current market position and sustainability in the industry. Any future loss of the Company's core industry, product, operational, technical and management talent would have an adverse impact on the Company. To address the above risks, the Company has taken or intends to take the following measures: 1. establishing a performance- and competency-based selection and employment system to fully utilize the creative initiative and work potential of employees; 2. establishing a sound and reasonable pay scale mechanism, and setting salaries according to rank and competency; 3. establishing a flexible and diversified talent training and allocation mechanism; 4. establishing a talent crisis warning and control mechanism to reduce the loss caused by talent loss; 5. building a team knowledge base, replicating team output, and systematically storing key technical data.

Exchange risk — the Company is exposed to fluctuation in exchange rates as the Group's revenue is denominated in Renminbi while Hong Kong dollars are the reporting currency of the Group. The management will closely monitor the exchange exposure in order to keep the net exposure at an acceptable level and will consider effective hedging mechanisms to hedge significant foreign currency exposures when necessary.

風險狀況(續)

房地產項目質量風險 — 質量不僅影響房地產企業的獲利空間，且對企業形象、企業文化等產生不容忽視的影響，從而直接關係到房地產企業核心競爭力的提升。本公司從組織架構、職能分工、招採及工程管理等入手，構建起完善的工程管控體系，通過明確作業流程、標準和獎懲機制來強化其他各項制度的落實與貫徹，以保證並不斷提升工程質量水平。

影院收益波動風險 — 受限於行業本身特點，影院業務收益結構中票房佔比較高。2020年，本集團影院業務雖受到疫情較大衝擊，但同時也為公司的經營發展提供了一次難得的修煉內功以及數字化轉型的機會。停業期間，影院推行了一系列的舉措積極應對疫情。對外，關注國家對行業的優惠政策，爭取各項補貼收入；對內，不斷完善自有渠道，進一步增強了會員粘性。得益於富有成效的內外措施，使得公司在復工後，第一時間完成並啟動了影院復工方案，並迅速回歸經營正軌。

高端創意人才流失風險 — 本公司的企業雲服務業務的研發、創新依賴於核心技術人員和關鍵管理人員。在企業競爭日益激烈的大環境下，維持技術團隊穩定並不斷吸引高素質優秀人才的加盟是本公司在行業內保持現有市場地位和是否具有持續發展能力的關鍵。如果未來公司核心的行業、產品、運營、技術和管理人才流失，將會對公司產生不利影響。針對上述風險，本公司已採取或擬採取的措施主要包括：1. 建立以業績和能力為導向的選人用人制度，充分發揮員工的創作積極性和工作潛能；2. 建立健全合理的等級薪酬機制，按級、按能力定崗定薪；3. 建立靈活、多元化的人才培養和配置機制；4. 建立人才危機預警管控機制，降低人才流失造成的損失；5. 搭建團隊知識庫，複盤團隊產出，系統化沉澱重要技術資料。

匯率風險 — 本集團收益主要以人民幣計值，彙報貨幣為港幣，故公司會面臨外匯匯率波動風險。針對該風險，管理層密切監控外匯風險並將淨風險維持在可接受水平，並將於必要時考慮通過行之有效的對沖機制來規避重大的外匯風險。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Internal Audit and Monitoring Department is assigned with the task to perform regular reviews on the Group's internal control systems in respect of operational, financial and compliance aspects and will report the audit review findings or irregularities, if any, to the management and advise on the implementation of steps and actions required to enhance the Group's internal controls. The result of internal audit reviews and agreed action plans are reported to the Audit Committee and the Board.

Apart from reviewing the systems, the Audit Committee has also reviewed and is satisfied with the adequacy of resources, qualifications and experiences of staff of the Company's accounting and financial reporting function, and their training programs and budget. The Board acknowledges that the management has been progressively implementing an adequate internal control system to ensure the effective functioning of the Group's operational, financial and compliance areas, including the following key measures, policies and procedures:

i. financial reporting management:

- proper controls are in place to ensure the maintenance of a complete, accurate and timely record of accounting and management data;
- regular reports on revenue and ageing analysis of receivables and internal financial reports giving a balanced and understandable assessment of the Group's financial performance are prepared for the management;
- quarterly updates on internal financial statements giving a balanced and understandable assessment of the Group's performance, financial position and prospects in sufficient details are provided to all Directors; and
- annual audit is carried out by external auditor to ensure that the consolidated financial statements are prepared in accordance with generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

ii. the mechanism and procedures on disclosure of inside information to ensure, with the assistance of an internal work team (if required), that any material information which comes to the knowledge of any one or more officers should be promptly identified, assessed and forwarded to the Board (if appropriate);

內部監控

內部審計監察部被委派定期檢討本集團有關經營、財務及合規方面的內部監控系統，並向管理層報告審核檢討結果或不規範行為（如有）及就實施必要步驟及行動以提高本集團內部控制向彼等提供意見。內部審核檢討之結果及經協議之執行計劃乃向審核委員會及董事會彙報。

除檢討該等系統外，審核委員會亦已檢討本公司會計及財務彙報職能之資源、員工資格及經驗以及彼等之培訓計劃及預算之充足性並對此感到滿意。董事會知悉，管理層已逐步實施充分內部監控系統以確保本集團之營運、財務及合規範疇之有效運作，包括下列主要措施、政策及程序：

i. 財務報告管理：

- 已建立適當的監控程序，確保全面、準確及適時記錄會計及管理數據；
- 定期為管理層編制收益及應收貸款賬齡的報告和內部財務報告，以提供本集團財務表現的持平及易於理解的評估；
- 每季度向全體董事提供內部財務報表的更新，以提供本集團表現、財務狀況及前景的持平及易於理解的評估，並具有充足詳情；及
- 外部核數師進行年度審核以保證綜合財務報表的編制符合公認會計準則、本集團的會計政策及適用法律及法規。

ii. 內幕消息披露機制及程序，以在內部工作組（如需要）協助下，確保任何一名或多名高級人員得悉的任何重大資料須予及時識別、評估及提交（倘適用）董事會；

Corporate Governance Report

企業管治報告

INTERNAL CONTROL (Continued)

- iii. **the policies and practices on compliance with legal and regulatory requirements** which shall be reviewed and monitored regularly by the Audit Committee designated by the Board;
- iv. the Audit Committee designated by the Board to monitor, control and regularly review **continuing connected transactions** of the Company and ensure proper compliance with all relevant laws and regulations, the Listing Rules and the disclosure requirements; and
- v. a **whistle-blowing policy** for employees of the Group and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. The Group encourages reporting with real names and implements award policy if the reported suspicion is proved to be the case. Such arrangement will be reviewed by the Audit Committee to ensure that proper arrangement is in place for fair and independent investigation into the matters.

The Board and the Audit Committee have reviewed the Group's systems for the year ended 31 December 2020 and are not aware of any significant issues that would have an adverse impact on the effectiveness and adequacy of the systems, accordingly consider the systems effective and adequate.

內部監控(續)

- iii. 有關遵守法律及監管規定之政策與常規，由董事會委派之審核委員會定期檢討及監督；
- iv. 由董事會委派之審核委員會監察、控制及定期檢討本公司之**持續關聯交易**，確保妥為遵守一切相關法律及法規，上市規則以及披露規定；及
- v. 設立**舉報政策**以讓本集團僱員及其他與本集團有往來者（如客戶及供貨商）可暗中及保密的情況下就財務彙報、內部監控或其他事宜中的可能不當行為提出關注。鼓勵實名舉報，實行查實有獎政策。該等安排將由審核委員會檢討，確保有恰當安排就有關事項進行公平及獨立之調查。

截至2020年12月31日止年度，董事會及審核委員會已審閱本集團之系統，亦並無知悉任何可能對本集團之該等系統的有效性及充足性產生不利影響的重大問題，故此認為該等系統有效及充足。

Environmental, Social and Governance Report

環境、社會及管治報告

1. ABOUT THIS REPORT

This report is the fifth Environmental, Social and Governance (ESG) Report published by the Group. The purpose of this report is to provide a comprehensive overview of the Group's commitment to sustainable development in 2020, strengthen stakeholders' understanding and confidence in the Group, and promote the Group's continuous improvement.

Reporting scope

This report covers the core businesses of the Group from 1 January 2020 to 31 December 2020 (the "Year"), including cultural and media services, property development, enterprise cloud services, news media business and innovative business¹. Extensive stakeholder engagement and materiality assessments have also been carried out to determine the materiality issues included in this report.

Reporting standards

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (hereinafter referred to as the "Guide") set out in Appendix 27 of the Listing Rules. The contents covered herein are in compliance with the reporting responsibilities of "comply or explain" and the reporting principles of "materiality", "quantitative", "balance" and "consistency". This report has been reviewed and confirmed by the Board.

Preparation of report

This report is prepared in accordance with the requirements of the above guidelines through steps such as information collection, information review, report collaboration and management review, and with the support of all stakeholders, we are able to better understand the Group's current development in environmental and social aspects.

2. SUSTAINABLE DEVELOPMENT CONCEPT

While pursuing economic growth, the Group also takes into account the sustainable development of the environment and society. We have established a sustainable development management model, widely listen to and adopt the opinions of various stakeholders, and further integrate the concept of sustainable development into the daily operation of the Group.

In the face of opportunities and challenges such as economic globalization, social informatization, resource shortage and climate change, we identify and implement the United Nations Sustainable Development Goals ("SDGs") in the spirit of integrity, innovation and pragmatism, which is related to the Group, and integrate the global sustainable development trend into the Group's development strategy in a more targeted manner, so as to contribute to a better future.

¹ Except for the total number of employees and the total number of employees by gender, age group and geographical region, other indicators included in this report do not include Crabtree & Evelyn.

1. 關於本報告

本報告為本集團所發佈的第五份環境、社會及管治(ESG)報告。本報告旨在全面地概述本集團於2020年度可持續發展方面不遺餘力的表現，加強利益相關方對本集團的了解與信心，從而推動本集團持續進步。

報告範圍

本報告涵蓋本集團於2020年1月1日至2020年12月31日(下稱「本年度」)的核心業務，包括文化與傳播服務、房地產開發、企業雲服務、新聞傳播業務及創意商業¹等業務版塊。我們也進行了廣泛的利益相關方參與及重要性評估以釐定本年度報告所包含的重要性議題。

報告準則

本報告按照上市規則附錄二十七《環境、社會及管治報告指引》(下稱「《指引》」)編寫，涵蓋的內容均履行「不遵守就解釋」的匯報責任，遵循「重要性」、「量化」、「平衡」及「一致性」的報告原則。本報告已經董事會審閱並確認。

報告編寫

本報告的編寫參照上述指引的要求，透過信息收集、信息複核、報告協作、管理層審定等步驟進行，並得到各利益相關方的支持，促使我們更了解本集團目前在環境和社會層面的發展水平。

2. 可持續發展理念

本集團在追求經濟增長的同時，亦兼顧環境及社會的可持續發展。我們建立可持續發展管理模式，廣泛聽取和吸納各利益相關方的意見，並進一步將可持續發展理念融入本集團的日常運營。

面對經濟全球化、社會信息化、資源短缺及氣候變化等機遇與挑戰，我們本著誠信、創新和務實的精神識別和踐行聯合國可持續發展目標(「SDGs」)與本集團的關聯性，以其更針對性地將全球可持續發展趨勢整合於集團的發展策略中，從而為建設更美好的未來做出貢獻。

¹ 本報告統計範圍除僱員總數及按性別年齡組別及地區劃分的僱員總數，其他指標統計範圍不包含瑰珀翠。

Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

During the Year, we have identified the following SDGs that are material to the Group's operations.

2. 可持續發展理念(續)

本年度，我們識別出下列與本集團運營有重要關聯的可持續發展目標。

Scope 範圍	Sustainable Development Goals(SDGs) 可持續發展目標 (SDGs)	Our Actions 我們的行動
Environment 環境	 	- Conserve energy and water - 節能節水 - Promote paperless office - 推廣無紙化辦公 - Waste sorting - 垃圾分類 - Greenhouse gas emissions management - 溫室氣體排放量管理
Employment and Labour Practices 僱傭及勞工常規	  	- Equal employment opportunities - 平等就業機會 - Recruit diverse talents - 多元人才招聘 - Establish a robust training and promotion system - 健全的培訓及晉升體系 - Protect worker's safety and health - 員工安全及健康保障 - Provide reasonable remuneration and benefits - 合理薪酬及福利
Operating Practices 營運慣例	 	- Conduct quality management - 質量管理 - Safeguard information security - 保障信息安全 - Protect intellectual property - 維護知識產權 - Control marketing content - 嚴控營銷內容 - Establish a clean supply chain - 廉潔供應鏈
Community 社區		- Show concern for the underprivileged - 關懷弱勢群體 - Conduct volunteer activities - 開展義工活動

Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

Sustainable Development Awards for the Year

- HK01 won a number of press awards, including four US “Telly Awards”, six “20th Annual Consumer Rights Reporting Awards” and twelve “Spark Awards”
- CE Dongli won a number of awards, including “2020 Innovative Products in Mobile E-Commerce (2020 移動電商領域創新產品)”, “2020 Innovative People in Mobile E-Commerce (2020 移動電商領域創新人物)”, “2019-2020 Recommended Brands for Industrial Internet SaaS Service Users (2019-2020 年度產業互聯網SaaS服務用戶推薦品牌)”, “2020 Innovative Products in China SaaS (2020 中國SaaS領域創新產品獎)” and “2020 Best Technology Application in China SaaS (2020年度中國SaaS服務最佳技術應用獎)”



HK01 won the 20th Annual Consumer Rights Reporting Awards
香港01榮獲「第20屆消費權益新聞報道獎」



CE Dongli won the “2020 Innovative Products in Mobile E-Commerce”
中企動力榮獲「2020移動電商領域創新產品」

2. 可持續發展理念(續)

本年度可持續發展殊榮

- 香港01榮獲多項新聞獎，包括4項國際性的美國《Telly Awards》大獎、6項「第20屆消費權益新聞報道獎」及12項「卓越傳媒大獎」
- 中企動力榮獲多項獎項，包括「2020移動電商領域創新產品」、「2020移動電商領域創新人物」、「2019-2020年度產業互聯網SaaS服務用戶推薦品牌」、「2020中國SaaS領域創新產品獎」和「2020年度中國SaaS服務最佳技術應用獎」



HK01 won a number of awards of “Telly Awards”
香港01榮獲「Telly Awards」多項獎項



CE Dongli won the “2020 Best Technology Application in China SaaS”
中企動力榮獲「2020年度中國SaaS服務最佳技術應用獎」

Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

2.1 ESG Working Group

In line with the Group's sustainable development work plan, we have set up an ESG working group to assist the Board to supervise, implement, execute and formulate policies and work related to sustainable development, and actively explore and create opportunities for positive social impacts by communicating with various stakeholders to understand their opinions on the Group's development.

2. 可持續發展理念(續)

2.1 ESG工作小組

為配合本集團的可持續發展工作計劃，我們成立ESG工作小組，以協助董事會監管、實施、執行和制定有關可持續發展的政策和工作，透過與各利益相關方溝通以了解其對本集團發展之意見，積極探究和創造正面社會影響的機會。



Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

2.2 Communication with Stakeholders

The Group considers the views and expectations of stakeholders as an important factor in formulating our ESG strategy. We identified external and internal stakeholders, including shareholders, investors, employees, customers, media, suppliers, community/non-government organisations, etc., and proactively listened and understood their areas of concern through a variety of channels to strengthen our sustainability management capabilities.

The following are the main methods in which we communicate with our stakeholders:

2. 可持續發展理念(續)

2.2 利益相關方溝通

本集團將利益相關方的意見和期望作為我們制定 ESG 戰略的重要因素。我們識別了外部及內部的利益相關方，包括股東、投資者、員工、客戶、傳媒、供應商、社區／非政府團體等，透過多種渠道主動聆聽及了解他們關切的領域，以加強我們可持續發展管理的能力。

以下為我們與利益相關方主要的溝通方式：

Major stakeholders 主要利益相關方	Main communication methods 主要溝通方式
Shareholders 股東	Annual general meetings, interim and annual reports, corporate communications and results announcements 股東周年大會、中期報告與年報、企業通訊及業績公告
Investors 投資者	Results announcements 業績公告
Customers 客戶	Customer satisfaction surveys, customer service centers, visits by customer relationship managers, daily operations/communications, telephone and e-mail 客戶滿意度調查、客戶服務中心、客戶關係經理探訪、日常營運／交流、電話及郵箱
Employees 員工	Performance interviews, business briefings, seminars/workshops/lectures, employee suggestion boxes, employee communication meetings 工作表現晤談、業務簡報、研討會／工作坊／講座、員工意見箱、員工溝通大會
Suppliers 供應商	Supplier management procedures, meetings, supplier evaluation systems 供應商管理程序、會議、供應商評估制度
Regulatory authorities 監管機構	Meetings, compliance reports 會議、合規報告
Business partners 業務夥伴	On-site visits, meetings 探訪、會議
Media 傳媒	Press releases, results announcements 新聞稿、業績公告
Peers 同業	Strategic cooperation 策略性合作項目
Community/ Non-governmental organisations 社區／非政府團體	Volunteer services, community activities, seminars/lectures/workshops, donations 義工活動、社區活動、研討會／講座／工作坊、捐獻

Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

2.3 Materiality Assessment

We conducted an online questionnaire survey to interview stakeholders' concerns on the Group's sustainable development practices, which provided a reference for the formulation of strategy with corporate characteristics and the key disclosure scope of this report. Details are as follows:

2. 可持續發展理念(續)

2.3 重要性議題評估

我們採用在線問卷調查方式訪問了各利益相關方對本集團可持續發展實踐的關注議題，為制定具有企業特色的可持續發展策略和本報告的重點披露範圍提供了參考。其具體內容如下：



I. Issue identification 議題識別

We identified 21 ESG issues based on the Group's operational development, the disclosure requirements of the Guide and peer analysis.

我們根據本集團運營發展、《指引》披露要求和進行同業分析，識別出21項議題。



II. Stakeholder survey 利益相關方調研

By inviting stakeholders to participate in the online questionnaire survey, the Group collected their concerns on various ESG issues and their opinions and expectations on the Group's sustainable development.

通過邀請各利益相關方參與線上問卷調研，收集他們對各ESG議題的關注程度，以及對本集團可持續發展工作的意見和期望。



III. Determination of materiality 釐定重要性

Based on the impact of the Group's strategic operation and the impact on stakeholders, the materiality of each issue in the list was ranked by the results of the questionnaire survey, and the materiality matrix for the Year was finally analyzed.

按照本集團戰略運營影響程度以及對利益相關方影響程度兩個方面，結合問卷調查結果對清單中各項議題的重要程度進行排序，最終分析得出本年度的重要性議題矩陣。

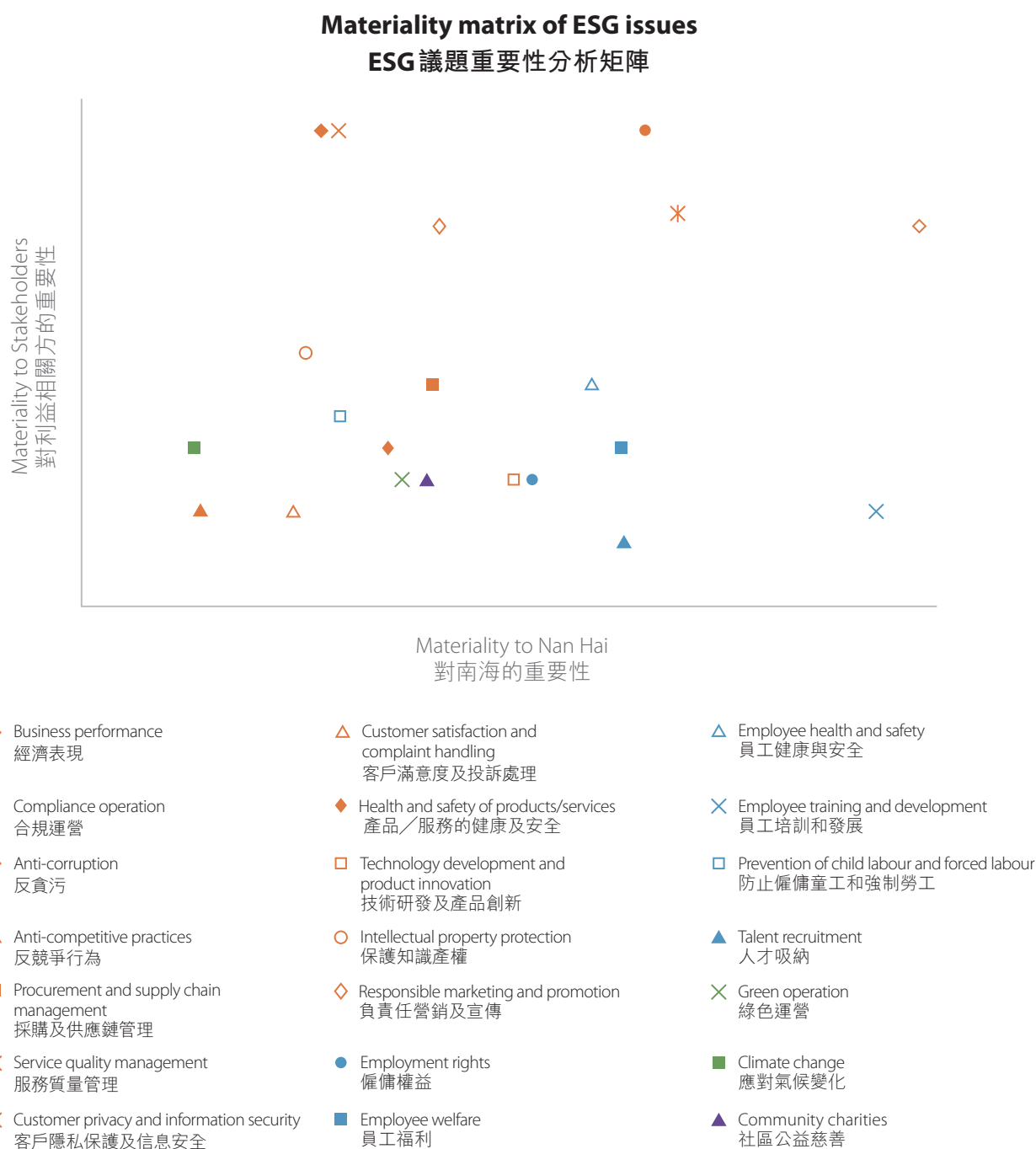
Environmental, Social and Governance Report

環境、社會及管治報告

2. SUSTAINABLE DEVELOPMENT CONCEPT (Continued)

2.3 Materiality Assessment (Continued)

The Group's ESG materiality matrix in 2020 is shown below.



2. 可持續發展理念(續)

2.3 重要性議題評估(續)

本集團2020年環境、社會及管治重要性議題矩陣圖如下。

Environmental, Social and Governance Report

環境、社會及管治報告

3. STRENGTHENING COMPLIANCE OPERATION

3.1 Strengthening Integrity

The Group adheres to the principle of “integrity and diligence” and strictly complies with relevant laws and regulations such as the Company Law of the People’s Republic of China (中華人民共和國公司法), Listing Rules and the Anti-Unfair Competition Law of the People’s Republic of China (中華人民共和國反不正當競爭法). In order to further standardize the professional behavior of employees, establish a good atmosphere of integrity, diligence and dedication, and prevent acts that damage the Company’s interests, the Group has formulated the “Anti-fraud Management System” (反舞弊工作管理制度). Our anti-fraud policies and related measures provide effective internal communication and training to employees and management in different forms to ensure that employees receive training on relevant laws and regulations and professional ethics, and help employees identify behaviours involving integrity and ethics. The Group has established a comprehensive “Internal Audit System” (內部審計制度), which clearly defines the responsibilities and authorities of internal control positions, and is required to strictly comply with the “China Internal Audit Standards” (中國內部審計準則), maintain integrity and free from interference from any company, department and personnel within the Group, ensure that the operating activities of each subsidiary are in compliance with laws and regulations, and promote the successful achievement of development strategies and business plans.

The Group adheres to a zero-tolerance attitude towards extortion, bribery, fraud and money laundering. We have established a whistle-blowing channel, under which any entity or individual can report any unethical and dishonest behaviour to the Group in real name by phone, email, etc. We encourage all departments to communicate the information about the Group’s anti-fraud policies and feedback channels to external customers and suppliers, and maintain a smooth anti-fraud information channel. We also conducted investigation and evidence collection based on the principles of independence, objectivity and impartiality and reported to the management or the Audit Committee. All reported and investigated fraud cases will be filed in a timely manner as required.

3. 強化合規經營

3.1 鞏固廉潔

本集團秉承「誠信勤勉」的方針，嚴格遵循《中華人民共和國公司法》、《上市規則》、《中華人民共和國反不正當競爭法》等相關法律法規。為進一步規範員工的職業行為、樹立廉潔從業和勤勤勉業的良好風氣，以防止損害公司利益的行為發生，本集團制定《反舞弊工作管理制度》。我們的反舞弊政策及有關措施以不同形式向員工、管理層等進行有效的內部溝通和培訓，確保員工接受有關法律法規和職業道德規範的培訓，幫助員工識別涉及誠信道德的行為。本集團建立完善的《內部審計制度》，明確了內控崗位的職責及權限，並需嚴格遵守《中國內部審計準則》、保持廉潔、不受集團內任何公司、部門和人員干涉，確保各附屬公司經營活動合法合規，促進發展戰略和經營計劃順利達成。

本集團堅持對勒索、賄賂、欺詐和洗黑錢等行為採取零容忍的態度。我們設有舉報渠道，任何單位或個人均可以電話、電子郵件等方式，向本集團以實名舉報任何不道德和非誠信行為。我們鼓勵各部門向外部客戶、供應商傳達集團的反舞弊政策及反饋渠道，保持反舞弊信息渠道暢通。我們依據獨立、客觀、公正原則進行調查取證和向管理層或審核委員會匯報。所有舉報和調查處理後的舞弊案件報告材料，會按規定及時立卷歸檔。

Environmental, Social and Governance Report

環境、社會及管治報告

3. STRENGTHENING COMPLIANCE OPERATION (Continued)

3.2 Quality Management

The Group's business spans a wide range of industries, and each business segment implements strict management procedures for product quality and customer service. We comply with the Advertising Law of the People's Republic of China (中華人民共和國廣告法), the Law of the People's Republic of China on the Protection of Consumer Rights and Interests (中華人民共和國消費者權益保障法) and other provisions on the protection of customers' legitimate rights and interests, and strive to create high-quality safety products and services in accordance with the development concept of exceeding customers' expectations and satisfying customers' requirements, so as to continuously enhance our brand reputation and credibility. During the Year, the Group received 3,452 complaints with 99.9% settlement rate and 96.8% customer service rating.

In the field of culture and media services, our customer service methods involve WeChat terminal, call center, etc., and we have comprehensively upgraded the call center and listened to our customers in various ways to do our best for them. We have formulated customer service specifications and service management manuals for the Group's cinemas to provide service guidance in principle for customer service positions to meet customer needs and enhance customer satisfaction.

In terms of product quality and safety, we did not have any product return due to safety or health problems during the Year. In the field of property development, the property management company of the Group held a number of community cultural activities, such as festival activities and experience activities, to maintain the relationship with property owners and create a harmonious and warm community atmosphere; formulated property service standards, provided 24-hour real estate butler services, and continued to promote professional capabilities, communication services and good teams to higher business development platforms. The property companies under the Group improved the quality of construction products by regulating the acceptance management of construction materials and products for each construction project of the Group. At the same time, the transmission process of engineering data and documents was well defined, and engineering department shall strictly follow the architectural drawings and construction drawings.

3. 強化合規經營(續)

3.2 質量管理

本集團的業務橫跨多個不同行業，各業務板塊對於產品質量和客戶服務實行嚴謹的管理流程。我們遵守《中華人民共和國廣告法》及《中華人民共和國消費者權益保障法》等關於客戶合法權益保障的規定，以超越客戶期望、滿足客戶要求為發展理念，努力創造優質安全的產品和服務，不斷提升品牌美譽度和信任感。本年度，本集團接獲了3,452宗投訴，辦結率為99.9%，客戶服務好評度達96.8%。

在文化與傳播服務領域，我們的客戶服務方式涉及微信端，呼叫中心等，並且對呼叫中心進行了全面升級，多方面聽取客戶意見，為客戶做到最好。我們為本集團影院編製客戶服務規範和服務管理手冊，為客服崗位提供原則性的服務指導，以滿足客戶需求和提升客戶滿意度。

關於產品質量及安全方面，本年度我們沒有因安全或健康問題而需要退回產品。在房地產開發領域，本集團的物業服務公司通過舉辦多項社區文化活動，如節日活動、體驗活動等，以維系業戶關係，創建和諧溫暖的社區氛圍；制定物業服務標準，提供24小時房地產管家服務，將專業能力、溝通服務和良好的團隊繼續推向更高的展業平台。旗下房地產公司通過規範集團各建築項目對工程材料和產品的驗收管理，提高建築產品質量。同時，明確各部門對工程數據文件的傳輸流程、工程部需嚴格按照報建圖和施工圖執行工作。

Environmental, Social and Governance Report

環境、社會及管治報告

3. STRENGTHENING COMPLIANCE OPERATION (Continued)

3.2 Quality Management (Continued)

In the field of enterprise cloud services, CE Dongli has implemented the "First Serve Accountability System" (首問責任制) which is handled by a professional customer service team. We provide corresponding services or guidance in accordance with the established procedures to effectively and consistently maintain customer service quality.

In the field of news media business, HK01 has established a management process for product and technology development projects, which requires quality control and quality reports for all products in the development process, etc. HK01 provides internet promotion and technical support of electronic transactions to small merchants to enhance the application of electronic transactions and increase the brand penetration at the community level.

Meanwhile, the Group understands the importance of responsible marketing and ensures that sales and promotional information comply with the relevant legal regulations such as the Advertising Law of the People's Republic of China (中華人民共和國廣告法). All external disclosures must be internally reviewed and approved before being released to the public to ensure that the public receives accurate information and that no false information such as misrepresentation or exaggeration is used to deceive consumers.

3.3 Information Safety

The Group strictly complies with the relevant laws and requirements of privacy protection and information protection safety in the regions where it operates, such as the Regulations of the People's Republic of China for Safety Protection of Computer Information Systems (中華人民共和國計算機信息系統安全保護條例) and the Measures for Security Protection Administration of the International Networking of Computer Information Networks (計算機信息網絡國際聯網安全保護管理辦法). In terms of system information safety management, we manage the collection, collation, storage, utilization and filing of files of various departments, strengthen the storage of customer data and documents safety, avoid the legal risks caused by the leakage of customer personal information, and effectively protect customer privacy. During the Year, the Group did not experience any material incidents of data leakage.

3. 強化合規經營(續)

3.2 質量管理(續)

在企業雲服務領域，中企動力實行《首問責任制》，並由專業的客服團隊處理。我們按既定的程序提供相應服務或引導，有效及持續地客服質量。

在新聞傳播業務領域，香港01對產品與技術研發項目制定管理流程，所有研發過程中的產品需進行質量監控和編寫質量報告等。香港01向小商戶提供互聯網宣傳及電子交易技術支持，加強電子交易的應用，同時增加品牌於社區層面的滲透度。

同時，本集團明白負責任營銷的重要性，確保銷售及宣傳信息均符合《中華人民共和國廣告法》等相關法律法規。所有對外披露內容需經內部審核和批准後方可對外發佈，確保公眾接收準確的信息，不以虛報或誇大等不實信息欺騙消費者。

3.3 信息安全

本集團嚴格遵守業務所在地區有關隱私保護及信息安全的相關法例和規定，如《中華人民共和國計算機信息系統安全保護條例》及《計算機信息網絡國際聯網安全保護管理辦法》等。在系統的信息安全管理方面，我們對各部門的檔案收集、整理、保管、利用及歸檔進行管理，加強客戶數據和文件的安全保管，避免客戶個人信息洩露帶來的法律風險，切實有效保護客戶隱私。本年度，本集團沒有發生任何數據洩露的重大事故。

Environmental, Social and Governance Report

環境、社會及管治報告

3. STRENGTHENING COMPLIANCE OPERATION (Continued)

3.4 Procurement Management

The Group strictly abides by the Bidding Law of the People's Republic of China (中華人民共和國招標投標法), the Regulation on the Implementation of the Bidding Law of the People's Republic of China (中華人民共和國招標投標實施條例) and relevant local laws and regulations, and conducts our tenders and procurements based on the principle of transparency, fairness and integrity to prevent corruption and fraud. Each business segment has developed a supplier and procurement management framework that is suitable for its needs to monitor suppliers' performance capabilities and service quality. The Group's suppliers are diversified and mainly provide materials and equipment, engineering construction and technical services for various business segments.

In the field of culture and media services, cinemas under the Group have established the "Centralized Procurement Process" (集中採購流程) and "Centralized Procurement Supplier Management Process" (集中採購供應商管理流程), which details the work process and supplier bidding process in respect of procurement's needs, tendering and procurement, confirmation of suppliers, product acceptance, etc., and conduct annual evaluation for suppliers to update the qualified supplier database. Partners are required to sign the "Compliance Policy and Integrity Agreement" (合規政策與廉潔協議) to strengthen the compliance cooperation and integrity construction of both parties, work together to combat corruption and fraud, and build a fairer and more responsible industrial practices.

In the field of property development, Nan Hai Development has formulated guidelines for the tendering and procurement of suppliers, and conducts risk assessments for tendering and procurement for each project, which are subject to approval to ensure the quality of procurement.

In the field of enterprise cloud services, suppliers involved include servers, network equipment and accessories, and domain name providers. CE Dongli has formulated the "Procurement Management System" (採購管理制度), which advocates the clear responsibilities of procurement, regulates the behavior of procurement, ensures the quality of procurement, improves the efficiency of procurement and enhances economic benefits.

3. 強化合規經營(續)

3.4 採購管理

本集團嚴格遵守《中華人民共和國招標投標法》、《中華人民共和國招標投標實施條例》及運營當地相關法律法規，以透明公正、廉潔奉公為原則進行招標採購，杜絕貪污舞弊行為。各業務板塊制定了適合其需要的供應商及採購管理框架，以監察供應商的履約能力及服務質素。本集團的供應商種類多元，主要為各業務板塊提供材料設備、工程施工和技術服務等。

在文化與傳播服務領域，旗下的影院建立《集中採購流程》和《集中採購供應商管理流程》，詳細規範採購需求、招採、確認供應商、產品驗收等方面的工作流程和供應商招標的程序，為供應商進行年度評估以更新合格供應商庫；合作夥伴需簽署《合規政策與廉潔協議》，加強雙方合規性合作與廉潔建設，攜手打擊腐敗和舞弊行為，構建更公平、更負責任的行業生態。

在房地產開發領域，南海發展制定供應商招採工作指引，為各工程施工項目進行招採工作風險評估，並需經審批以確保工程採購的質量。

在企業雲服務領域，涉及的供貨商包括服務器、網絡設備及配件、域名提供方等。中企動力制定《採購管理制度》，提倡明確採購責任，規範採購行為，保證採購質量，提高採購效率及提高經濟效益。

Environmental, Social and Governance Report

環境、社會及管治報告

3. STRENGTHENING COMPLIANCE OPERATION (Continued)

3.5 Intellectual Property

The Group respects intellectual property and prohibits any infringement such as monopoly, counterfeiting and piracy in the industry. We comply with relevant laws and regulations on the protection of intellectual property rights such as the Trademark Law of the People's Republic of China (中華人民共和國商標法) and the Patent Law of the People's Republic of China (中華人民共和國專利法) to protect the legitimate rights and interests of the Group, and ensure that the Group's intellectual property is respected and protected. During the Year, the Group had 58 registered patents.

In the field of culture and media services, we have formulated the "Administrative Measures for Intellectual Property" (知識產權管理辦法) and the "Implementation of Articles" (實施細則) to regulate the processes of trademarks, patents, copyrights application and use.

In the field of property development, we have formulated the "R&D Project Establishment Management System" (研發項目立項管理制度) and the "R&D Confidentiality Management System" (研發保密管理制度) to protect the legitimate rights and interests of the Company if infringement occurs.

In the field of enterprise cloud services, we have formulated the "Intellectual Property Management System" (知識產權管理制度) to regulate the management of patents, copyrights, trademarks and domain name registration, so as to protect the Company's intellectual property rights.

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY

The Group attaches great importance to environmental protection and strictly abides by the Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法), the Pollution Prevention and Control Law of the People's Republic of China (中華人民共和國污染防治法) and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法) and other laws and regulations related to environmental protection. As a listed company with diversified businesses, while pursuing the creation of economic value, we always adhere to the concept of harmonious development with the environment and are committed to the green business. During the Year, we did not receive any cases of non-compliance in relation to environmental regulations that have a significant impact on the Group.

3. 強化合規經營(續)

3.5 知識產權

本集團尊重知識產權，嚴禁任何行業壟斷、仿冒及盜版等侵權行為。我們遵守《中華人民共和國商標法》、《中華人民共和國專利法》等保護知識產權的相關法律法規、積極保護自身合法權益，確保本集團的知識產權受到尊重及保障。本年度，本集團有58件保持註冊的專利。

在文化與傳播服務領域，我們制定了《知識產權管理辦法》及《實施細則》，規範商標、專利、著作權申請、使用等流程。

在房地產開發領域，我們訂立的《研發項目立項管理制度》及《研發保密管理制度》為維護公司的合法權益不受侵犯。

在企業雲服務領域，我們制定了《知識產權管理制度》，對專利、著作權、商標、域名註冊等規範管理，保護公司知識產權權益。

4. 履行環境責任

本集團重視環境保護，嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國污染防治法》及《中華人民共和國固體廢物污染環境防治法》等與環保相關的法律法規。作為一家業務多元化的上市公司，我們在追求創造經濟價值的同時，時刻積極踐行與環境和諧發展的理念，切實致力於綠色環保事業。本年度，我們並無接獲任何有關環保法規而對本集團構成重大影響的違規個案。

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.1 Carbon Emission Control

In order to closely monitor the Group's green operations and energy saving results, environmental data from each business segment is collected and fully documented through this reporting platform so that we can track the data sources and prepare for future target setting.

We have disclosed and compared the greenhouse gas emissions and energy consumption in the report in a transparent manner, striving to reduce the carbon footprint in our operations and achieve a low-carbon economy. To calculate the GHG emissions performance of environmental Key Performance Indicators (KPIs), we refer to the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development and the ISO14064-1 published by the International Standardization Organization to ensure compliance with the reporting principles of consistency. In 2020, the Group's greenhouse gas emissions amounted to 66,585.64 tonnes of carbon dioxide equivalent².

4.2 Green Operation

The significant impacts of the Group's business activities on the environment and natural resources mainly include electricity consumption, office resources consumption, greenhouse gas emissions and air pollutant emissions in daily office operations. We ensure efficient use of resources in our operations, while encouraging the reuse and recycling of waste, reducing energy consumption and conserving water, in order to reduce the environmental and human impact of our production and operation activities, protect biodiversity and develop a green and circular economy.

Air Emissions Management

The Group's air emission comes from the use of Group's vehicles and consumption of gaseous fuel. During the Year, 769.42kg of nitrogen oxides, 3.80kg of sulphur dioxide and 37.47kg of particulate matter were emitted by the Group. We will effectively reduce emissions through continuous monitoring and maintenance.

4. 履行環境責任(續)

4.1 碳排放控制

為密切監督本集團的綠色運營及節能成果，我們透過本報告平台，收集各業務板塊的環保數據，並進行完整的歸檔，以便追蹤數據源及為未來訂立目標作好準備。

我們在報告中透明地披露及比較溫室氣體排放及耗能的情況，致力減少在運營時的碳足印，實現低碳經濟。為計算環境關鍵績效指標的溫室氣體排放表現，我們參考世界資源研究所與世界可持續發展工商理事會開發的《溫室氣體盤查議定書》及國際標準化組織訂定的ISO14064-1進行計算，確保符合一致性的匯報原則。2020年度，本集團溫室氣體排放量為66,585.64噸二氧化碳當量²。

4.2 綠色運營

本集團業務活動對環境及天然資源的重大影響主要包括日常辦公運營涉及的電力消耗、辦公資源消耗、溫室氣體排放和空氣污染物排放。我們確保在運營過程中能有效利用資源並同時鼓勵重用和回收廢棄物，減少能源消耗、節約用水、以減輕生產和經營活動對於環境及人身的影響，保護生物多樣性，發展綠色循環經濟。

空氣排放物管理

本集團的空氣排放物產生自公務車輛使用及氣體燃料消耗。本年度，本集團排放了氮氧化物769.42千克，二氧化硫3.80千克，懸浮粒子37.47千克。我們將透過持續監察及進行保養，以有效降低排放量。

² Please refer to Appendix I for sustainability data.

² 可持續發展數據可參閱附錄一。

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.2 Green Operation (Continued)

Energy Conservation

In 2020, according to the prevention and control of Epidemic and industry regulatory requirements in various regions of the PRC, the Group's cinemas were temporarily suspended for most of the time, resulting in a significant decrease in electricity consumption. During operations, the Group consumed a total of 83,545,382.70 kilowatt hours of electricity and 305,840.80 tonnes of steam. The Group also regularly reviews and updates its green office practices and actively promotes the concept of a carbon footprint reduction among its employees to continuously reduce the environmental impact of its business operations and implement effective energy management. The following table sets forth the energy saving measures adopted by the Group in 2020:

4. 履行環境責任(續)

4.2 綠色運營(續)

節約能源

於2020年，根據中國各地對疫情防控及行業監管要求，本集團影院大部分時間暫停營業，因此耗電量大幅下降。本集團在運營過程中的總耗電量為83,545,382.70千瓦時、蒸汽量為305,840.80噸。本集團亦定期檢視及更新綠色辦公措施，積極向員工灌輸減碳足印的概念，持續降低業務運營對環境的影響，實踐有效能源管理。下表列舉本集團於2020年內採取的節能措施：



Lighting systems
照明系統

- Use glass partitions to deploy natural light at the Group's headquarters
本集團總部以玻璃材料作間隔，充分利用自然光
- Adopt lighting colour management systems at the Group's cinemas
本集團影院採用照明色點管理系統
- Turn off the lights when the office areas are not in use
不使用辦公室時，務必關掉電燈
- Install independent switches to avoid turning on unnecessary lightings
設立獨立開關，避免開啟不必要的照明區域
- Prioritize to replace energy saving lightings if needed
如需更換燈具，會優先選擇節能燈
- Clean all lightings on a regular basis to maintain and improve efficiency
定期清潔燈具，保持及提升效率



Air-conditioning systems
空調系統

- Clean the filters and fan coil units to maintain the efficiency of air conditioning systems
定期清洗過濾網或盤管式風機，保持空調系統高效能
- Turn off the air conditioners when the office areas are not in use
不使用辦公室時關掉空調



Electronic devices and appliances
電子設備及電器

- Set idle computers to enter auto standby/sleep mode
設定電腦閒置時進入自動待機/睡眠模式
- Turn off electronic devices completely during non-working hours
於非工作時間把電子設備完全關掉

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.2 Green Operation (Continued)

Water Conservation

During the Year, the Group consumed a total of 615,428.83 tonnes of water and 133,857.88 tonnes of reclaimed water in its operations. In order to continuously save water, we have adopted the following specific measures:

- Turn off the tap
- Immediate repair of dripping taps
- Regular checking of water meter readings and hidden water leakage
- Use of reclaimed water

Waste Management

The Group promotes waste reduction at source and ensures waste is properly sorted, treated, reused and recycled. We advocate paperless office and establish an information platform covering various aspects of office management to promote the integration of process management, centralized office operation, real-time inquiry of rules and regulations and information release. During the Year, we produced 2,277,465.59 kg of non-hazardous waste and 209,680.22 kg of recycled waste, and produced 10,905.59 kg of hazardous waste³.

Paper saving

節約用紙

- The Group uses an electronic office system (OA System) to replace its paper-based office administration system.
- 本集團使用電子辦公系統(OA System)取代以紙張記錄為主的辦公室行政系統
- Post paper-saving signs at the prominent places to remind our employees to copy documents on both sides or re-use paper
- 顯眼處張貼告示，提醒員工採用雙面影印或使用再用紙
- Place recycling bins next to the printers to collect waste paper for further processing
- 於打印機旁放置回收箱，統一收集廢紙張再作進一步處理
- Re-use paper or print documents on both sides
- 重複使用或雙面打印文件
- Use waste paper for note-taking
- 使用廢紙記事

4. 履行環境責任(續)

4.2 綠色運營(續)

節約用水

本年度，本集團在運營過程中的總耗水量為615,428.83噸、中水使用量為133,857.88噸。為了持續節約用水，我們採取以下針對性的措施：

- 關緊水龍頭
- 立即維修滴水的水龍頭
- 定期檢查水表讀數及有無隱蔽的漏水現象
- 實行中水使用

廢棄物管理

本集團推動源頭減廢，並確保廢棄物獲得妥善分類、處理、循環再利用及回收。我們提倡無紙化辦公，建立涵蓋辦公管理各個領域的信息化平台，促進流程管理、辦公業務集中處理、規章制度實時查詢、信息發佈一體化。本年度，我們的無害廢棄物產生量為2,277,465.59千克、回收量為209,680.22千克；有害廢棄物產生量為10,905.59千克³。

Waste management

廢棄物管理

- Reduce the use of disposable and non-recyclable products
- 減少使用一次性及不可回收的產品
- Assess material usage and avoid overstocking
- 評估物料用量，避免存貨過多
- Re-use envelopes, binders, file cards and other stationery
- 重複利用信封、活頁夾、檔案卡及其他文儀用品
- Re-use penholders with pen refills to avoid abandoning the entire pen
- 使用替換筆芯以重複利用筆桿，避免棄用整支筆
- Waste sorting and recycling
- 垃圾分類及回收

³ Data includes the amount of hazardous waste generated from computers, batteries, used ink cartridges, used toner cartridges, computer monitors and tablets.

³ 數據包括電腦、電池、廢墨盒、廢碳粉盒、電腦顯示器和平板電腦等有害廢棄物產生量。

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.2 Green Operation (Continued)

Waste Management (Continued)

4. 履行環境責任(續)

4.2 綠色運營(續)

廢棄物管理(續)

Case: Waste Sorting Management in Sino-i Campus

案例分享：數碼莊園垃圾分類管理

In response to the official implementation of the “Regulations on the Management of Domestic Waste in Beijing” (北京市生活垃圾管理條例) on 1 May 2020, we further promoted the waste sorting in the Sino-i Campus. By changing the location of waste bins in the campus and office areas, employees are encouraged to produce less waste and are guided to separate waste. Food waste bins are no longer set in the office area, and only recyclable waste and other waste bins are placed; hazardous waste stations are set at designated locations in the campus; food waste bins are only placed in designated areas where dining is allowed. Taking into account the actual situation of the campus, the Group has established a take-away dining area that integrates meal collection, dining, rest and waste classification, which effectively classified waste and created a warm and comfortable place for employees.

為響應於2020年5月1日正式實施的《北京市生活垃圾管理條例》，我們進一步推行數碼莊園區垃圾分類工作。透過改變園區和辦公區垃圾桶的位置，減少員工製造垃圾的意識，以及引導他們進行垃圾分類。辦公區不再設置廚餘垃圾桶，僅擺放可回收垃圾、其他垃圾兩類垃圾桶；有害垃圾站設置在園區的指定地點；廚餘垃圾桶只在指定允許就餐的區域擺放。因地制宜地結合園區實際情況打造了集取餐、用餐、休息、垃圾分類等為一體的外賣就餐區，有效進行垃圾精準分類的同時，也為員工打造一個溫馨和舒適的休憩地。



Takeaway dining area and sitting area in the campus
園區內的外賣就餐區和休憩地



Bin locations in the campus
園區內的垃圾桶擺放位置

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.3 Green Design

The Group actively explores the field of green building. In the field of property development, Nan Hai Development aims to design and build energy-efficient and environmentally-friendly properties, and is committed to ensuring that our buildings meet the national requirements for green building standards and reduce the impact on the environment. Since the stereoscopic greening project of "Free Man Garden" won the Gold Award for Overseas Projects from LIAS Awards in Singapore in 2019, Cui Lu Technology continued to promote the research and development of stereoscopic greening technology system during the Year to continuously satisfy people's pursuit of a better urban life.

4. 履行環境責任(續)

4.3 綠色設計

本集團積極探索綠色建築領域。在房地產開發領域，南海發展以設計和建造高能源效益而環境友善的物業為目標，致力確保我們的建築符合國家對綠色建築的標準，減少對環境造成的影響。翠錄科技自2019年藉綠色建築項目「自由人花園」的立體綠化工程榮獲新加坡LIAS Awards海外項目金獎認可後，於本年度繼續推進立體綠化技術體系研發，不斷滿足人們對城市美好生活的追求。

Case: Research and Development of Green Technology System of Cui Lu Technology

案例分享：翠錄科技綠化技術體系研發

(I) A number of products are included in the "Catalogue of Applicable Technologies and Products for Green Building in Shenzhen"

In March 2020, a number of products of Cui Lu Technology were included in the "Catalogue of Applicable Technologies and Products for Green Building in Shenzhen". The catalogue aims to further standardize the green construction industry market, help the industry fully understand the technologies and products applicable to urban green buildings, promote technological innovation, set industry benchmarks, and provide systematic technical and product application references for projects, so as to create high-quality green buildings.

(一) 多項產品入選《深圳市綠色建築適用技術與產品推廣目錄》

2020年3月，翠錄科技多項產品入選《深圳市綠色建築適用技術與產品推廣目錄》。該目錄旨在進一步規範綠色建築行業市場，幫助行業全面了解城市綠色建築適用的技術和產品，推動科技創新，樹立行業標桿，為項目提供系統的技術與產品應用參考，從而打造高品質的綠色建築。



A number of products of Cui Lu Technology are included in the "Catalogue of Applicable Technologies and Products for Green Building in Shenzhen".
翠錄科技多項產品入選《深圳市綠色建築適用技術與產品推廣目錄》

Environmental, Social and Governance Report

環境、社會及管治報告

4. FULFILLING ENVIRONMENTAL RESPONSIBILITY (Continued)

4.3 Green Design (Continued)

4. 履行環境責任(續)

4.3 綠色設計(續)

Case: Research and Development of Green Technology System of Cui Lu Technology

案例分享：翠籙科技綠化技術體系研發

(II) “Green Black Technology for the Vertical” — The intelligent respiratory curtain wall system was first introduced

In August 2020, Cui Lu Technology exhibited the newly developed intelligent respiratory curtain wall system at the 16th International Green Building and Building Energy Saving Conference and New Technology and Products Expo (第十六屆國際綠色建築與建築節能大會暨新技術與產品博覽會) (the “Green Expo”) for the first time. The system has been awarded a number of national patents, with the core advantages of assembly, integration, automation and intelligence, and has integrated various functions such as automatic plant-picking and placing of module and automatic leaf pruning, which is a new system that will revolutionise existing vertical greening techniques.

(二)「垂直綠化黑科技」— 智能呼吸幕牆系統首次亮相

2020年8月，翠籙科技於「第十六屆國際綠色建築與建築節能大會暨新技術與產品博覽會」（簡稱綠博會）首次展出了新研發的智能呼吸幕牆系統。該系統榮獲多項國家專利，以裝配化、集成化、自動化、智能化為核心優勢，集成了自動取放植物模塊、自動修剪植物枝葉等多種功能，是一套足以革新現有垂直綠化工藝的全新系統。



Intelligent respiratory curtain wall system developed by Cui Lu Technology

翠籙科技研發的智能呼吸幕牆系統

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH

Talent is the foundation for the sustainable development of an enterprise. On the basis of protecting the basic rights and interests of employees, the Group strengthens the team building from the three aspects of talent introduction, training and development, striving to create a warm and competitive working environment for our excellent team and promote the mutual growth of employees and the Group.

5.1 Rights and Benefits

The Group complies with the Labour Law of the People's Republic of China (中華人民共和國勞動法), the Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法) and the Provisions on the Prohibition of Using Child Labour of the People's Republic of China (中華人民共和國禁止使用童工規定) and other labour and social security regulations, including signing labour contracts with employees as required, prohibiting forced labour and the use of child labour, anti-discrimination against age, gender and any other aspects, to protect the legitimate rights and interests of employees. We ensure that the candidates have reached the legal working age by checking their identity documents in recruitment processes. During the Year, the Group did not have any non-compliance cases relating to child labour or forced labour.

Each subsidiary of the Group has formulated the "Employee Handbook" (員工手冊) for its employees, which sets out the requirements on remuneration and dismissal, employee benefits, recruitment and efficiency management, working hours, holidays, etc., and specifies the rights, responsibilities and obligations of employees during their service period, so as to establish a fair system for employees to serve the Group and provide them with opportunities for professional development. We also determine the annual human resources development plan in accordance with the "Guidelines on Annual Business Plan and Budget Management" (年度經營計劃及預算管理工作指引), including organizational structure, labour cost budget, talent development plan, etc.

5. 促進員工成長

人才是企業可持續發展的根本。本集團在保障員工基本權益基礎上，從人才引進、培訓和發展三方面加強團隊建設，致力為我們的優秀團隊營造一個溫暖並富有競爭力的工作環境，促進員工與本集團共同成長。

5.1 權益與福利

本集團遵循《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國禁止使用童工規定》等勞動及社會保障法規，包括按要求與員工簽訂勞動合同、禁止強制勞工及使用童工、反對年齡、性別及其他任何方面的歧視等，以保障員工的合法權益。我們透過於招聘過程中核查求職者的身份證明文件，以確保其已達到合法用工年齡。本年度，本集團並沒有發生任何聘用童工或強制勞工的違規個案。

本集團各附屬公司為員工制訂《員工手冊》，列明薪酬及解僱、員工福利、招聘及績效管理、工作時數、假期等規定，明確員工在服務期間的權利、責任和義務，以建立員工能於公平的制度下為本集團服務，並賦予專業發展的機會。我們亦根據《年度經營計劃及預算管理工作指引》，確定年度人力資源發展規劃，包括組織架構、人工成本預算、人才發展計劃等。

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5.1 Rights and Benefits (Continued)

In terms of employees recruitment, the Group attracts talents through various channels such as online recruitment, headhunting recruitment, campus recruitment and internal recommendation to achieve reasonable allocation of human resources. In terms of remuneration and benefits, the remuneration of the Group's employees is based on their competitiveness, experience, skills and job qualification requirements, and annual salary review will be conducted. In addition to providing employees with statutory benefits, such as five social insurances and one housing provident fund and statutory holidays, we also provide employees with health check-ups and festival benefits. All business segments will provide supplementary benefits to employees according to their corporate characteristics. For example, in the field of culture and media services, the Company provides free electronic movie tickets to encourage employees who do not work in cinemas to watch movies in the cinemas of the Group. We have formulated the "Guidelines on Organizational Performance and Bonus Incentives" (組織績效與獎金激勵工作指引) to continuously improve the organizational performance appraisal system, and set bonus incentives based on the annual performance appraisal results to meet the career needs of employees for continuous growth and self-realization.

The Group stipulates that dismissal shall be conducted in accordance with the circumstances as defined in the Employee Handbook and relevant regulations, and prohibits any unfair or unreasonable dismissal. For employees who resigned voluntarily, we understand and collect the reasons of their resignation for analysis in order to enhance the competitiveness of our talent retention. The Group also has employee disciplinary appeal procedures, and any employee subject to objection is entitled to file a written complaint to us. All complaints are treated confidentially.

5.2 Employee Development

The Group attaches great importance to the training of employees' skills and quality. In addition to arranging new employees to receive training, we also provide employees with training on their job capabilities according to the needs of different positions. The training mainly covers work ethics, corporate culture, general skills, etc. We believe that the competence of our employees is essential to maintain and enhance our competitiveness. Therefore, we will also understand the needs of our employees and review the effectiveness of our training in order to plan our training for the coming year.

5. 促進員工成長(續)

5.1 權益與福利(續)

員工招聘方面，本集團以網絡招聘、獵頭招聘、校園招聘、內部推薦等多種渠道吸納人才，實現人力資源的合理化配置。在薪酬和福利方面，本集團員工的薪酬均以其競爭力、經驗、技術及崗位的資格要求為基礎，並會進行年度薪金檢討。我們除了為員工提供法定福利，如五險一金和法定假期之外，我們還為員工提供健康體檢及節日福利。各業務板塊會根據其企業特色給予員工補充性福利。例如，在文化與傳播服務領域，公司提供免費的電子電影票券以鼓勵非駐地影院的員工在本集團所轄影院觀影。我們訂立《組織績效與獎金激勵工作指引》不斷完善組織績效考核體系，依據年度組織績效評價結果設有獎金激勵，以滿足員工不斷成長、實現自我價值的職業需求。

本集團規定解僱工作需依據員工手冊等政策中所界定的情形進行，禁止任何不公平或不合理的解僱。對於自行離職的員工，我們會了解及收集其離職的原因作分析，以促進我們人才挽留的競爭力。本集團亦設有員工處分申訴程序，任何有異議的員工均有權向我們提出書面申訴。所有申訴均會保密處理。

5.2 員工發展

本集團注重對員工技能和素質的培訓，除了安排新入職員工進行培訓，我們還針對不同崗位的需求，對員工進行崗位能力的培訓。培訓內容主要覆蓋職業道德培訓、企業文化培訓、通用技能培訓等。我們相信，員工的能力對保持和加強我們的競爭力至為重要，因此我們亦會了解員工的需要，檢討培訓的成效，以計劃來年的培訓內容。

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5.2 Employee Development (Continued)

The subsidiaries of each business segment provide diversified training platforms for employees based on their own business characteristics. In the field of culture and media services, a total of 2 sessions of induction training for new employees and 4 types of in-service training programs were held this year. In addition, during the Year, Dadi Media held the annual commendation ceremony for employees by presenting awards on site and receiving them online, to express appreciation to employees for their dedication and support to the Group.

In the field of property development, our Guangzhou properties regularly conducts internal training by personnel at or above the supervisory level on a rotational basis, the topics of which mainly focus on service etiquette, professional knowledge, work technical skills, working methods and mental adjustment of positions, so as to improve employees' management ability and job skills.

In the field of enterprise cloud services, CE Dongli held a number of themed trainings, including product sales, team building etc., which helped to cultivate talents management and systematic management thinking of the management of CE.

In the field of news media business, Shihua Wanxiang mainly provides training on corporate strategic positioning, professional tool use, business guidance and experience sharing to employees.

In the coming year, we will further strengthen the Company's talent echelon construction, laying a solid foundation for sustainable development.



Offline training for new employees
新員工入職線下培訓

5. 促進員工成長(續)

5.2 員工發展(續)

各業務板塊附屬公司基於自身業務特色，為員工提供多元化的培訓平台。在文化與傳播服務領域，本年度一共開辦了2期的新員工入職培訓和4類在職員工培訓項目。另外，本年度大地傳播以現場頒獎結合在線領獎的方式，為員工舉辦了年度表彰大會以感謝員工對集團的付出和支持。

在房地產開發領域，旗下的廣州物業定期由主管級以上人員輪流進行內部培訓，課題內容主要圍繞崗位工作在服務禮儀、專業知識、工作技術技巧、工作方法和心態調整等方面，以提升員工管理能力和崗位技能。

在企業雲服務領域，中企動力舉辦了多項的主題培訓，內容包括產品銷售、團隊建設等，有助管理人才，培養中企管理者系統管理思維。

在新聞傳播業務領域，世華萬向主要為員工提供企業戰略定位培訓、專業工具使用培訓、業務指導培訓及經驗分享培訓。

來年，我們必定進一步加強公司人才梯隊建設，為可持續發展奠定堅實基礎。



Annual commendation ceremony of Dadi Media
大地傳播年度表彰大會

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5.3 Health and Safety

The Group always values the physical and mental health of employees and is committed to maintaining the safe working environment for employees. We comply with relevant occupational health and safety regulations such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (中華人民共和國職業病防治法) and the Production Law of the People's Republic of China safety (中華人民共和國安全生產法), and regularly identify, monitor and review the potential risks of various business departments. During the Year, the number of lost days due to work injury was 828 days.

Since the commencement of the epidemic prevention and control work in early 2020, the Group has taken prompt actions and adopted various guidelines and measures to actively cooperate with the government in epidemic prevention. We require all business segments to ensure the orderly operation of production and operation under the premise of strict implementation of epidemic prevention and control requirements, and provide strong guarantee for employees' good working environment and work order. Each business segment has established an internal organizational structure for epidemic prevention and control, clarified the emergency procedures and personnel responsibilities of the Company for epidemic prevention and control, and ensured the implementation of the main responsibility of epidemic prevention and control. All subsidiaries must continue to keep track of the epidemic situation of employees, and properly carry out communication and prevention and control related work among employees. We prepare supplies for epidemic prevention and control such as infrared thermometers, disinfectant water and masks for employees, and arrange professional disinfection companies to disinfect the office. All employees are subject to body temperature checks before they are on duty every day. Each business segment implements telecommuting or flexible working arrangements as needed.

5. 促進員工成長(續)

5.3 健康與安全

本集團一直重視員工的身心健康和致力維護員工的安全工作環境。我們遵守《中華人民共和國職業病防治法》及《中華人民共和國安全生產法》等相關的職業安全健康法規，並定期識別、監控及檢視各業務部門的潛在風險。本年度，本集團因工傷損失工作日數為828天。

自2020年初疫情防控工作開展以來，本集團迅速行動，採取多項指引和措施，積極配合政府防疫工作。我們要求各業務板塊確保在嚴格落實疫情防控要求的前提下，推動生產經營有序運作，為員工的良好辦公環境和工作秩序提供了強力的保障。各業務板塊建立內部疫情防控組織架構，明確公司疫情防控應急流程和人員職責，確保疫情防控工作主體責任落實。各附屬公司務必持續通報員工疫情跟蹤情況，並做好員工之間的溝通與防控相關工作。我們為員工準備紅外體溫計、消毒水、口罩等疫情防控物資、安排專業消毒公司對辦公室進行消毒。每天上班前，對所有上班員工進行體溫檢測。各業務板塊因應需要實施遠程辦公工作或彈性上班安排。

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5. 促進員工成長(續)

5.3 Health and Safety (Continued)

5.3 健康與安全(續)

Case: Nucleic Acid Testing for Employees in Beijing

案例分享：北京員工進行核酸檢測

In order to protect the health and safety of our employees, the Group appointed a professional testing institute to conduct nucleic acid tests for our employees in Beijing in batches in June 2020 to prevent the Epidemic.

為保障員工的健康和園區安全，本集團聯繫專業檢測機構分批對北京員工進行核酸檢測，防範疫情。



Testing site is ready for inspection
檢測場地準備就緒



Pharyngeal swab sampling of employees by
professional testing institute inspectors
專業機構檢測人員為員工進行咽拭子取樣

Case: Annual Health Check for Employees

案例分享：員工年度體檢

To facilitate the needs of the employees in the Sino-i Campus, the Group relocated the medical check-up centre to the Sino-i Campus on 23 November 2020, allowing the employees to visit the warm and temporary medical check-up centre while they are at work. General medical check-ups such as blood tests, vision tests and electrocardiogram tests can be conducted in the Sino-i Campus.

本集團為方便數碼莊園園區的員工需要，於2020年11月23日把體檢中心搬進了數碼莊園，讓在園區上班的員工能邊上班邊享受溫馨的方艙式體檢中心。一般的體檢項目，如抽血、視力檢查、心電反應性疾病檢查等都能在園區內體驗。



Temporary medical examination equipment in the
Sino-i Campus
數碼莊園內的臨時體檢設備



Employees are undergoing a general medical check-
up programme
員工正進行一般的體檢項目

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5.3 Health and Safety (Continued)

The Group's Sino-i Campus Service Center in Beijing office premises regularly cooperates with the administrative departments of each unit to inspect the fire safety in the office building of each unit. During the inspection, administrative safety employees were instructed to familiarise themselves with fire-fighting equipment such as fire hydrants, fire extinguishers, manual alarm buttons and fire roller shutters, as well as evacuation signs and to familiarise themselves with the evacuation routes for employees in each area. Executives and employees representatives attend fire safety training and receive practical first aid skills training as required by the Sino-i Campus Service Centre. In the field of property development, it is stipulated that employees shall abide by labour discipline, earnestly implement safety production rules and regulations and operating procedures, and properly wear and use labour protection products to prevent accidents.

5. 促進員工成長(續)

5.3 健康與安全(續)

本集團位於北京辦公場所的數碼莊園服務中心定期聯合各單位行政部門，對各單位辦公樓內進行消防安全情況檢查。檢查的同時指導各單位行政安全人員熟悉消火栓、滅火器、手動報警按鈕、防火卷簾等消防設備、認識疏散標識，並指導行政人員熟悉各區域員工所屬疏散通道。行政人員和員工代表配合數碼莊園服務中心參加消防安全培訓，進行落地有效急救技能的培訓。在房地產開發領域，訂明員工需遵守勞動紀律，認真執行安全生產規章制度和操作規程，正確佩戴和使用勞動防護用品防意外發生。



Fire safety training at Sino-i Campus
數碼莊園消防安全培訓

Environmental, Social and Governance Report

環境、社會及管治報告

5. PROMOTING EMPLOYEE GROWTH (Continued)

5.4 Employee Activities

In order to further enhance the team spirit and cooperation awareness of employees and strengthen the communication and exchange among colleagues, the Group regularly organizes different types of activities for employees, such as autumn outings, employee sports games, corporate culture activities and special activities for various festivals. Through such exchange activities, the physical and mental health of employees were relaxed and the cohesion of the organization was further enhanced, enabling employees to show better leadership and management skills in their positions, thereby effectively implementing the Group's corporate culture.



Outdoor activities for employees
員工室外拓展活動

5. 促進員工成長(續)

5.4 員工活動

為了進一步增強員工的團隊精神和合作意識，加強同事間的溝通與交流，本集團定期為員工組織不同類型的活動，例如秋遊、員工運動會、企業文化活動、以及針對各種節日的特色活動。通過此類交流活動，員工的身心得到了放鬆，並進一步增強組織的凝聚力，使員工在工作崗位上表現出更佳的領導與管理才能，從而有效實踐本集團的企業文化。



Corporate culture activity
企業文化活動

Case: Snow Leopard Conservation Project at Sino-i Campus

案例分享：數碼莊園「雪豹保護項目」

The Group invited WWF's public advocacy expert to Sino-i Campus to talk to employees about snow leopard conservation and organised a public awareness campaign on ecological responsibility through the form of children's drama to enhance employees' understanding of biodiversity and ecological conservation.

本集團邀請世界自然基金會公眾倡導專家到數碼莊園，向員工們講述雪豹保護的工作，同時通過兒童戲劇的形式，在數碼莊園舉辦了針對生態責任意識的公眾倡導活動，增強員工對生物多元化和生態保護的認識。



Promotion board at the Sino-i Campus
位於數碼莊園的宣傳板



Promoting snow leopard conservation through drama
「雪豹」以戲劇形式進行生態保護宣傳

Environmental, Social and Governance Report

環境、社會及管治報告

6. BUILDING A BETTER SOCIETY

The Group has established a presence in various regions and has received strong support and attention from the government and the public for a long time. Therefore, we regard giving back to the society and promoting the prosperity and progress of the community as an important social responsibility, and support the prosperity and development of the community in many aspects.

In the area of news media business, HK01 actively cooperates with community organizations to help the grassroots fight against the epidemic. In the field of enterprise cloud services, CE Dongli provides professional technology for public welfare institutions to support and assist in the development of legal service projects in the field of disability. In the future, we will continue to bring together our hearts, devote our love and care, and live up with the harmonious community.

6. 構建美好社會

本集團的業務遍及多個地區，長期以來得到了政府及社會大眾的大力支持和關注。因此，我們將回饋社會、促進社區繁榮進步視為重要的社會責任，多方面支持社區繁榮發展。

在新聞傳播業務領域，香港01積極與社區組織合作，助基層抗疫。在企業雲服務領域，中企動力為公益機構提供專業技術，以支持和協助開發殘障領域法律服務項目。未來，我們繼續凝聚小我真情，奉獻點滴愛心，與和諧社區共生共長。

Case: Nanhai Charity Platform "Haibei Project"

案例分享：南海公益平台「海貝計劃」

(I) Donation of clothes to warm people in winter

On 12 October 2020, the Group held an old clothes donation activity in the Beijing and Shenzhen offices, which was well received by employees and raised nearly 35 boxes of clothing in a short time of one week. On 26 October, we sent each piece of clothing with our full love and care to Jiela Village, Guansha Village, Agala Village, Shaning Village and Golodaoza Orphanage, Zhaba Town, Hualong County, Haidong City, Qinghai Province, bringing warmth to local people.

(一)「捐贈衣物溫暖人心」

2020年10月12日，本集團在北京地區和深圳地區辦公室舉辦舊衣捐贈活動，深受廣大員工熱烈響應，短短一周的時間，共籌集近35箱衣物。我們於10月26日，把每一件承載著我們滿滿的愛心與關懷的衣物送到青海省海東市化隆縣扎巴鎮結拉村、關沙村、阿尕拉村、沙寧村及果洛道扎孤兒院，為當地同胞送上溫暖。



All clothing donations are sorted and delivered to areas of need
所有捐贈衣物統一進行分類整理，送到有需要的地區

Environmental, Social and Governance Report

環境、社會及管治報告

6. BUILDING A BETTER SOCIETY (Continued)

6. 構建美好社會(續)

Case: Nanhai Charity Platform "Haibei Project"

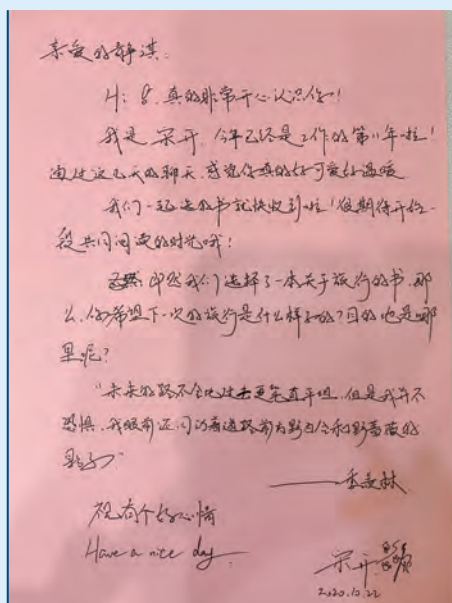
案例分享：南海公益平台「海貝計劃」

(II) The accompanying tutor programme in 2020

Based on the public welfare value of "Child-Friendly", the Group cooperated with Beautiful China in October 2020 to jointly launch the accompanying tutor programme. A total of 29 volunteers were recruited for this programme, of which 27 were internal volunteers of the Group. 15 accompanying tutors were selected through screening and interviews at all levels. During the one-month period, the accompanying tutors matched with the children on a one-to-one basis to set up a reading plan, read the books together, follow the plan with telephone tutoring and keep track of the journey with letters.

(二) 2020年伴讀導師項目

本集團基於「兒童友好」的公益價值觀，於2020年10月與美麗中國合作，共同開展了伴讀導師項目。此次的伴讀項目，我們總共招募29位志願者，其中27位為本集團內部志願者。所有志願者通過層層的篩選及面試，最終挑選15位伴讀導師。在一個月的時間內，伴讀導師與孩子們一對一匹配，一起制定閱讀計劃，共同閱讀書籍，並按照計劃進行電話伴讀，用書信記錄伴讀歷程。



Letters to children from accompanying tutors
伴讀導師寫給小孩子的信

Environmental, Social and Governance Report

環境、社會及管治報告

6. BUILDING A BETTER SOCIETY (Continued)

6. 構建美好社會(續)

Case: HK01's "Business Heart Partnership (企業心意夥伴)" Scheme

案例分享：香港01「企業心意夥伴」計劃

In 2020, HK01 launched the "Business Heart Partnership" (企業心意夥伴) scheme, which connects caring enterprises and charitable organizations on the "01 Heart" (01 心意) platform, together with professional and inspiring news content, using internet technology and communication power, to make more people aware of and respond to corporate philanthropy. In particular, HK01 and Ola Tech, an electronic product recycling platform, donated 1,000 "Anti-Epidemic Packs" with masks, rice and other items to the elderly in need through charitable organizations such as the Fu Hong Society, the Hong Kong Women Workers' Association, the CEDAR Fund and the Love & Care for the Sick Foundation during the early stages of the Epidemic.

香港01於2020年推出「企業心意夥伴」計劃，連繫善心企業和「01心意」平台上的慈善團體，配合專業和富靈感的新聞內容，運用互聯網科技及傳播力量，令更多人知曉及響應企業善舉。其中，香港01與電子產品回收平台Ola Tech於疫情肆虐初期連手捐出以口罩、白米等物資分成1,000份「抗疫心意包」，透過慈善組織，如扶康會、香港婦女勞工協會、施達基金會、關愛病患基金會，贈送予有需要的長者。



Volunteers distribute masks and food to grassroots elderly
義工分發口罩及食物等物資予基層長者



Volunteers visit homes and distribute "Anti-Epidemic Packs"
義工上門探訪和派發「抗疫心意包」

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX I: SUSTAINABILITY DATA STATEMENTS

附錄一：可持續發展數據摘要

Environmental KPIs	環境關鍵績效指標	Unit	單位	2020 年度
Greenhouse gas emissions Total greenhouse gas emissions (Scope 1 & 2)	溫室氣體排放量 溫室氣體排放總量(範疇1及2)	tonnes of CO ₂ e	噸二氧化碳當量	66,585.64
Greenhouse gas emissions intensity Greenhouse gas emissions intensity per square meter ⁴	溫室氣體排放密度 每平方米 ⁴ 的排放密度	tonnes of CO ₂ e/ square meter	噸二氧化碳 當量/平方米	0.04
Fuel consumption Vehicle gasoline consumption Vehicle diesel consumption Natural gas consumption Liquefied petroleum gas consumption	燃料消耗 車輛耗用的汽油 車輛耗用的柴油 天然氣用量 液化石油氣用量	liter liter m ³ m ³	升 升 立方米 立方米	116,855.63 14,012.00 1,524,965.60 3,841.65
Energy consumption Total electricity consumption Electricity consumption intensity per square meter Purchased steam	能源消耗 總耗電量 耗電密度(每平方米) 外購蒸汽	kWh kWh/square meter tonnes	千瓦時 千瓦時/平方米 噸	83,545,382.70 50.49 305,840.80
Municipal water consumption Total municipal water consumption Municipal water consumption intensity per square meter	市政用水量 市政用水總量 市政用水密度(每平方米)	tonnes tonnes/square meter	噸 噸/平方米	615,428.83 0.37
Reclaimed water consumption Total reclaimed water consumption	中水使用量 中水使用總量	tonnes	噸	133,857.88
Hazardous waste Total hazardous waste generated ⁵ Hazardous waste intensity per employee	有害廢棄物 有害廢棄物產生總量 ⁵ 有害廢棄物密度(每名員工)	kg kg/employee	千克 千克/員工	10,905.59 0.69
Non-hazardous waste Non-hazardous waste generated Non-hazardous waste intensity per employee Non-hazardous waste recycled Decoration waste generated	無害廢棄物 無害廢棄物產生總量 無害廢棄物密度(每名員工) 無害廢棄物回收總量 裝修垃圾產生量	kg kg/employee kg kg	千克 千克/員工 千克 千克	2,277,465.59 143.25 209,608.22 1,200.00
Paper consumption Paper Paper consumption intensity per employee	紙張耗用量 紙張 紙張耗用密度(每名員工)	kg kg/employee	千克 千克/員工	48,240.00 3.03

⁴ Area refers to floor area per square metre.

⁵ Data includes the amount of hazardous waste generated from computers, batteries, used ink cartridges, used toner cartridges, computer monitors and tablets.

⁴ 面積為每平方米樓面面積。

⁵ 數據包括電腦、電池、廢墨盒、廢碳粉盒、電腦顯示器和平板電腦等有害廢棄物產生量。

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX I: SUSTAINABILITY DATA STATEMENTS (Continued)

附錄一：可持續發展數據摘要（續）

Social KPIs	社會關鍵績效指標	Unit	單位	2020 年度
Total number of employees (by gender)	僱員總數 (按性別劃分)	person	人數	15,899
Total number of female employees	女性僱員總數	person	人數	8,075
Total number of male employees	男性僱員總數	person	人數	7,824
Directly employed employees (by employment type)	直接聘用的僱員 (按僱傭類別)			
Supervisory level and below	主管級及以下員工	person	人數	13,725
Managers (including deputy managers and senior managers)	經理級(含副經理、高級經理)員工	person	人數	1,771
Director level and above	總監級及以上員工	person	人數	403
Directly employed employees (by age group)	直接聘用的僱員 (按年齡組別劃分)			
Aged below 35 (excluding 35)	35歲以下(不含35歲)	person	人數	12,470
Aged 35–45 (including 35 but not 45)	35歲–45歲(含35歲不含45歲)	person	人數	2,315
Aged 45 and over (including 45)	45歲及以上(含45歲)	person	人數	1,114
Directly employed employees (by geographical region)	直接聘用的僱員 (按地區劃分)			
Total number of employees in Mainland China	中國大陸員工總數	person	人數	14,888
Total number of employees from overseas, Hong Kong, Macau and Taiwan	海外及港澳台地區員工總數	person	人數	1,011

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX II: INDEX OF THE STOCK EXCHANGE ESG REPORTING GUIDE

附錄二：香港聯合交易所《環境、 社會及管治報告指引》索引

Descriptions 指標內容			Relevant chapter 相關章節
A. Environmental			
A. 環境範疇			
A1 Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Fulfilling Environmental Responsibility
	A1.1	The types of emissions and respective emissions data.	Green Operation
	A1.2	Greenhouse gas emissions in total and intensity.	Carbon Emission Control
	A1.3	Total hazardous waste produced and intensity.	Green Operation
	A1.4	Total non-hazardous waste produced and intensity.	Green Operation
	A1.5	Description of measures to mitigate emissions and results achieved.	Green Operation
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Green Operation
A1 排放物	一般披露	有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：(a) 政策；及(b) 遵守對發行人有重大影響的相關法律及規例的資料。	履行環境責任
	A1.1	排放物種類及相關排放數據。	綠色運營
	A1.2	溫室氣體總排放量及密度。	碳排放控制
	A1.3	所產生有害廢棄物總量及密度。	綠色運營
	A1.4	所產生無害廢棄物總量及密度。	綠色運營
	A1.5	描述減低排放量的措施及所得成果。	綠色運營
	A1.6	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。	綠色運營
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operation
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Appendix I: Sustainability Data Statements
	A2.2	Water consumption in total and intensity.	Green Operation
	A2.3	Description of energy use efficiency initiatives and results achieved.	Green Operation
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green Operation
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Not applicable as no packaging materials is manufactured or produced by the Group
A2 資源使用	一般披露	有效使用資源(包括能源、水及其他原材料)的政策。	綠色運營
	A2.1	按類型劃分的直接及／或間接能源(如電、氣或油)總耗量及密度。	附錄一：可持續發展數據摘要
	A2.2	總耗水量及密度。	綠色運營
	A2.3	描述能源使用效益計劃及所得成果。	綠色運營
	A2.4	描述求取適用水源可有任何問題，以及提升用水效益計劃及所得成果。	綠色運營
	A2.5	製成品所用包裝材料的總量及每生產單位佔量。	不適用，本集團無製造或生產包裝材料

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX II: INDEX OF THE STOCK EXCHANGE ESG REPORTING GUIDE (Continued)

附錄二：香港聯合交易所《環境、 社會及管治報告指引》索引（續）

Descriptions 指標內容			Relevant chapter 相關章節
A3 The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Fulfilling Environmental Responsibility
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Fulfilling Environmental Responsibility
A3 環境及天然資源	一般披露	減低發行人對環境及天然資源造成重大影響的政策。	履行環境責任
	A3.1	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。	履行環境責任
B. Social			
B. 社會範疇			
B1 Employment	General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Promoting Employee Growth
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix I: Sustainability Data Statements
B1 僱傭	B1.2	Employee turnover rate by gender, age group and geographical region.	/
	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規例的資料。	促進員工成長
	B1.1	按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	附錄一：可持續發展數據摘要
	B1.2	按性別、年齡組別及地區劃分的僱員流失比率。	/
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
	B2.1	Number and rate of work-related fatalities.	/
	B2.2	Lost days due to work injury.	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety
B2 健康與安全	一般披露	有關提供安全工作環境及保障僱員避免職業性危害的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	健康與安全
	B2.1	因工作關係而死亡的人數及比率。	/
	B2.2	因工傷損失工作日數。	健康與安全
	B2.3	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。	健康與安全
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development
	B3.1	The percentage of employees trained by gender and employee category.	/
	B3.2	The average training hours completed per employee by gender and employee category.	/
B3 發展及培訓	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。	員工發展
	B3.1	按性別及僱員類別劃分的受訓僱員百分比。	/
	B3.2	按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	/

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX II: INDEX OF THE STOCK EXCHANGE ESG REPORTING GUIDE (Continued)

附錄二：香港聯合交易所《環境、 社會及管治報告指引》索引(續)

Descriptions 指標內容			Relevant chapter 相關章節
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Promoting Employee Growth
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Promoting Employee Growth
	B4.2	Description of steps taken to eliminate such practices when discovered.	Promoting Employee Growth
B4 勞工準則	一般披露	有關防止童工或強制勞工的：(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	促進員工成長
	B4.1	描述檢討招聘慣例的措施以避免童工及強制勞工。	促進員工成長
	B4.2	描述在發現違規情況時消除有關情況所採取的步驟。	促進員工成長
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Procurement Management
	B5.1	Number of suppliers by geographical region.	/
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Procurement Management
B5 供應鏈管理	一般披露	管理供應鏈的環境及社會風險政策。	採購管理
	B5.1	按地區劃分的供應商數目。	/
	B5.2	描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	採購管理
B6 Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Information Safety
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Management
	B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Management
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property
	B6.4	Description of quality assurance process and recall procedures.	Quality Management
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Information Safety
B6 產品責任	一般披露	產品責任：有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	信息安全
	B6.1	已售或已運送產品總數中因安全與健康理由而須回收的百分比。	質量管理
	B6.2	接獲關於產品及服務的投訴數目以及應對方法。	質量管理
	B6.3	描述與維護及保障知識產權有關的慣例。	知識產權
	B6.4	描述質量檢定過程及產品回收程序。	質量管理
	B6.5	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。	信息安全

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX II: INDEX OF THE STOCK EXCHANGE ESG REPORTING GUIDE (Continued)

附錄二：香港聯合交易所《環境、 社會及管治報告指引》索引（續）

Descriptions 指標內容			Relevant chapter 相關章節
B7 Anti-corruption B7 反貪污	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Strengthening Integrity
	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.	/
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Strengthening Integrity
	一般披露	有關防止賄賂、勒索、欺詐及洗黑錢的：(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	鞏固廉潔
B8 Community Investment B8 社區投資	B7.1	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。	/
	B7.2	描述防範措施及舉報程序，以及相關執行及監察方法。	鞏固廉潔
	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Building a Better Society
	B8.1	Focus areas of contribution.	Building a Better Society
	B8.2	Resources contributed to the focus area.	Building a Better Society
	一般披露	有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	構建美好社會
	B8.1	專注貢獻範疇。	構建美好社會
	B8.2	在專注範疇所動用資源。	構建美好社會

Independent Auditor's Report

獨立核數師報告



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

香港
干諾道中111號
永安中心25樓

TO THE SHAREHOLDERS OF NAN HAI CORPORATION LIMITED

南海控股有限公司

(incorporated in Bermuda with limited liability)

致 NAN HAI CORPORATION LIMITED (南海控股有限公司) 股東

(於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Nan Hai Corporation Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 121 to 266, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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.

BASIS FOR OPINION

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

意見

本核數師(以下簡稱「我們」)已審計列載於第121至266頁Nan Hai Corporation Limited(南海控股有限公司)(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2020年12月31日的綜合財務狀況報表與截至該日止年度的綜合收益表、綜合全面收益報表、綜合權益變動表及綜合現金流量報表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，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12月31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其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見基礎

我們根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。該等準則規定我們的責任於本報告「核數師就審計綜合財務報表須承擔的責任」一節進一步描述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

Impairment assessment of goodwill and other assets attributable to the cash-generating units ("CGUs")

(Refer to note 19 to the consolidated financial statements and the Group's critical accounting estimates and assumptions set out in note 4.1)

As at 31 December 2020, the Group had goodwill of HK\$4,335,267,000 which is allocated to the CGUs of culture and media services, innovative business, enterprise cloud services and property development segments for annual impairment testing.

The Company's directors have concluded that there was an impairment loss on goodwill amounted to HK\$585,152,000 and HK\$461,769,000 for the CGUs of culture and media services and innovative business segments respectively. This conclusion was based on the impairment testing carried out by the management for these CGUs in accordance with the Group's accounting policy stated in note 2.19 which is set out in detail in note 19 to the consolidated financial statements, which involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

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

關鍵審計事項

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

現金產生單位（「現金產生單位」）應佔商譽及其他資產的減值評估

（請參閱綜合財務報表附註19及附註4.1所載 貴集團的重要會計估計及假設）

於2020年12月31日，貴集團之商譽為4,335,267,000港元，並分配至文化與傳播服務、創意商業、企業雲服務及房地產開發分部的現金產生單位作年度減值測試。

貴公司董事認為文化與傳播服務及創意商業分部現金產生單位之商譽減值虧損分別為585,152,000港元及461,769,000港元。此結論建基於管理層就該等現金產生單位根據綜合財務報表附註19詳述之 貴集團會計政策載於附註2.19進行之減值測試，當中涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

我們將相關現金產生單位之商譽及其他資產之減值測試分類為關鍵審計事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出重大判斷及估計。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Impairment assessment of goodwill and other assets attributable to the cash-generating units ("CGUs") (Continued)

Our response

Our procedures in relation to management's impairment assessment of goodwill and other assets attributable to CGUs included:

- Evaluating the models used by management in the value in use calculations for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value in use calculations mathematically;
- Comparing the actual performance in 2020 with the forecast in 2019; and
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs.

關鍵審計事項(續)

現金產生單位(「現金產生單位」)應佔商譽及其他資產的減值評估(續)

我們的回應

我們就管理層對現金產生單位應佔商譽及其他資產減值評估所採納程序包括：

- 評核管理層於減值測試之使用價值計算中採用之模式；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 檢查支持證據的輸入數據，例如獲批准預算及考慮預算的合理性；
- 在算術上檢查使用價值計算方法；
- 比較2020年實際表現與2019年所作預測；及
- 進行敏感度分析，包括評估更改有關現金產生單位可收回金額之主要假設之影響。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Impairment of deposits and other receivables

(Refer to note 18 and 48.4 to the consolidated financial statements and the Group's accounting policy set out in note 2.11)

As at 31 December 2020, the gross balances of deposits and other receivables of the Group were HK\$2,202,166,000. The Group recognises an impairment provision based on the expected credit loss ("ECL") approach under HKFRS 9 "Financial Instruments". We consider this as a key audit matter because the balances were significant to the consolidated financial statements and the measurement of ECL requires the application of significant judgement and estimate, such as expected future cash flows and forward-looking factors specific to the debtors and the economic environment.

Our response

Our procedures in relation to the management's assessment on impairment provision of deposits and other receivables included:

- Considering key internal controls which govern credit control, debt collection and estimate of expected credit losses;
- Assessing reasonableness of management's expected credit loss allowance by examining the information used by management to form such judgement and estimate, including relevant historical information;
- Checking the arithmetic calculation of the expected credit loss allowance; and
- Evaluating the reasonableness of the Group's provision for other receivables by reference to the Group's subsequent collection of other receivables.

Fair value determination of investment properties

(Refer to note 14 to the consolidated financial statements and the Group's accounting policy set out in note 2.8)

As disclosed in note 14 to the consolidated financial statements, the Group's investment properties amounted to HK\$5,161,205,000 as at 31 December 2020 and the Group had recognised a loss on fair value change on investment properties of HK\$34,479,000 in the consolidated income statement.

The fair value of the Group's investment properties was determined by adopting valuation techniques with significant unobservable inputs, assumptions and judgements with assistance by an independent qualified valuer.

We have identified the fair value determination of investment properties as a key audit matter due to the financial significance of the amounts and that significant estimates and judgements are involved in the fair value determination.

關鍵審計事項(續)

按金及其他應收款項減值

(請參閱綜合財務報表附註18及48.4及附註2.11所載 貴集團的會計政策)

於2020年12月31日，貴集團按金及其他應收款項結餘總額則為2,202,166,000港元。貴集團根據香港財務報告準則第9號「金融工具」項下預期信貸虧損(「預期信貸虧損」)方法確認減值撥備。我們認為此乃關鍵審計事項，原因是結餘對綜合財務報表而言屬重大及預期信貸虧損計量需要應用重大判斷及估計，例如預期未來現金流量以及債務人及經濟環境之特定前瞻性因素。

我們的回應

我們就管理層對按金及其他應收款項減值撥備評估所採納程序包括：

- 考慮規管信貸控制、收債及估計預期信貸虧損之關鍵內部控制；
- 通過審查管理層作出有關判斷及估計所用資料(包括相關過往資料)評估管理層預期信貸虧損撥備是否合理；
- 檢查預期信貸虧損撥備之算術計算；及
- 經參考 貴集團其後收回之其他應收款項後評核 貴集團就其他應收款項之撥備是否合理。

釐定投資物業公允價值

(請參閱綜合財務報表附註14及附註2.8所載 貴集團的會計政策)

誠如綜合財務報表附註14所披露，於2020年12月31日，貴集團之投資物業為5,161,205,000港元，而 貴集團已於綜合收益表確認投資物業公允價值變動之虧損34,479,000港元。

貴集團之投資物業公允價值透過採納估值技術而釐定，當中有重大不可觀察輸入數據，並在一家獨立合資格估值師協助下作出假設及判斷。

我們識別釐定投資物業公允價值為關鍵審計事項，原因為其金額在財務方面屬重大以及釐定公允價值涉及重大估計及判斷。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Fair value determination of investment properties (Continued)

Our response

Our procedures in relation to the management's determination of the fair value of investment properties included:

- Reviewing the valuation report from the independent qualified valuer and holding discussion with management and the independent qualified valuer to understand the valuation basis, methodology used and underlying assumptions applied;
- Evaluating management's process in respect of reviewing the valuation performed by the independent qualified valuer;
- Evaluating the competence, capabilities and objectivity of the independent qualified valuer;
- Selecting samples from the Group's investment property portfolio and obtaining the underlying data including comparables of market transactions used by the independent qualified valuer and assessing whether these are appropriate; and
- Performing market research and analysis to assess whether the changes in fair value of investment properties resulted from the valuation was reasonable and consistent with market trends to our knowledge.

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

關鍵審計事項(續)

釐定投資物業公允價值(續)

我們的回應

我們就管理層對釐定投資物業公允價值所採納程序包括：

- 審閱獨立合資格估值師之估值報告及與管理層及獨立合資格估值師討論以了解估值基準、所用方法及所採用相關假設；
- 評核管理層審閱獨立合資格估值師所進行估值之程序；
- 評核獨立合資格估值師之資格、能力及客觀性；
- 自貴集團投資物業組合取樣及取得相關數據(包括獨立合資格估值師所用可資比較市場交易)以及評估有關數據是否合適；及
- 進行市場調查及分析以評估估值所產生投資物業公允價值變動是否合理及與我們所知之市場趨勢一致。

年報中的其他資料

董事須就其他資料承擔責任。其他資料包括貴公司年報中所載資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

就我們對綜合財務報表的審計而言，我們的責任是閱覽其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。就此而言，我們無任何報告。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

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

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

董事亦負責監督 貴集團財務報告過程。審核委員會協助董事履行彼等的職責。

核數師就審計綜合財務報表須承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我們意見的核數師報告。我們僅向 閣下（作為整體）按照百慕達 1981 年公司法第 90 條報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等單獨或合併時可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report

獨立核數師報告

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

As part of an audit in accordance with HKASs, 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.
- 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.

核數師就審計綜合財務報表須承擔的責任(續)

在根據香港審計準則進行審計的過程中，我們行使專業判斷，保持專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯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。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平反映交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

Independent Auditor's Report

獨立核數師報告

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

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

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

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

BDO Limited
Certified Public Accountants

Yu Tsui Fong
Practising Certificate Number P05440

Hong Kong, 30 March 2021

核數師就審計綜合財務報表須承擔的責任(續)

我們已就(其中包括)計劃的審計範圍、時間安排、重大審計發現等,包括我們在審計中識別出內部控制的任何重大缺陷與審核委員會溝通。

我們亦已向審核委員會提交聲明,說明我們已符合有關獨立性的相關道德要求,並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項,以及在適用的情況下,就消除威脅所採取行動以及防範措施。

從與董事溝通的事項中,我們確定哪些事項對本期綜合財務報表的審計最為重要,因而構成關鍵審計事項。我們在核數師報告中描述這些事項,除非法律法規不允許公開披露這些事項,或在極端罕見的情況下,倘合理預期在我們報告中就某事項進行溝通造成的負面後果超過產生的公眾利益,我們決定不應在報告中就該事項進行溝通。

香港立信德豪會計師事務所有限公司
執業會計師

余翠芳
執業證書號碼 P05440

香港, 2021年3月30日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2020 截至2020年12月31日止年度

		Notes 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元 (Re-presented) (經重列)
Revenue	收益	5(a)	10,010,763	9,321,212
Cost of sales and services provided	銷售及提供服務之成本	8	(5,090,450)	(4,138,837)
Gross profit	毛利		4,920,313	5,182,375
Other operating income	其他經營收入	5(b)	895,867	719,751
Selling and marketing expenses	銷售及市場推廣開支		(1,527,174)	(2,525,204)
Administrative expenses	行政開支		(691,069)	(960,119)
Other operating expenses	其他經營開支		(2,208,442)	(1,894,248)
Provision for impairment of goodwill	商譽減值撥備	19	(1,046,921)	(55,769)
Finance costs	融資成本	7	(1,089,406)	(1,368,717)
Expected credit loss ("ECL") on financial assets	金融資產之預期信貸虧損 (「預期信貸虧損」)		(168,301)	(46,202)
Fair value change on financial liabilities at fair value through profit or loss ("FVTPL")	按公允價值於損益賬處理 (「按公允價值於損益賬處理」) 之金融負債公允價值變動	29	2,569	24,342
Share of results of associates	應佔聯營公司業績		(2,899)	(18,992)
Share of results of joint ventures	應佔合營企業業績		(1,582)	249
Gain on disposal of a joint venture	出售一間合營企業之收益		629	—
Loss on disposal of subsidiaries	出售附屬公司之虧損		(2,572)	—
(Loss)/Gain on fair value change on investment properties	投資物業公允價值變動之 (虧損)/收益	14	(34,479)	1,751,377
(Loss)/Profit before income tax	所得稅前(虧損)/溢利	8	(953,467)	808,843
Income tax expense	所得稅開支	9	(1,576,264)	(1,450,269)
Loss for the year	年內虧損		(2,529,731)	(641,426)
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(2,281,315)	(561,415)
Non-controlling interests	非控股權益		(248,416)	(80,011)
			(2,529,731)	(641,426)
Loss per share for loss attributable to the owners of the Company during the year	年內本公司擁有人應佔虧損之每股虧損	11	HK cent 港仙	HK cent 港仙
— Basic	— 基本		(3.32)	(0.82)
— Diluted	— 攤薄		(3.32)	(0.82)

Consolidated Statement of Comprehensive Income

綜合全面收益報表

For the year ended 31 December 2020 截至2020年12月31日止年度

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Loss for the year	年內虧損	(2,529,731)	(641,426)
Other comprehensive income, including reclassification adjustments	其他全面收益，包括重新分類調整		
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後將不會重新分類至損益賬之項目：</i>		
Fair value change on financial assets at fair value through other comprehensive income ("FVOCI"), net of tax	按公允價值於其他全面收益處理 (「按公允價值於其他全面收益處理」) 之金融資產之公允價值變動 (扣除稅項)	1,387	39,963
Fair value change of properties upon transfer of property, plant and equipment to investment properties, net of tax	物業、廠房及設備轉撥至投資物業時 物業之公允價值變動，扣除稅項	27,899	—
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益賬之項目：</i>		
Exchange gain/(loss) on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌 收益／(虧損)	528,268	(226,749)
Exchange gain/(loss) on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌 收益／(虧損)	243	(4,110)
Exchange gain/(loss) on translation of financial statements of foreign joint ventures	換算海外合營企業財務報表之匯兌 收益／(虧損)	146	(214)
Other comprehensive income for the year, including reclassification adjustments	年內其他全面收益，包括重新分類調整	557,943	(191,110)
Total comprehensive income for the year	年內全面收益總額	(1,971,788)	(832,536)
Total comprehensive income attributable to:	以下人士應佔全面收益總額：		
Owners of the Company	本公司擁有人	(1,745,780)	(753,658)
Non-controlling interests	非控股權益	(226,008)	(78,878)
		(1,971,788)	(832,536)

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2020 於2020年12月31日

		Notes 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	7,994,567	9,382,329
Investment properties	投資物業	14	5,161,205	4,787,476
Interests in associates	於聯營公司之權益	16	99,745	102,401
Interests in joint ventures	於合營企業之權益	17	3,344	28,498
Amounts due from related parties	應收關連方款項	46	175,158	165,959
Financial assets at FVOCI	按公允價值於其他全面收益處理之金融資產	21	228,092	226,705
Long term trade receivables	長期應收貿易款項	22	–	1,079
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	18	527,865	587,011
Intangible assets	無形資產	19	5,510,353	6,419,076
Deferred tax assets	遞延稅項資產	33	1,674,613	1,338,789
Pledged and restricted bank deposits	已抵押及受限制銀行存款	23	3,828,116	2,647,222
			25,203,058	25,686,545
Current assets	流動資產			
Inventories	存貨	20	10,007,731	11,913,722
Financial assets at FVTPL	按公允價值於損益賬處理之金融資產		3,417	6,560
Trade receivables	應收貿易款項	22	429,191	486,166
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	18	3,253,054	3,413,220
Amounts due from associates	應收聯營公司款項	26(b)	37,025	24,426
Amount due from a joint venture	應收一間合營企業款項	26(c)	894	836
Amounts due from related parties	應收關連方款項	46	315,639	279,749
Pledged and restricted bank deposits	已抵押及受限制銀行存款	23	3,423,340	8,330,343
Cash and cash equivalents	現金及等同現金項目	23	846,539	743,055
			18,316,830	25,198,077
Current liabilities	流動負債			
Trade payables	應付貿易款項	24	3,346,896	3,132,872
Other payables and accruals	其他應付款項及應計費用	25	1,966,942	1,682,158
Contract liabilities	合約負債		4,456,125	9,411,830
Provision for tax	稅項撥備		6,804,535	4,652,025
Amount due to a director	欠一名董事款項	26(a)	14,271	12,552
Amounts due to associates	欠聯營公司款項	26(b)	5,575	5,180
Amounts due to related parties	欠關連方款項	46	506,739	232,104
Other employee benefits	其他僱員福利	30	24,383	28,451
Bank and other borrowings	銀行及其他借貸	27	8,492,053	15,173,454
Lease liabilities	租賃負債	28	1,321,169	439,400
			26,938,688	34,770,026
Net current liabilities	流動負債淨額		(8,621,858)	(9,571,949)
Total assets less current liabilities	總資產減流動負債		16,581,200	16,114,596

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2020 於 2020 年 12 月 31 日

		Notes 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current liabilities	非流動負債			
Long term trade payables	長期應付貿易款項	24	–	212
Other employee benefits	其他僱員福利	30	5,771	36,508
Bank and other borrowings	銀行及其他借貸	27	7,270,990	3,679,580
Lease liabilities	租賃負債	28	4,749,913	5,607,441
Provision for warranty	保修撥備	32	2,444	2,575
Financial liabilities at FVTPL	按公允價值於損益賬處理之 金融負債	29	–	2,569
Deferred tax liabilities	遞延稅項負債	33	1,227,406	1,491,382
			13,256,524	10,820,267
Net assets	資產淨值		3,324,676	5,294,329
EQUITY	權益			
Share capital	股本	34	686,455	686,455
Reserves	儲備	36	2,183,225	4,009,545
Equity attributable to the Company's owners	本公司擁有人應佔權益		2,869,680	4,696,000
Non-controlling interests	非控股權益	38	454,996	598,329
Total equity	權益總額		3,324,676	5,294,329

On behalf of the Board

代表董事會

Yu Pun Hoi
于品海
Director
董事

Liu Rong
劉榮
Director
董事

Consolidated Statement of Cash Flows

綜合現金流量報表

For the year ended 31 December 2020 截至2020年12月31日止年度

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cash flows from operating activities	經營活動之現金流量		
(Loss)/Profit before income tax	所得稅前(虧損)/溢利	(953,467)	808,843
Adjustments for:	就下列項目調整：		
Interest income	利息收入	(216,338)	(194,132)
Finance costs	融資成本	1,089,406	1,368,717
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,312,488	1,388,383
Share-based payments expense	以股份支付之開支	2,135	2,135
(Reversal)/provision of other employee benefits	其他僱員福利(撥回)/撥備	(26,868)	30,458
Amortisation of intangible assets other than goodwill	不包括商譽之無形資產攤銷	147,869	144,271
Write-off of property, plant and equipment	物業、廠房及設備撇銷	14,896	21,464
Write-off of intangible assets other than goodwill	不包括商譽之無形資產撇銷	8,657	38,557
Write-off of inventories	存貨撇銷	68,215	2,406
ECL on financial assets	金融資產之預期信貸虧損	168,301	46,202
Provision for impairment of property, plant and equipment	物業、廠房及設備減值撥備	60,364	15,968
Provision for impairment of intangible assets other than goodwill	不包括商譽之無形資產減值撥備	2,827	1,507
Provision for impairment of goodwill	商譽減值撥備	1,046,921	55,769
Provision for impairment of interests in associates	於聯營公司之權益減值撥備	2,598	2,853
Loss/(Gain) on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損/(收益)淨額	189,867	(9,473)
Loss on disposal of subsidiaries	出售附屬公司之虧損	2,572	-
Fair value change on financial assets at FVTPL, net	按公允價值於損益賬處理之金融資產之公允價值變動淨額	6,026	(4,723)
Fair value change on financial liabilities at FVTPL	按公允價值於損益賬處理之金融負債之公允價值變動	(2,569)	(24,342)
Loss/(Gain) on fair value change on investment properties	投資物業公允價值變動虧損/(收益)	34,479	(1,751,377)
Gain on lease modification	租賃修訂之收益	(120,648)	-
Covid-19-Related rent concessions	2019新型冠狀病毒相關租金優惠	(167,687)	-
Gain on trading of financial assets at FVTPL	按公允價值於損益賬處理之金融資產之買賣收益	-	(11,286)
Dividend income	股息收入	(1,496)	(960)
Gain on disposal of a joint venture	出售一間合營企業之收益	(629)	-
Share of results of associates	應佔聯營公司業績	2,899	18,992
Share of results of joint ventures	應佔合營企業業績	1,582	(249)
Operating profit before working capital changes	營運資金變動前之經營溢利	2,672,400	1,949,983
Decrease in inventories	存貨減少	3,146,091	569,746
Decrease/(Increase) in trade receivables, deposits, prepayments and other receivables	應收貿易款項、按金、預付款項及其他應收款項減少/(增加)	218,319	(481,967)
Increase in trade payables, other payables and accruals and other employee benefits	應付貿易款項、其他應付款項及應計費用以及其他僱員福利增加	169,851	1,056,783
(Decrease)/Increase in contract liabilities	合約負債(減少)/增加	(5,252,363)	4,972,346
Decrease/(Increase) in amounts due from related parties	應收關連方款項減少/(增加)	3,312	(5,224)
(Increase)/Decrease in amount due from a joint venture	應收一間合營企業款項(增加)/減少	(5)	1,470
Increase in amounts due from associates	應收聯營公司款項增加	(10,386)	(9,727)
Increase in amounts due to related parties	欠關連方款項增加	245,795	57,343
Cash generated from operating activities	經營活動所得現金	1,193,014	8,110,753
Income taxes paid	已付所得稅	(322,151)	(950,392)
Net cash generated from operating activities	經營活動所得現金淨額	870,863	7,160,361

Consolidated Statement of Cash Flows

綜合現金流量報表

For the year ended 31 December 2020 截至2020年12月31日止年度

	Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量		
Payments to acquire intangible assets	購進無形資產之付款	(84,408)	(227,435)
Payments to acquire property, plant and equipment	購進物業、廠房及設備之付款	(203,533)	(386,361)
Net cash outflow arising from acquisition of assets	收購資產產生之現金流出淨額	-	(2,262)
Decrease in long term deposits, other receivables and amount due from a related party	長期按金、其他應收款項及應收一名關連方款項減少	67,645	40,774
Decrease/(Increase) in pledged and restricted bank deposits	已抵押及受限制銀行存款減少/(增加)	4,188,162	(4,207,150)
Interest received	已收利息	184,258	155,425
Increase in guarantee deposits	保證按金增加	(11,408)	(4,439)
(Increase)/decrease in financial assets at FVTPL	按公允價值於損益賬處理之金融資產(增加)/減少	(2,883)	92,042
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	-	58,012
Disposal of subsidiaries, net cash disposed of	出售附屬公司，已出售現金淨額	(185)	-
Proceeds from disposal of a joint venture	出售一間合營企業之所得款項	24,347	-
Dividend received/Investment withdrawal from an associate and a joint venture	已收一間聯營公司及一間合營企業股息/撤回投資	816	40,679
Dividend received from financial assets	已收金融資產股息	1,496	960
<i>Net cash generated from/(used in) investing activities</i>	<i>投資活動所得/(所用)現金淨額</i>	4,164,307	(4,439,755)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	8,878,388	7,148,057
Repayments of bank and other borrowings	償還銀行及其他借貸	(12,370,534)	(6,834,944)
Interest paid	已付利息	(1,151,928)	(1,151,954)
Repayments of capital element of lease liabilities	償還租賃負債資本部分	(156,962)	(387,524)
Repayments of interest element of lease liabilities	償還租賃負債利息部分	(147,269)	(520,743)
Redemption of convertible and exchangeable bonds	贖回可換股及可交換債券	-	(1,282,410)
Advance from/(Repayment to) a director	來自一名董事之墊款/(向一名董事還款)	872	(52,170)
Dividend paid to non-controlling equity holder of a subsidiary	向一間附屬公司非控股權益持有人支付股息	-	(38,912)
Dividend paid	已付股息	-	(102,968)
<i>Net cash used in financing activities</i>	<i>融資活動所用現金淨額</i>	(4,947,433)	(3,223,568)
Net increase/(decrease) in cash and cash equivalents	現金及等同現金項目增加/(減少)淨額	87,737	(502,962)
Cash and cash equivalents at 1 January	於1月1日之現金及等同現金項目	743,055	1,334,598
Effect of foreign exchange rate changes, on cash held	外幣匯率變動對所持現金之影響	15,747	(88,581)
Cash and cash equivalents at 31 December	於12月31日之現金及等同現金項目	846,539	743,055
Analysis of the balances of cash and cash equivalents	現金及等同現金項目結餘分析		
Cash at banks and in hand	銀行及庫存現金	846,539	743,055

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2020 截至2020年12月31日止年度

		Equity attributable to the Company's owners 本公司擁有人應佔權益											
		Share capital	Share premium*	Capital reserve*	General reserve*	FVOCI reserve*	Share-based payments reserve*	Revaluation reserve*	Exchange reserve*	Retained profits/ (Accumulated loss)*	Total	Non-controlling interests	Total equity
		股本 (note 34)	股份溢價* (附註 36)	資本儲備* (附註 36)	一般儲備* (附註 36)	之儲備* (附註 36)	之儲備* (附註 36)	重估儲備* (附註 36)	匯兌儲備* (附註 36)	保留溢利/ (累計虧損)*	總額	非控股權益 (附註 38)	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2020	於 2020 年 1 月 1 日	686,455	11	2,403,004	264,551	43,333	2,313	-	(114,418)	1,410,751	4,696,000	598,329	5,294,329
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(2,281,315)	(2,281,315)	(248,416)	(2,529,731)
Other comprehensive income	其他全面收益	-	-	-	-	1,387	-	27,899	506,249	-	535,535	22,408	557,943
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	1,387	-	27,899	506,249	(2,281,315)	(1,745,780)	(226,008)	(1,971,788)
Transfer to general reserve	撥入一般儲備	-	-	-	75,284	-	-	-	-	(75,284)	-	-	-
Share-based payments expenses (note 31)	以股份支付之開支 (附註 31)	-	-	-	-	-	2,135	-	-	-	2,135	-	2,135
Acquisition of non-controlling interests in subsidiaries	收購附屬公司之非控股權益	-	-	(82,675)	-	-	-	-	-	-	(82,675)	82,675	-
At 31 December 2020	於 2020 年 12 月 31 日	686,455	11	2,320,329	339,835	44,720	4,448	27,899	391,831	(945,848)	2,869,680	454,996	3,324,676

* These reserve accounts comprise the consolidated reserves of HK\$2,183,225,000 (2019: HK\$4,009,545,000) in the consolidated statement of financial position.

* 此等儲備賬目構成綜合財務狀況報表之綜合儲備2,183,225,000港元(2019年: 4,009,545,000港元)。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2020 截至2020年12月31日止年度

		Equity attributable to the Company's owners 本公司擁有人應佔權益										
		Share capital	Share premium*	Capital reserve*	General reserve*	FVOCI reserve*	Share-based payments reserve*	Exchange reserve*	Retained profits*	Total	Non-controlling interests	Total equity
		按公允價值於其他全面收益處理					以股份支付之儲備*	匯兌儲備*	保留溢利*	總額	非控股權益	權益總額
		股本 (note 34) (附註34)	股份溢價* (note 36) (附註36)	資本儲備* (note 36) (附註36)	一般儲備* (note 36) (附註36)	之儲備* (note 36) (附註36)	之儲備* (note 36) (附註36)	(note 36) (附註36)			(note 38) (附註38)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	686,455	11	2,448,044	202,454	3,256	178	118,128	2,741,237	6,199,763	755,576	6,955,339
Effect on adoption of HKFRS 16	採納香港財務報告準則第16號之影響	-	-	-	-	-	-	-	(604,006)	(604,006)	(82,438)	(686,444)
At 1 January 2019 (restated)	於2019年1月1日(經重列)	686,455	11	2,448,044	202,454	3,256	178	118,128	2,137,231	5,595,757	673,138	6,268,895
Loss for the year	年內虧損	-	-	-	-	-	-	-	(561,415)	(561,415)	(80,011)	(641,426)
Other comprehensive income	其他全面收益	-	-	-	-	39,963	-	(232,206)	-	(192,243)	1,133	(191,110)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	39,963	-	(232,206)	(561,415)	(753,658)	(78,878)	(832,536)
Transfer to general reserve	撥入一般儲備	-	-	-	62,097	-	-	-	(62,097)	-	-	-
Share-based payments expenses (note 31)	以股份支付之開支(附註31)	-	-	-	-	-	2,135	-	-	2,135	-	2,135
Acquisition of non-controlling interests in subsidiaries	收購附屬公司之非控股權益	-	-	(9,241)	-	-	-	(340)	-	(9,581)	7,182	(2,399)
De-recognition of financial assets at FVOCI	終止確認按公允價值於其他全面收益處理之金融資產	-	-	-	-	114	-	-	-	114	-	114
Capital injection into a non-wholly-owned subsidiary	向一間非全資附屬公司增資	-	-	(35,799)	-	-	-	-	-	(35,799)	35,799	-
Dividends to non-controlling interest of a subsidiary	向一間附屬公司非控股權益支付之股息	-	-	-	-	-	-	-	-	-	(38,912)	(38,912)
Dividends relating to 2018 (note 10)	2018年相關股息(附註10)	-	-	-	-	-	-	-	(102,968)	(102,968)	-	(102,968)
At 31 December 2019	於2019年12月31日	686,455	11	2,403,004	264,551	43,333	2,313	(114,418)	1,410,751	4,696,000	598,329	5,294,329

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

1. GENERAL INFORMATION

Nan Hai Corporation Limited (the “Company”) is a limited liability company incorporated in Bermuda. The address of the Company’s registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, and its principal place of business is 12/F., The Octagon, No. 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The Company and its subsidiaries (the “Group”) are principally engaged in culture and media services, property development, enterprise cloud services, news media business and innovative business. Details of the principal activities of the Company’s subsidiaries are set out in note 15.

As at 31 December 2020, the directors of the Company consider the ultimate holding company to be Dadi Holdings Limited, a limited liability company incorporated in Hong Kong.

The financial statements for the year ended 31 December 2020 were approved for issue by the board of directors (the “Board”) on 30 March 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements on pages 121 to 266 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Group incurred a loss of approximately HK\$2,529,731,000 (2019: HK\$641,426,000) for the year ended 31 December 2020, and as of that date, had net current liabilities of approximately HK\$8,621,858,000 (31 December 2019: HK\$9,571,949,000). These conditions may cast significant doubt about the Group’s ability to continue as a going concern.

1. 一般資料

Nan Hai Corporation Limited (南海控股有限公司) (「本公司」) 乃於百慕達註冊成立之有限責任公司，本公司之註冊辦事處地址為 Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda，其主要營業地點位於香港新界荃灣沙咀道6號嘉達環球中心12樓。本公司股份於香港聯合交易所有限公司(「香港聯交所」)主板上市。

本公司及其附屬公司(「本集團」)主要從事文化與傳播服務、房地產開發、企業雲服務、新聞傳播業務及創意商業。本公司附屬公司主要業務詳情載於附註15。

於2020年12月31日，本公司董事認為最終控股公司為大地控股有限公司，為於香港註冊成立之有限公司。

截至2020年12月31日止年度之財務報表已於2021年3月30日獲董事會(「董事會」)批准刊發。

2. 主要會計政策概要

2.1 編製基準

第121至266頁財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈香港財務報告準則(「香港財務報告準則」)，包括所有適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋以及香港公司條例之披露規定而編製。財務報表亦包括香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露規定。

截至2020年12月31日止年度，本集團產生虧損約2,529,731,000港元(2019年：641,426,000港元)，且截至該日錄得流動負債淨額約8,621,858,000港元(2019年12月31日：9,571,949,000港元)。上述情況可能對本集團持續經營能力產生重大疑問。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

In view of these conditions, management of the Group has prepared a cash flow forecast for the next fifteen months after the end of the reporting period and the Board is of the opinion that the Group will have sufficient resources to satisfy its future working capital and other financing requirements over the period covered by the aforesaid cash flow forecast on the basis that the Group will be able to renew or replace certain bank and other borrowings which will be due in the next twelve months. Considering that the carrying amount of the pledged assets, including certain right-of-use assets, buildings, other property, plant and equipment, properties under development and completed properties held for sale, investment properties, financial asset at FVOCI and pledged bank deposits amounting to approximately HK\$12,673,253,000 (31 December 2019: HK\$15,083,273,000) in total, has covered significant amount of the outstanding principal of the maturing bank and other borrowings, and the Group has unused credit facilities amounting to US\$100,000,000 which is available till May 2022. Management considered that the Group will have sufficient funding to support its daily operation in the next twelve months.

Based on the above, the Board considers that it is appropriate to prepare these consolidated financial statements on a going concern basis.

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group's financial statements, if any, are disclosed in note 3.

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

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

2.2 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

2. 主要會計政策概要(續)

2.1 編製基準(續)

有鑑於此，本集團管理層已就報告期末後未來十五個月編製現金流量預測，而董事會認為本集團將有充足資源滿足上述現金流量預測所涵蓋期間之未來營運資金及其他融資需求，前提為本集團能夠重續或替換若干將於未來十二個月到期之銀行及其他借貸。考慮到抵押資產（包括若干使用權資產、樓宇、其他物業、廠房及設備、發展中物業及已落成待售物業、投資物業、按公允價值於其他全面收益處理之金融資產以及已抵押銀行存款）之賬面值合共約12,673,253,000港元（2019年12月31日：15,083,273,000港元）足以應付到期銀行及其他借貸其中大部分本金，加上本集團未動用信貸融資100,000,000美元於2022年5月前仍可動用，管理層認為本集團將有足夠資金支持未來十二個月之日常營運。

基於上述原因，董事會認為按持續經營基準編製綜合財務報表屬恰當。

編製此等財務報表所用之主要會計政策於下文概述。除另有指明外，該等政策已於所有呈列年度貫徹應用。採納新訂或經修訂香港財務報告準則及對本集團財務報表之影響（如有）於附註3內披露。

如下文會計政策所詳述，除投資物業及按公允價值計量之若干金融工具外，財務報表按歷史成本基準編製。

務請注意編製財務報表時曾使用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動之最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及高度判斷或複雜程度之範圍，或假設及估計對財務報表而言屬重大之範圍，在附註4內披露。

2.2 業務合併及綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。公司間之交易及集團內公司間之結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，惟有證據顯示交易所轉讓資產出現減值則除外，於此情況下，虧損於損益賬內確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Business combination and basis of consolidation (Continued)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

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

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

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. 主要會計政策概要(續)

2.2 業務合併及綜合賬目基準(續)

年內收購或出售之附屬公司之業績，分別由收購生效日期起計入綜合收益表或計至出售生效日期止(視情況而定)。如有需要，會對附屬公司之財務報表作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

收購附屬公司或業務採用收購法列賬。一項收購之成本乃按本集團(作為收購方)所轉讓資產、所承擔負債及所發行之股權於收購當日之公允價值總額計量。所收購可識別資產及所承擔負債則主要按收購當日之公允價值計量。本集團先前所持收購對象之股權以收購當日之公允價值重新計量，而所產生之損益則於損益賬內確認。本集團可選擇以逐筆交易為基準按公允價值或於收購對象之可識別資產淨值應佔比例計量非控股權益，反映目前於附屬公司之擁有權權益。除非香港財務報告準則另有規定計量標準，否則所有其他非控股權益乃按公允價值計量。所產生之收購相關成本列作開支，惟於發行股本工具時產生者，則自權益扣除。

收購方將轉讓之任何或然代價按收購當日之公允價值確認。代價之其後調整僅於調整源自於計量期(最長為自收購日期起12個月)內所取得有關於收購當日之公允價值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益賬確認。

本集團於附屬公司並無導致失去控制權之權益變動列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映彼等於附屬公司相對權益之變動。非控股權益之調整額與已支付或收取之代價之公允價值之間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Business combination and basis of consolidation (Continued)

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

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

2.3 Subsidiaries

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

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

2. 主要會計政策概要(續)

2.2 業務合併及綜合賬目基準(續)

倘本集團失去附屬公司之控制權，出售損益乃按下列兩者之差額計算：(i) 所收取代價之公允價值與任何保留權益之公允價值之總額；及(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。過往就該附屬公司於其他全面收益確認之款額按出售相關資產或負債時所規定之相同方式列賬。

收購後，代表於附屬公司之目前擁有權益之非控股權益之賬面值為該等權益於初步確認時之金額加以非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀，全面收益總額仍歸屬於非控股權益。

2.3 附屬公司

附屬公司指本集團能夠對其行使控制權之投資對象。倘以下三項因素全部存在時，則本集團可控制投資對象：對投資對象之權力，承擔或有權享有投資對象之浮動回報及有能力運用權力影響該等浮動回報。當事實及情況顯示該等控制權之任何因素可能有變，則會重新評估控制權。

倘本公司擁有實際能力引導投資對象相關活動，而無需持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士之數量及分散情況，本公司投票權數量多少；
- 本公司及其他持有投票權人士所持有實際潛在投票權；
- 其他合約安排；及
- 參與投票之歷史模式。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Subsidiaries (Continued)

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

2.4 Associates

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

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

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

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

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

2. 主要會計政策概要(續)

2.3 附屬公司(續)

於本公司之財務狀況報表中，附屬公司之權益按成本扣除任何減值虧損計算，除非該附屬公司乃持作出售，或計入出售集團內。附屬公司之業績於報告日期按本公司已收及應收股息入賬。所有股息，不論是否從投資對象之收購前或收購後溢利中收取，均在本公司之損益賬確認。

2.4 聯營公司

聯營公司指並非附屬公司或合營安排，而本集團對其有重大影響之實體。重大影響為參與決定投資對象之財務及營運政策之權力，但並非控制或共同控制該等政策。

聯營公司以權益法入賬，初步按成本確認，其後賬面值按本集團應佔聯營公司資產淨值於收購後之變動作出調整，惟超過本集團於聯營公司權益之虧損將不予確認，除非本集團有責任彌補該等虧損。

本集團與其聯營公司之間交易產生之損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生之投資者分佔聯營公司溢利及虧損與聯營公司之賬面值對銷。倘未變現虧損證明資產轉移之減值，則即時於損益賬確認。

就聯營公司已付超出本集團應佔所收購可識別資產、負債及或然負債公允價值之任何溢價會撥充資本，並計入該聯營公司之賬面值。倘有客觀證據顯示於聯營公司之投資出現減值，則投資賬面值以與其他非金融資產一致之方式進行減值測試。

於本公司之財務狀況報表，於聯營公司之投資按成本減減值虧損(如有)列賬。聯營公司之業績由本公司按年內所收及應收股息計量。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Joint arrangements

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures in the same manner as investments in associates (i.e. using the equity method — see note 2.4).

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

The Group accounts for its interests in joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

2. 主要會計政策概要(續)

2.5 共同安排

當有合約安排賦予本集團及至少一名其他訂約方對安排之相關活動之共同控制權時，則本集團為共同安排之訂約方。共同控制權乃根據與附屬公司控制權之相同原則予以評估。

本集團將其於共同安排之權益分類為：

- 合營企業：本集團僅對共同安排之資產淨值擁有權利；或
- 合營業務：本集團對共同安排之資產擁有權利並有責任承擔共同安排之負債。

在評估於共同安排之權益分類時，本集團會考慮：

- 共同安排之架構；
- 透過單獨工具構建之共同安排之法律形式；
- 共同安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

本集團將合營企業之權益入賬之方法與將聯營公司之投資入賬之方法(即使用權益法，見附註2.4)一致。

合營企業投資已付任何溢價高於已收購本集團應佔可識別資產、負債及或然負債的公允價值撥充資本，計入合營企業的賬面值。倘有合營企業投資已經減值的客觀憑證，則按與其他非金融資產相同的方式就投資賬面值進行減值測試。

本集團於合營業務之權益乃根據其合約賦予之權利及義務，透過確認其應佔資產、負債、收益及開支入賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Joint arrangements (Continued)

In the Company's statement of financial position, investments in joint ventures are stated at cost less impairment losses, if any. Results of joint ventures are accounted for by the Company on the basis of dividends received and receivable during the year.

2.6 Foreign currency translation

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

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as exchange reserve.

2. 主要會計政策概要(續)

2.5 共同安排(續)

於合營公司之投資在本公司財務狀況報表按成本減減值虧損(如有)列賬。合營企業之業績於年內由本公司按已收及應收股息入賬。

2.6 外幣換算

財務報表以港元(「港元」)呈報，即本公司之功能貨幣。

集團實體以其經營所在主要經營環境之貨幣(「功能貨幣」)以外貨幣進行之交易，乃按交易進行時之匯率入賬。外幣貨幣資產及負債按報告期末當時匯率換算。以外幣計值按公允價值列賬之非貨幣項目按釐定公允價值當日匯率重新換算。以外幣按歷史成本計算之非貨幣項目不作重新換算。

結算與換算貨幣項目產生之匯兌差額於其產生期間於損益賬確認。重新換算按公允價值列賬之非貨幣項目產生之匯兌差額計入期內損益賬，惟重新換算有關收益及虧損於其他全面收益內確認之非貨幣項目所產生差額除外，在此情況下，匯兌差額亦於其他全面收益內確認。

於綜合入賬時，海外業務之收支項目按該年度平均匯率換算為本集團之呈列貨幣(即港元)，惟匯率於期內大幅波動則除外，在此情況下，則使用與交易進行時適用匯率相若之匯率。海外業務所有資產及負債按各報告期末之匯率換算。所產生匯兌差額(如有)於其他全面收益內確認，並於權益內累計為匯兌儲備(歸屬於非控股權益(如適用))。於集團實體個別財務報表之損益內所確認換算長期貨幣項目(構成本集團於有關海外業務淨投資一部分)之匯兌差額重新歸類為其他全面收益，並於權益內累計為匯兌儲備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the exchange reserve.

2.7 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is provided to write off the cost less their residual values over their estimated useful lives on a straight-line method, at the following rates per annum:

Buildings	5%
Leasehold improvements, furniture, fixtures and equipment	2.5% to 33-1/3%, or over lease terms whichever involves shorter period
Motor vehicles and yachts	6-2/3% to 33-1/3%
Freehold land	No depreciation
Right-of-use assets	Shorter of estimated useful lives or the lease terms

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

2. 主要會計政策概要(續)

2.6 外幣換算(續)

出售海外業務時，與該業務相關之匯兌儲備確認截至出售日期之累計匯兌差額，重新分類為損益作為出售盈虧之一部分。

就於2005年1月1日或之後收購海外業務而產生之商譽及所收購可識別資產之公允價值調整乃作為該海外業務之資產及負債處理，並按各報告期末之現行匯率重新換算。所產生匯兌差額於匯兌儲備確認。

2.7 物業、廠房及設備

物業、廠房及設備按購入成本減累計折舊及累計減值虧損列賬。資產成本包括購買價及將該資產達至其擬定用途之運作條件及位置之任何直接應佔成本。

折舊乃按下列年率，於其估計可使用年期以直線法計提，以撇銷有關成本減剩餘價值：

樓宇	5%
租賃物業裝修、傢俬、裝置及設備	按2.5%至33-1/3%或租賃期間(以較短者為準)
汽車及遊艇	6-2/3%至33-1/3%
永久業權土地	並無折舊
使用權資產	按估計可使用年期或租賃期(以較短者為準)

資產之剩餘價值、折舊方法及可使用年期於各報告日期檢討，在適當情況會作出調整。

倘一項資產之賬面值高於該資產之估計可收回金額，則該項資產立即撇減至其可收回金額。

出售物業、廠房及設備項目之盈虧按出售所得款項淨額與其賬面值之差額釐定，並於出售時在損益賬確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

The buildings comprise a portion that is held to earn rentals and the other portion that is held for administrative purpose. As the portion held to earn rentals cannot be sold separately and is insignificant, the building is classified as owner-occupied property rather than investment property.

2.8 Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Properties under construction or development for future use as investment properties are classified as investment properties under construction. If the fair value cannot be reliably determined, the investment properties under construction will be measured at cost until such time as fair value can be determined or construction is completed.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

2. 主要會計政策概要(續)

2.7 物業、廠房及設備(續)

其後成本只有在該項目相關之未來經濟利益可能流入本集團，且該項目之成本能可靠計量時，方計入資產之賬面值或確認為獨立資產（視適用情況而定）。替換部分之賬面值則終止確認。維修及保養等所有其他成本，於其產生之財務期間自損益賬扣除。

該樓宇包括持作賺取租金部分及持作行政用途之其他部分。由於持作賺取租金部分不可分拆出售且並非重大，該樓宇分類為業主自用物業而非投資物業。

2.8 投資物業

投資物業為持作賺取租金或資本增值或兩者兼有之物業，惟並非持作在一般業務過程中出售、用作生產或供應商品或服務或用作行政用途。投資物業於初步確認時按成本計量，而其後任何公允價值變動則於損益賬確認。

未來用作投資物業之在建或開發中物業乃分類為在建投資物業。倘公允價值無法可靠釐定，在建投資物業將按成本計量，直至能夠釐定公允價值或建設工程完成之時為止。

投資物業公允價值變動產生之損益於其產生年度之損益入賬。

報廢或出售投資物業而產生之任何收益或虧損於報廢或出售年度之損益賬確認。

倘存貨轉入投資物業，物業於該日之公允價值與其先前賬面值之任何差額會於損益賬確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Goodwill

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of investment in an associate is set out in note 2.4.

Goodwill represents the excess of the aggregate of the fair value of the consideration transferred and the amount recognised for any non-controlling interest in the acquiree over the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities acquired.

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

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs") that are expected to benefit from the synergies of the acquisition. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 2.19), and whenever there is an indication that the unit may be impaired.

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

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of gain or loss on disposal.

2. 主要會計政策概要(續)

2.9 商譽

下文列載有關收購附屬公司所產生商譽之會計政策。收購聯營公司之投資所產生商譽之會計法載於附註2.4。

商譽指轉讓代價及就於收購對象之非控股權益已確認金額總和超過所收購之收購對象可識別資產、負債及或然負債之公允價值淨額之差額。

倘可識別資產及負債之公允價值超出所付代價、於收購對象任何非控股權益金額及收購方先前於收購對象所持股權之收購日期公允價值之公允價值總和，則超出部分在重估後於收購日期在損益賬確認。

商譽乃按成本減減值虧損計量。就減值測試而言，收購所產生之商譽乃被分配到預期自收購所產生協同效益中受益之各有關現金產生單位（「現金產生單位」）。現金產生單位指可大致獨立於其他資產或資產組別產生現金流入之最小可識別資產組別。獲分配商譽之現金產生單位每年（以其賬面值與可收回金額（見附註2.19）進行比較）及於出現可能減值之跡象時進行減值測試。

就財政年度內收購產生之商譽而言，獲分配商譽之現金產生單位於該財政年度末前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則首先會分配減值虧損以減少該單位獲分配之任何商譽之賬面值，再根據該單位各項資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會導致個別資產之賬面值低於其公允價值減出售成本（若可計量）或使用價值（若可釐定）（取較高者）。任何商譽減值虧損於損益賬確認，且不會於往後期間撥回。

其後出售附屬公司時，於釐定出售之盈虧時將計及已資本化之商譽應佔金額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Other intangible assets and research and development activities

Other intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Computer software	4–5 years
Customer relationships	2 years
Development cost	2–5 years
Licenses, brand names and franchise right	8–10 years
Distribution channel	6.5 years

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the computer software to which it relates. All other expenditure is expensed as incurred.

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (see note 2.19).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

2. 主要會計政策概要(續)

2.10 其他無形資產及研發活動

其他無形資產

獨立收購之無形資產初步按成本確認。於業務合併中購入無形資產之成本為於收購日期之公允價值。初步確認後，具有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損入賬。具有有限使用年期之無形資產之攤銷於其估計可使用年期以直線法計提撥備。無形資產於可使用時開始攤銷。以下為所應用之可使用年期：

電腦軟件	4–5 年
與客戶關係	2 年
開發成本	2–5 年
牌照、品牌名稱及特許經營權	8–10 年
分銷渠道	6.5 年

其後開支只會在與其相關之電腦軟件之未來經濟利益增加時方撥充資本。所有其他開支於產生時支銷。

具無限使用年期之無形資產按成本減任何其後累計減值虧損入賬。

具有有限使用年期之無形資產於有跡象顯示該資產可能出現減值時進行減值測試。具無限使用年期之無形資產及尚未可供使用之無形資產每年作減值測試，而不論是否有跡象顯示該等資產可能出現減值。無形資產透過比較其賬面值與可收回金額進行減值測試（見附註2.19）。

倘估計資產之可收回金額少於其賬面值，則資產之賬面值會削減至其可收回金額。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Other intangible assets and research and development activities (Continued)

Research and development costs

Costs associated with research activities are expensed in profit or loss as they occur. Costs that are directly attributable to the development activities are recognised as intangible assets provided they meet the following recognition requirements:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the intangible asset and use or sell it;
- (iii) the Group's ability to use or sell the intangible asset is demonstrated;
- (iv) the intangible asset will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development along with an appropriate portion of relevant overheads. The costs of internally generated developments are recognised as intangible assets. They are subject to the same subsequent measurement method as externally acquired intangible assets.

All other development costs are expensed as incurred.

2. 主要會計政策概要(續)

2.10 其他無形資產及研發活動(續)

研究及開發成本

與研究活動相關之成本於產生時於損益賬支銷。開發活動直接應佔之成本於符合以下確認要求時確認為無形資產：

- (i) 顯示預期供內部使用或銷售之產品在技術上可行；
- (ii) 有意完成無形資產，並加以使用或出售；
- (iii) 顯示本集團有能力使用或出售該無形資產；
- (iv) 無形資產有可能透過內部使用或出售帶來經濟利益；
- (v) 備有足夠技術、財務及其他資源完成研發；及
- (vi) 能可靠計量無形資產應佔之開支。

直接成本包括開發過程中產生之僱員成本，以及適當部分之相關間接費用。開發產品產生之內部成本乃確認為無形資產。該資產其後之計量方法，與外購之無形資產相同。

所有其他開發成本於產生時支銷。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments

(i) Financial assets

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

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

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

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

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

2. 主要會計政策概要(續)

2.11 金融工具

(i) 金融資產

金融資產(並無重大融資部分之應收貿易款項除外)初步按公允價值另加(就並非按公允價值於損益賬處理之項目而言)收購或發行金融資產應佔之直接交易成本計量。並無重大融資部分之應收貿易款項初步按交易價格計量。

所有以常規方式購買及銷售之金融資產於交易日(即本集團承諾購買或出售資產當日)確認。常規買賣指規定於一般由市場規例或慣例確立期間內交付資產之金融資產買賣。

在確定具有嵌入衍生工具之金融資產之現金流是否純粹為本金及利息付款時,需從金融資產之整體考慮。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該等資產之現金流量特徵。本集團將其債務工具分類為三種計量類別:

攤銷成本:倘持有資產旨在收取合約現金流量,而該等資產之現金流量純粹為本金及利息付款,該等資產按攤銷成本計量。按攤銷成本計量之金融資產其後使用實際利率法計量。利息收入、外匯收益及虧損以及減值於損益賬確認。終止確認產生之任何收益於損益賬確認。

按公允價值於其他全面收益處理:倘持有資產目的為收取合約現金流量及銷售金融資產,且資產之現金流量純粹為本金及利息付款,則按公允價值於其他全面收益處理計量。按公允價值於其他全面收益處理之債務工具其後按公允價值計量。使用實際利率法計算之利息收入、外匯收益及虧損以及減值於損益賬確認。其他收益及虧損淨額於其他全面收益確認。於終止確認時,於其他全面收益賬之累計收益及虧損重新分類至損益賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(i) Financial assets (Continued)

Debt instruments (Continued)

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

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

2. 主要會計政策概要(續)

2.11 金融工具(續)

(i) 金融資產(續)

債務工具(續)

按公允價值於損益賬處理：按公允價值於損益賬處理之金融資產包括持作買賣之金融資產、於初步確認時指定按公允價值於損益賬處理之金融資產，或需要強制按公允價值計量之金融資產。倘金融資產乃為於近期進行出售或購置而收購，則金融資產會分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非衍生工具指定為實際對沖工具，則作別論。現金流量並非純粹用作支付本金及利息之金融資產分類為按公允價值於損益賬處理計量，而不論業務模式。儘管如上文所述債務工具可分類為按攤銷成本或按公允價值於其他全面收益處理，倘能夠消除或顯著減少會計錯配，則債務工具或會於初步確認時指定為按公允價值於損益賬處理。

股本工具

於初次確認並非持作買賣用途之股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公允價值後續變動。是項選擇乃按投資逐項作出。按公允價值於其他全面收益處理之股本投資乃按公允價值計量。股息收入於損益賬確認，除非股息收入清楚呈列收回部分投資成本，則作別論。其他收益及虧損淨額於其他全面收益確認，亦不會重新分類至損益賬。所有其他股本工具分類為按公允價值於損益賬處理，倘公允價值有所變動，股息及利息收入於損益賬確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(ii) Impairment loss on financial assets

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

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

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

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

2. 主要會計政策概要(續)

2.11 金融工具(續)

(ii) 金融資產之減值虧損

本集團就應收貿易款項、合約資產、按攤銷成本計量之金融資產及按公允價值於其他全面收益處理之債務投資之預期信貸虧損確認虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：此乃於報告日期後12個月內之潛在違約事件所導致預期信貸虧損；及(2)全期預期信貸虧損：此乃於金融工具預計年期內之所有潛在違約事件所導致預期信貸虧損。估計預期信貸虧損時所考慮最長期間為本集團面對信貸風險之最長合約期間。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量間之差額計量。該差額其後按與資產原有實際利率相若之利率貼現。

本集團已選用香港財務報告準則第9號簡化法計量應收貿易款項及合約資產之虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已制定根據本集團過往信貸虧損經驗計算之撥備矩陣，並按與債務人相關之特定前瞻因素及經濟環境調整。

就其他債務金融資產而言，預期信貸虧損按12個月預期信貸虧損計算。然而，當自發生以來信貸風險顯著增加，撥備將按全期預期信貸虧損計算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(ii) Impairment loss on financial assets (Continued)

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

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

The Group considers a financial asset to be credit-impaired when: (1) the 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 (2) the financial asset is more than 90 days past due.

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

(iii) Financial liabilities

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

2. 主要會計政策概要(續)

2.11 金融工具(續)

(ii) 金融資產之減值虧損(續)

當釐定金融資產之信貸風險有否自初步確認以來顯著增加，並於估計預期信貸虧損時，本集團考慮相關及毋須付出不必要成本或精力即可獲得之合理可作為依據之資料。此包括根據本集團過往經驗及已知信貸評估得出之定量及定性資料分析，並包括前瞻資料。

本集團假設，倘金融資產逾期超過90日，則其信貸風險已顯著增加。

本集團認為金融資產於下列情況下出現信貸減值：(1) 借款人不可能在本集團無追索權（例如：變現擔保（如持有））下向本集團悉數支付其信貸責任；或(2) 該金融資產逾期超過90日。

信貸減值金融資產之利息收入按金融資產之攤銷成本（即賬面總值減虧損撥備）計算。非信貸減值金融資產之利息收入則按賬面總值計算。

(iii) 金融負債

本集團視乎所產生負債之目的將金融負債分類。按公允價值於損益賬處理之金融負債初步按公允價值計量，而按攤銷成本列賬之金融負債初步按公允價值計量並扣除已產生直接應佔成本。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at FVTPL, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at FVTPL if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the income statement. The net fair value gain or loss recognised in the income statement does not include any interest charged on these financial liabilities.

2. 主要會計政策概要(續)

2.11 金融工具(續)

(iii) 金融負債(續)

按公允價值於損益賬處理之金融負債

按公允價值於損益賬處理之金融負債包括持作買賣之金融負債及於初步確認時指定為按公允價值於損益賬處理之金融負債。

倘收購金融負債旨在於短期內出售，則該金融負債分類為持有買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持有買賣，除非彼等指定為有效對沖工具則作別論。持作買賣之負債所產生收益或虧損於損益賬確認。

倘合約包含一項或多項嵌入式衍生工具，則整份混合式合約可指定為按公允價值於損益賬處理之金融負債，惟倘嵌入式衍生工具並無令現金流量有重大變動或明確禁止分開處理嵌入式衍生工具則除外。

符合以下標準之金融負債可在初步確認時指定為按公允價值於損益賬處理：(i)有關指定消除或顯著減少因按不同基準計量負債或就其確認收益或虧損而造成之處理方法不一致情況；(ii)根據明文訂立之風險管理策略，該等負債為一類受管理而其表現乃按公允價值評估之金融負債其中部分；或(iii)有關金融負債包含須獨立入賬之嵌入式衍生工具。

於初步確認後，按公允價值於損益賬處理之金融負債按公允價值計量，並於產生之期間於損益賬確認公允價值變動，惟因本集團本身信貸風險而產生之收益及虧損除外，彼等於其他全面收益呈列，且其後不會重新分類至收益表。於收益表確認之公允價值收益或虧損淨額不包括就該等金融負債收取之任何利息。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at amortised cost

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

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

(iv) Effective interest method

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

(v) Equity instruments

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

(vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at FVTPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the accounting policy set out in note 2.11(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

2. 主要會計政策概要(續)

2.11 金融工具(續)

(iii) 金融負債(續)

按攤銷成本列賬之金融負債

按攤銷成本列賬之金融負債包括貿易及其他應付款項、借貸及若干優先股其後採用實際利率法按攤銷成本計量。相關利息開支於損益賬確認。

當負債終止確認時，於損益賬確認收益或虧損並經攤銷處理。

(iv) 實際利率法

實際利率法為計算金融資產或金融負債之攤銷成本及按有關期間攤分利息收入或利息開支之方法。實際利率為確切貼現金融資產或負債之預計年期或(如適用)較短期間之估計未來現金收入或付款之利率。

(v) 股本工具

本公司發行之股本工具按收取之所得款項(扣除直接發行成本)列賬。

(vi) 財務擔保合約

財務擔保合約乃要求發行人支付指定金額，以賠償持有人因指定債務人未能按債務工具原訂或經修訂條款如期還款而招致損失之合約。本集團發出並非指定按公允價值於損益賬處理之財務擔保合約初步按其公允價值減發出財務擔保合約直接應佔之交易成本確認。於初步確認後，本集團按以下各項中之較高者計量財務擔保合約：(i) 虧損撥備金額(即根據附註2.11(ii)所載會計政策原則計量之預期信貸虧損撥備)；及(ii) 初步確認之金額減(如適用)根據香港財務報告準則第15號之原則確認之累計攤銷。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(vii) Derecognition

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

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

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

2.12 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

(i) Properties under development

The cost of properties under development for sale comprises the acquisition cost of land, materials, labour and other direct expenses and an appropriate proportion of overheads, and capitalised finance cost (see note 2.21).

(ii) Completed properties held-for-sale

Cost is determined by apportionment of the total land and development costs for that development project attributable to the unsold properties.

2. 主要會計政策概要(續)

2.11 金融工具(續)

(vii) 終止確認

本集團於金融資產相關未來現金流量之合約權利屆滿時，或於金融資產已經轉讓且有關轉讓符合香港財務報告準則第9號之終止確認標準時終止確認金融資產。

當有關合約中訂明之義務獲解除、註銷或屆滿時，終止確認金融負債。

倘本集團因重新磋商金融負債之條款而向債權人發行其自有股本工具以全面或部分結付該負債，則所發行股本工具為已付代價，並於金融負債或其部分被註銷當日初步確認及按該日之公允價值計量。倘所發行股本工具之公允價值無法可靠計量，則股本工具按可反映被註銷金融負債之公允價值之金額計量。被註銷之金融負債或其部分之賬面值與已付代價間之差額於該年度損益賬確認。

2.12 存貨

存貨初步按成本確認，其後按成本及可變現淨值中之較低者入賬。成本包括所有購入成本、轉換成本及使存貨達致現時地點及狀態而產生之其他成本。可變現淨值乃以日常業務之估計售價減估計完工成本及適用銷售開支所得數額。

(i) 發展中物業

發展中待售物業之成本包括土地之收購成本、物料、勞工及其他直接費用，以及適當比例之間接費用及已資本化之融資成本(見附註2.21)。

(ii) 已落成待售物業

成本乃按未出售物業應佔該發展項目之土地及發展成本總額之比例釐定。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Inventories (Continued)

- (iii) *Food, beverages and merchandise goods*
Cost comprises the cost of purchased goods calculated using first-in, first-out ("FIFO") method.
- (iv) *Projection equipment*
Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.
- (v) *Personal care and fragrance products*
Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand, demand deposits with banks or other financial institutions, and short-terms highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.14 Leases

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases; and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

2. 主要會計政策概要(續)

2.12 存貨(續)

- (iii) 食品、飲料及商品
成本(包括購入貨物成本)以先進先出(「先進先出」)法計算。
- (iv) 放映設備
成本(包括製造產品成本及購入原材料成本)以先進先出法計算。
- (v) 個人護理及香水產品
成本(包括製造產品成本及購入原材料成本)以先進先出法計算。

2.13 現金及等同現金項目

現金及等同現金項目包括銀行現金及庫存現金、銀行或其他金融機構之活期存款，以及原到期日為三個月或以下可隨時轉換為已知數額現金且價值變動風險較少之短期高度流動性投資。就現金流量報表呈報而言，現金及等同現金項目包括按要求償還及屬本集團現金管理主要部分之銀行透支。

2.14 租賃

所有租賃(不論為經營租賃或融資租賃)須於財務狀況報表資本化為使用權資產及租賃負債，惟實體可作出會計政策選擇，選擇不將(i)屬短期租賃的租賃；及／或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就低價值資產以及於開始日期租賃期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法支銷。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Leases (Continued)

(i) Accounting as a lessee

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use assets at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. For right-of-use asset that meets the definition of an investment property, they are carried at fair value and for right-of-use asset that meets the definition of a leasehold land and buildings held for own use, they are carried at depreciated cost. The right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease terms.

The Group accounts for leasehold land and buildings that are held for rental or capital appreciation purpose under HKAS 40 and are carried at fair value. The adoption of HKFRS 16 therefore does not have any material impact on these right-of-use assets. Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that it is a separate class of asset apart from the leasehold land and buildings which is held for own use. As a result, the right-of-use assets arising from the properties under tenancy agreements are carried at depreciated cost.

2. 主要會計政策概要(續)

2.14 租賃(續)

(i) 作為承租人之會計處理

使用權資產

使用權資產應按成本確認並將包括：(i) 初步計量租賃負債的金額(見下文有關租賃負債入賬的會計政策)；(ii) 於開始日期或之前作出的任何租賃付款減已收取的任何租賃獎勵；(iii) 承租人產生的任何初步直接成本；及(iv) 承租人根據租賃條款及條件規定的情況下分解及移除相關資產時將產生的估計成本，除非該等成本乃為生產存貨而產生則除外。本集團應用成本模式計量使用權資產。根據成本模式，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債任何重新計量作調整。就符合投資物業定義之使用權資產而言，其按公允價值列賬，而符合持作自用租賃土地及樓宇定義之使用權資產則按折舊成本列賬。使用權資產按估計可使用年期或租賃期(以較短者為準)以直線法折舊。

本集團根據香港會計準則第40號將持作出租或資本增值用途之租賃土地及樓宇入賬，有關項目按公允價值列賬。因此，採納香港財務報告準則第16號對此等使用權資產並無任何重大影響。除上述使用權資產外，本集團亦根據租賃協議租賃多項物業，而本集團行使判斷並釐定其為持作自用租賃土地及樓宇以外的獨立資產類別。因此，租賃協議項下物業產生之使用權資產乃按折舊成本列賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Leases (Continued)

(i) Accounting as a lessee (Continued)

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

The following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

(ii) Accounting as a lessor

The Group has leased out its investment properties to a number of tenants. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

2. 主要會計政策概要(續)

2.14 租賃(續)

(i) 作為承租人之會計處理(續)

租賃負債

租賃負債應按並非於租賃開始日期支付之租賃付款的現值確認。租賃付款將採用租賃暗含的利率貼現(倘該利率可輕易釐定)。倘該利率無法輕易釐定，本集團將採用承租人的增量借貸利率。

下列並非於租賃開始日期支付的租賃期內就使用相關資產權利支付的款項被視為租賃付款：(i) 固定付款減任何應收租賃獎勵；(ii) 初步按開始日期之指數或利率計量的浮動租賃付款(取決於指數或利率)；(iii) 承租人根據剩餘價值擔保預期將支付的款項；(iv) 倘承租人合理確定行使購買選擇權，該選擇權的行使價；及(v) 倘租賃期反映承租人行使選擇權終止租賃，終止租賃的罰款付款。

於開始日期後，承租人將透過下列方式計量租賃負債：(i) 增加賬面值以反映租賃負債的利息；(ii) 減少賬面值以反映作出的租賃付款；及(iii) 重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。

(ii) 作為出租人之會計處理

本集團已向多名租戶出租其投資物業。來自經營租賃之租金收入於有關租期內按直線基準於損益賬中確認。磋商及安排經營租賃產生之初步直接成本加入租賃資產之賬面值，並於租期內按直線法確認為開支。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition, unless the fair value cannot be measured reliably, and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

2.16 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

2. 主要會計政策概要(續)

2.15 撥備及或然負債

倘本集團因過往事件而須承擔現有法定或推定責任，而履行該責任時有可能須耗用經濟利益，且涉及該責任之金額可作可靠估計，則確認有關撥備。若貨幣之時間價值屬重大，則撥備按履行該責任預計所需開支之現值列賬。

所有撥備於各報告日期檢討並調整以反映現時之最佳估計。

倘經濟利益流出之可能性較低，或無法對有關數額作出可靠估計，便會作為或然負債披露，惟經濟利益流出之可能性極低則除外。倘本集團之責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟利益流出之可能性極低則除外。

或然負債乃於將購買價分配至在業務合併中所購入資產及負債之過程中確認。除非公允價值未能可靠計量，否則或然負債應於收購日期按公允價值初步予以計量，並在其後按上述類似條文中將予確認之金額與最初確認之金額減任何累計攤銷（如適用）兩者之較高者計量。

2.16 股本

普通股乃分類為權益。股本採用已發行股份之面值釐定。任何與發行股份相關之交易成本，於屬股本交易之直接應佔遞增成本情況下，自股份溢價（減任何相關所得稅利益）中扣除。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Revenue recognition

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

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

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

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

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2. 主要會計政策概要(續)

2.17 收益確認

來自客戶合約收益乃於向客戶轉移貨品之控制權或服務時按反映本集團預期就該等貨品或服務有權換取之代價金額確認，不包括代表第三方收回之金額。收益不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

視乎合約條款及適用於合約之法律，貨品之控制權或服務可能隨時間或在某個時間點轉移。倘本集團於履約過程中滿足下列條件，則貨品之控制權或服務乃隨時間轉移：

- 本集團履約所帶來之一切利益同時由客戶接收及消耗；
- 於本集團履約時創建或強化由客戶控制之資產；或
- 並無產生對本集團有替代用途之資產，且本集團可強制執行其權利以收回迄今已完成履約部分之款項。

倘貨品之控制權或服務隨時間轉移，參照在整個合約期間已完成履約義務之進度確認收益。否則，收益於客戶獲得貨品控制權或服務之某個時間點確認。

倘合約包括為客戶提供超過一年有關就向客戶轉移貨品或服務撥付資金之重大利益之融資部分，則收益按應收款項現值計量，並使用本集團與客戶之單獨融資交易中所反映於交易開始時之貼現率貼現。倘合約包括為本集團提供重大融資利益之融資部分，則根據該合約確認之收益包括按實際利率法計算之合約負債所產生利息開支。就自付款至轉移承諾貨品或服務期間為一年或以內之合約而言，則採用香港財務報告準則第15號之實際可行權宜情況，不會就重大融資部分之影響調整交易價。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Revenue recognition (Continued)

(i) Sale of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognised when legal assignment is completed, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under contract liabilities defined below.

When residential properties are marketed by the Group while the property is still under construction, the Group may offer a discount compared to the listed sales price, provided the customer agrees to pay the balance of the consideration early. In such cases, if the advance payments are regarded as providing a significant financing benefit to the Group, interest expense arising from the adjustment of time value of money will be accrued by the Group during the period between the payment date and the completion date of legal assignment. This accrual increases the balance of the contract liability during the period of construction, and therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer. The interest is expensed as accrued unless it is eligible to be capitalised under HKAS 23, Borrowing costs, in accordance with the policies set out in note 2.21.

(ii) Cinema ticketing income

Ticket income from the sale of tickets owned and controlled by the Group is recognised over the period when the corresponding movie presented to the ticket holders.

(iii) Advertising revenue

Advertising revenue are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised over the specified period of time unless there is evidence that some other method better represents the stage of completion.

2. 主要會計政策概要(續)

2.17 收益確認(續)

(i) 銷售物業

在日常業務中銷售待售物業產生之收益於法定轉讓完成時(當客戶有能力直接使用物業並獲得該物業的所有剩餘利益之某個時點時)確認。收益確認日期前就已出售物業所收到之按金及分期付款包括在財務狀況報表內合約負債(定義見下文)。

當本集團推廣在建住宅物業時，與上市售價相比，本集團可提供折扣，惟客戶須同意提早支付代價結餘。在有關情況下，倘預付款項被視為向本集團提供重大財務利益，本集團應計將於支付日期至法定轉讓完成日期期間調整貨幣時間價值產生之利息開支。此項應計費用增加在建期間的合約負債結餘，因此，於已竣工物業的控制權轉移至客戶時增加已確認的收益。根據附註2.21所載政策，除非根據香港會計準則第23號，借貸成本合資格資本化，否則該利息按應計開支支銷。

(ii) 影院票房收入

銷售本集團擁有及控制之售票所得售票收入，於相關電影提呈予戲票持有人期間確認。

(iii) 廣告收益

廣告收益於提供服務之會計期間內參照按實質提供服務與將提供服務總計之比例評估之特定交易完成時間確認。倘服務乃於一段指定時期內透過不確定數量行動進行，除非有證據顯示有其他更佳方法表示完成階段，否則收益於該等指定時期確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Revenue recognition (Continued)

(iv) Sales of personal care and fragrance products

The Group sells personal care and fragrance products through chain of retail stores and e-commerce platforms. Revenue from the sale of goods is recognised when a group entity sells and has delivered a product to the customer and the Group received sales and acceptance confirmations, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Payment of the transaction price is due immediately when the customer purchases the goods.

(v) Enterprise cloud service revenue

Revenue from enterprise cloud services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period of time unless there is evidence that some other method better represents the stage of completion.

(vi) Other revenue

Sales of food and beverages, merchandise and souvenir are recognised when goods are delivered. Interest income is recognised on a time-proportion basis using the effective interest method. Dividend income is recognised when the right to receive payment is established.

Contract assets and liabilities

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

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

2. 主要會計政策概要(續)

2.17 收益確認(續)

(iv) 個人護理及香水產品銷售

本集團透過連鎖零售店舖及電子商務平台銷售個人護理及香水產品。貨物銷售收益於集團實體向客戶銷售及已向客戶交付產品，而本集團已收到銷售及驗收確認，且不存在會影響客戶接收產品之未履行義務時得以確認。當客戶購買貨物時，交易價格之款項須立即支付。

(v) 企業雲服務收益

企業雲服務收益於提供服務之會計期間，參考特定交易根據實際提供之服務佔所提供總服務之比例評估之完成階段確認。倘服務乃於一段指定時期內透過不確定數量行動進行，除非有證據顯示有其他更佳方法表示完成階段，否則收益按直線法於該等指定時期確認。

(vi) 其他收益

食品及飲料、商品及紀念品銷售於貨品交付時確認。利息收入乃採用實際利率法按時間比例基準確認。股息收入於收款權利確立時確認。

合約資產及負債

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利(尚未成為無條件)。相反，應收款項指本集團收取代價的無條件權利，即只需待時間過去代價即須到期支付。

合約負債指本集團因已自客戶收取代價(或到期收取的代價)，而須向客戶轉讓商品或服務的責任。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Revenue recognition (Continued)

Contract assets and liabilities (Continued)

Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the considerations (including advances received from customers) exceeds the revenue recognised to date under the output method then the Group recognises a contract liability for the difference.

Contract costs

The Group recognises an asset from the costs incurred to fulfil a contract when those costs meet all of the following criteria:

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

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

2.18 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as deferred government grants in the statement of financial position and are recognised in profit or loss on a straight-line basis over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other operating income" in profit or loss.

2. 主要會計政策概要(續)

2.17 收益確認(續)

合約資產及負債(續)

先前確認為合約資產的任何金額在向客戶開具發票時重新分類至應收貿易款項。倘代價(包括自客戶收取之墊款)超過根據輸出法確認迄今收益，本集團則就差異確認合約負債。

合約成本

本集團僅在成本符合以下所有標準的情況下方將履行合約所產生的成本確認為資產：

- (a) 成本直接與實體可明確識別之合約或預期合約有關；
- (b) 成本產生或提升將用於履行(或持續履行)未來履約責任之實體資源；及
- (c) 預計成本將可收回。

已確認資產其後應按與成本有關轉移至客戶的貨品或服務一致的系統基準攤銷至損益。該資產需要進行減值評估。

2.18 政府撥款

當合理確保將收取撥款且本集團將遵守全部附帶條件，來自政府之撥款按其公允價值確認。政府撥款會遞延處理且於需要與彼等擬補償之成本作出配對期間於損益賬確認。關於購買資產之政府撥款於財務狀況報表內計入負債，列為遞延政府撥款，並以直線法於有關資產之估計年期於損益賬確認。

關於收入之政府撥款之總額於損益賬呈列為「其他經營收入」。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Impairment of non-financial assets

Goodwill arising on an acquisition of subsidiary, other intangible assets, property, plant and equipment, non-current portion of deposits and, interests in subsidiaries, associates and joint ventures are subject to impairment testing.

Goodwill and other intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level. Goodwill in particular is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose.

Impairment losses recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. 主要會計政策概要(續)

2.19 非金融資產減值

收購附屬公司產生之商譽、其他無形資產、物業、廠房及設備、按金之非流動部分以及於附屬公司、聯營公司及合營企業之權益須進行減值測試。

不論是否有任何減值跡象，商譽及無限使用年期或該等尚未可供使用之其他無形資產均須最少每年進行一次減值測試。所有其他資產於有任何跡象顯示資產賬面值可能無法收回時進行減值檢測。

當資產之賬面值高於其可收回金額時，高出金額作為減值虧損被立即確認為開支。可收回金額為公允價值（反映市場情況）減去銷售成本與使用價值之較高者。評估使用價值時，以除稅前貼現率計算預計未來現金流量之現值，而該貼現率反映當時市場對貨幣時值之評估及該項資產之特有風險。

就評估減值而言，若一項資產所產生之現金流入不能獨立於其他資產所產生現金流入，可收回金額則以能獨立產生現金流入之最細資產類別（即現金產生單位）釐定。因此，部分資產個別進行減值測試，部分則在現金產生單位層次進行測試。特別是商譽，會被分配至預期可從相關業務合併之協同效應中獲益，及代表集團內為內部管理目的而監控商譽之最低單位之現金產生單位。

就已分配商譽之現金產生單位確認之減值虧損初步計入商譽之賬面值。除資產賬面值將不會調減至低於其個別公允價值減銷售成本或使用價值（如可釐定）外，任何剩餘減值虧損按比例自該現金產生單位之其他資產扣除。

商譽之減值虧損不可於往後期間撥回。就其他資產而言，倘用以釐定資產可收回金額之估計出現有利變動，減值虧損予以撥回，惟資產之賬面值不得超過倘並無確認減值虧損原應釐定之賬面值（經扣除折舊或攤銷）。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits

(i) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

(ii) Retirement benefits

The Group operates several staff retirement schemes for employees in Hong Kong and Mainland China, the People's Republic of China (the "PRC"), comprising defined contribution pension schemes and a Mandatory Provident Fund ("MPF") scheme. The assets of these schemes are held separately from those of the Group in independently administered funds. The retirement schemes are generally funded by payments from employees and by the relevant subsidiaries of the Group.

The subsidiaries operating in Mainland China are required to participate in the defined contribution retirement scheme for their employees, organised by the relevant local government authorities. They are required to make contributions to the retirement schemes at a rate of 10% to 22% (depending on the locations of the subsidiaries) of basic salaries of their employees and there are no other further obligations to the Group.

Before 1 December 2000, the Group operated a defined contribution retirement scheme (the "ORSO Scheme") in Hong Kong for all qualified employees. The rate of contribution payable by the Group was 5% of the individual employees' monthly basic salaries. The Group's contributions under the ORSO Scheme were reduced by contributions forfeited by those employees who left the scheme prior to vesting fully in the contributions. There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

2. 主要會計政策概要(續)

2.20 僱員福利

(i) 短期僱員福利

僱員應享年假乃於應計予僱員時確認，並就截至報告日期止僱員提供服務所享有之年假之估計負債提撥準備。

病假及產假等非累計補假僅於休假時方予確認。

(ii) 退休福利

本集團為香港及中華人民共和國(「中國」)內地之僱員提供數項員工退休計劃，包括界定供款退休金計劃及強制性公積金(「強積金」)計劃。該等計劃之資產與本集團之資產分開保管，由獨立管理基金持有。退休計劃之資金一般來自僱員及本集團有關附屬公司之供款。

於中國內地經營之附屬公司須為彼等之僱員參與由有關地方政府機關統籌之界定供款退休計劃，並須按其僱員之基本薪金之10%至22%(取決於附屬公司所在地)向退休計劃作出供款，而本集團並無其他進一步責任。

於2000年12月1日前，本集團為其所有合資格僱員於香港設立一個界定供款退休金計劃(「職業退休計劃」)。本集團應付供款之比率為每位個別僱員每月基本薪金之5%。本集團根據職業退休計劃作出之供款，可以因僱員於可享有供款所得全部權益前退出該計劃而沒收之供款扣減。於支付定額供款後，本集團並無任何須支付進一步供款之法定或推定責任。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(ii) Retirement benefits (Continued)

The Mandatory Provident Fund Schemes Authority has approved the ORSO Scheme as a Mandatory Provident Fund Exempted Occupational Retirement Scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Schemes Ordinance"). With effect from 1 December 2000, the MPF Scheme was also set up under the MPF Schemes Ordinance for existing staff who opt for this scheme and eligible staff recruited on or after that date. When the underlying staff elects the MPF Scheme, pension scheme benefits attributed to the staff under the ORSO Scheme remain unchanged in the MPF Scheme. Under the MPF Scheme, eligible employees are required to contribute 5% of their monthly basic salaries whereas the Group's monthly contribution will be 5% of the relevant employee's basic salaries with a maximum monthly contribution of HK\$1,500 (2019: HK\$1,500). There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

2. 主要會計政策概要(續)

2.20 僱員福利(續)

(ii) 退休福利(續)

強制性公積金計劃管理局根據強制性公積金計劃條例(「強積金條例」)批准職業退休計劃為強積金獲豁免職業退休計劃。由2000年12月1日起，本集團亦根據強積金條例設立強積金計劃。強積金計劃乃為選擇參與該計劃之現有員工及於該日或之後聘用之合資格員工而設。當相關員工選用強積金計劃，根據職業退休計劃屬於員工之職業退休計劃利益於強積金計劃中維持不變。根據強積金計劃，合資格僱員須按其每月基本薪金5%供款，而本集團之每月供款將為有關僱員基本薪金之5%，每月供款上限為1,500港元(2019年：1,500港元)。於支付固定供款後，本集團並無任何須支付進一步供款之法定或推定責任。

界定供款退休金計劃之供款於僱員提供服務時在損益賬中確認為開支。負債及資產可能於繳付不足或預繳時確認，並因其通常屬短期性質而計入流動負債或流動資產。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(iii) Share-based employee compensation

Share option

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

Where share options are awarded to employees and others providing similar services, the fair value of the services received is measured by reference to the fair value of the options at the date of grant. Such fair value is recognised in profit or loss over the vesting period with a corresponding increase in the share option reserve within equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of each reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all non-market vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also recognised in profit or loss over the remaining vesting period.

Restricted share award scheme

The Group operates a restricted share award scheme (the "Restricted Share Award Scheme") and restricted shares may be granted under the Restricted Share Award Scheme for remuneration of its employees and directors (the "Restricted Shares").

All services received in exchange for the grant of any Restricted Shares are measured at fair value. These are indirectly determined by reference to the fair value of the Restricted Shares granted. Its value is appraised at the grant date and excludes the impact of any service and non-market performance vesting condition (for example, profitability and sales growth targets, if any).

2. 主要會計政策概要(續)

2.20 僱員福利(續)

(iii) 以股份支付之僱員報酬

購股權

本集團就其僱員薪酬設有以權益結算以股份支付之補償計劃。

倘購股權乃授予僱員及其他提供類似服務之人士，則所接收服務之公允價值乃參照購股權獲授出日期之公允價值計量。有關公允價值於歸屬期內於損益賬確認，並於權益內之購股權儲備作出相應增加。當中會考慮非市場歸屬條件，透過調整預期於各報告期末歸屬之股本工具數目，使最終於歸屬期內確認之累計金額以最終歸屬之購股權數目為基準。計算所授出購股權之公允價值時會考慮市場歸屬條件。只要所有非市場歸屬條件達成，不論是否達成市場歸屬條件，亦會作出扣賬。累計開支不會因無法達致市場歸屬條件而調整。

倘購股權之條款及條件於歸屬前獲修改，則緊接修改前及緊隨修改後計量之購股權公允價值之增幅亦會於餘下歸屬期內於損益賬確認。

限制性股份獎勵計劃

本集團設有限制性股份獎勵計劃(「限制性股份獎勵計劃」)，並可能根據限制性股份獎勵計劃向其僱員及董事授出限制性股份(「限制性股份」)作為報酬。

所有就換取授出任何限制性股份而獲取之服務乃按公允價值計量，並經參考已授出限制性股份之公允價值間接釐定。其價值於授出日期評定，且不計及任何服務及非市場表現歸屬條件(例如，盈利能力及銷售增長目標(如有))之影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(iii) *Share-based employee compensation (Continued)*

Restricted share award scheme (Continued)

All services received is ultimately recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when Restricted Shares granted vest immediately unless the expense qualifies for the recognition as asset, with a corresponding increase in "Share-based Payments Reserve" within equity. If service or non-market performance conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of Restricted Shares expected to vest. Non-market performance and service conditions are included in assumptions about the number of Restricted Shares that are expected to vest. Estimates are subsequently revised, if there is any indication that the number of Restricted Shares expected to vest differs from previous estimates. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payments reserve.

Where a grant of Restricted Shares is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the grant is recognised immediately. This includes any grant where non-vesting conditions within the control of either the Group or the employee are not met.

2. 主要會計政策概要(續)

2.20 僱員福利(續)

(iii) *以股份支付之僱員報酬(續)*

限制性股份獎勵計劃(續)

除非有關開支符合資格確認為資產，否則所有獲取之服務最終於歸屬期(若歸屬條件適用)於損益賬確認為開支，或於已授出限制性股份即時歸屬時於授出日期悉數確認為開支，並在權益之「以股份支付之儲備」作相應增加。倘服務或非市場表現歸屬條件適用，則開支會於歸屬期按照預期歸屬之限制性股份數目最佳可得估計確認。於假設預期歸屬之限制性股份數目時計及非市場表現及服務條件。倘有任何跡象顯示預期歸屬之限制性股份數目與過往之估計不同，則會於其後修訂估計。修訂原有估計之影響(如有)於損益賬確認，致使累計開支反映經修訂之估計，並相應調整以股份支付之儲備。

倘註銷授出限制性股份，則被視為猶如其已於註銷日期歸屬，並即時確認尚未就授出確認之任何開支。此包括在受本集團或僱員控制之非歸屬條件並無達致之情況下作出之任何授出。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Capitalisation of borrowing costs

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

2.22 Accounting for income taxes

Income tax for the year comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of income tax expense in profit or loss.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

2. 主要會計政策概要(續)

2.21 借貸成本撥充資本

需要相當長時間方可作擬定用途或可供銷售的收購、興建或生產合資格資產而產生之借貸成本撥作該等資產的部分成本。特定借貸在用作該等資產開支前暫作投資所賺取之收入自撥充資本之借貸成本中扣除。所有其他借貸成本於其發生期間之損益賬確認。

2.22 所得稅之會計處理方法

年內所得稅包括即期稅項及遞延稅項。

即期所得稅資產及／或負債包括現行或過往呈報期間與財務機關有關而於報告日期尚未支付之應付責任或應收申索。該等金額乃根據年內應課稅溢利按相關財政期間適用之稅率及稅法計算。即期稅項資產或負債之所有變動於損益賬確認為所得稅開支一部分。

本集團乃就資產及負債在財務申報上之賬面值與稅務上之相應金額兩者間之暫時差額確認遞延稅項。除商譽及不足以影響會計溢利或應課稅溢利之已確認資產及負債外，遞延稅項負債會就所有應課稅暫時差額確認。遞延稅項資產乃在可能有應課稅溢利可用於抵銷可扣稅暫時差額之情況下確認。

倘因商譽或因初步確認(並非業務合併)某項不影響應課稅或會計溢利或虧損之交易之資產及負債而產生暫時差額，則遞延稅項資產及負債不予確認。

就投資於附屬公司、聯營公司及合營企業產生之應課稅暫時差額確認為遞延稅項負債，惟倘若本集團能夠控制該暫時差額之撥回，以及有關暫時差額不大可能於可見未來撥回則另作別論。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Accounting for income taxes (Continued)

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

2.23 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major products and service lines.

The Group has identified the following five reportable segments:

- (a) Enterprise cloud services
- (b) Property development
- (c) Culture and media services
- (d) News media business
- (e) Innovative business

Information about other business activities and operating segments that are not reportable are combined and disclosed in "all other segments". All other segments included trading of securities and property management.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Certain corporate income and expenses are not allocated to the operating segments as they are not included in the measure of segment's profit or loss that is used by the chief operating decision maker for assessment of segment performance.

2. 主要會計政策概要(續)

2.22 所得稅之會計處理方法(續)

遞延稅項乃按預期於負債清償或資產變賣期間適用之稅率計算(不作貼現)，惟有關稅率必須為於報告日期已頒行或實質上已頒行之稅率。

遞延稅項資產或負債之變動於損益賬確認，或倘與於其他全面收益扣除或計入其他全面收益或直接自權益扣除或計入權益之項目有關，則於其他全面收益或權益確認。

2.23 分部報告

本集團根據就執行董事作出有關向本集團各業務環節分配資源之決策及審閱該等環節表現向彼等報告之一般內部財務資料，釐定經營分部，並編製分部資料。向執行董事報告之內部財務資料所載業務環節下列按本集團主要產品及服務釐定。

本集團已定出以下五項可呈報分部：

- (a) 企業雲服務
- (b) 房地產開發
- (c) 文化與傳播服務
- (d) 新聞傳播業務
- (e) 創意商業

有關其他未能呈報業務活動及經營分部之資料已加以合併，於「所有其他分部」披露。所有其他分部包括證券買賣及物業管理。

由於各項產品及服務所需資源及推廣方針有所不同，各經營分部獨立管理。分部間交易之定價乃參考類似訂單向外部人士收取之價格。若干企業收益及開支不會分配至經營分部，因其不包括在主要營運決策者評估分部表現所使用之分部損益之計量內。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Segment reporting (Continued)

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that:

- Certain depreciation and amortisation
- Certain bank and other interest income
- Certain finance costs
- Income tax expense
- Corporate income and expenses which are not directly attributable to the business activities or any operating segment

are not included in arriving at the operating results of the operating segment.

Segment assets include all assets directly attributable to the operating segments. Financial assets at FVOCI, certain amounts due from related parties, certain pledged and restricted bank deposits and other corporate assets are not allocated to any operating segment.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. These include certain provision for tax, certain bank and other borrowings and amount due to a director.

No asymmetrical allocations have been applied to reportable segments.

2. 主要會計政策概要(續)

2.23 分部報告(續)

本集團根據香港財務報告準則第8號就報告分部業績採用之計量政策與根據香港財務報告準則於財務報表所採用者相同，惟：

- 若干折舊及攤銷
- 若干銀行及其他利息收入
- 若干融資成本
- 所得稅開支
- 並非直接歸入業務活動或任何經營分部之企業收益及開支

於計算經營分部之經營業績時並不包括在內。

分部資產包括直接歸屬於經營分部之所有資產。若干按公允價值於其他全面收益處理之金融資產、若干應收關連方款項、若干已抵押及受限制銀行存款及其他公司資產並無分配至任何經營分部。

分部負債不包括並非直接歸入任何經營分部之業務活動之企業負債，且不會分配至分部。此等項目包括若干稅項撥備、若干銀行及其他借貸以及欠一名董事之款項。

並無對可呈報分部採用非對稱之分配。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

2. 主要會計政策概要(續)

2.24 關連方

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本公司母公司之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
 - (i) 該實體與本集團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連）。
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
 - (vi) 實體受(a)所識別人士控制或受共同控制。
 - (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）主要管理層成員。
 - (viii) 向本集團或本集團之母公司提供主要管理層成員服務之實體或其所屬集團之任何成員公司。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

3. ADOPTION OF NEW/AMENDED HKFRSs

3.1 Adoption of new/amended HKFRSs — effective on 1 January 2020

In the current year, the Group has applied for the first time the following new/amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2020:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Interest Rate Benchmark Reform
Conceptual framework for Financial Reporting 2018	

Other than the amendments to HKFRS 3, none of these new or amended HKFRSs has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period except for the amendment to HKFRS 16, Covid-19-Related Rent Concessions. Impact on the applications of these amended HKFRSs are summarised below.

2. 主要會計政策概要(續)

2.24 關連方(續)

某一人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家族成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

3. 採納新訂／經修訂香港財務報告準則

3.1 採納新訂／經修訂香港財務報告準則—自2020年1月1日起生效

於本年度，本集團已首次應用以下由香港會計師公會頒佈與本集團於2020年1月1日開始之年度期間之財務報表有關及生效之新訂／經修訂香港財務報告準則：

香港財務報告準則第3號之修訂	業務之定義
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義
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號之修訂	利率基準改革
2018年財務報告概念框架	

除香港財務報告準則第3號之修訂外，概無該等新訂或經修訂香港財務報告準則對本集團於本期間或先前期間之業績及財務狀況造成重大影響。本集團並無提前採納於本會計期間尚未生效之任何新訂或經修訂香港財務報告準則，惟香港財務報告準則第16號之修訂「2019新型冠狀病毒相關租金優惠」除外。應用該等經修訂香港財務報告準則之影響概述如下。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.1 Adoption of new/amended HKFRSs — effective on 1 January 2020 (Continued)

(i) *Amendments to HKFRS 3, Definition of a Business*

The amendments clarify the definition of a business and introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election to apply the concentration test is made for each transaction. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the concentration test is met, the set of activities and assets is determined not to be a business. If the concentration test is failed, the acquired set of activities and assets is further assessed based on the elements of a business.

The Group elected to apply the amendments prospectively to acquisitions for which the acquisition date is on or after 1 January 2020.

(ii) *Amendment to HKFRS 16, Covid-19-Related Rent Concessions*

HKFRS 16 was amended to provide a practical expedient to lessees in accounting for rent concessions arising as a result of the COVID-19 pandemic, by including an additional practical expedient in HKFRS 16 that permits entities to elect not to account for rent concessions as modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 pandemic and only if all of the following criteria are satisfied:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) the reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

3. 採納新訂／經修訂香港財務報告準則(續)

3.1 採納新訂／經修訂香港財務報告準則—自2020年1月1日起生效(續)

(i) *香港財務報告準則第3號之修訂，業務之定義*

該等修訂澄清業務之定義並引入選擇性集中度測試，允許簡化評估所收購之一系列活動及資產是否屬業務。每項交易均選擇進行集中度測試。倘所購總資產之公允價值絕大部分集中於單一可識別資產或一組相似之可識別資產，則符合滿足集中度測試。倘符合集中度測試，則該系列活動及資產並非業務。倘無法通過集中度測試，則根據業務元素進一步評估所收購之一系列活動及資產。

本集團選擇就收購日期於2020年1月1日或之後之收購事項追溯應用該等修訂。

(ii) *香港財務報告準則第16號之修訂，2019新型冠狀病毒相關租金優惠*

香港財務報告準則第16號已作出修訂，通過在香港財務報告準則第16號中加入一項額外可行權宜方法，允許實體選擇不將租金優惠列作修訂入賬，為承租人就因COVID-19疫情而產生之租金優惠入賬提供可行權宜方法。該可行權宜方法僅適用於因COVID-19疫情而直接產生之租金優惠，且必須符合以下所有標準：

- (a) 租賃付款變動導致經修訂租賃代價與緊接變動前之租賃代價大致相同或更低；
- (b) 租賃付款減少僅影響原本於2021年6月30日或之前到期之付款；及
- (c) 租賃之其他條款及條件並無任何實質性變動。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.1 Adoption of new/amended HKFRSs — effective on 1 January 2020 (Continued)

(ii) *Amendment to HKFRS 16, Covid-19-Related Rent Concessions (Continued)*

Rent concessions that satisfy these criteria may be accounted for in accordance with this practical expedient, which means the lessee does not need to assess whether the rent concession meets the definition of lease modification. Lessees shall apply other requirements of HKFRS 16 in accounting for the rent concession.

Accounting for rent concessions as lease modifications would have resulted in the Group remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Group is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

The Group has elected to utilise the practical expedient for all rent concessions that meet the criteria. In accordance with the transitional provisions, the Group has applied the amendment retrospectively, and has not restated prior period figure. As the rent concessions have arisen during the current financial period, there is no retrospective adjustment to opening balance of retained earnings at 1 January 2020 on initial application of the amendment.

3. 採納新訂／經修訂香港財務報告準則(續)

3.1 採納新訂／經修訂香港財務報告準則—自2020年1月1日起生效(續)

(ii) 香港財務報告準則第16號之修訂，2019新型冠狀病毒相關租金優惠(續)

符合上述標準之租金優惠可按照該可行權宜方法入賬，即承租人毋需評估租金優惠是否符合租賃修訂之定義。承租人應運用香港財務報告準則第16號之其他規定對租金優惠進行會計處理。

倘將租金優惠列作租賃修訂入賬，將導致本集團使用經修訂貼現率重新計量租賃負債以反映經修訂代價，以及使用權資產項下錄得租賃負債變動之影響。通過應用可行權宜方法，本集團毋需釐定經修訂貼現率，而租賃負債變動之影響在觸發租金優惠之事件或條件發生期間於損益賬中反映。

本集團已選擇對所有符合標準之租金優惠使用可行權宜方法。根據過渡性條文，本集團已追溯應用修訂，且無重列過往期間之數字。由於租金優惠乃於本財政期間產生，故於首次應用修訂時，不會對2020年1月1日之期初保留溢利結餘作出追溯調整。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.2 Impact of new/amended HKFRSs which are issued but not yet effective

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

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁴
Amendments to HKAS 16	Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ²
Amendments to HKFRS 3	Reference to the Conceptual Framework ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2 ¹
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 1, First time adoption of Hong Kong Financial Reporting Standards ²
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 9, Financial instruments ²
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 16, Leases ²

- ¹ Effective for annual periods beginning on or after 1 January 2021.
- ² Effective for annual periods beginning on or after 1 January 2022.
- ³ Effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.
- ⁴ Effective for annual periods beginning on or after 1 January 2023.
- ⁵ The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響

下列可能與本集團綜合財務報表有關之新訂／經修訂香港財務報告準則已經頒佈，惟尚未生效亦未經本集團提早採納。本集團目前擬於該等變動生效當日應用該等變動。

香港會計準則第1號之修訂	負債分類為流動或非流動及香港詮釋第5號(2020年)「財務報表之呈列——借款人對含有按求償還條款之定期貸款之分類」 ⁴
香港會計準則第16號之修訂	擬定用途前之所得款項 ²
香港會計準則第37號之修訂	虧損性合約——履行合約之成本 ²
香港財務報告準則第3號之修訂	概念框架之提述 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產出售或注資 ⁵
香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂	利率基準改革——第二階段 ¹
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第1號之修訂，首次採納香港財務報告準則 ²
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第9號之修訂，金融工具 ²
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第16號之修訂，租賃 ²

- ¹ 於2021年1月1日或之後開始之年度期間生效。
- ² 於2022年1月1日或之後開始之年度期間生效。
- ³ 對收購日期為2022年1月1日或之後開始之首個年度期間開始當日或之後的業務合併生效。
- ⁴ 於2023年1月1日或之後開始之年度期間生效。
- ⁵ 該等修訂須按未來適用法應用於特定日期或之後開始之年度期間內發生之資產出售或注資。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

Amendments to HKAS 1, Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and explain that rights are in existence if covenants are complied with at the end of the reporting period. The amendments also introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

HK Interpretation 5 (2020) was revised as a consequence of the Amendments to HKAS 1 issued in August 2020. The revision to HK Interpretation 5 (2020) updates the wordings in the interpretation to align with the amendments to HKAS 1 with no change in conclusion and do not change the existing requirements.

The directors of the Company do not anticipate that the application of the amendments and revision in the future will have an impact on the consolidated financial statements.

Amendments to HKAS 16, Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items, and the cost of producing those items, is recognised in profit or loss.

The directors of the Company is currently assessing the impact that the application of the amendments will have on the Group's consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

香港會計準則第1號之修訂，負債分類為流動或非流動及香港詮釋第5號(2020年)，財務報表之呈列 — 借款人對含有按要求償還條款之定期貸款之分類

該等修訂釐清將負債分類為流動或非流動乃基於報告期末存在之權利，指明分類不受實體是否會行使其推遲結算負債權利之預期影響，並說明倘於報告期末遵守契諾，權利則存在。該等修訂亦引入「結算」之定義，釐清結算是將現金、權益工具、其他資產或服務轉移至交易對手方。

香港詮釋第5號(2020年)因2020年8月頒佈之香港會計準則第1號之修訂而進行修正。香港詮釋第5號(2020年)之修正更新詮釋之用詞以符合香港會計準則第1號之修訂，惟結論不變，亦不會更改現有規定。

本公司董事預計日後應用該等修訂及修正將不會對綜合財務報表造成影響。

香港會計準則第16號之修訂，擬定用途前之所得款項

該等修訂禁止將物業、廠房及設備項目之成本中扣除資產達到管理層擬定方式運作所需之地點及條件時生產出售項目任何所得款項。相反，出售該等項目之所得款項以及生產該等項目之成本於損益賬確認。

本公司董事現正評估應用該等修訂對本集團綜合財務報表之影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

Amendments to HKAS 37, Onerous Contracts — Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (e.g. direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (e.g. the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The directors of the Company is currently assessing the impact that the application of the amendments will have on the Group's consolidated financial statements.

Amendments to HKFRS 3, Reference to the Conceptual Framework

The amendments update HKFRS 3 so that it refers to the revised Conceptual Framework for Financial Reporting 2018 instead of the version issued in 2010. The amendments add to HKFRS 3 a requirement that, for obligations within the scope of HKAS 37, an acquirer applies HKAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of HK(IFRIC)-Int 21 Levies, the acquirer applies HK(IFRIC)-Int 21 Levies to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

香港會計準則第37號之修訂，虧損性合約－履行合約之成本

該等修訂指明「履行合約之成本」包括「與合約直接相關之成本」。與合約直接相關之成本既可為履行合約之增量成本(如直接勞工及材料)，亦可為與履行合約直接相關之其他成本分配(如用於履行合約之物業、廠房及設備之折舊支出分配)。

本公司董事會現正評估應用該等修訂對本集團綜合財務報表之影響。

香港財務報告準則第3號之修訂，概念框架之提述

該等修訂更新香港財務報告準則第3號，其提述經修訂2018年財務報告概念框架，而非2010年頒佈之版本。該等修訂對香港財務報告準則第3號加入一項規定，就香港會計準則第37號範圍內之義務而言，收購方應用香港會計準則第37號釐定於收購日期是否因過往事件而存在現有義務。就屬於香港(國際財務報告詮釋委員會)－詮釋第21號徵費範圍內之徵費而言，收購方應用香港(國際財務報告詮釋委員會)－詮釋第21號徵費來釐定導致支付徵費責任之責任事件是否已於收購當日發生。該等修訂亦加入一項明確聲明，即收購方不會確認於業務合併中取得之或然資產。

本公司董事預計日後應用該等修訂將不會對綜合財務報表造成影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

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

The amendments clarify with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. When the transaction with an associate or joint venture that is accounted for using the equity method, any gains or losses resulting from the loss of control of a subsidiary that does not contain a business are recognised in the profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, any gains or losses resulting from the remeasurement of retained interest in any former subsidiary (that has become an associate or a joint venture) to fair value are recognised in the profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The directors of the Company anticipate that the application of these amendments may have an impact on the consolidated financial statements in future periods should such transaction arise.

Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16, Interest Rate Benchmark Reform — Phase 2

The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the "Reform"). The amendments complement those issued in November 2019 and relate to (a) changes to contractual cash flows in which an entity will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate; (b) hedge accounting in which an entity will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and (c) disclosures in which an entity will be required to disclose information about new risks arising from the Reform and how it manages the transition to alternative benchmark rates.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

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

該等修訂釐清投資者與其聯營公司或合營企業之間之資產出售或注資情況。當與使用權益法入賬之聯營公司或合營企業進行交易時，因失去不包含業務之附屬公司控制權而產生之任何收益或損失在損益賬確認，惟僅以非關聯投資者在該聯營公司或合營企業之權益為限。同樣地，將任何前附屬公司(已成為聯營公司或合營企業)之保留權益重新計量至公允價值所產生之任何收益或虧損在損益賬確認，惟僅以非關聯投資者在該聯營公司或合營企業之權益為限。

本公司董事預計，倘出現有關交易時，應用該等修訂可能對日後期間之綜合財務報表造成影響。

香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂，利率基準改革 — 第二階段

該等修訂旨在處理公司因利率基準改革(「改革」)而以替代基準利率取代舊有利率基準時可能影響財務報告之問題。該等修訂對2019年11月頒佈之修訂進行補充，並涉及(a)合約現金流之變化，實體將不會就改革規定之變動而取消確認或調整金融工具之賬面值，惟將會更新實際利率以反映替代基準利率之變動；(b)對沖會計處理，倘實體之對沖符合其他對沖會計處理之標準，該實體將毋須僅因改革規定之變動而終止其對沖會計處理；及(c)披露，實體將需要披露有關改革產生之新風險資料以及其如何管理替代基準利率之過渡。

本公司董事預計日後應用該等修訂將不會對綜合財務報表造成影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

3.2 Impact of new/amended HKFRSs which are issued but not yet effective (Continued)

Annual Improvements to HKFRSs 2018–2020 Cycle

The annual improvements amend a number of standards, including:

- HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, which permit a subsidiary that applies paragraph D16(a) of HKFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to HKFRSs.
- HKFRS 9, Financial Instruments, which clarify the fees included in the '10 per cent' test in paragraph B3.3.6 of HKFRS 9 in assessing whether to derecognise a financial liability, explaining that only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on other's behalf are included.
- HKFRS 16, Leases, which amend Illustrative Example 13 to remove the illustration of reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

香港財務報告準則2018年至2020年週期之年度改進

年度改進修訂若干準則，包括：

- 香港財務報告準則第1號，首次採納香港財務報告準則，允許應用香港財務報告準則第1號第D16(a)段之附屬公司根據母公司過渡至香港財務報告準則之日期，使用母公司報之金額計量累計換算差額。
- 香港財務報告準則第9號，金融工具，釐清香港財務報告準則第9號第B3.3.6段「10%」測試所包括之費用，以評估是否終止確認金融負債，並解釋只有實體與貸款人之間支付或收取之費用(包括實體或貸款人代表其他方支付或收取之費用)包括在內。
- 香港財務報告準則第16號，租賃，修訂示例13以刪除出租人有關報銷租賃物業裝修費用之示例，以解決因該示例中如何說明租賃獎勵而可能產生租賃獎勵處理之任何潛在混淆之處。

本公司董事預計日後應用該等修訂將不會對綜合財務報表造成影響。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation and amortisation

The Group depreciates and amortises property, plant and equipment and intangible assets other than goodwill on a straight-line basis over the estimated useful life, and after taking into account their estimated residual values, 2.5% to 33-1/3% per annum and 10% to 50% per annum, respectively, commencing from the date on which the assets are available for use. The estimated useful life reflects the directors' estimate of the periods that the Group intend to derive future economic benefits from the use of the Group's property, plant and equipment and intangible assets other than goodwill.

Impairment of trade receivables, deposits and other receivables

The Group makes provision for impairment of trade receivables, deposits and other receivables based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's historical default information, existing market conditions as well as forward-looking estimates at the end of reporting period.

As at 31 December 2020, accumulated impairment loss of trade receivables, deposits and other receivables amounted to approximately HK\$104,900,000 and HK\$340,459,000 respectively (2019: HK\$88,033,000 and HK\$181,151,000 respectively).

4. 重要會計估計及判斷

估計及判斷須根據過往經驗及其他因素(包括有關情況下相信為合理之未來事件預期)作出，並會持續進行評估。

4.1 重要會計估計及判斷

本集團就未來作出估計及假設。顧名思義，由此得出之會計估計將甚少等同相關實際結果。下文論述具有重大風險導致下個財政年度內資產及負債之賬面值須作重大調整之估計及假設：

折舊及攤銷

本集團對物業、廠房及設備以及不包括商譽之無形資產，按估計可使用年期以直線法進行折舊及攤銷，並於經計及其估計剩餘價值後，由該資產可供使用當日起分別按2.5%至33-1/3%及10%至50%之年率折舊及攤銷。估計可使用年期反映董事對本集團擬自使用本集團物業、廠房及設備及不包括商譽之無形資產而獲得未來經濟利益之期間之估計。

應收貿易款項、按金及其他應收款項之減值

本集團根據有關違約風險及預期虧損率之假設就應收貿易款項、按金及其他應收款項作出減值撥備。本集團根據本集團過往違約資料、現行市況及報告期末之前瞻性估計，在作出該等假設及選擇減值計算之輸入數據時作出判斷。

於2020年12月31日，應收貿易款項、按金及其他應收款項之累計減值虧損分別約104,900,000港元及340,459,000港元(2019年：分別為88,033,000港元及181,151,000港元)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.1 Critical accounting estimates and judgements (Continued)

Net realisable value of completed properties held for sale and properties under development

Management determines the net realisable value of completed properties held for sale and properties under development by using prevailing market data such as most recent sale transactions, anticipated costs to completion and valuation reports provided by independent qualified professional valuers.

Estimated fair value of investment properties

As at the reporting date, the Group's investment properties are stated at fair value based on the valuation performed by an independent qualified valuer. In determining the fair value, the valuer has based its valuation on income capitalisation approach (2019: a weighted average result of the direct comparison approach and the income capitalisation approach), as appropriate for respective investment properties, which involves certain estimates, including comparable market transactions, expected vacancy rates and capitalisation rates, as appropriate. In relying on the valuation, management has exercised their judgement and is satisfied that the methods of valuation adopted are appropriate for the relevant investment properties and reflective of current market conditions. Details of the estimated fair value of the Group's investment properties are disclosed in note 14.

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.19. The recoverable amounts of CGUs have been determined based on value in use calculations. These calculations require the use of estimates about future cash flows and discount rates. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details of the estimates of the recoverable amounts of CGUs containing goodwill are disclosed in note 19.

4. 重要會計估計及判斷(續)

4.1 重要會計估計及判斷(續)

已落成待售物業以及發展中物業之可變現淨值

管理層利用當時之市場數據，如最近銷售交易、估計落成成本及獨立合資格專業估值師提供之估值報告釐定已落成待售物業及發展中物業之可變現淨值。

投資物業之估計公允價值

於報告日期，本集團之投資物業按基於獨立合資格估值師所進行估值之公允價值列值。釐定有關公允價值時，估值師之估值基於對有關投資物業屬合適之收入資本化法(2019年：直接比較法及收入資本化法之加權平均結果)，涉及若干估計，包括可比較市場交易、估計空置率及資本化率(視乎適用情況而定)。管理層依賴有關估值行使其判斷，並信納所採納估值方法適合相關投資物業並反映現行市況。本集團投資物業之估計公允價值詳情於附註14披露。

商譽減值

本集團根據附註2.19所載會計政策，每年檢測商譽是否已減值。現金產生單位之可收回金額乃根據使用價值計算方法釐定。該等計算方法需估計未來現金流及貼現率。於估計未來現金流之過程中，管理層就未來收益及溢利作出假設。該等假設與未來事項及情況有關。實際結果可能存在差異，且可能對下個財政年度內商譽之賬面值帶來重大調整。釐定合適貼現率涉及對市場風險及資產特定風險因素作出合適調整。估計包括商譽之現金產生單位之可收回款項詳情於附註19披露。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.1 Critical accounting estimates and judgements (Continued)

Impairment of assets other than goodwill

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of interests in associates

Management assesses impairment of interests in associates at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Business value calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the management takes into consideration assumptions that are mainly based on market condition existing at the reporting dates and appropriate market and discount rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

Current tax and deferred tax

The Group is subject to income taxes in the PRC. Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises taxes based on estimates of the likely outcome with reference to current tax laws and practices. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses will be recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimate is changed.

4. 重要會計估計及判斷(續)

4.1 重要會計估計及判斷(續)

不包括商譽之資產減值

本集團於各報告日期評估所有非金融資產是否有任何減值跡象。具無限年期之無形資產須每年及於存在該跡象之其他時間進行減值測試。其他非金融資產於有跡象顯示賬面值可能無法收回時測試減值。管理層計算使用價值時，須估計資產或現金產生單位之預期未來現金流量，並選用合適之貼現率以計算現金流量之現值。

於聯營公司之權益減值

管理層於各報告日期透過評估本集團可能出現資產減值之特定情況評估於聯營公司之權益減值。倘存在導致減值之因素，則會釐定資產之可收回金額。評估可收回金額時計算之商業價值時，會納入多項有關未來事件之主要估計及假設，有關未來事件涉及不確定因素，並可能與實際結果極為不同。作出此等主要估計及判斷時，管理層考慮主要基於報告日期當時之市況及適當市場及貼現率之假設。本集團會定期將此等估計與實際市場數據及本集團訂立之實際交易作比較。

即期稅項及遞延稅項

本集團須繳納中國所得稅。釐定稅項撥備金額及支付相關稅項之時間須作出重大判斷。一般業務過程中有大量交易及計算無法確切釐定最終稅額。本集團參考現行稅法及慣例，根據估計可能出現之結果確認稅項。若該等事項最終之稅項與最初記錄之金額不同，其差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。

管理層認為可能存在可用暫時差額或稅項虧損予以抵銷之未來應課稅溢利時，則確認與暫時差額及稅項虧損相關之遞延稅項資產。當預期與原有估計者不同，該等差額將影響於該等估計出現變動期間之遞延稅項資產及稅項之確認。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.2 Critical judgements in applying the Group's accounting policies

Land appreciation tax ("LAT") and deferred tax

The Group is subject to land appreciation tax in the PRC. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its LAT calculation and payments with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation and its related LAT. The Group recognised LAT based on management's best estimates according to their understanding on the tax rules.

The deferred tax impact of the fair value change in investment properties is calculated at the normal enterprise income tax rate in the PRC. The Group rebutted the presumption that the investment properties are recovered through sale, as the Group intended to earn rental income throughout the economic life of the investment properties.

Going concern

The assessment of the going concern assumption involves making a judgement by the Board of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Board of the Company considers that the Group have the capabilities to continue as going concerns and the major events and conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption and related mitigating measures taken by management are set out in note 2.1.

4. 重要會計估計及判斷(續)

4.2 應用本集團會計政策時作出之重要判斷

土地增值稅(「土地增值稅」)及遞延稅項

本集團須繳納中國土地增值稅。然而，中國城市不同稅收管轄區對土地增值稅之執行及結算不盡相同，而本集團尚未與中國任何地方稅務機關落實其土地增值稅之計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層以其對稅務規則之理解所作最佳估計確認土地增值稅。

投資物業公允價值變動之遞延稅項影響乃按中國正常企業所得稅率計算。本集團駁回透過銷售收回投資物業之假設，原因為本集團擬於投資物業整個經濟年期賺取租金收入。

持續經營

持續經營假設評估涉及本公司董事會於某一特定時間點對固有不確定事件或條件之未來結果作出判斷。本公司董事會認為本集團有能力繼續作為持續經營之公司，而可能引致業務風險之主要事件及情況(可能對持續經營之假設構成個別或整體重大疑問)及管理層所採取之相關緩解措施載於附註2.1。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.2 Critical judgements in applying the Group's accounting policies (Continued)

Research and development activities

Careful judgement by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgements are based on the best information available at each reporting date. In addition, all internal activities related to the research and development of new software products are continuously monitored by the Group's management.

Control through contractual arrangement

Notwithstanding the lack of equity ownership in 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet") and its existing subsidiaries (collectively as "Xinnet Group"), the Group is able to control, recognise and receive the economic benefits of the business of Xinnet Group as the Group (1) shall have the requisite power and unrestricted rights, acting as a principal, to control and manage all aspects, at its sole decision and its own benefit, over Xinnet Group by virtue of the power of attorney; and (2) shall have right to assume the profits of Xinnet Group under the management and technology services agreement. In view of the foregoing reasons, the Group has determined that it has the practical ability to unilaterally direct the relevant activities of the Xinnet Group and significant benefits derived from Xinnet Group and therefore has consolidated the Xinnet Group as subsidiaries.

4. 重要會計估計及判斷(續)

4.2 應用本集團會計政策時作出之重要判斷(續)

研究及開發活動

本集團管理層於決定開發成本是否符合確認條件時會作出審慎判斷。由於在作出確認時，任何產品開發能否成功獲得經濟效益屬未知之數，且於未來可能遇到技術問題，故必須作出審慎判斷。判斷乃根據於各報告日期可取得之最佳資料作出。此外，本集團管理層不斷監察所有關於研究及開發新軟件產品之內部活動。

透過合約安排之控制權

儘管未能取得北京新網數碼信息技術有限公司(「新網」)及其現有附屬公司(統稱「新網集團」)股本擁有權，本集團有權控制、確認及接收新網集團經營業務所得經濟利益，原因為本集團(1)獲授權委託書賦予所需權力及不受限制權利，作為一位主理人，可於各方面全權及以其利益作決定控制及管理新網集團；及(2)有權根據管理及技術服務協議接收新網集團利潤。基於上述原因，本集團確定，其擁有實際權力單方面指引新網集團之相關活動及新網集團產生之重大利益，故已將新網集團列作附屬公司綜合入賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

5. REVENUE AND OTHER OPERATING INCOME

(a) Revenue

The Group's revenue represents revenue from its principal activities as set out below:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Sales of properties and car parks	物業及車位銷售	7,499,074	3,257,219
Enterprise cloud services	企業雲服務	966,353	957,367
Property management services	物業管理服務	79,483	64,940
Sales of decoration materials and decoration services	裝飾材料銷售及裝飾服務	58,034	43,783
Film distribution services	電影發行服務	1,584	495
Cinema ticketing income	影院票房收入	936,928	3,609,343
Sales of food and beverages	食品及飲料銷售	103,296	493,488
Cinema advertising income	影院廣告收入	32,815	273,612
Sales and leases of projection equipment	放映設備銷售及租賃	7,604	5,192
Digital media technology services	數碼媒體科技服務	75,686	270,716
Publication of magazines and advertising income	出版雜誌及廣告收入	102,307	89,581
Sales of personal care and fragrance products	個人護理及香水產品銷售	128,509	238,328
Innovative catering and fitness services	創意餐飲及健身服務	19,090	17,148
		10,010,763	9,321,212

All the Group's revenue is derived from contracts with customers.

The following table provides information about trade receivables and contract liabilities from contracts with customers:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Trade receivables	應收貿易款項	429,191	487,245
Contract liabilities	合約負債	4,456,125	9,411,830

The contract liabilities mainly related to the advance consideration received from customers. Approximately HK\$7,904,287,000 of the contract liabilities as at 31 December 2019 has been recognised as revenue for the year ended 31 December 2020 (2019: HK\$3,038,303,000) from performance obligations satisfied in the current year due to the changes in the estimate stage of completion of certain contract obligations. Remaining portion of HK\$4,456,125,000 represented the performance obligations not yet satisfied and the Group expected these performance obligations will be completed and recognised as revenue in 2021, as the COVID-19 delayed the construction process which lead to the delay in fulfilment of the performance obligation to corresponding customers.

5. 收益及其他經營收入

(a) 收益

本集團之收益指來自其主要業務之下列各項收益：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Sales of properties and car parks	7,499,074	3,257,219
Enterprise cloud services	966,353	957,367
Property management services	79,483	64,940
Sales of decoration materials and decoration services	58,034	43,783
Film distribution services	1,584	495
Cinema ticketing income	936,928	3,609,343
Sales of food and beverages	103,296	493,488
Cinema advertising income	32,815	273,612
Sales and leases of projection equipment	7,604	5,192
Digital media technology services	75,686	270,716
Publication of magazines and advertising income	102,307	89,581
Sales of personal care and fragrance products	128,509	238,328
Innovative catering and fitness services	19,090	17,148
	10,010,763	9,321,212

本集團所有收益來自客戶合約。

下表載列有關來自客戶合約的應收貿易款項及合約負債的資料：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Trade receivables	429,191	487,245
Contract liabilities	4,456,125	9,411,830

合約負債主要關於自客戶收取之預付代價。由於若干合約責任完成的估計階段有所變動，於2019年12月31日，合約負債約7,904,287,000港元已確認為截至2020年12月31日止年度之來自本年度符合履約責任之收益(2019年：3,038,303,000港元)。其餘部分4,456,125,000港元指尚未完成履約責任，本集團估計該等履約責任將於2021年完成並確認為收益，原因為2019新型冠狀病毒疫情延遲建築程序，導致延遲完成對相關客戶之履約責任。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

5. REVENUE AND OTHER OPERATING INCOME (Continued)

(b) Other operating income

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Bank interest income	銀行利息收入	179,887	147,232
Other interest income	其他利息收入	36,451	46,900
Interest income on financial assets at amortised cost	按攤銷成本計量之金融資產利息收入	216,338	194,132
Gain on fair value change on financial assets at FVTPL, net	按公允價值於損益賬處理之金融資產公允價值變動收益淨額	—	4,723
Gain on trading of financial assets at FVTPL	買賣按公允價值於損益賬處理之金融資產收益	—	11,286
Exchange gain	匯兌收益	22,720	—
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	17,486
Rental income	租金收入	24,245	48,913
Government grants ¹	政府撥款 ¹	217,653	129,418
Dividend income	股息收入	1,496	960
Sundry income ²	雜項收入 ²	245,728	312,833
Covid-19-Related rent concessions	2019新型冠狀病毒相關租金優惠	167,687	—
		895,867	719,751

¹ Government grants have been received from the PRC governmental bodies in the form of the subsidies to cinema operations and subsidies to the development of IT business in the PRC. The purpose of the subsidy is to encourage innovation by granting financial assistance to commercial entities who operate cinemas and have research and development projects that meet certain criteria. For the year ended 31 December 2020, the Group applied for various government support programs introduced in response to the global pandemic. Included in profit or loss is approximately HK\$44,346,000 of Hong Kong government grants obtained relating to supporting the payroll of the Group's employees. The Group had to commit to spending the assistance on payroll expenses, and not reduce employee head count below prescribed levels for a specified period. Also, the Group has received approximately HK\$142,400,000 from the PRC government as subsidy to its cinema operations. The Group has elected to present these government grants separately, rather than reducing the related expenses. The Group does not have any unfulfilled obligations relating to these programs.

² Gain on lease modification amounted to HK\$120,648,000 was included in sundry income (2019: Nil).

¹ 自中國政府機關收取之政府撥款乃以補貼形式發放予中國之影院經營及資助IT業務發展。發放補貼旨在透過向經營影院以及擁有符合若干標準之研發項目之商業機構給予財務援助，藉以推動創新。截至2020年12月31日止年度，本集團已申請為應對全球疫情而推出之各項政府支援計劃。就支持發放本集團僱員薪金而取得之香港政府撥款約44,346,000港元已計入損益。本集團須承諾將有關援助用作薪酬開支，並於特定期間內不會將僱員人數減至低於規定水平。此外，本集團自中國政府取得約142,400,000港元，以資助其影院經營。本集團已選擇個別呈列該等政府撥款，而非減少相關開支。本集團並無任何有關該等計劃之未履行責任。

² 租賃修訂之收益為120,648,000港元已計入雜項收入(2019年：無)

6. SEGMENT INFORMATION

The executive directors have identified the Group's five (2019: five) product and service lines as operating segments as further described in note 2.23.

These operating segments are monitored, and strategic decisions are made on the basis of adjusted segment operating results.

6. 分部資料

執行董事已識別本集團五項(2019年：五項)產品及服務為經營分部，並於附註2.23詳述。

該等經營分部受到監控，並按經調整分部經營業績基準作出戰略決定。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

The segment results for the years ended 31 December 2020 and 2019 are as follows:

6. 分部資料(續)

截至2020年及2019年12月31日止年度之分部業績如下：

		For the year ended 31 December 2020 截至2020年12月31日止年度						Total 總計 HK\$'000 千港元
		Enterprise cloud services 企業雲服務 HK\$'000 千港元	Property development 房地產開發 HK\$'000 千港元	Culture and media services 文化與傳媒服務 HK\$'000 千港元	News media business 新聞傳播業務 HK\$'000 千港元	Innovative business 創意商業 HK\$'000 千港元	All other segments 所有其他分部 HK\$'000 千港元	
Revenue	收益							
From external customers	來自對外客戶	966,353	7,557,108	1,157,913	102,307	147,599	79,483	10,010,763
From inter-segments	來自分部間	5,786	-	96,246	-	-	35,527	137,559
Reportable and all other segments revenue	可呈報及所有其他分部收益	972,139	7,557,108	1,254,159	102,307	147,599	115,010	10,148,322
Reportable and all other segments profit/(loss) before income tax	可呈報及所有其他分部所得稅前溢利/(虧損)	25,937	3,014,955	(2,842,090)	(288,259)	(716,203)	(32,183)	(837,843)
Bank interest income	銀行利息收入	474	136,818	11,713	2	86	5,487	154,580
Other interest income	其他利息收入	-	460	-	-	-	-	460
Interest income on financial assets at amortised cost	按攤銷成本計量之金融資產利息收入	474	137,278	11,713	2	86	5,487	155,040
Finance costs	融資成本	(4,795)	(248,915)	(641,794)	(59)	(21,942)	-	(917,505)
Depreciation and amortisation	折舊及攤銷	(76,207)	(54,041)	(1,241,859)	(9,324)	(50,560)	(2,242)	(1,434,233)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(55)	(28)	(183,916)	-	-	-	(183,999)
Share of results of associates	應佔聯營公司業績	(599)	-	(2,300)	-	-	-	(2,899)
Share of results of joint ventures	應佔合營企業業績	-	-	(1,582)	-	-	-	(1,582)
Provision for impairment of goodwill	商譽減值撥備	-	-	(585,152)	-	(461,769)	-	(1,046,921)
Provision for impairment of trade receivables	應收貿易款項減值撥備	-	-	(11,651)	-	-	-	(11,651)
Provision for impairment of other receivables	其他應收款項減值撥備	(3)	(86,922)	(63,485)	-	-	-	(150,410)
Provision for impairment of associates	聯營公司減值撥備	(2,598)	-	-	-	-	-	(2,598)
Provision for impairment of intangible assets other than goodwill	不包括商譽之無形資產減值撥備	(2,827)	-	-	-	-	-	(2,827)
Write-off of intangible assets other than goodwill	不包括商譽之無形資產撇銷	(8,657)	-	-	-	-	-	(8,657)
Income tax (expenses)/credit	所得稅(開支)/抵免	(4,588)	(1,617,385)	45,053	(27)	2,705	(2,022)	(1,576,264)
Reportable and all other segments assets	可呈報及所有其他分部資產	728,126	26,024,188	13,685,845	117,626	619,753	291,756	41,467,294
Interests in associates	於聯營公司之權益	22,961	29,113	47,671	-	-	-	99,745
Interests in a joint venture	於一間合營企業之權益	-	-	3,344	-	-	-	3,344
Additions to non-current segment assets during the year	年內添置非流動分部資產	54,777	151,361	415,691	2,835	16,691	897	642,252
Reportable and all other segments liabilities	可呈報及所有其他分部負債	(502,257)	(21,039,725)	(10,725,856)	(59,391)	(210,132)	(85,964)	(32,623,325)

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

6. 分部資料(續)

		For the year ended 31 December 2019 (Re-presented) 截至2019年12月31日止年度(經重列)						Total 總計
		Enterprise cloud services 企業雲 服務 HK\$'000 千港元	Property development 房地產 開發 HK\$'000 千港元	Culture and media services 文化與 傳播服務 HK\$'000 千港元	News media business 新聞 傳播業務 HK\$'000 千港元	Innovative business 創意商業 HK\$'000 千港元	All other segments 所有 其他分部 HK\$'000 千港元	
Revenue	收益							
From external customers	來自對外客戶	957,367	3,301,002	4,652,846	89,581	255,476	64,940	9,321,212
From inter-segments	來自分部間	6,200	–	32,924	–	–	40,220	79,344
Reportable and all other segments revenue	可呈報及所有其他分部收益	963,567	3,301,002	4,685,770	89,581	255,476	105,160	9,400,556
Reportable and all other segments (loss)/profit before income tax	可呈報及所有其他分部 所得稅前(虧損)/溢利	(67,998)	2,762,710	(868,766)	(387,933)	(382,328)	(26,057)	1,029,628
Bank interest income	銀行利息收入	361	120,819	5,047	14	511	2,591	129,343
Other interest income	其他利息收入	–	933	–	–	–	–	933
Interest income on financial assets at amortised cost	按攤銷成本計量之金融資產 利息收入	361	121,752	5,047	14	511	2,591	130,276
Finance costs	融資成本	(4,466)	(422,035)	(756,278)	(77)	(28,677)	(1,858)	(1,213,391)
Depreciation and amortisation	折舊及攤銷	(76,595)	(56,114)	(1,290,703)	(12,792)	(73,858)	(1,868)	(1,511,930)
(Loss)/Gain on disposal of property, plant and equipment	出售物業、廠房及設備之 (虧損)/收益	(192)	(219)	(7,602)	–	17,486	–	9,473
Share of results of associates	應佔聯營公司業績	(5,466)	(9,228)	(4,298)	–	–	–	(18,992)
Share of results of joint ventures	應佔合營企業業績	–	–	249	–	–	–	249
Fair value change on financial liability at FVTPL	按公允價值於損益賬處理之 金融負債公允價值變動	–	–	21,476	–	–	–	21,476
Provision for impairment of goodwill	商譽減值撥備	–	–	(32,174)	–	(23,595)	–	(55,769)
Provision for impairment of trade receivables	應收貿易款項減值撥備	–	–	(2,970)	–	–	–	(2,970)
Provision for impairment of intangible assets other than goodwill	不包括商譽之無形資產減值 撥備	(1,507)	–	–	–	–	–	(1,507)
Write-off of intangible assets other than goodwill	不包括商譽之無形資產撇銷	–	–	–	–	(38,557)	–	(38,557)
Income tax (expenses)/credit	所得稅(開支)/抵免	(561)	(1,515,034)	69,495	39	2,978	(2,803)	(1,445,886)
Reportable and all other segments assets	可呈報及所有其他分部資產	619,960	29,502,303	15,784,639	92,331	1,261,182	312,393	47,572,808
Interests in associates	於聯營公司之權益	26,947	28,551	46,903	–	–	–	102,401
Interests in joint ventures	於合營企業之權益	–	–	28,498	–	–	–	28,498
Additions to non-current segment assets during the year	年內添置非流動分部資產	59,171	4,129,596	894,775	7,861	34,974	2,600	5,128,977
Reportable and all other segments liabilities	可呈報及所有其他分部負債	(455,019)	(23,509,852)	(11,215,989)	(36,143)	(767,978)	(52,541)	(36,037,522)

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments are reconciled to the Group's key financial figures as presented in the consolidated financial statements as follows:

6. 分部資料(續)

本集團經營分部呈報之總額與本集團於綜合財務報表呈列之主要財務數字對賬如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Reportable segments revenue	可呈報分部收益	10,033,312	9,295,396
All other segments revenue	所有其他分部收益	115,010	105,160
Elimination of inter-segments revenue	分部間收益對銷	(137,559)	(79,344)
Group revenue	本集團收益	10,010,763	9,321,212
Reportable segments results before income tax	所得稅前可呈報分部業績	(805,660)	1,055,685
All other segments results before income tax	所得稅前所有其他分部業績	(32,183)	(26,057)
Bank interest income	銀行利息收入	25,307	17,889
Other interest income	其他利息收入	35,991	45,967
Interest income on financial assets at amortised cost	按攤銷成本計量之金融資產利息收入	61,298	63,856
Finance costs	融資成本	(171,901)	(155,326)
Depreciation and amortisation	折舊及攤銷	(26,124)	(20,724)
Unallocated corporate income/(expenses)	未分配企業收入／(開支)	21,103	(108,591)
(Loss)/Profit before income tax	所得稅前(虧損)/溢利	(953,467)	808,843
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Reportable segments assets	可呈報分部資產	41,175,538	47,260,415
All other segments assets	所有其他分部資產	291,756	312,393
Amounts due from related parties	應收關連方款項	489,282	442,836
Financial assets at FVOCI	按公允價值於其他全面收益處理之金融資產	228,092	226,705
Pledged and restricted bank deposits	已抵押及受限制銀行存款	561,612	1,909,041
Other financial and corporate assets	其他金融及企業資產	773,608	733,232
Group assets	本集團資產	43,519,888	50,884,622

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

6. 分部資料(續)

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Reportable segments liabilities	可呈報分部負債	32,537,361	35,984,981
All other segments liabilities	所有其他分部負債	85,964	52,541
Amount due to a director	欠一名董事款項	14,271	12,552
Provision for tax	稅項撥備	171,628	168,442
Bank and other borrowings	銀行及其他借貸	7,178,130	9,284,811
Other corporate liabilities	其他企業負債	207,858	86,966
Group liabilities	本集團負債	40,195,212	45,590,293

Revenue from external customers is disaggregated by primary geographical markets and timing of revenue recognition as follows:

從外部客戶獲取的收益乃按主要地域市場及收益確認時間劃分如下：

		For the year ended 31 December 2020 截至2020年12月31日止年度						
		Enterprise cloud services 企業雲服務 HK\$'000 千港元	Property development 房地產開發 HK\$'000 千港元	Culture and media services 文化與傳播服務 HK\$'000 千港元	News media business 新聞傳播業務 HK\$'000 千港元	Innovative business 創意商業 HK\$'000 千港元	All other segments 所有其他分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Primary geographical markets	主要地域市場							
Mainland China	中國內地	966,346	7,557,108	1,157,913	-	42,743	79,483	9,803,593
Hong Kong	香港	7	-	-	102,307	1,491	-	103,805
North America	北美	-	-	-	-	83,560	-	83,560
Europe	歐洲	-	-	-	-	11,734	-	11,734
Australia	澳洲	-	-	-	-	4,239	-	4,239
Others	其他	-	-	-	-	3,832	-	3,832
Total	總計	966,353	7,557,108	1,157,913	102,307	147,599	79,483	10,010,763
Timing of revenue recognition	收益確認時間							
At a point in time	於某一時間點	51,805	7,557,108	103,296	935	128,509	-	7,841,653
Transferred over time	隨時間轉移	914,548	-	1,054,617	101,372	19,090	79,483	2,169,110
Total	總計	966,353	7,557,108	1,157,913	102,307	147,599	79,483	10,010,763

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

6. 分部資料(續)

		For the year ended 31 December 2019 截至2019年12月31日止年度						
		Enterprise cloud services 企業雲 服務 HK\$'000 千港元	Property development 房地產 開發 HK\$'000 千港元	Culture and media services 文化與 傳播服務 HK\$'000 千港元	News media business 新聞 傳播業務 HK\$'000 千港元	Innovative business 創意商業 HK\$'000 千港元	All other segments 所有 其他分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Primary geographical markets	主要地域市場							
Mainland China	中國內地	957,349	3,301,002	4,652,845	–	35,093	64,940	9,011,229
Hong Kong	香港	18	–	1	89,581	14,319	–	103,919
North America	北美	–	–	–	–	145,907	–	145,907
Europe	歐洲	–	–	–	–	37,334	–	37,334
Australia	澳洲	–	–	–	–	9,056	–	9,056
Others	其他	–	–	–	–	13,767	–	13,767
Total	總計	957,367	3,301,002	4,652,846	89,581	255,476	64,940	9,321,212
Timing of revenue recognition	收益確認時間							
At a point in time	於某一時間點	23,047	3,292,938	498,680	882	255,476	–	4,071,023
Transferred over time	隨時間轉移	934,320	8,064	4,154,166	88,699	–	64,940	5,250,189
Total	總計	957,367	3,301,002	4,652,846	89,581	255,476	64,940	9,321,212

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

6. SEGMENT INFORMATION (Continued)

Non-current assets (other than deferred tax assets, financial instruments, amounts due from related parties and pledged and restricted bank deposits) are divided into the following geographical areas:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Mainland China	中國內地	18,240,562	19,716,143
Hong Kong	香港	35,697	216,152
North America	北美	290,227	499,793
Europe	歐洲	124,703	147,231
Australia	澳洲	—	31,709
Others	其他	117,289	159,103
Total	總計	18,808,478	20,770,131

The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the non-current assets is based on the physical and operating location of the assets. The Company is an investment holding company incorporated in Bermuda where the Group does not have any activities, the Group has the majority of its operations and workforce in Mainland China, and therefore, Mainland China is considered as the Group's country of domicile for the purpose of the disclosures as required by HKFRS 8 "Operating Segments".

During the years ended 31 December 2020 and 2019, the Group did not derive more than 10% of the Group's total revenue from any single customer.

6. 分部資料(續)

非流動資產(除遞延稅項資產、金融工具、應收關連方款項及已抵押及受限制銀行存款外)按以下地域劃分:

客戶之地區位置乃按提供服務或商品付運之地點劃分。非流動資產之地區位置乃按資產之實際及經營地點劃分。本公司為於百慕達註冊成立之投資控股公司，本集團於當地並無任何業務，本集團大部分業務及員工均位於中國內地，因此，就作出香港財務報告準則第8號「經營分部」之披露而言，本集團視中國內地為本集團之所在國家。

截至2020年及2019年12月31日止年度，本集團並無自任何單一客戶取得超過本集團總收益10%之收入。

7. FINANCE COSTS

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借貸之利息	1,160,918	1,166,009
Interest on convertible and exchangeable bonds	可換股及可交換債券之利息	—	158,807
Interest on lease liabilities	租賃負債之利息	501,902	520,743
Interest on financing component in contracts with customers	與客戶合約融資組成部分之利息	30,725	182,758
Total finance costs on financial liabilities at amortised cost	按攤銷成本計量之金融負債融資成本總額	1,693,545	2,028,317
Less: Amount capitalised to properties under development *	減：就發展中物業資本化之金額*	(604,139)	(659,600)
		1,089,406	1,368,717

* The finance costs above are capitalised at a rate of 6.06% to 7.13% (2019: 6.06% to 7.13%) per annum.

7. 融資成本

* 上述融資成本乃按年率6.06%至7.13%(2019年：6.06%至7.13%)資本化。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

8. (LOSS)/PROFIT BEFORE INCOME TAX

8. 所得稅前(虧損)/溢利

	Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
(Loss)/Profit before income tax is arrived at after charging/(crediting):	所得稅前(虧損)/溢利已扣除/(計入)以下各項:		
Amortisation of intangible assets other than goodwill*	不包括商譽之無形資產攤銷*	147,869	144,271
Auditors' remuneration	核數師薪酬		
— Audit service	— 審核服務	12,596	10,858
— Other service	— 其他服務	773	1,269
Cost of sales of properties and car parks	物業及車位銷售成本	3,951,958	1,586,526
Cost of provision of enterprise cloud services	提供企業雲服務成本	153,247	164,332
Cost of provision of property management services	提供物業管理服務成本	84,068	83,404
Cost of sales of decoration materials and decoration services	裝飾材料銷售及裝飾服務成本	44,033	49,452
Cost of provision of film distribution services	提供電影發行服務成本	5,196	982
Cost of cinema ticketing	影院票房成本	412,692	1,520,063
Cost of sales of food and beverages	食品及飲料銷售成本	30,149	149,572
Cost of cinema advertising	影院廣告成本	249	5,877
Cost of sales and leases of projection equipment	放映設備銷售及租賃成本	2,675	2,909
Cost of provision of digital media technology services	提供數碼媒體科技服務成本	6,540	63,557
Cost of publication of magazines and advertising	出版雜誌及廣告成本	285,401	313,622
Cost of sales of personal care and fragrance products	個人護理及香水產品銷售成本	103,038	190,719
Cost of provision of innovative catering and fitness services	提供創意餐飲及健身服務成本	11,204	7,822
Cost of sales and services provided	銷售及提供服務之成本	5,090,450	4,138,837
Depreciation of property, plant and equipment	物業、廠房及設備折舊		
— Owned assets*	— 自置資產*	731,592	843,601
— Right-of-use assets*	— 使用權資產*	580,896	544,782
Loss*/(Gain) on fair value change on financial assets at FVTPL	按公允價值於損益賬處理之金融資產公允價值變動之虧損*/(收益)		
— Listed equity investments	— 上市股本投資	6,026	(4,835)
— Derivatives	— 衍生工具	-	112
Gain on fair value change on financial liabilities at FVTPL	按公允價值於損益賬處理之金融負債公允價值變動之收益		
— Derivatives	— 衍生工具	(2,569)	(24,342)
Loss on disposal of property, plant and equipment*	出售物業、廠房及設備之虧損*	189,867	8,013
Write-off of property, plant and equipment*	物業、廠房及設備撇銷*	14,895	21,464
Write-off of intangible assets other than goodwill*	不包括商譽之無形資產撇銷*	8,657	38,557
Write-off of inventories*	存貨撇銷*	68,215	2,406
Interests on lease liabilities	租賃負債利息	501,902	520,743
Short-term lease expenses	短期租賃費用	21,870	55,456
Variable lease payments	可變租賃付款	257	21,489
Covid-19-Related rent concessions	2019 新型冠狀病毒相關租金優惠	(167,687)	-
Direct operating expenses arising from investment properties that generated rental income during the year	年內產生租金收入之投資物業產生之直接營運開支	1,413	4,875
Direct operating expenses arising from investment properties that did not generate rental income during the year	年內未產生租金收入之投資物業產生之直接營運開支	2,688	623

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

8. (LOSS)/PROFIT BEFORE INCOME TAX (Continued)

8. 所得稅前(虧損)/溢利(續)

	Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Provision for impairment of trade receivables	應收貿易款項減值撥備	11,651	7,122
Provision for impairment of deposits and other receivables	按金及其他應收款項減值撥備	156,650	39,080
ECLs on financial assets	金融資產之預期信貸虧損	168,301	46,202
Provision for impairment of intangible assets other than goodwill*	不包括商譽之無形資產減值撥備*	2,827	1,507
Provision for impairment of property, plant and equipment*	物業、廠房及設備減值撥備*	60,364	15,968
Provision for impairment of goodwill	商譽減值撥備	1,046,921	55,769
Research and development expenses*	研究及開發開支*	203,554	96,923

* included in other operating expense

* 計入其他經營開支

(a) As disclosed in note 3.1(ii), the Group has early adopted the amendment to HKFRS 16, Covid-19-Related Rent Concessions, and has applied the practical expedient introduced by the amendment to all eligible rent concessions received by the Group during the year.

(a) 誠如附註3.1(ii)所披露，本集團已提早採納香港財務報告準則第16號之修訂「2019新型冠狀病毒相關租金優惠」，並已將有關修訂所引入之可行權宜方法應用於本集團於年內取得之所有合資格租金優惠。

9. INCOME TAX EXPENSE

9. 所得稅開支

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
The income tax expense comprises:	所得稅開支包括：		
Current tax	即期稅項		
— Hong Kong Profits Tax	— 香港利得稅		
Charge for the year	年內支出	—	1,000
— PRC Enterprise Income Tax ("EIT")	— 中國企業所得稅(「企業所得稅」)		
Charge for the year	年內支出	794,487	406,215
Under-provision in respect of prior years	以往年度撥備不足	2,604	1,468
— Taxation for other jurisdictions	— 其他司法權區之稅項		
Charge for the year	年內支出	—	592
Over-provision in respect of prior years	以往年度超額撥備	(764)	—
— PRC LAT	— 中國土地增值稅		
Charge for the year	年內支出	1,118,595	511,443
— Withholding tax on dividend	— 股息預扣稅		
Charge for the year	年內支出	241,944	—
		2,156,866	920,718
Deferred tax	遞延稅項		
— (Credit)/Charge for the year	— 年內(計入)/扣除	(580,602)	529,551
		1,576,264	1,450,269

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

9. INCOME TAX EXPENSE (Continued)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity is taxed at 8.25%, and profits above HK\$2 million is taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The Board considered the amount involved upon implementation of the two-tiered profits tax rates is insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2020 and 2019. No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the year ended 31 December 2020.

PRC EIT has been provided on the estimated assessable profits of subsidiaries operating in Mainland China at 25% (2019: 25%), unless preferential rates are applicable in the cities where the subsidiaries are located.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

PRC LAT is levied at progressive rates from 30% to 60% (2019: 30% to 60%) on the estimated appreciation of land value, being the proceeds of sales of properties less deductible expenditure including cost of land use rights and development and construction expenditure.

9. 所得稅開支(續)

於2018年3月21日，香港立法會通過2017年稅務(修訂)(第7號)條例草案(「條例草案」)，引入兩級制利得稅率制度。條例草案於2018年3月28日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體首200萬港元溢利將按8.25%之稅率徵稅，而超過200萬港元之溢利則按16.5%之稅率徵稅。不符合兩級制利得稅率制度資格之集團實體之溢利將繼續按16.5%之劃一稅率徵稅。

董事會認為，兩級制利得稅率實施後所涉及之金額對綜合財務報表而言並不重大。香港利得稅在截至2020年及2019年12月31日止年度均按估計應課稅溢利之16.5%計算。由於本集團於截至2020年12月31日止年度並無在香港產生任何應課稅溢利，故並無就香港利得稅計提撥備。

除非附屬公司所在城市設有優惠稅率，否則於中國內地經營之附屬公司估計應課稅溢利，已按25%(2019年：25%)之稅率作出中國企業所得稅撥備。

於其他司法權區所產生稅項乃按相關司法權區之現行稅率計算。

中國土地增值稅乃就土地價值之估計增值(即出售物業所得款項減可扣稅開支，包括土地使用權成本以及開發及建築成本)按介乎30%至60%(2019年：30%至60%)之累進稅率計算。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting (loss)/profit at applicable tax rates is as follows:

9. 所得稅開支(續)

按適用稅率計算之所得稅開支與會計(虧損)/溢利之對賬如下:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
(Loss)/Profit before income tax	所得稅前(虧損)/溢利	(953,467)	808,843
Tax on (loss)/profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	按有關稅務司法權區溢利適用之稅率計算之稅前(虧損)/溢利之稅項	(135,277)	285,439
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	412,453	240,456
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(89,848)	(58,247)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	602,353	293,067
Utilisation of tax loss previously not recognised	動用以往未確認稅務虧損	(8,923)	(23,268)
Tax effect of PRC LAT	中國土地增值稅之稅務影響	(279,649)	(127,861)
Tax effect of temporary differences not recognised	未確認暫時差額之稅務影響	(90,388)	(94,149)
Withholding tax on undistributed profits	未分派溢利之預扣稅	45,108	421,921
PRC LAT	中國土地增值稅	1,118,595	511,443
Under-provision in respect of prior years	以往年度撥備不足	1,840	1,468
Income tax expense	所得稅開支	1,576,264	1,450,269

10. DIVIDEND

No dividend was paid or declared during the year ended 31 December 2020 (2019: Nil).

A final dividend in respect of the year ended 31 December 2018 of 0.15 HK cent per ordinary share, amounting to a total dividend of approximately HK\$102,968,000 was proposed and approved at the annual general meeting of the Company held on 30 May 2019.

10. 股息

截至2020年12月31日止年度，概無派付或宣派任何股息(2019年：無)。

有關截至2018年12月31日止年度之末期股息每股普通股0.15港仙，股息總額約102,968,000港元已於2019年5月30日舉行之本公司股東週年大會提呈及批准。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

11. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to the owners of the Company of approximately HK\$2,281,315,000 (2019: HK\$561,415,000) and on 68,645,535,794 (2019: 68,645,535,794) ordinary shares in issue during the year.

Diluted loss per share for the year ended 31 December 2020 was the same as the basic loss per share as there was no potential dilutive ordinary share in issue during the year.

The calculation of diluted loss per share for the year ended 31 December 2019 is based on the loss for the year attributable to the owners of the Company and adjusted for the effect of dilutive potential ordinary shares arising from adjustment to the share of loss of a subsidiary based on dilution of its loss per share. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, which is the same as the basic loss per share calculation.

Diluted loss per share for the year ended 31 December 2019 was the same as the basic loss per share as the convertible and exchangeable bonds outstanding during the year had an anti-dilutive effect on the basic loss per share.

11. 每股虧損

每股基本虧損乃按本公司擁有人應佔虧損約2,281,315,000港元(2019年：561,415,000港元)及年內已發行普通股68,645,535,794股(2019年：68,645,535,794股)計算。

截至2020年12月31日止年度之每股攤薄虧損與每股基本虧損相同，乃由於年內並無潛在攤薄普通股。

截至2019年12月31日止年度之每股攤薄虧損乃按本公司擁有人應佔年內虧損計算，並根據其每股虧損攤薄調整所分佔一間附屬公司之虧損產生之潛在普通股攤薄影響。計算所用普通股加權平均數即用作計算每股基本虧損之年內已發行普通股數目。

截至2019年12月31日止年度之每股攤薄虧損與每股基本虧損相同，乃由於可換股及可交換債券對每股基本虧損有反攤薄影響。

12. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

12. 僱員福利開支(包括董事酬金)

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Directors' fee (note 41(a))	董事袍金(附註41(a))	747	750
Wages and salaries	工資及薪金	1,413,287	1,916,447
Pension costs — defined contribution plans (note 40)	退休金成本 — 定額供款計劃(附註40)	44,961	129,242
Staff welfare	員工福利	131,102	143,721
Share-based payments expense (note 31)	以股份支付之開支(附註31)	2,135	2,135
Other employee benefits (note 30)	其他僱員福利(附註30)	(26,868)	30,458
Total employee benefit expenses	僱員福利開支總額	1,565,364	2,222,753

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、傢俬、裝置及設備	Motor vehicles and yachts 汽車及遊艇	Freehold land 永久業權土地	Right-of-use assets 使用權資產	Total 總計
		樓宇 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於2019年1月1日						
Cost	成本	1,063,990	7,464,525	49,175	48,606	5,025,820	13,652,116
Accumulated depreciation	累計折舊	(212,494)	(3,138,916)	(33,279)	–	–	(3,384,689)
Accumulated impairment	累計減值	–	(165,234)	(168)	–	–	(165,402)
Net carrying amount	賬面淨值	851,496	4,160,375	15,728	48,606	5,025,820	10,102,025
Year ended 31 December 2019	截至2019年12月31日止年度						
Opening net carrying amount	期初賬面淨值	851,496	4,160,375	15,728	48,606	5,025,820	10,102,025
Additions	添置	11,701	399,254	666	–	471,116	882,737
Acquisition of assets	收購資產	–	2	–	–	–	2
Disposal	出售	(22,638)	(17,138)	(319)	(8,445)	–	(48,540)
Write-off	撇銷	(168)	(21,296)	–	–	–	(21,464)
Depreciation	折舊	(55,329)	(783,141)	(5,131)	–	(544,782)	(1,388,383)
Provision for impairment	減值撥備	–	(15,968)	–	–	–	(15,968)
Exchange differences	匯兌差額	(14,707)	(27,171)	(348)	(2,595)	(83,259)	(128,080)
Closing net carrying amount	期終賬面淨值	770,355	3,694,917	10,596	37,566	4,868,895	9,382,329
At 31 December 2019	於2019年12月31日						
Cost	成本	1,015,067	7,253,844	45,099	37,566	5,525,975	13,877,551
Accumulated depreciation	累計折舊	(244,712)	(3,377,725)	(34,335)	–	(657,080)	(4,313,852)
Accumulated impairment	累計減值	–	(181,202)	(168)	–	–	(181,370)
Net carrying amount	賬面淨值	770,355	3,694,917	10,596	37,566	4,868,895	9,382,329
Year ended 31 December 2020	截至2020年12月31日止年度						
Opening net carrying amount	期初賬面淨值	770,355	3,694,917	10,596	37,566	4,868,895	9,382,329
Additions	添置	–	233,676	230	–	199,821	433,727
Transfer to investment properties	撥入投資物業	(43,205)	–	–	–	–	(43,205)
Disposal	出售	–	(155,497)	–	(34,370)	–	(189,867)
Write-off	撇銷	(2,907)	(11,781)	(208)	–	–	(14,896)
Depreciation	折舊	(56,649)	(672,794)	(2,149)	–	(580,896)	(1,312,488)
Provision for impairment	減值撥備	–	(60,364)	–	–	–	(60,364)
Modifications	修正	–	–	–	–	(331,208)	(331,208)
Exchange differences	匯兌差額	43,309	57,055	268	(3,196)	33,103	130,539
Closing net carrying amount	期終賬面淨值	710,903	3,085,212	8,737	–	4,189,715	7,994,567
At 31 December 2020	於2020年12月31日						
Cost	成本	1,017,564	4,693,443	47,143	–	5,432,185	11,190,335
Accumulated depreciation	累計折舊	(306,661)	(1,401,035)	(38,238)	–	(1,242,470)	(2,988,404)
Accumulated impairment	累計減值	–	(207,196)	(168)	–	–	(207,364)
Net carrying amount	賬面淨值	710,903	3,085,212	8,737	–	4,189,715	7,994,567

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

At the end of the year, the Group assessed the impairment of property, plant and equipment under culture and media services segment, and a provision for impairment of approximately HK\$60,364,000 (2019: HK\$15,968,000) on certain leasehold improvements, furniture, fixtures and equipment was made after the assessment.

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

Right-of-use assets		Properties lease contracts	Equipment	Prepaid land lease payments	Total
使用權資產		物業租賃合約	設備	預付土地租賃費	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日	4,861,771	141,189	22,860	5,025,820
Additions	添置	273,173	197,943	–	471,116
Depreciation	折舊	(514,214)	(30,255)	(313)	(544,782)
Exchange differences	匯兌差額	(77,373)	(5,649)	(237)	(83,259)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	4,543,357	303,228	22,310	4,868,895
Additions	添置	162,461	37,360	–	199,821
Depreciation	折舊	(498,002)	(82,584)	(310)	(580,896)
Modifications	修正	(331,208)	–	–	(331,208)
Exchange differences	匯兌差額	15,802	16,653	648	33,103
At 31 December 2020	於2020年12月31日	3,892,410	274,657	22,648	4,189,715

13. 物業、廠房及設備(續)

於年末，本集團評估文化與傳播服務分部項下物業、廠房及設備之減值，並於評估後就若干租賃物業裝修、傢俬、裝置及設備作出減值撥備約60,364,000港元(2019年：15,968,000港元)。

年內，本集團使用權資產之賬面值及變動如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

14. INVESTMENT PROPERTIES

14. 投資物業

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Fair value	公允價值		
At 1 January	於1月1日	4,787,476	757,669
Transfer from completed properties held for sale	已落成待售物業撥入	47,004	2,302,099
Transfer from property, plant and equipment	物業、廠房及設備撥入	80,404	–
Fair value change	公允價值變動	(34,479)	1,751,377
Exchange differences	匯兌差額	280,800	(23,669)
At 31 December	於12月31日	5,161,205	4,787,476

The fair value of the Group's investment properties at 31 December 2020 and 2019 have been derived at income capitalization approach carried out by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Management has reviewed the independent property valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that the independent property valuation of the Group's investment property portfolio is reasonable.

Fair value hierarchy

The Group's investment properties are measured at fair value. These investment properties are completed commercial properties in Mainland China. In 2020 and 2019, there were no transfers between different levels within the fair value hierarchy:

本集團投資物業於2020年及2019年12月31日之公允價值乃由獨立估值師按收入資本化法計算得出，該獨立估值師持有認可相關專業資格，近期亦有評估投資物業所在地點及類別之經驗。

管理層已審閱獨立物業估值，並將之與其自有假設作比較，當中經參考可資比較銷售交易數據（倘可獲得有關資料），認為本集團投資物業組合之獨立物業估值合理。

公允價值層級

本集團之投資物業按公允價值計量。該等投資物業為中國內地之已落成商業物業。於2020年及2019年，公允價值層級不同層級之間並無轉撥：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Fair value hierarchy	公允價值層級		
Level 3	第3層	5,161,205	4,787,476

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Fair value — level 3	公允價值 — 第3層		
At 1 January	於1月1日	4,787,476	757,669
Transfer from completed properties held for sale	已落成待售物業撥入	47,004	2,302,099
Transfer from property, plant and equipment	物業、廠房及設備撥入	80,404	—
Fair value change	公允價值變動	(34,479)	1,751,377
Exchange differences	匯兌差額	280,800	(23,669)
At 31 December	於12月31日	5,161,205	4,787,476

Valuation processes and techniques underlying management's estimate of fair value:

The valuation of the Group's completed investment property portfolio is estimated by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and by making reference to recent comparable transactions available in the relevant property market.

The fair values of the Group's investment properties are sensitive to changes in both observable and unobservable inputs. If estimated rental income increase, the fair values increase. If the expected vacancy rates increase, the fair values decreased. The opposite is true for decreases in these inputs.

The Group reviews the valuations performed by the independent valuer for financial reporting purposes. Discussions of valuation processes and results are held between management and the independent valuer at least once every half year, in line with the Group's half year reporting dates.

14. 投資物業(續)

公允價值層級(續)

管理層估算公允價值所採用估值程序及方法：

本集團已落成投資物業組合的估值是透過現有租約所得租金收入資本化估計，並為約滿後新訂租金之潛在收入變化作出適當備付，以及參考相關物業市場近期可比較交易而得出。

本集團投資物業之公允價值會同時受到可觀察及不可觀察輸入數據之變化所影響。倘估計租金收入上升，公允價值將會上升。倘預期空置率增加，公允價值將會減少。如該等輸入數據下降，情況則相反。

本集團會審核獨立估值師為財務報告用途而進行之估值。為配合本集團之半年度報告，管理層與獨立估值師最少每半年就估值程序及結果進行商討。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

14. INVESTMENT PROPERTIES (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3):

14. 投資物業(續)

關於使用重要不可觀察輸入數據(第3層)進行公允價值計量之資料:

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
At 31 December 2020 於2020年12月31日 Commercial properties in Shenzhen, the PRC 中國深圳商業物業	Income capitalization approach 收入資本化法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	RMB233 to RMB465 人民幣233元至人民幣465元
		Expected vacancy rate 預期空置率	5%–20%
		Rental growth rate 租金增長率	0%
		Capitalization rate 資本化率	4%–5%
Commercial properties in Guangzhou, the PRC 中國廣州商業物業	Income capitalization approach 收入資本化法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	RMB108 to RMB135 人民幣108元至人民幣135元
		Expected vacancy rate 預期空置率	9%
		Rental growth rate 租金增長率	0%
		Capitalization rate 資本化率	6%

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

14. INVESTMENT PROPERTIES (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) (Continued):

14. 投資物業(續)

關於使用重要不可觀察輸入數據(第3層)進行公允價值計量之資料(續):

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
At 31 December 2019 於2019年12月31日			
Commercial properties in Shenzhen, the PRC 中國深圳商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	RMB50,000 to RMB180,000 人民幣 50,000 元至人民幣 180,000 元
	Income capitalization approach 收入資本化法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	RMB225 to RMB450 人民幣 225 元至人民幣 450 元
		Expected vacancy rate 預期空置率	4%–22%
		Rental growth rate 租金增長率	0%
		Capitalization rate 資本化率	4%–5%
Commercial properties in Guangzhou, the PRC 中國廣州商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	RMB10,000 to RMB29,000 人民幣 10,000 元至人民幣 29,000 元
	Income capitalization approach 收入資本化法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	RMB102 to RMB129 人民幣 102 元至人民幣 129 元
		Expected vacancy rate 預期空置率	7%
		Rental growth rate 租金增長率	0%
		Capitalization rate 資本化率	6%

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

14. INVESTMENT PROPERTIES (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) (Continued):

Fair value is determined by income capitalisation approach (2019: a weighted average result of the direct comparison approach and the income capitalisation approach). Under the income capitalisation approach, fair value is estimated by the discounted cash flow method, based on the estimated rental value of the commercial units. Under the direct comparison approach, fair value is estimated with reference to the recent transactions for similar commercial units in the proximity with adjustments for the differences in transaction dates, building age, floor area etc. The valuation takes account of expected vacancy rates and rental growth rates of the commercial units. The capitalisation rates have been adjusted for the condition and location of the buildings.

The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

Certain investment properties amounting to HK\$1,331,896,000 (2019: HK\$1,137,773,000) are pledged to banks to secure mortgage loans and general banking facilities granted to the Group (note 44(c)).

14. 投資物業(續)

關於使用重要不可觀察輸入數據(第3層)進行公允價值計量之資料(續):

公允價值按收入資本化法(2019年:直接比較法及收入資本化法之加權平均結果)釐定。根據收入資本化法,公允價值乃根據商業單位之估計租值按貼現現金流法估計。根據直接比較法,公允價值乃參照鄰近類似商業單位之近期交易估計,並就交易日期、樓齡及建築面積等差異作出調整。估值計及商業單位之預期空置率及租金增長率。資本化率已就樓宇情況及位置作出調整。

公允價值計量乃依據上述物業之最高及最佳且與其實際用途並無差別之用途得出。

金額為1,331,896,000港元(2019年:1,137,773,000港元)之若干投資物業質押予銀行,作為本集團獲授按揭貸款及一般銀行融資之抵押(附註44(c))。

15. INTERESTS IN SUBSIDIARIES

Except for Sino-i Technology Limited ("Sino-i") which is a listed public limited company, all other subsidiaries of the Group are private limited company. Particulars of the principal subsidiaries at 31 December 2020 are as follows:

15. 於附屬公司之權益

除中國數碼信息有限公司(「中國數碼」)為上市公眾有限公司外,本集團所有其他附屬公司均為私人有限公司。於2020年12月31日之主要附屬公司詳情如下:

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company 本公司所持股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
China Enterprise ASP Limited 中國企業網控股有限公司	Hong Kong 香港	Paid-up share capital of HK\$14,037,400 繳足股本14,037,400港元	-	59.11%	Investment holding 投資控股
Dadi Cinema (HK) Limited 大地影院(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$7,500 繳足股本7,500港元	-	100%	Investment holding, film distribution and production 投資控股、電影發行及製作
Dadi Media Limited 大地傳媒有限公司	Hong Kong 香港	Paid-up share capital of HK\$2 繳足股本2港元	-	59.11%	Investment holding 投資控股
Dadi Media (HK) Limited 大地傳播(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100%	-	Investment holding 投資控股
Dadi News Media (HK) Limited 大地傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100%	-	Investment holding 投資控股
Duowei Media (HK) Limited 多維傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	-	100%	News media 新聞傳播

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company		Principal activities 主要業務
			本公司所持股權百分比 Directly 直接	Indirectly 間接	
Goalrise Investments Limited Goalrise Investments Limited	British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京群島」)	1 ordinary share of US\$1 each 1 股每股面值 1 美元之普通股	100%	–	Trading of securities 證券買賣
Hongkong New Media Interactive Advertising Co., Limited 香港新米迪互動廣告有限公司	Hong Kong 香港	Paid-up share capital of HK\$100 繳足股本 100 港元	–	59.11%	Investment holding and information technology business 投資控股及資訊科技業務
Liu Wan Development (BVI) Company Limited 六灣開發(BVI)有限公司	BVI 英屬維爾京群島	215,000,000 ordinary shares of US\$1 each 215,000,000 股每股面值 1 美元之普通股	–	100%	Investment holding 投資控股
Liu Wan Investment Company Limited 六灣投資有限公司	Hong Kong 香港	Paid-up share capital of US\$2 繳足股本 2 美元	–	100%	Investment holding 投資控股
Nan Hai Development Limited 南海發展有限公司	Hong Kong 香港	Paid-up share capital of HK\$3,000,000,002 繳足股本 3,000,000,002 港元	100%	–	Investment holding 投資控股
Robina Profits Limited Robina Profits Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1 股每股面值 1 美元之普通股	–	59.11%	Investment holding 投資控股
Sino-i 中國數碼	Hong Kong 香港	Paid-up share capital of HK\$240,596,986 繳足股本 240,596,986 港元	–	59.11%	Investment holding 投資控股
View Power Investments Limited View Power Investments Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1 股每股面值 1 美元之普通股	100%	–	Investment holding 投資控股
HK01 Company Limited 香港01有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本 1 港元	–	100%	News media 新聞傳播
Wise Advance Investments Limited Wise Advance Investments Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1 股每股面值 1 美元之普通股	100%	–	Investment holding 投資控股

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company 本公司所持股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
中企動力科技股份有限公司 ("CE Dongli") (note a)	PRC	RMB242,369,720	–	59.11%	Information technology business
中企動力科技股份有限公司 (「中企動力」) (附註a)	中國	人民幣242,369,720元			資訊科技業務
數碼慧谷置業管理股份有限公司 (note a)	PRC	RMB689,171,334	–	92.36%	Property development
數碼慧谷置業管理股份有限公司 (附註a)	中國	人民幣689,171,334元			房地產開發
北京新米迪廣告有限公司 (note b)	PRC	RMB21,000,000	–	59.11%	Information technology business
北京新米迪廣告有限公司 (附註b)	中國	人民幣21,000,000元			資訊科技業務
Xinnet (note b)	PRC	RMB45,000,000	–	N/A*	Information technology business
新網 (附註b)	中國	人民幣45,000,000元		不適用*	資訊科技業務
深圳市半島城邦物業管理有限公司 (note b)	PRC	RMB10,000,000	–	100%	Property management
深圳市半島城邦物業管理有限公司 (附註b)	中國	人民幣10,000,000元			物業管理
深圳半島城邦置業有限公司 (note b)	PRC	RMB18,000,000	–	100%	Property development
深圳半島城邦置業有限公司 (附註b)	中國	人民幣18,000,000元			房地產開發
深圳半島城邦房地產開發有限公司 (note c)	PRC	RMB110,000,000	–	100%	Investment holding and property development
深圳半島城邦房地產開發有限公司 (附註c)	中國	人民幣110,000,000元			投資控股及房地產開發
深圳市海諾誠裝飾工程有限公司 (note b)	PRC	RMB10,000,000	–	100%	Decoration services
深圳市海諾誠裝飾工程有限公司 (附註b)	中國	人民幣10,000,000元			裝飾服務
天津美智瀚宸貿易有限公司 (note b)	PRC	RMB25,000,000	–	100%	Sales of decoration materials
天津美智瀚宸貿易有限公司 (附註b)	中國	人民幣25,000,000元			裝飾材料銷售
廣東大地影院建設有限公司 (note b, d)	PRC	RMB2,946,427,999	–	96.15%	Operation of digital cinemas
廣東大地影院建設有限公司 (附註b, d)	中國	人民幣2,946,427,999元			數碼影院經營
廣東自由人影城管理有限公司 (note b)	PRC	RMB10,000,000	–	96.15%	Operation of digital cinemas
廣東自由人影城管理有限公司 (附註b)	中國	人民幣10,000,000元			數碼影院經營

* controlled through contractual arrangement with effective interests of 59.11%.

* 透過合約安排控制，實際權益為59.11%。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company		Principal activities 主要業務
			本公司所持股權百分比 Directly 直接	Indirectly 間接	
大地影院發展有限公司 (note b) 大地影院發展有限公司(附註b)	PRC 中國	RMB214,000,000 人民幣214,000,000元	–	96.15%	Operation of digital cinemas 數碼影院經營
陝西大地影院建設有限公司 (note b) 陝西大地影院建設有限公司(附註b)	PRC 中國	RMB30,000,000 人民幣30,000,000元	–	96.15%	Operation of digital cinemas 數碼影院經營
大地時代電影文化傳播(北京) 有限公司 (note b) 大地時代電影文化傳播(北京) 有限公司(附註b)	PRC 中國	RMB40,000,000 人民幣40,000,000元	–	100%	Investment holding 投資控股
大地時代電影發行(北京)有限公司 (note b) 大地時代電影發行(北京)有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000元	–	100%	Investment holding and film distribution 投資控股及電影發行
時代廣告(北京)有限公司 (note b) 時代廣告(北京)有限公司(附註b)	PRC 中國	RMB10,000,000 人民幣10,000,000元	–	100%	Providing advertising services 提供廣告服務
數碼辰星科技發展(北京)有限公司 (note b) 數碼辰星科技發展(北京)有限公司(附註b)	PRC 中國	RMB150,000,000 人民幣150,000,000元	–	100%	Trading of movie projectors and providing digital media technology services 買賣電影放映機及 提供數碼媒體科技服務
重慶煥揚影院管理有限公司 (note b) 重慶煥揚影院管理有限公司(附註b)	PRC 中國	RMB19,000,000 人民幣19,000,000元	–	96.15%	Operation of digital cinemas 數碼影院經營
重慶嘉裕影視傳媒有限公司 (note b) 重慶嘉裕影視傳媒有限公司(附註b)	PRC 中國	RMB21,000,000 人民幣21,000,000元	–	96.15%	Operation of digital cinemas 數碼影院經營
重慶雄都影院有限公司 (note b) 重慶雄都影院有限公司(附註b)	PRC 中國	RMB18,000,000 人民幣18,000,000元	–	96.15%	Operation of digital cinemas 數碼影院經營
福建中瑞文化投資有限責任公司 (note b) 福建中瑞文化投資有限責任公司(附註b)	PRC 中國	RMB30,000,000 人民幣30,000,000元	–	96.15%	Investment holding 投資控股
福建中瑞國際影視有限公司 (note b) 福建中瑞國際影視有限公司(附註b)	PRC 中國	RMB31,700,000 人民幣31,700,000元	–	96.15%	Investment holding and operation of digital cinemas 投資控股及數碼影院經營

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

15. INTERESTS IN SUBSIDIARIES (Continued)

15. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company		Principal activities 主要業務
			本公司所持股權百分比 Directly 直接	Indirectly 間接	
浙江視博影業有限公司 (note b)	PRC	RMB100,000,000	–	96.15%	Investment holding and operation of digital cinemas
浙江視博影業有限公司 (附註b)	中國	人民幣 100,000,000 元			投資控股及數碼影院經營
Listar Properties Limited	BVI	20,000,000 ordinary shares of US\$1 each	–	100%	Investment holding
Listar Properties Limited	英屬維爾京群島	20,000,000 股每股面值 1美元之普通股			投資控股
半島置業(廣州)投資有限公司 (formerly known as 廣州東鏡新城房地產有限公司) (“半島廣州”) (note c)	PRC	US\$42,000,000	–	100%	Property development
半島置業(廣州)投資有限公司 (前稱廣州東鏡新城房地產有限公司) (「半島廣州」)(附註c)	中國	42,000,000 美元			房地產開發
CE Holdings Limited (“Crabtree & Evelyn”)	BVI	114,249,495 ordinary shares of US\$1 each	–	70%	Investment holding
CE Holdings Limited (「Crabtree & Evelyn」)	英屬維爾京群島	114,249,495 股每股面值 1美元之普通股			投資控股
Crabtree & Evelyn, Ltd.	United States of America	494,068 shares of common stock 420,677 shares of preferred stock of US\$100 each issued and fully paid, respectively	–	70%	Manufacturing, retailing and distribution of toiletries
Crabtree & Evelyn, Ltd.	美利堅合眾國	494,068 股普通股 420,677 股每股面值 100美元之已發行 及繳足優先股			製造、零售及分銷盥洗用品
Crabtree & Evelyn (Overseas) Limited	The United Kingdom	100,000 ordinary shares of £1 each 4,705,500 redeemable preference shares of £0.10 each 19,000,000 redeemable preference shares of £1 each	–	70%	Retailing and distribution of toiletries
Crabtree & Evelyn (Overseas) Limited	英國	100,000 股每股面值 1英鎊之普通股 4,705,500 股每股面值 0.10英鎊之可贖回優先股 19,000,000 股每股 面值1英鎊之可贖回優先股			零售及分銷盥洗用品
Crabtree & Evelyn (Hong Kong) Limited	Hong Kong	Paid-up share capital of HK\$1,000,000	–	70%	Retailing and distribution of toiletries
Crabtree & Evelyn (Hong Kong) Limited	香港	繳足股本 1,000,000 港元			零售及分銷盥洗用品

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

15. INTERESTS IN SUBSIDIARIES (Continued)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Company		Principal activities 主要業務
			本公司所持股權百分比 Directly 直接	Indirectly 間接	
City Entertainment Corporation Limited 橙天嘉禾影城有限公司	Hong Kong 香港	Paid-up share capital of HK\$1,170,000,000 繳足股本 1,170,000,000 港元	–	100%	Investment holding 投資控股
大地影院(集團)有限公司 (note c) 大地影院(集團)有限公司(附註c)	PRC 中國	RMB648,000,000 人民幣 648,000,000 元	–	99.71%	Investment holding 投資控股
上海星濠影城有限公司 (note b) 上海星濠影城有限公司(附註b)	PRC 中國	RMB15,000,000 人民幣 15,000,000 元	–	99.71%	Operation of digital cinemas 數碼影院經營
北京橙天嘉禾祥雲影城管理有限公司 (note b) 北京橙天嘉禾祥雲影城管理有限公司 (附註b)	PRC 中國	RMB1,000,000 人民幣 1,000,000 元	–	99.71%	Investment holding and operation of digital cinemas 投資控股及數碼影院經營
Amber Treasure Ventures Limited Amber Treasure Ventures Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1 股每股面值 1 美元之普通股	100%	–	Debt issue 債務發行

The above table lists out the subsidiaries of the Company as at 31 December 2020 which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (a) These subsidiaries are registered as joint stock limited company under the law of PRC.
- (b) These subsidiaries are registered as limited liability company under the law of PRC.
- (c) These subsidiaries are registered as Sino-foreign co-operative joint venture under the law of PRC.
- (d) On 30 November 2020, the Group entered into capital injection agreement of RMB600,000,000 to 廣東大地影院建設有限公司 (the "Agreement"), and the Group's effective equity interest in 廣東大地影院建設有限公司 increased from 95.16% to 96.15% upon completion of the Agreement. Up to 31 December 2020, the capital injection of RMB600,000,000 was completed. Immediately after the capital injection the share of consolidated net assets of 廣東大地影院建設有限公司 and its subsidiaries by the non-controlling interests increased by approximately HK\$82,675,000 as result of the premium in the capital injection.

Except for the credit enhanced notes as set out in note 27(c), the subsidiaries had not issued any debt securities during the year.

15. 於附屬公司之權益(續)

上表列出本公司於2020年12月31日之附屬公司，而董事認為該等附屬公司對本集團本年度業績構成主要影響或構成本集團資產淨值之重大部分。董事認為，提供其他附屬公司之詳情會導致資料過於冗長。

附註：

- (a) 該等附屬公司根據中國法律註冊為股份有限公司。
- (b) 該等附屬公司根據中國法律註冊為有限責任公司。
- (c) 該等附屬公司根據中國法律註冊為中外合作合資企業。
- (d) 於2020年11月30日，本集團訂立增資協議對廣東大地影院建設有限公司作出人民幣600,000,000元的增資(「協議」)，協議完成後本集團對廣東大地影院建設有限公司所持實際股權的百分比由95.16%增加至96.15%。截至2020年12月31日，人民幣600,000,000元的增資已完成。由於增資中的溢價部分，緊隨增資後，非控股權益佔廣東大地影院建設有限公司及其附屬公司的綜合資產淨值增加了約82,675,000港元。

除附註27(c)所載信用增強票據外，於年內，附屬公司並無發行任何債務證券。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

16. INTERESTS IN ASSOCIATES

16. 於聯營公司之權益

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Share of net assets other than goodwill	應佔不包括商譽之資產淨值	80,676	81,360
Goodwill	商譽	19,069	21,041
Balance at 31 December	於12月31日之結餘	99,745	102,401

Particulars of the associates at 31 December 2020 and 31 December 2019 are as follows:

於2020年12月31日及2019年12月31日之聯營公司詳情如下：

Name	Country/Place of incorporation/ establishment and operations	Particulars of issued and paid-up share capital/ registered capital	Percentage of equity interest held by the Company	Principal activities
名稱	註冊成立／成立及經營國家／地點	已發行及繳足股本／註冊資本詳情	本公司所持股權百分比	主要業務
			2020	2019
Genius Reward Company Limited*	Hong Kong	Paid-up share capital of HK\$200	29.56%	29.56% Inactive
Genius Reward Company Limited*	香港	繳足股本200港元		暫無業務
五洲電影發行有限公司("Wuzhou")*	PRC	RMB50,000,000	22.5%	22.5% Film distribution
五洲電影發行有限公司("五洲")*	中國	人民幣50,000,000元		電影發行
北京東方大地影視投資管理有限公司*	PRC	RMB5,000,000	47.5%	47.5% Investment holding and management
北京東方大地影視投資管理有限公司*	中國	人民幣5,000,000元		投資控股及管理
北京東方大地文化產業發展中心(有限合伙)("Dongfangdadi")	PRC	RMB120,000,000	40.36%	40.36% Consultation, film production and project management
北京東方大地文化產業發展中心(有限合伙)("東方大地")	中國	人民幣120,000,000元		顧問、電影製作及項目管理
Emperor Dadi Film Distribution Limited* (note b)	Hong Kong	Paid-up share capital of HK\$2	—	50% Film distribution
英皇大地電影發行有限公司*(附註b)	香港	繳足股本2港元		電影發行
深圳天基絲路航天產業發展有限公司*	PRC	RMB500,000,000	33%	33% Inactive
深圳天基絲路航天產業發展有限公司*	中國	人民幣500,000,000元		暫無業務

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

16. INTERESTS IN ASSOCIATES (Continued)

Name	Country/Place of incorporation/ establishment and operations	Particulars of issued and paid-up share capital/ registered capital	Percentage of equity interest held by the Company	Principal activities
名稱	註冊成立／成立及經營國家／地點	已發行及繳足股本／註冊資本詳情	本公司所持股權百分比	主要業務
			2020	2019
華影天下(天津)電影發行有限公司*(note a)	PRC	RMB100,000,000	12%	12% Film distribution
華影天下(天津)電影發行有限公司*(附註a)	中國	人民幣100,000,000元		電影發行
惠州太東橙天嘉禾影城有限公司*	PRC	RMB1,000,000	—	39.86% Operating of digital cinemas
惠州太東橙天嘉禾影城有限公司*	中國	人民幣1,000,000元		數碼影院經營
成都阿商信息技術有限公司*(note a)	PRC	RMB1,977,429	17.73%	17.73% Information technology business
成都阿商信息技術有限公司*(附註a)	中國	人民幣1,977,429元		資訊科技業務
好哇網(成都)信息技術股份有限公司*(note a)	PRC	RMB5,000,000	5.91%	5.91% Information technology business
好哇網(成都)信息技術股份有限公司*(附註a)	中國	人民幣5,000,000元		資訊科技業務
北京易企賣科技有限公司*	PRC	RMB93,255	29.56%	29.56% Inactive
北京易企賣科技有限公司*	中國	人民幣93,255元		暫無業務

* unlisted limited liability company

* 非上市有限責任公司

Note:

附註：

- (a) The Group's equity interest in these companies are less than 20%. However, articles of association of these companies allow the Group to appoint directors to the board of these companies. The directors of the Company therefore consider they have power to exercise significant influence over these companies financial and operational matters. As such, the Group has accounted for these companies as interests in associates.
- (b) The Group disposed of all of its 50% shareholding of Emperor Dadi Film Distribution Limited on 31 August 2020.
- (c) The Group disposed of all of its 39.86% shareholding of 惠州太東橙天嘉禾影城有限公司 on 13 October 2020.

- (a) 本集團於該等公司之股權少於20%。然而，該等公司之組織章程細則允許本集團委任該等公司之董事會之董事，故本公司董事認為，彼等有權對該等公司之財務及經營事項行使重大影響力。因此，本集團將該等公司入賬列作於聯營公司之權益。
- (b) 本集團於2020年8月31日悉數出售其於英皇大地電影發行有限公司之50%股權。
- (c) 本集團於2020年10月13日悉數出售其於惠州太東橙天嘉禾影城有限公司之39.86%股權。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

16. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's material associates extracted from their management accounts, adjusted for fair value adjustments made at the time of acquisition and for differences in accounting policies, if any, are as follows:

16. 於聯營公司之權益(續)

有關本集團主要聯營公司並就收購時所作公允價值調整及會計政策差異而作出調整後(如有)之財務資料概要(摘錄自其管理賬目)如下:

		Dongfangdadi 東方大地		Wuzhou 五洲	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Summarised statement of financial position:	財務狀況報表概要:				
Non-current assets	非流動資產	–	–	275	514
Current assets	流動資產	76,528	75,125	236,757	180,171
Current liabilities	流動負債	–	–	(152,610)	(83,136)
Non-current liabilities	非流動負債	–	–	–	–
Summarised statement of comprehensive income:	全面收益報表概要:				
Revenue	收益	–	–	1,894	84,703
(Loss)/Profit for the year	年內(虧損)/溢利	(31)	(29,143)	(18,722)	1,645
Other comprehensive income for the year	年內其他全面收益	3,562	(1,592)	5,596	(1,822)
Total comprehensive income for the year	年內全面收益總額	3,531	(30,735)	(13,126)	(177)
Investment withdrawal of shareholders	股東撤回投資	(2,128)	(22,993)	–	–
Dividend received from an associate	已收一間聯營公司股息	–	–	–	29,631
Reconciled to the Group's interests in the associates:	本集團於聯營公司之權益之對賬:				
Gross amounts of net assets of the associates	聯營公司資產淨值毛額	76,528	75,125	84,422	97,549
Group's effective interest	本集團實際權益	40.36%	40.36%	22.50%	22.50%
Group's share of net assets of the associates	本集團應佔聯營公司資產淨值	30,887	30,320	18,995	21,948
Carrying amount in the consolidated financial statements	於綜合財務報表之賬面值	30,887	30,320	18,995	21,948

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

16. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's immaterial associates:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
As at 31 December	於12月31日		
Aggregate carrying amount of individually immaterial associates in the financial statements	財務報表內個別非主要聯營公司之賬面總值	49,863	50,133
Year ended 31 December	截至12月31日止年度		
Aggregate amount of the Group's share of those associates:	本集團應佔該等聯營公司之總額：		
Profit/(Loss) for the year	年內溢利／(虧損)	1,319	(6,317)
Other comprehensive income for the year	年內其他全面收益	301	(101)
Total comprehensive income for the year	年內全面收益總額	1,620	(6,418)

Note: The Group has discontinued recognition of its share of losses of four (2019: five) associates. The amount of unrecognised share of losses of the associates for the year and accumulated unrecognised share of losses of the associates amounted to HK\$298,000 (2019: HK\$779,000) and HK\$6,309,000 (2019: HK\$6,011,000) respectively.

16. 於聯營公司之權益(續)

有關本集團非主要聯營公司之財務資料概要如下：

附註：本集團終止確認其應佔四間(2019年：五間)聯營公司虧損。年內未確認應佔聯營公司虧損之金額及未確認應佔聯營公司虧損之累計金額分別為298,000港元(2019年：779,000港元)及6,309,000港元(2019年：6,011,000港元)。

17. INTERESTS IN JOINT VENTURES

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Share of net assets other than goodwill	應佔不包含商譽之資產淨值	3,344	28,498

In July 2017, the Group completed the acquisition of City Entertainment Corporation Limited, which holds 49% equity interest and voting right in 常州幸福藍海橙天嘉禾影城有限公司("常州幸福"). 常州幸福 is a separate structured vehicle incorporated and operating in PRC. The principal activity of the joint venture is cinema operation.

In August 2018, the Group set up SC Dadi Entertainment Corporation ("SC Dadi"), with a third party. The Group holds 50% equity interest and voting right in SC Dadi, which is a separate structured vehicle incorporated and operating in Japan. The principal activity of the joint venture is animation production. On 1 July 2020, the Group disposed of SC Dadi and terminated the joint venture.

17. 於合營企業之權益

於2017年7月，本集團完成收購橙天嘉禾影城有限公司。橙天嘉禾影城有限公司於常州幸福藍海橙天嘉禾影城有限公司(「常州幸福」)持有49%股權及投票權。常州幸福為於中國註冊成立及營運之獨立結構實體。合營企業之主要業務為影院營運。

於2018年8月，本集團與一名第三方成立 SC Dadi Entertainment Corporation (「SC Dadi」)。本集團於 SC Dadi 持有 50% 股權及投票權，SC Dadi 為於日本註冊成立及營運之獨立結構實體。合營企業之主要業務為動畫製作。於2020年7月1日，本集團出售 SC Dadi 並終止合營企業。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

17. INTERESTS IN JOINT VENTURES (Continued)

The summarised financial information of the Group's joint ventures extracted from their management accounts, adjusted for differences in accounting policies, are as follows:

17. 於合營企業之權益(續)

有關本集團合營企業並就會計政策差異而作出調整後之財務資料概要(摘錄自其管理賬目)如下:

		常州幸福		SC Dadi	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Summarised statement of financial position:	財務狀況報表概要:				
Non-current assets	非流動資產	3,779	4,067	–	–
Current assets	流動資產	9,078	10,531	48,435	49,138
Current liabilities	流動負債	(6,033)	(5,533)	(967)	(964)
Non-current liabilities	非流動負債	–	(63)	–	–
Included in the above amounts are:	計入上述款項為:				
Cash and cash equivalents	現金及等同現金項目	7,287	8,692	48,435	49,074
Summarised statement of comprehensive income:	全面收益報表概要:				
Revenue	收益	5,180	20,248	–	216
(Loss)/Profit for the year	年內(虧損)/溢利	(2,496)	1,916	(718)	(1,381)
Other comprehensive income for the year	年內其他全面收益	319	(440)	12	4
Total comprehensive income for the year	年內全面收益總額	(2,177)	1,476	(706)	(1,377)
Dividends paid to shareholders	已付股東股息	–	(4,540)	–	–
Dividends received from a joint venture	已收一間合營企業股息	–	2,225	–	–
Included in the above amounts are:	計入上述款項為:				
Depreciation and amortisation	折舊及攤銷	(1,209)	(1,207)	–	–
Administrative expenses	行政開支	(528)	(707)	(708)	(1,434)
Interest income	利息收入	69	92	–	–
Income tax credit/(expense)	所得稅抵免/(開支)	652	(149)	–	–
Reconciled to the Group's interests in the joint ventures:	與本集團於合營企業之權益對賬:				
Gross amounts of net assets of the joint ventures	合營企業資產淨值毛額	6,824	9,002	47,468	48,174
Group's effective interest	本集團實際權益	49%	49%	0%	50%
Group's share of net assets of the joint ventures	本集團應佔合營企業資產淨值	3,344	4,411	–	24,087
Carrying amount in the consolidated financial statements	於綜合財務報表之賬面值	3,344	4,411	–	24,087

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

18. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

18. 按金、預付款項及其他應收款項

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Deposits and prepayments	按金及預付款項	2,407,813	2,704,876
Other receivables	其他應收款項	1,713,565	1,476,506
		4,121,378	4,181,382
Less: Provision for impairment of other receivables	減：其他應收款項減值撥備	(340,459)	(181,151)
		3,780,919	4,000,231
Less: Non-current portion	減：非流動部分		
Long term rental deposits	長期租賃之按金	(315,227)	(344,969)
Guarantee deposits and other receivables	保證按金及其他應收款項	(173,374)	(191,691)
Deposits for purchase of property, plant and equipment	購進物業、廠房及設備之訂金	(39,264)	(50,351)
		(527,865)	(587,011)
		3,253,054	3,413,220

The Group recognised impairment loss based on the accounting policy stated in note 2.11. Further details on the Group's credit policy and credit risk arising from deposits and other receivables are set out in note 48.4.

本集團按附註2.11所述會計政策確認減值虧損。有關本集團信貸政策以及按金及其他應收款項所產生信貸風險之進一步詳情，載於附註48.4。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

19. INTANGIBLE ASSETS

19. 無形資產

		Computer software	Development cost	Goodwill	Licenses, brand names and franchise right	Others	Total
		電腦軟件	開發成本	商譽	牌照、品牌名稱及特許經營權	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日						
Cost	成本	139,602	117,637	5,634,472	1,028,187	252,350	7,172,248
Accumulated amortisation	累計攤銷	(57,644)	(36,413)	–	(139,378)	(94,961)	(328,396)
Accumulated impairment	累計減值	(184)	(8,931)	(296,505)	(17,168)	(4,332)	(327,120)
Net carrying amount	賬面淨值	81,774	72,293	5,337,967	871,641	153,057	6,516,732
Year ended 31 December 2019	截至2019年12月31日止年度						
Opening net carrying amount	期初賬面淨值	81,774	72,293	5,337,967	871,641	153,057	6,516,732
Additions	添置	76,223	144,687	–	713	5,812	227,435
Acquisition of assets	收購資產	2,501	–	–	–	–	2,501
Provision for impairment	減值撥備	(698)	(809)	(55,769)	–	–	(57,276)
Amortisation charge for the year	年內攤銷支出	(20,390)	(19,083)	–	(81,952)	(22,846)	(144,271)
Write-off	撇銷	(20,404)	–	–	–	(18,153)	(38,557)
Exchange differences	匯兌差額	(4,998)	(3,249)	(63,433)	(8,093)	(7,715)	(87,488)
Closing net carrying amount at 31 December 2019	於2019年12月31日之期終賬面淨值	114,008	193,839	5,218,765	782,309	110,155	6,419,076
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日						
Cost	成本	212,459	257,927	5,570,130	1,017,545	250,093	7,308,154
Accumulated amortisation	累計攤銷	(97,580)	(54,527)	–	(218,068)	(135,606)	(505,781)
Accumulated impairment	累計減值	(871)	(9,561)	(351,365)	(17,168)	(4,332)	(383,297)
Net carrying amount	賬面淨值	114,008	193,839	5,218,765	782,309	110,155	6,419,076
Year ended 31 December 2020	截至2020年12月31日止年度						
Opening net carrying amount	期初賬面淨值	114,008	193,839	5,218,765	782,309	110,155	6,419,076
Additions	添置	32,966	24,203	–	4,035	23,204	84,408
Provision for impairment	減值撥備	–	(2,827)	(1,046,921)	–	–	(1,049,748)
Amortisation charge for the year	年內攤銷支出	(16,787)	(22,155)	–	(81,509)	(27,418)	(147,869)
Write-off	撇銷	–	(8,657)	–	–	–	(8,657)
Exchange differences	匯兌差額	8,427	12,461	163,423	21,754	7,078	213,143
Closing net carrying amount at 31 December 2020	於2020年12月31日之期終賬面淨值	138,614	196,864	4,335,267	726,589	113,019	5,510,353
At 31 December 2020	於2020年12月31日						
Cost	成本	248,310	289,146	5,766,031	1,068,231	288,665	7,660,383
Accumulated amortisation	累計攤銷	(108,770)	(82,115)	–	(323,384)	(171,039)	(685,308)
Accumulated impairment	累計減值	(926)	(10,167)	(1,430,764)	(18,258)	(4,607)	(1,464,722)
Net carrying amount	賬面淨值	138,614	196,864	4,335,267	726,589	113,019	5,510,353

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

19. INTANGIBLE ASSETS (Continued)

For the purpose of the annual impairment test, the carrying amount of goodwill is allocated to the following CGUs:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Property development	房地產開發	1,529,824	1,529,824
Innovative business — Retailing	創意商業 — 零售	27,843	493,039
Enterprise cloud services	企業雲服務	79,515	75,766
Culture and media services — Cinema business	文化與傳播服務 — 影院業務	2,698,085	3,120,136
Net carrying amount at 31 December	於12月31日之賬面淨值	4,335,267	5,218,765

The recoverable amounts of the CGUs of “Enterprise cloud services” and “Culture and media services” were determined based on value in use calculations, covering a detailed five-year financial budgets which was approved by management, cash flows for certain CGUs are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long-term growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations for the year are as follows:

		Enterprise cloud services 企業雲服務		Culture and media services — cinema business 文化與傳播服務 — 影院業務	
		2020	2019	2020	2019
Revenue growth rates	收益增長率	4%–5%	6%–11%	2%–119%	(48)%–120%
Growth rates used to extrapolate cashflows beyond the budgeted years	用作推斷預算期間以外現金流量之增長率	0%	0%	3%	3%
Pre-tax discount rates	除稅前貼現率	17%–19%	15%–19%	15%	13%

The budgeted gross margin and net profit margin were determined by management for each individual CGU based on past performance and its expectations for market development.

The growth rate used for each of the above CGU is determined by reference to the average growth rate for the corresponding industry to which the CGU belongs.

19. 無形資產(續)

就年度減值測試而言，商譽之賬面值分配至下列現金產生單位：

「企業雲服務」及「文化與傳播服務」之現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五年詳細財政預算，若干現金產生單位之現金流量乃使用下列估計加權平均增長率推斷，並無超逾現金產生單位所經營業務之長期增長率。

用於計算該年度使用價值之主要假設如下：

預算邊際毛利及邊際純利乃由管理層按過往表現及其對市場發展之預期就各個個別現金產生單位釐定。

以上各現金產生單位採用之增長率乃參考該等現金產生單位所屬相應行業之平均增長率釐定。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

19. INTANGIBLE ASSETS (Continued)

The discount rates used are pre-tax and reflect specific risks relating to the relevant CGU.

The CGU under culture and media services segment represented the Group's operation in cinema at city level. Based on the assessment, the recoverable amount of the CGU of culture and media services amounted to approximately HK\$2,489,029,000 as at 31 December 2020. As the recoverable amount of certain CGU is less than the carrying value of the CGU's non-financial assets, impairment loss was first allocated to goodwill and excess portion was allocated to other non-financial assets of the CGU. As a result, impairment loss on related goodwill amounting to approximately HK\$585,152,000 were recognised for the year ended 31 December 2020 (2019: impairment loss of goodwill HK\$32,174,000). The impairment was mainly arisen from the impact of COVID-19 pandemic which the Group's cinemas business in the PRC were suspended from operation for 6 months during the year.

The recoverable amount of the CGU of "Property development" of 半島廣州 was determined based on value in use calculations, covering a detailed five-year financial budgets which was approved by management, cash flows for CGU are extrapolated using projection of future cash flows generated from the sales of properties less cost to completion prepared from the financial budgets.

Below are the key assumptions used for the discounted cash flow calculation:

		Property development 房地產開發	
		2020	2019
Estimated market price (per square meter)	估計市價(每平方米)	RMB26,000 人民幣26,000元	RMB26,000 人民幣26,000元
Pre-tax discount rate	除稅前貼現率	17%	19%

The estimated market price was determined by management based on the market information at location nearby the construction project.

The discount rate used are pre-tax and reflect the cost of capital of the property development segment.

Based on the assessment, no impairment loss on goodwill was recognised to profit or loss during the years ended 31 December 2020 and 2019.

19. 無形資產(續)

所用貼現率為除稅前並反映與相關現金產生單位有關之特定風險。

文化與傳播服務分部之現金產生單位指本集團城市層面之影院營運。根據有關評估，於2020年12月31日之文化與傳播服務分部現金產生單位可收回金額約為2,489,029,000港元。由於若干現金產生單位之可收回金額少於有關現金單位之非金融資產賬面值，減值虧損首先分配至商譽，超出部分分配至現金產生單位之其他非金融資產。因此，截至2020年12月31日止年度確認相關商譽減值虧損約585,152,000港元(2019年：商譽減值虧損32,174,000港元)。商譽減值主要來自新型冠狀病毒疫情之影響，其中本集團之中國影院業務於年內停業6個月。

半島廣州之「房地產開發」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五年詳細財政預算，現金產生單位之現金流量乃使用預測銷售物業所得現金流量減財政預算所編製落成成本推斷。

下列為用於計算貼現現金流量之主要假設：

估計市價乃由管理層基於建設項目鄰近地區之市場資料釐定。

所用貼現率為除稅前並反映房地產開發分部之資本成本。

基於有關評估，截至2020年及2019年12月31日止年度，概無於損益賬確認商譽減值虧損。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

19. INTANGIBLE ASSETS (Continued)

The recoverable amount of the CGU of “Innovative business — Retailing” were determined based on value in use calculation, covering a detailed five-year financial budgets which was approved by management, cash flows for different geographical locations within the CGU are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long-term growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations for the year are as follows:

		Innovative business 創意商業	
		2020	2019
Revenue growth rate	收益增長率	3%–50%	3%–75%
Growth rate used to extrapolate cashflows beyond the budgeted years	用作推斷預算年度以外現金流量之增長率	2%	2%
Pre-tax discount rate	除稅前貼現率	16%–20%	16%–20%

The budgeted gross margin and net profit margin were determined by management based on past performance and its expectations for market development.

The growth rate used is determined by reference to the average growth rate for the corresponding industry to which the CGU belongs.

The discount rates used are pre-tax and reflect specific risks relating to the relevant CGU.

Based on the assessment, the recoverable amount of the CGU of “Innovative business-Retailing” amounted to approximately HK\$400,245,000 as at 31 December 2020. As the recoverable amount of certain CGU is less than the carrying value of the CGU’s non-financial assets, an impairment loss on related goodwill of approximately HK\$461,769,000 (2019: impairment loss of HK\$23,595,000) was recognised to profit or loss for the year. The impairment of goodwill was mainly arisen from the impact of COVID-19 pandemic which slows down the Group’s development in the e-commerce of the innovative business segment.

Apart from the considerations described in determining the value in use calculation of the CGUs above, the Group’s management is not currently aware of any other probable changes that would necessitate changes in the key estimates.

19. 無形資產(續)

「創意商業 — 零售」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五年詳細財政預算，現金產生單位所在不同地理位置之現金流量乃使用下列估計加權平均增長率推斷，並無超越現金產生單位所經營業務之長期增長率。

用於計算該年度使用價值之主要假設如下：

預算邊際毛利及邊際純利乃由管理層按過往表現及其對市場發展之預期釐定。

所採用之增長率乃參考現金產生單位所屬相應行業之平均增長率釐定。

所用貼現率為除稅前並反映與相關現金產生單位有關之特定風險。

根據有關評估，於2020年12月31日之「創意商業 — 零售」現金產生單位可收回金額約為400,245,000港元。由於若干現金產生單位之可收回金額少於有關現金單位之非金融資產賬面值，年內於損益確認相關商譽減值虧損約461,769,000港元(2019年：減值虧損23,595,000港元)。商譽減值主要來自新型冠狀病毒疫情之影響，其中本集團於創意商業部門之電商發展放緩。

除上文就計算現金產生單位使用價值所述考慮因素外，本集團管理層目前並不知悉有任何其他可能出現之變動以致須更改其主要估計。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

20. INVENTORIES

20. 存貨

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Property development	房地產開發		
Properties under development	發展中物業	7,637,420	9,464,650
Completed properties held for sale	已落成待售物業	2,069,355	2,012,050
		9,706,775	11,476,700
Other operations	其他業務		
Food and beverages	食品及飲料	33,045	64,984
Personal care and fragrance products	個人護理及香水產品	55,063	72,645
Projection equipment	放映設備	53,766	109,377
Others	其他	159,082	190,016
		10,007,731	11,913,722

All the above inventories are stated at the lower of cost and net realisable value.

以上所有存貨均按成本與可變現淨值兩者中之較低者列賬。

21. FINANCIAL ASSETS AT FVOCI

21. 按公允價值於其他全面收益處理之金融資產

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Unlisted equity investments (note)	非上市股本投資(附註)	227,768	226,381
Unlisted debt investments	非上市債務投資	324	324
		228,092	226,705

Note: These financial assets are equity investments in a financial institution which were irrevocably designated at FVOCI as the Group considers these investments to be strategic in nature. Cash dividend of approximately HK\$1,494,000 (2019: HK\$960,000) has been received, and no transfer of the cumulative gain within equity for the years ended 31 December 2020 and 2019.

附註：此等金融資產為於金融機構之股本投資，由於本集團認為此等投資具有戰略性質，故不可撤銷地指定為按公允價值於其他全面收益處理。截至2020年及2019年12月31日止年度，已收現金股息約為1,494,000港元(2019年：960,000港元)，亦無在權益內轉移累計收益。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

22. TRADE RECEIVABLES

Based on the invoice dates, the aging analysis of the trade receivables is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
0–90 days	0至90日	238,491	291,859
91–180 days	91至180日	71,909	86,917
181–270 days	181至270日	31,240	22,816
271–360 days	271至360日	8,634	22,273
Over 360 days	超過360日	183,817	151,413
Trade receivables, gross	應收貿易款項毛額	534,091	575,278
Less: Provision for impairment of receivables	減：應收款項減值撥備	(104,900)	(88,033)
Trade receivables, net	應收貿易款項淨額	429,191	487,245
Less: Long term trade receivables	減：長期應收貿易款項	–	(1,079)
Current portion of trade receivables	應收貿易款項之即期部分	429,191	486,166

Trade receivables are due on presentation of invoices.

Due to the short term nature, the carrying value of traded receivables as at 31 December 2020 approximates fair value.

As at 31 December 2019, the long term trade receivables represent the outstanding balances receivable from customers who have granted a settlement schedule of 36 months from the Group. The current portion and non-current portion of the receivables were HK\$967,000 and HK\$1,079,000 respectively. The receivables were fully settled during the year ended 31 December 2020. All the remaining amounts are short term and hence the carrying values of the Group's trade receivables are considered to be a reasonable approximation of fair value.

The Group recognised impairment loss based on the accounting policy stated in note 2.11. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 48.4.

22. 應收貿易款項

應收貿易款項按發票日期作出之賬齡分析如下：

應收貿易款項於出示發票時到期。

基於短期性質，於2020年12月31日之應收貿易款項之賬面值與公允價值相若。

於2019年12月31日，長期應收貿易款項指應收獲本集團授予36個月之還款時間表之客戶之未償還結餘。有關應收款項之即期部分及非即期部分分別為967,000港元及1,079,000港元。有關應收款項已於截至2020年12月31日止年度悉數支付。所有餘下金額屬短期性質，故本集團應收貿易款項之賬面值被視為公允價值之合理近似值。

本集團根據附註2.11所述之會計政策確認減值虧損。本集團之信貸政策及應收貿易款項產生之信貸風險之進一步詳情載於附註48.4。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

23. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED BANK DEPOSITS

23. 現金及等同現金項目、已抵押及受限制銀行存款

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	8,097,995	11,720,620
Less: Pledged and restricted bank deposits presented as non-current assets	減：列作非流動資產之已抵押及受限制銀行存款	(3,828,116)	(2,647,222)
Less: Pledged and restricted bank deposits presented as current assets	減：列作流動資產之已抵押及受限制銀行存款	(3,423,340)	(8,330,343)
Cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況報表所示之現金及等同現金項目	846,539	743,055

Included in bank and cash balance of the Group is an aggregate amount of approximately HK\$7,821,704,000 (2019: HK\$11,306,786,000), which represented Renminbi ("RMB") deposits placed with banks in Mainland China.

RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks which are authorised to conduct foreign exchange business.

Pledged and restricted bank deposits earn interests at floating rates based on daily bank deposit rates or fixed-rates ranging from 2.00% to 3.80% per annum (2019: 2.00% to 3.80% per annum).

Restricted bank deposits represented the pre-sales proceeds received by the Group relating to the property development business. The restricted deposits are monitored by local government. The restriction will be released upon the completion of the related pre-sale properties.

本集團銀行及現金結存包括總額約7,821,704,000港元(2019年：11,306,786,000港元)之款項，為本集團存於中國內地銀行之人民幣(「人民幣」)存款。

人民幣不得自由兌換為外幣，根據中國之外匯管制法規以及結匯、售匯及付匯管理規定，本集團獲准透過獲認可進行外匯業務之銀行將人民幣兌換為外幣。

已抵押及受限制銀行存款按根據每日銀行存款利率之浮動利率或按固定利率賺取利息，介乎年利率2.00%至3.80%(2019年：年利率2.00%至3.80%)。

受限制銀行存款指本集團就房地產開發業務收取之預售所得款項。受限制存款由地方政府監管。有關限制將於相關預售物業竣工時解除。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

24. TRADE PAYABLES

Based on the invoice dates, the aging analysis of the trade payables is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
0–90 days	0至90日	1,970,618	2,124,165
91–180 days	91至180日	44,930	84,548
181–270 days	181至270日	241,797	736,933
271–360 days	271至360日	776,502	90,765
Over 360 days	超過360日	313,049	96,673
Trade payables	應付貿易款項	3,346,896	3,133,084
Less: Long term trade payables	減：長期應付貿易款項	–	(212)
Current portion of trade payables	應付貿易款項之即期部分	3,346,896	3,132,872

Due to the short-term nature, the carrying value of trade payables as at 31 December 2020 approximates fair value.

As at 31 December 2019, the long term trade payable represents the outstanding balance payable to a supplier who has granted a settlement schedule of 36 months to the Group. The current portion and long term portion of this payable were HK\$358,000 and HK\$212,000 respectively. The payables were fully settled during the year ended 31 December 2020. All the remaining amounts are short term and hence the carrying values of the Group's trade payables are considered to be a reasonable approximation of fair value.

25. OTHER PAYABLES AND ACCRUALS

All amounts are short term and hence the carrying values of the Group's other payables and accruals are considered to be a reasonable approximation of fair value.

26. AMOUNT(S) DUE FROM/(TO) A DIRECTOR/ ASSOCIATES/A JOINT VENTURE

(a) Amount due to a director

The amount due to a director is unsecured, interest-free and repayable on demand.

(b) Amounts due from/(to) associates

The amounts due from/(to) associates are unsecured, interest-free and repayable on demand.

(c) Amount due from a joint venture

The amount due from a joint venture is unsecured, interest-free and repayable on demand.

24. 應付貿易款項

應付貿易款項按發票日期作出之賬齡分析如下：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
0–90 days	1,970,618	2,124,165
91–180 days	44,930	84,548
181–270 days	241,797	736,933
271–360 days	776,502	90,765
Over 360 days	313,049	96,673
Trade payables	3,346,896	3,133,084
Less: Long term trade payables	–	(212)
Current portion of trade payables	3,346,896	3,132,872

基於短期性質，於2020年12月31日之應付貿易款項之賬面值與公允價值相若。

於2019年12月31日，長期應付貿易款項指應付一名供應商之未償還結餘，該名供應商授予本集團36個月之結算期。此項應付款項之即期部分及長期部分分別為358,000港元及212,000港元。有關應付款項已於截至2020年12月31日止年度悉數支付。所有餘下金額屬短期性質，故本集團應付貿易款項之賬面值被視為公允價值之合理近似值。

25. 其他應付款項及應計費用

所有金額均屬短期性質，因此，本集團其他應付款項及應計費用賬面值視為公允價值之合理約數。

26. 應收／(欠)一名董事／聯營公司／一間合營企業之款項

(a) 欠一名董事款項

欠一名董事款項為無抵押、免息及須按要求償還。

(b) 應收／(欠)聯營公司款項

應收／(欠)聯營公司款項為無抵押、免息及須按要求償還。

(c) 應收一間合營企業款項

應收一間合營企業款項為無抵押、免息及須按要求償還。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

27. BANK AND OTHER BORROWINGS

27. 銀行及其他借貸

		Notes 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Bank loans	銀行貸款			
— Secured	— 有抵押	(a)	7,795,563	11,181,891
— Unsecured	— 無抵押	(a)	17,388	52,841
Other borrowings	其他借貸			
— Secured	— 有抵押	(a),(b),(c)	7,921,869	7,618,302
— Unsecured	— 無抵押	(a)	28,223	—
			15,763,043	18,853,034

At 31 December 2020, the bank and other borrowings of the Group are repayable as follows:

於2020年12月31日，本集團之銀行及其他借貸須於以下年期償還：

			2020 HK\$'000 千港元	2019 HK\$'000 千港元
On demand or within one year	按要求或一年內		8,492,053	15,173,454
In the second year	第二年		7,154,698	2,993,841
In the third to fifth year	第三至五年		116,292	685,739
Wholly repayable within five years	五年內悉數償還		15,763,043	18,853,034
Less: Portion due on demand or within one year under current liabilities	減：計入流動負債按要求或一年內到期之部分		(8,492,053)	(15,173,454)
Portion due over one year under non-current liabilities	計入非流動負債於超過一年到期之部分		7,270,990	3,679,580

At 31 December 2020, the carrying amounts of the borrowings are denominated in the following currencies:

於2020年12月31日，借貸之賬面值按下列貨幣計值：

			2020 HK\$'000 千港元	2019 HK\$'000 千港元
RMB	人民幣		7,318,406	6,594,753
USD	美元		7,661,858	8,389,008
HK\$	港元		677,995	3,848,480
TWD	新台幣		104,784	20,793
			15,763,043	18,853,034

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

27. BANK AND OTHER BORROWINGS (Continued)

Notes:

(a) At 31 December 2020, bank and other borrowings amounted to HK\$4,657,399,000 (2019: HK\$8,227,143,000) carry interest at floating rates ranging from 2.17% to 12.22% per annum (2019: 2.70% to 8.56% per annum). The remaining balances carry interest at fixed rates ranging from 2.90% to 17.02% per annum (2019: 3.00% to 10.90% per annum). The carrying amounts of bank and other borrowings approximate their fair values.

(b) Included in other borrowings of HK\$230,477,000 (2019: HK\$416,076,000) is amount due to financial institutions regarding eight (2019: ten) sales and leaseback arrangements for property, plant and equipment. The transactions are classified as loan financing and corresponding property, plant and equipment of HK\$396,048,000 (2019: HK\$645,147,000) are pledged under these arrangements.

(c) On 25 May 2017, a direct wholly-owned subsidiary of the Company issued a three-year credit enhanced notes of US\$500,000,000 (equivalent to approximately HK\$3,885,350,000) at par with a coupon rate of 3.00% per annum. The effective interest rate is 3.41% per annum. During the year ended 31 December 2020, the note has been settled.

On 21 July 2017, a direct wholly-owned subsidiary of the Company issued a three-year credit enhanced notes of US\$400,000,000 (equivalent to approximately HK\$3,124,121,000) at par with a coupon rate of 3.15% per annum. The effective interest rate is 3.54% per annum. During the year ended 31 December 2020, the note has been settled.

On 8 May 2020, a direct wholly-owned subsidiary of the Company issued a two-year credit enhanced notes of US\$500,000,000 (equivalent to approximately HK\$3,877,150,000) at par with a coupon rate of 3.50% per annum. The effective interest rate is 4.19% per annum.

On 11 June 2020, a direct wholly-owned subsidiary of the Company issued a two-year credit enhanced notes of US\$350,000,000 (equivalent to approximately HK\$2,714,005,000) at par with a coupon rate of 2.90% per annum. The effective interest rate is 3.63% per annum.

27. 銀行及其他借貸(續)

附註：

(a) 於2020年12月31日，為數4,657,399,000港元(2019年：8,227,143,000港元)之銀行及其他借貸按浮動年利率介乎2.17%至12.22%(2019年：2.70%至8.56%)計息。餘額按固定年利率介乎2.90%至17.02%(2019年：3.00%至10.90%)計息。銀行及其他借貸之賬面值與其公允價值相若。

(b) 其他借貸中包括就八項(2019年：十項)有關物業、廠房及設備之售後租回安排欠財務機構為數230,477,000港元(2019年：416,076,000港元)之款項。該等交易按貸款融資分類，為數396,048,000港元(2019年：645,147,000港元)之相應物業、廠房及設備根據此項安排抵押。

(c) 於2017年5月25日，本公司之直接全資附屬公司發行500,000,000美元(相當於約3,885,350,000港元)票面年利率3.00%之三年期信用增強票據。實際年利率為3.41%。截至2020年12月31日止年度，票據已清償。

於2017年7月21日，本公司之直接全資附屬公司發行400,000,000美元(相當於約3,124,121,000港元)票面年利率3.15%之三年期信用增強票據。實際年利率為3.54%。截至2020年12月31日止年度，票據已清償。

於2020年5月8日，本公司之直接全資附屬公司發行500,000,000美元(相當於約3,877,150,000港元)票面年利率3.50%之兩年期信用增強票據。實際年利率為4.19%。

於2020年6月11日，本公司之直接全資附屬公司發行350,000,000美元(相當於約2,714,005,000港元)票面年利率2.90%之兩年期信用增強票據。實際年利率為3.63%。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

28. LEASE LIABILITIES

(a) Lessee

- (i) The movement of the Group's lease liabilities during the years ended 31 December 2020 and 2019 are as follows:

		Properties lease contracts 物業租賃合約 HK\$'000 千港元	Equipment 設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	5,932,105	90,090	6,022,195
Additions	添置	273,172	197,944	471,116
Interest expenses	利息開支	503,559	17,184	520,743
Interest element of lease payment	租賃付款利息部分	(503,559)	(17,184)	(520,743)
Capital element of lease payment	租賃付款資本部分	(314,637)	(72,887)	(387,524)
Exchange differences	匯兌差額	(55,357)	(3,589)	(58,946)
At 31 December 2019 and 1 January 2020	於2019年12月31日 及2020年1月1日	5,835,283	211,558	6,046,841
Additions	添置	162,460	37,361	199,821
Interest expenses	利息開支	488,710	13,192	501,902
Interest element of lease payment	租賃付款利息部分	(134,077)	(13,192)	(147,269)
Capital element of lease payment	租賃付款資本部分	(83,775)	(73,187)	(156,962)
Covid-19-Related rent concessions	2019新型冠狀病毒 相關租金優惠	(167,687)	–	(167,687)
Modifications	修正	(451,856)	–	(451,856)
Exchange differences	匯兌差額	231,045	15,247	246,292
At 31 December 2020	於2020年12月31日	5,880,103	190,979	6,071,082

28. 租賃負債

(a) 承租人

- (i) 截至2020年及2019年12月31日止年度，本集團租賃負債之變動載列如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

28. LEASE LIABILITIES (Continued)

(a) Lessee (Continued)

- (ii) The analysis of the expense items in relation to lease recognised in profit or loss is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying asset	按相關資產類別劃分之使用權資產折舊支出		
— Prepaid land lease payments	— 預付土地租賃費	310	313
— Properties lease contracts	— 物業租賃合約	498,002	514,214
— Equipment	— 設備	82,584	30,255
		580,896	544,782
Interest on lease liabilities (note 7)	租賃負債利息(附註7)	501,902	520,743
Short-term leases expenses	短期租賃開支	21,870	55,456
Variable lease payments	可變租賃付款	257	21,489
Covid-19-Related rent concessions	2019新型冠狀病毒相關租金優惠	(167,687)	—

The Group has obtained the right to use cinemas, offices and store premises through tenancy agreements. The leases typically run for an initial period of 1 to 20 years. Some leases are contracted but not yet commenced. The Group assesses at lease commencement date when the asset is available to use. Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the leases contracts are not yet commenced or the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. The potential exposure to the future lease payments contracted but not yet commenced or under extension options not included in lease liabilities (undiscounted) amounted to approximately HK\$841,946,000 (2019: HK\$3,816,373,000).

28. 租賃負債(續)

(a) 承租人(續)

- (ii) 與於損益確認之租賃有關之開支項目分析如下：

本集團已透過租賃協議獲得影院、辦公室及店舖物業使用權。租賃一般初步為期1至20年。部分租賃已訂約但尚未開始。本集團於資產可使用日期確認租賃開始日期。部分租賃包括於合約期末後重續租賃以延長租期之選擇權。在切實可行之情況下，本集團力求納入本集團可行使之續租選擇權，以增添營運靈活彈性。本集團於租賃開始日期評估是否合理確定將行使續租選擇權。倘租賃合約尚未開始，或本集團無法合理確定行使續租選擇權，則續租期間之未來租賃付款不會計入租賃負債之計量。並無計入租賃負債(未貼現)之尚未開始租賃合約或續租選擇權項下未來租賃付款之潛在風險約為841,946,000港元(2019年：3,816,373,000港元)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

28. LEASE LIABILITIES (Continued)

(a) Lessee (Continued)

(iii) Future lease payments are due as follows:

		Minimum lease payments 最低租賃付款 HK\$'000 千港元	Interest 利息 HK\$'000 千港元	Present value 現值 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日			
Not later than one year	不超過一年	1,831,176	(510,007)	1,321,169
Later than one year and not later than two years	一年後但不超過兩年	945,398	(452,214)	493,184
Later than two years and not later than five years	兩年後但不超過五年	2,621,540	(1,038,071)	1,583,469
Later than five years	五年以後	3,607,588	(934,328)	2,673,260
		9,005,702	(2,934,620)	6,071,082
As at 31 December 2019	於2019年12月31日			
Not later than one year	不超過一年	935,444	(496,044)	439,400
Later than one year and not later than two years	一年後但不超過兩年	933,011	(464,611)	468,400
Later than two years and not later than five years	兩年後但不超過五年	2,526,020	(1,134,134)	1,391,886
Later than five years	五年以後	5,107,984	(1,360,829)	3,747,155
		9,502,459	(3,455,618)	6,046,841

Note: The Group has initially applied HKFRS 16 using the cumulative effect approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. These liabilities have been aggregated with the brought forward balances relating to leases previously classified as finance leases.

附註：本集團已使用累計影響法首次應用香港財務報告準則第16號，並調整2019年1月1日之期初結餘以確認與過往根據香港會計準則第17號分類為經營租賃之租賃有關之租賃負債。該等負債已與過往分類為融資租賃之租賃相關之結轉結餘合計。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

28. LEASE LIABILITIES (Continued)

(b) Lessor

The Group leases out a number of properties. The leases run for an initial period of one to fifteen years (2019: one to fifteen years), with options for the lessees to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the lessees. Some of the leases contains contingent rental arrangement which the level of rental depends on the revenue achieved by the lessees.

During the year ended 31 December 2020, the Group's rental income was approximately HK\$24,245,000 (2019: HK\$48,913,000).

The Group's total future minimum rent receivables under non-cancellable operating leases are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Land and buildings	土地及樓宇		
Within one year	一年內	40,852	21,945
In the second year	於第二年	18,363	12,043
In the third year	於第三年	16,757	12,886
In the fourth year	於第四年	12,442	11,444
In the fifth year	於第五年	8,197	8,407
Over five years	五年以上	41,221	30,920
Total	總計	137,832	97,645

28. 租賃負債(續)

(b) 出租人

本集團出租多項物業。租約初步為期一至十五年(2019年：一至十五年)，而承租人有權於租賃到期日或本集團與承租人相互協定之日期重續租約。部分租約包含或然租金安排，或然租金金額視乎承租人的收益而定。

截至2020年12月31日止年度，本集團之租賃收入約24,245,000港元(2019年：48,913,000港元)。

本集團根據不可撤銷經營租賃應收之未來最低租賃收款總額如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

29. FINANCIAL LIABILITIES AT FVTPL

29. 按公允價值於損益賬處理之金融負債

		Embedded derivatives 嵌入式 衍生工具 HK\$'000 千港元	Others (note) 其他 (附註) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	21,476	5,435	26,911
Change in fair value	公允價值變動	(21,476)	(2,866)	(24,342)
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	-	2,569	2,569
Change in fair value	公允價值變動	-	(2,569)	(2,569)
At 31 December 2020	於2020年12月31日	-	-	-

Note: As at 31 December 2019, the amount represented the fair value of liability component of a foreign currency and interest rate swap contract, which was not matured within 12 months from the end of reporting period. The asset component of the swap contract was recognised as "Financial assets at FVTPL" in the consolidated financial statements. The fair value of interest rate swap was calculated as the present value of the estimated future cash flows based on deserved yield curve. The fair value of forward exchange contract was determined based on the forward exchange rate at reporting date.

附註：於2019年12月31日，有關款項指並非於報告期末起計12個月到期之外幣及利率掉期合約負債部分之公允價值。掉期合約之資產部分於綜合財務報表確認為「按公允價值於損益賬處理之金融資產」。利率掉期之公允價值乃根據可觀察利率曲線計作估計未來現金流量之現值。遠期匯率合約之公允價值乃根據報告日期之遠期匯率釐定。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

30. OTHER EMPLOYEE BENEFITS

In December 2017, CE Dongli, an indirectly owned subsidiary of the Company, implemented a scheme (the "Scheme") to incentivise the senior management personnel of CE Dongli (the "CE Senior Management"). The Scheme lasts for a period of 5 years up to 31 December 2021. Pursuant to the Scheme, the Group will effectively grant a total of 15,996,402 units of right to receive profit-share and bonus reward (the "Bonus Reward") to CE Senior Management. The recipients of such Bonus Reward have the rights to exercise at the price of RMB1 for each unit of Bonus Reward in return for one unit of equity interest in CE Dongli (the "CE interests"). Upon the exercising of all units of Bonus Reward, the CE Senior Management will in substance indirectly holding a total of approximately 6.6% of the CE interests. Within one year after the expiry date of the Scheme (i.e. 31 December 2022), it is mandatory for the Group to buy back all of the CE Interests from the CE Senior Management (the "Buy-back") and there is no choice for the Group or the CE Senior Management to opt for alternative equity settlement. The Buy-back will be made at the pre-determined prices, depending on various performance conditions including CE Dongli's audited and approved revenue and net profit margin and on various pre-determined Buy-back dates before the expiry of the Scheme.

As at 31 December 2020, a total of 15,996,402 (2019: 15,996,402) units of Bonus Reward were granted to the CE Senior Management and 8,261,660 (2019: 7,304,000) units of the Bonus Reward were exercised. With reference to the probability of meeting the performance conditions set out in the Scheme, the Group estimated a reversal of provision for the Buy-back amounting to approximately RMB23,905,000 (equivalent to approximately HK\$26,868,000) for the year ended 31 December 2020 (2019: addition of provision of approximately RMB26,836,000 (equivalent to approximately HK\$30,458,000)).

As at 31 December 2020, a total provision of approximately RMB20,516,000 (equivalent to approximately HK\$24,383,000) (2019: approximately RMB25,458,000 (equivalent to approximately HK\$28,451,000)) and RMB4,856,000 (equivalent to approximately HK\$5,771,000) (2019: approximately RMB32,667,000 (equivalent to approximately HK\$36,508,000)) was recognised under the current liabilities and non-current liabilities respectively in the consolidated statement of financial position.

30. 其他僱員福利

於2017年12月，本公司間接附屬公司中企動力實施一項計劃（「該計劃」）以激勵中企動力之高級管理人員（「中企高級管理人員」）。該計劃直至2021年12月31日為止為期5年。根據該計劃，本集團將向中企高級管理人員實際授出合共15,996,402個收取溢利分享及花紅獎勵（「花紅獎勵」）之權利單位。獲授該等花紅獎勵人士有權按人民幣1元行使各花紅獎勵單位以換取中企動力一單位權益（「中企權益」）。於所有花紅獎勵獲行使後，中企高級管理層將實質上間接持有合共約6.6%中企權益。於計劃屆滿日期後一年（即2022年12月31日）內，本集團須向中企高級管理人員購回所有中企權益（「購回」），且本集團或中企高級管理人員均不得選擇其他權益結算方式。購回將按預設價格進行，取決於各項績效條件包括中企動力之經審核及經批准收益及淨利潤率及取決於該計劃屆滿前之各個預定購回日期。

於2020年12月31日，中企高級管理人員獲授合共15,996,402個（2019年：15,996,402個）花紅獎勵單位，其中8,261,660個（2019年：7,304,000個）花紅獎勵單位已獲行使。參考達成該計劃所載績效條件之可能性，本集團估計截至2020年12月31日止年度之購回撥備撥回約為人民幣23,905,000元（相當於約26,868,000港元）（2019年：增加撥備約人民幣26,836,000元（相當於約30,458,000港元））。

於2020年12月31日，於綜合財務狀況報表內之流動負債及非流動負債分別確認撥備總額約人民幣20,516,000元（相當於約24,383,000港元）（2019年：約人民幣25,458,000元（相當於約28,451,000港元））及人民幣4,856,000元（相當於約5,771,000港元）（2019年：約人民幣32,667,000元（相當於約36,508,000港元））。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

31. RESTRICTED SHARE AWARD SCHEME

On 9 October 2018, Sino-i, a non-wholly owned subsidiary of the Company, adopted the Restricted Share Award Scheme to recognise the contributions by Sino-i group's personnel and to provide them with incentives in order to retain them for the continual operation and development of the Sino-i group.

On 19 December 2018, a total of 1,806,000,000 Restricted Shares were approved to issue to the custodian and held for relevant selected participants. The Restricted Shares of Sino-i will be vested only after satisfactory completion of performance-based targets. The Restricted Share Award Scheme is subject to the administration of the board of Sino-i in accordance with the Restricted Share Award Scheme. As at 31 December 2020, 1,806,000,000 (2019: 1,806,000,000) shares were held by the custodian for the Restricted Share Award Scheme.

The board of Sino-i shall not make any further grant of the Restricted Shares which will result in the total number of shares granted by the board of Sino-i under the Restricted Share Award Scheme to exceed 2,462,000,000 shares.

Unless terminated earlier by the board of Sino-i, the Restricted Share Award Scheme shall be valid and effective for a term of 10 years from the date of its adoption.

Movements in the number of share held for the Restricted Share Award Scheme and the Restricted Shares of Sino-i are as follows:

31. 限制性股份獎勵計劃

於2018年10月9日，本公司之非全資附屬公司中國數碼採納限制性股份獎勵計劃，以肯定中國數碼集團之若干人員所作貢獻及向彼等提供獎勵，以留聘彼等協助中國數碼集團持續營運及發展。

於2018年12月19日，合共1,806,000,000股限制性股份獲批准發行予託管人並就有關獲選參與者持有。中國數碼之限制性股份僅於以績效為基礎之目標獲滿意完成後方會歸屬。限制性股份獎勵計劃須由中國數碼董事會根據限制性股份獎勵計劃管理。於2020年12月31日，1,806,000,000股（2019年：1,806,000,000股）股份由託管人就限制性股份獎勵計劃持有。

倘任何進一步授出限制性股份會導致中國數碼董事會根據限制性股份獎勵計劃授出之股份總數超過2,462,000,000股，則中國數碼董事會不得作出有關授出。

除非由中國數碼董事會提早終止，否則，限制性股份獎勵計劃將自採納日期起計為期十年有效及生效。

就限制性股份獎勵計劃持有之股份及中國數碼之限制性股份數目變動如下：

	Number of shares held for Restricted Share Award Scheme 就限制性股份 獎勵計劃持有 之股份數目 '000 千股	Number of Restricted Shares 限制性 股份數目 '000 千股
As at 1 January 2019, 31 December 2019 and 31 December 2020	於2019年1月1日、2019年12月 31日及2020年12月31日	
	1,806,000	1,806,000

During the year ended 31 December 2020, approximately HK\$2,135,000 (2019: approximately HK\$2,135,000) was recognised as share-based payments expense included in the profit or loss (note 12).

截至2020年12月31日止年度，約2,135,000港元（2019年：約2,135,000港元）款項確認為計入損益賬之以股份支付之開支（附註12）。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

32. PROVISION FOR WARRANTY

32. 保修撥備

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 January	於1月1日	2,575	3,886
Utilisation during the year	年內動用	(279)	(1,258)
Exchange differences	匯兌差額	148	(53)
At 31 December	於12月31日	2,444	2,575

The Group provides one to three years warranty for its movie projection equipment, under which faulty products are repaired or replaced. The amount of provision for the warranties is estimated based on sales volumes and past experience on the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

本集團為影院放映設備提供一至三年保修，故障產品可維修或更換。保修撥備金額乃根據銷售量以及維修及退貨水平之過往經驗估計。估計基準乃按持續基準審閱並於適當時作出修訂。

33. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

33. 遞延稅項

年內遞延稅項資產及負債變動如下：

Deferred tax assets

遞延稅項資產

		Tax loss	Provision of PRC LAT	ECLs	Financing component	Lease liabilities	Others	Total
		稅項虧損	增值稅撥備	信貸虧損	融資部分	租賃負債	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日	-	805,443	39,562	50,494	228,815	35,292	1,159,606
Deferred tax (charged)/credited to the consolidated income statement (note 9)	於綜合收益表(扣除)/計入遞延稅項(附註9)	-	115,410	3,969	(2,422)	63,723	10,909	191,589
Exchange differences	匯兌差額	-	(14,234)	-	-	(1,269)	3,097	(12,406)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	-	906,619	43,531	48,072	291,269	49,298	1,338,789
Deferred tax (charged)/credited to the consolidated income statement (note 9)	於綜合收益表(扣除)/計入遞延稅項(附註9)	1,020	276,592	-	(28,913)	35,863	(12,260)	272,302
Exchange differences	匯兌差額	46	64,973	-	-	3,255	(4,752)	63,522
At 31 December 2020	於2020年12月31日	1,066	1,248,184	43,531	19,159	330,387	32,286	1,674,613

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

33. DEFERRED TAX (Continued)

Deferred tax assets (Continued)

At 31 December 2020, the amount of unused tax losses for which no deferred tax assets is recognised in the consolidated statement of financial position is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Temporary differences attributable to:	以下項目應佔之暫時差額		
— unused tax losses	— 未動用稅項之虧損	8,641,662	5,005,853

Deferred tax asset in respect of these tax losses has not been recognised in the financial statements due to the unpredictability of future profit streams against which the tax losses can be utilised. The tax losses of the subsidiaries operating in Mainland China amounted to HK\$4,273,563,000 (2019: HK\$2,225,992,000) can be carried forward for five years while tax losses of the subsidiaries operating in Hong Kong and certain jurisdictions amounted to HK\$3,301,186,000 (2019: HK\$1,754,629,000) can be carried forward indefinitely under the current tax legislation. Tax losses of the subsidiaries operated in other jurisdictions amounted to HK\$1,066,913,000 (2019: HK\$1,025,232,000) can be carried forward up to twenty years.

33. 遞延稅項(續)

遞延稅項資產(續)

於2020年12月31日，未於綜合財務狀況報表確認為遞延稅項資產之未動用稅項虧損金額如下：

因無法預計可用以抵銷稅項虧損之日後溢利來源，故並無在財務報表中確認該等稅項虧損之遞延稅項資產。於中國內地營運之附屬公司稅項虧損4,273,563,000港元(2019年：2,225,992,000港元)可結轉五年，而根據現行稅法，於香港及若干司法權區營運之附屬公司稅項虧損3,301,186,000港元(2019年：1,754,629,000港元)可無限期結轉。於其他司法權區營運之附屬公司稅項虧損為1,066,913,000港元(2019年：1,025,232,000港元)可結轉最多二十年。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

33. DEFERRED TAX (Continued)

Deferred tax liabilities

		Fair value adjustments arising from acquisition of subsidiaries	Fair value adjustments on investment properties	Withholding tax on the distributable profits of subsidiaries	Fair value change of properties upon transfer of property, plant and equipment to investment properties 物業、廠房及 設備轉撥至 投資物業時 物業之 公允價值變動	Temporary difference on contract liabilities 合約負債之 暫時差額	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	643,889	122,803	–	–	20,233	786,925
Deferred tax charged/(credited) to the consolidated income statement (note 9)	於綜合收益表扣除/ (計入)遞延稅項 (附註9)	(137,755)	436,975	421,920	–	–	721,140
Exchange differences	匯兌差額	(2,934)	(6,439)	(6,935)	–	(375)	(16,683)
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	503,200	553,339	414,985	–	19,858	1,491,382
Deferred tax credited to the consolidated income statement (note 9)	於綜合收益表計入 遞延稅項(附註9)	(102,211)	(9,253)	(196,836)	–	–	(308,300)
Deferred tax charged to other comprehensive income	於其他全面收益扣除 遞延稅項	–	–	–	9,300	–	9,300
Exchange differences	匯兌差額	7,597	26,167	–	–	1,260	35,024
At 31 December 2020	於2020年12月31日	408,586	570,253	218,149	9,300	21,118	1,227,406

The Group is also subject to withholding tax at the rate of 5% (2019: 5%) and 10% (2019: 10%) on the distributions of profits generated from the Group's major PRC subsidiaries which are directly owned by the Group's subsidiaries incorporated in Hong Kong and BVI respectively.

As at 31 December 2020, other than the amount recognised in the consolidated financial statements, deferred tax has not been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of certain of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such unremitted earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$565,558,000 at 31 December 2020 (2019: HK\$593,554,000).

33. 遞延稅項(續)

遞延稅項負債

		Fair value change of properties upon transfer of property, plant and equipment to investment properties 物業、廠房及 設備轉撥至 投資物業時 物業之 公允價值變動	Temporary difference on contract liabilities 合約負債之 暫時差額	Total
		HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	–	20,233	786,925
Deferred tax charged/(credited) to the consolidated income statement (note 9)	於綜合收益表扣除/ (計入)遞延稅項 (附註9)	421,920	–	721,140
Exchange differences	匯兌差額	(6,935)	(375)	(16,683)
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	414,985	19,858	1,491,382
Deferred tax credited to the consolidated income statement (note 9)	於綜合收益表計入 遞延稅項(附註9)	(196,836)	–	(308,300)
Deferred tax charged to other comprehensive income	於其他全面收益扣除 遞延稅項	–	–	9,300
Exchange differences	匯兌差額	–	1,260	35,024
At 31 December 2020	於2020年12月31日	218,149	21,118	1,227,406

本集團亦須就分派本集團主要中國附屬公司所得溢利分別按5%(2019年: 5%)及10%(2019年: 10%)繳交預扣稅。該等中國附屬公司由本集團分別於香港及英屬維爾京群島註冊成立之附屬公司直接擁有。

於2020年12月31日，除於綜合財務報表確認之金額外，並無就本集團於中國內地成立之若干附屬公司須繳納預扣稅之未匯出盈利確認預扣稅之遞延稅項。董事認為，此等附屬公司不大可能在可見未來分配此等未匯出盈利。於2020年12月31日，與未確認遞延稅項負債之中國內地附屬公司投資有關之暫時差額合共約為565,558,000港元(2019年: 593,554,000港元)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

34. SHARE CAPITAL

34. 股本

		Number of ordinary shares of HK\$0.01 each 每股面值0.01港元 之普通股數目	HK\$'000 千港元
Authorised:	法定：		
At 1 January 2019, 31 December 2019 and 31 December 2020	於2019年1月1日、 2019年12月31日及 2020年12月31日	500,000,000,000	5,000,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2019, 31 December 2019 and 31 December 2020	於2019年1月1日、 2019年12月31日及 2020年12月31日	68,645,535,794	686,455

35. SHARE OPTION SCHEME

35. 購股權計劃

The Company operates a share option scheme.

本公司推行一項購股權計劃。

Under the ordinary resolution passed at the annual general meeting on 28 May 2012, the Board of the Company adopted a new share option scheme and simultaneously terminated the share option scheme adopted on 29 August 2002. Under the new scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board of the Company.

根據於2012年5月28日之股東周年大會上通過之普通決議案，本公司董事會採納新購股權計劃，並同時終止於2002年8月29日採納之購股權計劃。根據新計劃，本公司董事會可在採納後十年內隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

There are no outstanding share options at 31 December 2020 (2019: Nil).

於2020年12月31日並無任何未行使之購股權(2019年：無)。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

36. RESERVES

Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 127 to 128 of the financial statements.

Notes:

- (a) Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less the amount of expenses incurred in connection with the issue of the shares. According to the annual general meeting held on 30 May 2018, the Company has decided to reduce the share premium account amounting to approximately HK\$965,900,000, and the amount arising from the reduction has been transferred to the contributed surplus account.
- (b) Capital reserve of the Group mainly represented the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002 and the amount previously recognised in share option reserve arising from the exercise of share options and capital reserve arising from acquisition of subsidiaries.
- (c) General reserve of the Group mainly represented the statutory reserves of subsidiaries of the Company established in Mainland China. These subsidiaries are required to transfer 10% of their profit after tax calculated in accordance with the PRC accounting regulations to the statutory reserve until the reserve reaches 50% of their respective capital upon which any further appropriation will be at the directors' recommendation. Such reserve may be used to reduce any losses incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.
- (d) FVOCI reserve represents fair value reserve comprises the cumulative net charge in the fair value of equity investment designated at FVOCI under HKFRS 9 that are held at the end of the year.
- (e) Share-based payments reserve represents cumulative expenses recognised on the granting of Restricted Share Award Scheme to the employees over the vesting period.
- (f) Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. HK\$) are recognised directly in other comprehensive income and accumulated in the exchange reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in note 2.6.

36. 儲備

集團

本年度及過往年度本集團儲備金額及其變動載於財務報表第127至128頁之綜合權益變動表。

附註：

- (a) 股份溢價為已收所得款項超出本公司按溢價發行之股份面值之部分，扣除就發行股份產生之開支金額。根據於2018年5月30日舉行之股東周年大會，本公司決定削減股份溢價賬約965,900,000港元，削減金額已轉撥至繳入盈餘賬。
- (b) 本集團資本儲備主要指根據於2002年4月30日通過之特別決議案削減股本產生之儲備，因行使購股權而先於購股權儲備中確認之金額，以及收購附屬公司所產生之資本儲備。
- (c) 本集團一般儲備主要指本公司於中國內地成立之附屬公司之法定儲備。該等公司須將按中國會計規則計算之除稅後溢利10%撥為法定儲備，直至該儲備達至相關資本之50%為止，其後之任何進一步轉撥可由董事酌情建議作出。該儲備可用以減低附屬公司產生之虧損或資本化作為附屬公司之實繳股本。
- (d) 按公允價值於其他全面收益處理之儲備指包括根據香港財務報告準則第9號指定為按公允價值於其他全面收益處理之權益投資公允價值累計淨變動並於年末持有之公允價值儲備。
- (e) 以股份支付之儲備指於歸屬期間向僱員授予限制性股份獎勵計劃確認之累計開支。
- (f) 匯兌差額於將本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣（即港元）時產生，乃直接於其他全面收益中確認並於匯兌儲備累計。有關儲備乃根據附註2.6所載外幣之會計政策處理。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

36. RESERVES (Continued)

Company

36. 儲備(續)

公司

		Share premium (note a)	Contributed surplus (note b)	Capital reserve (note c)	FVOCI reserve (note d) 按公允價值 於其他全面 收益處理 之儲備 (附註d)	Accumulated loss 累計 虧損	Total 總計
		股份溢價 (附註a)	繳入盈餘 (附註b)	資本儲備 (附註c)	按公允價值 於其他全面 收益處理 之儲備 (附註d)	累計 虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於2019年1月1日	11	2,937,757	7,480	3,370	(1,554,591)	1,394,027
Profit for the year	年內溢利	-	-	-	-	21,927	21,927
Other comprehensive income	其他全面收益	-	-	-	39,963	-	39,963
Dividend relating to 2018	2018年相關股息	-	-	-	-	(102,968)	(102,968)
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	11	2,937,757	7,480	43,333	(1,635,632)	1,352,949
Loss for the year	年內虧損	-	-	-	-	(5,818)	(5,818)
Other comprehensive income	其他全面收益	-	-	-	1,387	-	1,387
At 31 December 2020	於2020年12月31日	11	2,937,757	7,480	44,720	(1,641,450)	1,348,518

Notes:

- (a) Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less the amount of expenses incurred in connection with the issue of the shares.
- (b) Contributed surplus of the Company includes the difference between the aggregate net asset value of the subsidiaries acquired and the nominal amount of the Company's shares issued for the acquisition and the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002. Under the Bermuda Companies Act, the contributed surplus is distributable to the shareholders under certain circumstances. According to the annual general meeting held on 30 May 2018, the Company has decided to reduce the share premium account amounting to approximately HK\$965,900,000, and the amount arising from the reduction has been transferred to the contributed surplus account.
- (c) Capital reserve of the Company represents the amount of equity-settled share-based compensation previously recognised transferred from the share options reserve when the share options are exercised.
- (d) FVOCI reserve represents fair value reserve comprises the cumulative net change in the fair value of equity investment designated at FVOCI under HKFRS 9 that are held at the end of the reporting period.

附註：

- (a) 股份溢價為已收所得款項超出本公司按溢價發行之股份面值之部分，扣除就發行股份產生之開支金額。
- (b) 本公司之繳入盈餘包括所收購附屬公司之資產淨值總額與為收購而發行之本公司股份面值間之差額以及根據2002年4月30日通過之特別決議案削減股本產生之儲備。根據百慕達公司法，繳入盈餘於若干情況下可分派予股東。根據於2018年5月30日舉行之股東周年大會，本公司決定削減股份溢價賬約965,900,000港元，削減金額已轉撥至繳入盈餘賬。
- (c) 本公司之資本儲備指早前已確認之權益結算以股份支付酬金，乃於行使購股權時轉撥自購股權儲備。
- (d) 按公允價值於其他全面收益處理之儲備指包括根據香港財務報告準則第9號指定為按公允價值於其他全面收益處理之權益投資公允價值累計淨變動並於報告期末持有之公允價值儲備。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

37. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION 37. 控股公司之財務狀況報表

	Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		365	572
Interests in subsidiaries	15	3,002,712	3,000,000
Financial assets at FVOCI		227,768	226,381
		3,230,845	3,226,953
Current assets			
Amounts due from subsidiaries		4,104,022	4,457,663
Deposits, prepayments and other receivables		13,901	59,793
Pledged and restricted bank deposits		–	58,412
Cash and cash equivalents		15,952	18,880
		4,133,875	4,594,748
Current liabilities			
Other payables and accruals		10,491	15,503
Provision for tax		620	583
Loan from subsidiaries		1,093,161	–
Amounts due to subsidiaries		3,698,285	2,647,881
Bank and other borrowings		527,190	1,573,470
		5,329,747	4,237,437
Net current (liabilities)/assets		(1,195,872)	357,311
Total assets less current liabilities		2,034,973	3,584,264

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

37. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION (Continued) 37. 控股公司之財務狀況報表(續)

		Notes 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Non-current liabilities	非流動負債			
Loan from subsidiaries	來自附屬公司之貸款		—	1,012,693
Financial liabilities at FVTPL	按公允價值於損益賬處理之 金融負債		—	2,569
Bank and other borrowings	銀行及其他借貸		—	529,598
			—	1,544,860
Net assets	資產淨值		2,034,973	2,039,404
EQUITY	權益			
Share capital	股本	34	686,455	686,455
Reserves	儲備	36	1,348,518	1,352,949
Total equity	權益總額		2,034,973	2,039,404

On behalf of the Board

代表董事會

Yu Pun Hoi
于品海
Director
董事

Liu Rong
劉榮
Director
董事

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

38. NON-CONTROLLING INTERESTS

Sino-i, a 59.11% owned subsidiary of the Company, and Crabtree & Evelyn, a 70% owned subsidiary of the Company, has material non-controlling interests ("NCI"). The NCI of all other subsidiaries that are not 100% owned by the Group are considered to be immaterial.

Summarised financial information in relation to the NCI of Sino-i, before intra-group eliminations, is presented below:

38. 非控股權益

本公司擁有59.11%權益之附屬公司中國數碼及本公司擁有70%權益之附屬公司Crabtree & Evelyn擁有重大非控股權益(「非控股權益」)。本集團非全資擁有之所有其他附屬公司之非控股權益被視為並不重大。

進行集團內抵銷前有關中國數碼非控股權益之財務資料概要呈列如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Non-current assets	非流動資產	273,869	1,695,596
Current assets	流動資產	2,004,432	420,862
Current liabilities	流動負債	(688,932)	(616,189)
Non-current liabilities	非流動負債	(32,780)	(61,159)
Net assets	資產淨值	1,556,589	1,439,110
Accumulated NCI	累計非控股權益	636,489	588,452
Revenue	收益	972,139	963,567
Profit for the year	年內溢利	111,014	22,367
Total comprehensive income for the year	年內全面收益總額	115,344	17,136
Profit allocated to NCI	分配予非控股權益之溢利	45,397	9,239
Dividend paid to NCI	已付非控股權益股息	—	(38,912)
Cash flows generated from operating activities	經營活動所得現金流量	139,853	37,456
Cash flows (used in)/generated from investing activities	投資活動(所用)/所得現金流量	(129,047)	208,715
Cash flows used in financing activities	融資活動所用現金流量	(52,723)	(119,287)
Net cash (outflows)/inflows	現金(流出)/流入淨額	(41,917)	126,884

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

38. NON-CONTROLLING INTERESTS (Continued)

Summarised financial information in relation to the NCI of Crabtree & Evelyn, before intra-group eliminations, is presented below:

38. 非控股權益(續)

進行集團內抵銷前有關Crabtree & Evelyn非控股權益之財務資料概要呈列如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Non-current assets	非流動資產	448,161	522,607
Current assets	流動資產	116,142	181,399
Current liabilities	流動負債	(1,763,063)	(1,647,760)
Non-current liabilities	非流動負債	(71,825)	(77,938)
Net assets	資產淨值	(1,270,585)	(1,021,692)
Accumulated NCI	累計非控股權益	(293,082)	(91,916)
Revenue	收益	127,721	237,420
Loss for the year	年內虧損	(670,553)	(263,892)
Total comprehensive income for the year	年內全面收益總額	(710,662)	(293,916)
Loss allocated to NCI	分配予非控股權益之虧損	(201,166)	(79,623)
Dividend paid to NCI	已付非控股權益股息	—	—
Cash flows used in operating activities	經營活動所用現金流量	(81,120)	(180,426)
Cash flows used in investing activities	投資活動所用現金流量	(6,417)	(24,694)
Cash flows generated from financing activities	融資活動所得現金流量	107,712	132,551
Net cash inflows/(outflows)	現金流入／(流出)淨額	20,175	(72,569)

During the years ended 31 December 2020 and 2019, except for the capital injection set out in note 15(d), there was no material acquisition of NCI.

截至2020年及2019年12月31日止年度，除附註15(d)所載注資外，並無重大非控股權益收購事項。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Loss on disposal of subsidiaries

- i. *Deregistration of Douwei News, Inc.*
On 31 July 2018, the directors resolved to dissolve Duowei News, Inc, a wholly-owned subsidiary of the Company. The process of deregistration of Duowei News, Inc was completed and a gain on disposal of approximately HK\$6,136,001 was recognised during the year ended 31 December 2020.

- ii. *Disposal of subsidiaries under City Entertainment Corporation Limited*
On 25 September 2020, the Group entered into a sale and purchase agreement with independent third-party to dispose of the entire equity interests in 9 wholly-owned subsidiaries under City Entertainment Corporation Limited at nil consideration. The transaction was completed on 13 October 2020.

The carrying amount of the net assets/(liabilities) of the above subsidiaries at the date of disposal were:

		2020 HK\$'000 千港元
Net assets/(liabilities) disposed of:	出售以下各項之資產淨值／(負債淨額)：	
Cash and cash equivalents	現金及等同現金項目	185
Trade receivables	應收貿易款項	80
Deposits, prepayments and other receivables (current portion)	按金、預付款項及其他應收款項 (流動部分)	6,032
Deposits, prepayments and other receivables (non-current portion)	按金、預付款項及其他應收款項 (非流動部分)	1,552
Prepaid tax	預付稅項	50
Trade payables	應付貿易款項	(1)
Other payables and accruals	其他應付款項及應計費用	(6,549)
		1,349
Exchange reserve released on disposal	出售時解除之匯兌儲備	1,223
Loss on disposal	出售虧損	(2,572)
Total consideration	代價總額	-

The analysis of the net cash flow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		2020 HK\$'000 千港元
Cash received	已收現金	-
Cash and cash equivalents disposed of	出售現金及等同現金項目	(185)
Net cash outflow on disposal	出售現金流出淨額	(185)

39. 綜合現金流量報表附註

(a) 出售附屬公司虧損

- i. *取消註冊 Douwei News, Inc.*
於2018年7月31日，董事議決解散本公司全資附屬公司 Duowei News, Inc。截至2020年12月31日止年度，Duowei News, Inc之取消註冊程序已告完成，並確認出售收益約6,136,001港元。

- ii. *出售橙天嘉禾影城有限公司旗下附屬公司*
於2020年9月25日，本集團與獨立第三方訂立買賣協議，以無償出售橙天嘉禾影城有限公司旗下9間全資附屬公司全部股權。有關交易已於2020年10月13日完成。

於出售日期，上述附屬公司之資產淨值／(負債淨額)之賬面值為：

有關出售附屬公司之現金及等同現金項目淨現金流分析如下：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Major non-cash transactions

During the year ended 31 December 2020, certain non-current deposits and other receivables of the Group amounting to approximately HK\$30,373,000 (2019: HK\$25,754,000) were transferred to property, plant and equipment.

The Group entered into lease arrangements in respect of certain assets with a total capital value of approximately HK\$199,822,000 (2019: HK\$471,116,000) at the inception of the leases.

(c) Reconciliation of liabilities arising from financing activities:

39. 綜合現金流量報表附註(續)

(b) 主要非現金交易

截至2020年12月31日止年度，本集團約30,373,000港元(2019年：25,754,000港元)之若干非流動訂金及其他應收款項撥入物業、廠房及設備。

本集團就若干資產訂立租賃安排，於租賃開始時資本總值約為199,822,000港元(2019年：471,116,000港元)。

(c) 融資活動所產生負債之對賬：

		Bank and other borrowings (note 27) 銀行及其他借貸 (附註27) HK\$'000 千港元	Amount due to a director (note 26(a)) 欠一名董事款項 (附註26(a)) HK\$'000 千港元	Lease liabilities (note 28) 租賃負債 (附註28) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於2020年1月1日	18,853,034	12,552	6,046,841	24,912,427
Changes from financing cash flows:	融資現金流量變動：				
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	8,878,388	-	-	8,878,388
Repayments of bank and other borrowings	償還銀行及其他借貸	(12,370,534)	-	-	(12,370,534)
Repayment of interest element of lease liabilities	償還租賃負債利息部分	-	-	(147,269)	(147,269)
Repayment of capital element of lease liabilities	償還租賃負債資本部分	-	-	(156,962)	(156,962)
Advance from a director	來自一名董事之墊款	-	872	-	872
Interest paid	已付利息	(1,151,928)	-	-	(1,151,928)
Total changes from financing cash flows	融資現金流量變動總額	(4,644,074)	872	(304,231)	(4,947,433)
Exchange differences	匯兌差額	393,165	847	246,292	640,304
Other changes:	其他變動：				
Interest expenses	利息開支	556,779	-	501,902	1,058,681
Capitalised borrowing costs	撥充資本之借貸成本	604,139	-	-	604,139
Additions	添置	-	-	199,821	199,821
Covid-19-Related rent concessions	2019 新型冠狀病毒 相關租金優惠	-	-	(167,687)	(167,687)
Modifications	修正	-	-	(451,856)	(451,856)
Total other changes	其他變動總額	1,160,918	-	82,180	1,243,098
At 31 December 2020	於2020年12月31日	15,763,043	14,271	6,071,082	21,848,396

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

39. 綜合現金流量報表附註(續)

(c) Reconciliation of liabilities arising from financing activities (Continued):

(c) 融資活動所產生負債之對賬(續):

		Bank and other borrowings (note 27) 銀行及 其他借貸 (附註27) HK\$'000 千港元	Finance lease liabilities 融資 租賃負債 HK\$'000 千港元	Convertible and exchangeable bonds 可換股及 可交換債券 HK\$'000 千港元	Amount due to a director (note 26(a)) 欠一名 董事款項 (附註26(a)) HK\$'000 千港元	Lease liabilities (note 28) 租賃負債 (附註28) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	18,719,005	90,090	1,150,721	65,132	–	20,024,948
Initial adoption of HKFRS 16	首次採納香港財務報告 準則第16號	–	(90,090)	–	–	6,022,195	5,932,105
At 1 January 2019 (restated)	於2019年1月1日 (經重列)	18,719,005	–	1,150,721	65,132	6,022,195	25,957,053
Changes from financing cash flows:	融資現金流量變動:						
Proceeds from bank and other borrowings	銀行及其他借貸 所得款項	7,148,057	–	–	–	–	7,148,057
Repayments of bank and other borrowings	償還銀行及其他借貸	(6,834,944)	–	–	–	–	(6,834,944)
Redemption of convertible and exchangeable bonds	贖回可換股及 可交換債券	–	–	(1,282,410)	–	–	(1,282,410)
Repayment of interest element of lease liabilities	償還租賃負債利息部分	–	–	–	–	(520,743)	(520,743)
Repayment of capital element of lease liabilities	償還租賃負債資本部分	–	–	–	–	(387,524)	(387,524)
Repayment to a director	向一名董事還款	–	–	–	(52,170)	–	(52,170)
Interest paid	已付利息	(1,151,954)	–	–	–	–	(1,151,954)
Total changes from financing cash flows	融資現金流量變動 總額	(838,841)	–	(1,282,410)	(52,170)	(908,267)	(3,081,688)
Exchange differences	匯兌差額	(193,139)	–	(27,118)	(410)	(58,946)	(279,613)
Other changes:	其他變動:						
Interest expenses	利息開支	506,409	–	158,807	–	520,743	1,185,959
Capitalised borrowing costs	撥充資本之借貸成本	659,600	–	–	–	–	659,600
Additions	添置	–	–	–	–	471,116	471,116
Total other changes	其他變動總額	1,166,009	–	158,807	–	991,859	2,316,675
At 31 December 2019	於2019年12月31日	18,853,034	–	–	12,552	6,046,841	24,912,427

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

40. RETIREMENT BENEFIT PLANS

Defined contribution retirement plans

The Group operates a MPF scheme and an ORSO scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group in funds under the control of the trustees.

Under the ORSO scheme, contribution of 5% of the employee's monthly salaries are made by the employees and by the Group. The Group's contributions may be reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions. The Group also participates in the MPF schemes, which are available to all employees not joining the ORSO scheme in Hong Kong. Monthly contributions to the MPF scheme are made equal to 5% (2019: 5%), or a fixed sum of the employee's relevant income in accordance with the local legislative requirements.

Subsidiaries operating in Mainland China are required to participate in a defined contribution retirement benefit plan organised by the relevant government authorities whereby the subsidiaries are required to make contributions at the rate of 10%–22% (2019: 10%–22%) of the eligible employees' salary rate to the scheme. The Group has accrued for the required contributions which are remitted to the respective local government authorities when the contributions become due. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the schemes. Forfeited contributions could not be used by the Group to reduce the existing level of contributions.

The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total cost charged to the consolidated income statement of HK\$44,961,000 (2019: HK\$129,242,000) (note 12) represents contributions payable to the schemes by the Group at the rates specified in the rules of the schemes.

40. 退休福利計劃

定額供款退休計劃

本集團為其於香港所有合資格僱員設立強積金計劃及職業退休計劃。該等計劃之資產與本集團資產分開，並由信託人控制之基金持有。

根據職業退休計劃，僱員及本集團作出相當於僱員月薪5%之供款。本集團作出之供款，可以因僱員於可享有供款所得全部權益前退出該計劃而沒收之供款扣減。本集團亦參與強積金計劃，供所有未參加職業退休計劃之香港僱員參與。根據本地立法規定，強積金計劃之每月供款相當於僱員相關收入之5% (2019年：5%) 或其中固定金額。

於中國內地經營之附屬公司均須參與由有關政府機關設立之定額供款退休福利計劃。其中，附屬公司須按合資格僱員薪金之10%至22% (2019年：10%至22%) 向計劃作出供款。本集團已累計所需供款，於有關供款到期時向相關地方政府當局匯款。地方政府當局負責應付計劃所涵蓋退休僱員之退休金責任。本集團不可使用已沒收之供款扣減現有供款水平。

本集團就退休福利計劃之唯一責任為作出指定供款。

自綜合收益表中扣除之總成本為44,961,000港元 (2019年：129,242,000港元) (附註12)，即本集團按該等計劃之規則列明之比率須向計劃作出之供款。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

41. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

Directors' emoluments and fees are disclosed as follows:

41. 董事薪酬及高級管理層酬金

(a) 董事酬金

董事酬金及袍金披露如下：

		Basic salaries, housing, other allowances and benefits in kind 基本薪金、 住房、 其他津貼 及實物利益 袍金 HK\$'000 千港元	Discretionary bonus 酌情 花紅 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2020	2020 年				
Executive directors	執行董事				
YU Pun Hoi	于品海	-	374	18	392
LIU Rong	劉榮	-	937	77	1,014
Non-executive director	非執行董事				
LAM Bing Kwan	林秉軍	120	-	-	120
Independent non-executive directors	獨立非執行董事				
LAU Yip Leung	劉業良	120	-	-	120
XIAO Sui Ning	肖遂寧	267	-	-	267
HO Yeung Nang	何養能	240	-	-	240
		747	1,311	95	2,153

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

41. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

		Fees	Basic salaries, housing, other allowances and benefits in kind 基本薪金、住房、其他津貼及實物利益	Discretionary bonus 酌情花紅	Pension scheme contributions 退休金計劃供款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2019	2019年					
Executive directors	執行董事					
YU Pun Hoi	于品海	–	360	–	18	378
LIU Rong	劉榮	–	723	–	15	738
Non-executive directors	非執行董事					
LAM Bing Kwan	林秉軍	120	–	–	–	120
LUNG King Cheong ¹	龍景昌 ¹	50	–	–	–	50
Independent non-executive directors	獨立非執行董事					
LAU Yip Leung	劉業良	120	–	–	–	120
XIAO Sui Ning	肖遂寧	270	–	–	–	270
HO Yeung Nang	何養能	190	–	–	–	190
		750	1,083	–	33	1,866

1. Retired as non-executive director with effect from 30 May 2019.

1. 自2019年5月30日起退任非執行董事。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

41. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals

None of the director (2019: none) was included in the five highest paid individuals of the Group for the year, details of whose emoluments are set out above. The emoluments of the five (2019: five) employees are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	8,475	6,383
Discretionary bonus	酌情花紅	—	—
Pension contributions	退休金供款	146	90
		8,621	6,473

The emoluments of the five highest paid individuals, other than directors, fell within the following bands:

Emolument bands	酬金範圍	Number of highest paid individuals 最高薪人士數目	
		2020	2019
HK\$1,000,001–HK\$1,500,000	1,000,001 港元至 1,500,000 港元	3	4
HK\$1,500,001–HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
HK\$2,000,001–HK\$2,500,000	2,000,001 港元至 2,500,000 港元	2	—

During the years ended 31 December 2020 and 31 December 2019, no emoluments were paid to any of the Company's directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

None of the directors have waived or agreed to waive any emoluments in respect of the years ended 31 December 2020 and 2019.

41. 董事薪酬及高級管理層酬金 (續)

(b) 五名最高薪人士

本年度，並無董事(2019年：無)屬本集團五名最高薪酬人士，彼等之酬金詳情已載於上文。五名(2019年：五名)僱員之酬金如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	8,475	6,383
Discretionary bonus	酌情花紅	—	—
Pension contributions	退休金供款	146	90
		8,621	6,473

五名最高薪人士(董事除外)之酬金介乎下列範圍：

Emolument bands	酬金範圍	Number of highest paid individuals 最高薪人士數目	
		2020	2019
HK\$1,000,001–HK\$1,500,000	1,000,001 港元至 1,500,000 港元	3	4
HK\$1,500,001–HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
HK\$2,000,001–HK\$2,500,000	2,000,001 港元至 2,500,000 港元	2	—

截至2020年12月31日及2019年12月31日止年度，並無向本公司董事或五名最高薪人士支付任何酬金，以吸引彼等加盟或於加盟本集團時支付或作為離職補償。

概無董事放棄或同意放棄截至2020年及2019年12月31日止年度之酬金。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

41. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(c) Senior management

The emoluments paid or payable to members of senior management were within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2020	2019
Nil–HK\$1,000,000	零至1,000,000港元	–	4
HK\$1,000,001–HK\$2,000,000	1,000,001港元至2,000,000港元	–	–
HK\$2,000,001–HK\$3,000,000	2,000,001港元至3,000,000港元	2	–

42. CAPITAL COMMITMENTS

At 31 December 2020, the Group had outstanding commitments as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Contracted but not provided for in respect of:	已訂約但未撥備：		
— renovation work	— 翻新工程	18,101	16,606
— properties under development	— 發展中物業	398,647	444,299
— expansion of cinema business	— 擴充影院業務	178,934	64,964
		595,682	525,869

43. CONTINGENT LIABILITIES

Guarantees given in connection with credit facilities granted to:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
An associate	一間聯營公司	21,712	21,024

In February 1993, a Group's associate borrowed a loan of US\$5 million from a Filipino bank namely Banco de Oro Unibank (formerly known as Equitable PCI Bank Inc and then as Banco de Oro-EPCI Inc.) ("Banco Unibank"). The loan was secured by a guarantee executed by the Group ("Banco Unibank Guarantee"), and by share mortgage of 74,889,892 shares (the "Philippines shares") of Acesite (Philippines) Hotel Corporation Inc. ("Acesite Phils."). Due to the claim made by the Group against Banco Unibank is still pending, the Group is not able to obtain updated indebtedness information from Banco Unibank. Given the foregoing limitation, it is estimated that the outstanding balance of the total indebtedness owing to Banco Unibank was approximately US\$2,800,000 (equivalent to approximately HK\$21,712,000) (2019: US\$2,699,000 (equivalent to approximately HK\$21,024,000)) by reference to the unaudited financial statements of the associate as at 31 December 2020.

41. 董事薪酬及高級管理層酬金 (續)

(c) 高級管理層

已付或應付高級管理層成員之酬金介乎下列範圍：

42. 資本承擔

於2020年12月31日，本集團有下列未支付承擔：

43. 或然負債

就下列各方所獲授信貸融資之擔保：

於1993年2月，本集團聯營公司向菲律賓銀行 Banco de Oro Unibank (前稱 Equitable PCI Bank Inc，其後稱為 Banco de Oro-EPCI Inc.) (「Banco Unibank」) 借取貸款 5,000,000 美元。本集團就該貸款提供擔保 (「Banco Unibank 保證」)，並以 Acesite (Philippines) Hotel Corporation Inc. (「Acesite Phils.」) 之 74,889,892 股股份 (「菲律賓股份」) 作出之股份押記作抵押。由於本集團對 Banco Unibank 提出之申索仍然待決，本集團無法取得 Banco Unibank 之最新債務資料。鑑於上述限制，參考聯營公司於 2020 年 12 月 31 日之未經審核財務報表，估計 Banco Unibank 債項總額之未償還結餘約為 2,800,000 美元 (相當於約 21,712,000 港元) (2019 年：2,699,000 美元 (相當於約 21,024,000 港元))。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

44. CREDIT FACILITIES

As at 31 December 2020, the Group's credit facilities were secured by the followings:

- (a) charge over certain right-of-use assets (note 13) with a net carrying value of approximately HK\$21,893,000 (2019: approximately HK\$20,502,000);
- (b) charge over certain buildings (note 13) with total net carrying value of approximately HK\$576,067,000 (2019: approximately HK\$615,487,000);
- (c) charge over certain investment properties (note 14), properties under development and completed properties held for sale (note 20) with a total carrying value of approximately HK\$4,579,280,000 (2019: approximately HK\$5,885,673,000);
- (d) charge over certain financial assets at FVTPL with a net carrying value of approximately HK\$178,000 (2019: approximately HK\$180,000);
- (e) pledge of certain bank deposits (note 23) of approximately HK\$7,099,965,000 (2019: approximately HK\$7,916,464,000), of which approximately HK\$2,060,994,000 (2019: approximately HK\$4,104,166,000) were for standby letters of credit issued by banks for a total amount of US\$69,400,000 (2019: US\$219,050,000) and RMB1,262,120,000 (2019: RMB2,067,997,000) respectively;
- (f) personal guarantee given by directors;
- (g) charge over certain property, plant and equipment (note 13), other than certain right-of-use assets and buildings disclosed in note 44(a) and 44(b), of approximately HK\$396,048,000 (2019: approximately HK\$645,147,000); and
- (h) pledge of various share mortgages of certain subsidiaries, bank accounts charges and corporate guarantee of the Company.

44. 信貸融資

於2020年12月31日，本集團之信貸融資以下列各項作抵押：

- (a) 押記賬面淨值約為21,893,000港元(2019年：約20,502,000港元)之若干使用權資產(附註13)；
- (b) 押記賬面淨值合共約為576,067,000港元(2019年：約615,487,000港元)之若干樓宇(附註13)；
- (c) 押記賬面淨值合共約為4,579,280,000港元(2019年：約5,885,673,000港元)之若干投資物業(附註14)、發展中物業及已落成待售物業(附註20)；
- (d) 押記賬面淨值約為178,000港元(2019年：約180,000港元)之若干按公允價值於損益賬處理之金融資產；
- (e) 抵押若干銀行存款(附註23)約7,099,965,000港元(2019年：約7,916,464,000港元)，其中約2,060,994,000港元(2019年：約4,104,166,000港元)為銀行發出為數合共69,400,000美元(2019年：219,050,000美元)及人民幣1,262,120,000元(2019年：人民幣2,067,997,000元)之備用信用狀；
- (f) 董事給予之個人擔保；
- (g) 押記若干物業、廠房及設備(附註13)(附註44(a)及44(b)所披露之若干使用權資產及樓宇除外)為數約396,048,000港元(2019年：約645,147,000港元)；及
- (h) 多間附屬公司之股份抵押、銀行賬戶抵押及本公司之公司擔保作抵押。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

45. PENDING LITIGATIONS

True Vision Limited ("True Vision") (a wholly-owned subsidiary of the Company) and the Company entered into a sale and purchase agreement dated 25 January 2017 (the "Agreement") with Giant Harvest Limited ("GHL") and Orange Sky Golden Harvest Entertainment (Holdings) Limited ("Orange Sky"). Pursuant to the terms of the Agreement, True Vision agreed to acquire the entire equity interests in City Entertainment Corporation Limited ("OSGH"). Disputes arising from the Agreement have led to the following legal proceedings:

- (a) According to the terms of the Agreement, the consideration for the above-mentioned acquisition was to be adjusted based on certain figures to be derived from a closing audit. The parties were not able to agree on the amount of adjustment. GHL commenced legal proceedings on 4 September 2018 to claim for the release of US\$37,383,975 out of US\$44,528,223 True Vision had placed on escrow on completion of the acquisition of OSGH. GHL subsequently revised their claim on 25 September 2020 to cover the entire sum True Vision placed in escrow.
- (b) As GHL did not procure the extension of lease of cinema space in a mall in Shenzhen nor did it enter into any contract for substitute cinemas in accordance with the terms of the Agreement, GHL is, according to the Agreement, required to pay RMB380,000,000 to True Vision. True Vision commenced proceedings against GHL and Orange Sky on 31 October 2018 for their failure to compensate True Vision in the amount of RMB380,000,000; and
- (c) True Vision commenced proceedings against GHL and Orange Sky on 8 November 2018 for the recovery of, amongst other things, RMB82,145,795.38 as a result of breach of certain representations, warranties and undertakings that GHL had provided True Vision pursuant to the terms of the Agreement.

The Group, after discussion with legal advisors considered that it would not incur a material outflow of resources as a result of the above matter.

46. RELATED PARTY TRANSACTIONS

- (a) The remuneration of the directors of the Company and other members of the key management during the year is disclosed in note 41.

45. 待決訴訟

美視角有限公司(「美視角」)(本公司全資附屬公司)及本公司與鉅滿有限公司(「鉅滿」)及橙天嘉禾娛樂(集團)有限公司(「橙天」)訂立日期為2017年1月25日之買賣協議(「該協議」)。根據該協議條款,美視角同意收購橙天嘉禾影城有限公司(「橙天嘉禾影城」)全部股權。該協議產生之糾紛導致出現下列法律訴訟:

- (a) 根據該協議條款,上述收購之代價根據交割審計將得出之若干數據作出調整。訂約方無法同意有關調整金額。鉅滿於2018年9月4日展開法律訴訟,要求在美視角就完成收購橙天嘉禾影城已存入託管代理之款項44,528,223美元中發放37,383,975美元。鉅滿其後於2020年9月25日修改其申索至涵蓋美視角存入託管代理之全數款項。
- (b) 由於鉅滿並無促使延長在深圳購物商場的影院場所租約,亦無根據該協議條款就替代影院訂立任何合約,根據該協議條款,鉅滿須向美視角支付人民幣380,000,000元。美視角就鉅滿及橙天並無向美視角賠償人民幣380,000,000元而於2018年10月31日向鉅滿及橙天提出起訴;及
- (c) 由於鉅滿違反根據該協議條款向美視角作出的若干聲明、保證及承諾,美視角於2018年11月8日向鉅滿及橙天提出起訴,以收回(其中包括)人民幣82,145,795.38元。

與法律顧問討論後,本集團認為,上述事項不會導致產生重大資源流出。

46. 關連方交易

- (a) 年內,本公司董事及主要管理層其他成員之薪酬於附註41披露。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

46. RELATED PARTY TRANSACTIONS (Continued)

- (b) During the year, the Group entered into the following material transactions with related parties:

46. 關連方交易(續)

- (b) 年內，本集團與關連方訂有以下重大交易：

		Transaction amounts	Balance owed/ (owing)
		交易金額	(被結欠／結欠) 結餘
		2020	2020
		HK\$'000	HK\$'000
		千港元	千港元
Amount in relation to provision of motion pictures, less the distributor fees by: A company controlled by a director	由以下公司提供影片之相關款項，減發行人費用： 受一名董事控制之公司	(7,709)	(494,627)
Advance from: A non-controlling shareholder of a subsidiary	來自以下人士之墊款： 一間附屬公司之非控股股東	—	(12,112)
Loan to: A company controlled by a director A partnership jointly controlled by a director	向以下公司提供之貸款： 受一名董事控制之公司 受一名董事共同控制之合夥企業	34 —	237,736 175,158
Interest income on loan to: A company controlled by a director	向以下公司提供貸款之利息收入： 受一名董事控制之公司	19,201	77,054
Rental income from: Companies controlled by a director	來自以下公司之租金收入： 受一名董事控制之公司	373	208

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

46. RELATED PARTY TRANSACTIONS (Continued)

46. 關連方交易(續)

(b) (Continued)

(b) (續)

		Transaction amounts 交易金額 2019 HK\$'000 千港元	Balance owed/ (owing) 被結欠/ (結欠)結餘 2019 HK\$'000 千港元
Amount in relation to provision of motion pictures, less the distributor fees by: A company controlled by a director	由以下公司提供影片之 相關款項，減發行人費用： 受一名董事控制之公司	(24,733)	(214,499)
Sales of projection equipment to: A company controlled by a director	向以下公司銷售放映設備： 受一名董事控制之公司	—	45
Advance from: A non-controlling shareholder of a subsidiary	來自以下人士之墊款： 一間附屬公司之非控股股東	—	(12,093)
Loan to: A company controlled by a director A partnership jointly controlled by a director	向以下公司提供之貸款： 受一名董事控制之公司 受一名董事共同控制之 合夥企業	— —	223,514 165,959
Interest income on loan to: A company controlled by a director	向以下公司提供貸款之 利息收入： 受一名董事控制之公司	20,429	53,364
Rental income from: Companies controlled by a director	來自以下公司之租金收入： 受一名董事控制之公司	1,178	200
Management services income from: Companies controlled by a director	來自以下公司之管理服務 收入： 受一名董事控制之公司	2,440	463
Digital media technology services income from: Companies controlled by a director	來自以下公司之數碼媒體 科技服務收入： 受一名董事控制之公司	867	922
Advertising income from: A company controlled by a director	來自以下公司之廣告收入： 受一名董事控制之公司	—	1,241
Selling expenses paid to: Companies controlled by a director	向以下公司支付銷售開支： 受一名董事控制之公司	(2,797)	(2,919)
Digital media technology services promotion by: A company controlled by a director	由以下公司提供推廣數碼媒體 科技服務： 受一名董事控制之公司	(2,484)	(2,593)

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

46. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)

The terms of above transactions are within normal trade credit terms and above balances owed/(owing) related parties are unsecured, interest-free and repayable on demand, except for the loan to a company controlled by a director, Ms. Liu Rong, of RMB200,000,000 (equivalent to approximately HK\$237,699,000) which is unsecured, due on 10 November 2021 (2019: 10 May 2020) and carries interest rate at 9.50% (2019: 9.00%) per annum and the loan to a partnership jointly controlled by a director, Ms. Liu Rong, of RMB148,500,000 (equivalent to approximately HK\$175,158,000) which is secured, interest-free, and due on 25 February 2023. The maximum outstanding balance during the year ended 31 December 2020 is equal to the balance as at 31 December 2020 (During the year ended 31 December 2019: approximately HK\$165,959,000).

The Group has not made any provision for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during the year ended 31 December 2020 and 2019 regarding related party transactions.

Except as disclosed above and elsewhere in these consolidated financial statements, there was no material related party transaction carried out during the year.

46. 關連方交易(續)

(b) (續)

上述交易之條款屬正常貿易信貸條款，而上述被結欠／(結欠)關連方結餘為無抵押、免息及須按要求償還，惟為數人民幣200,000,000元(相當於約237,699,000港元)為向由一名董事劉榮女士控制之公司之貸款(有關貸款為無抵押、於2021年11月10日(2019年：2020年5月10日)到期並按9.50%(2019年：9.00%)年利率計息)及為數人民幣148,500,000元(相當於約175,158,000港元)為向由一名董事劉榮女士共同控制之合夥企業之貸款(有關貸款為有抵押、免息及於2023年2月25日到期)。截至2020年12月31日止年度最高未償還結餘相當於2020年12月31日結餘(截至2019年12月31日止年度：約165,959,000港元)。

本集團並無就關連公司債務人之呆壞賬作出任何撥備，亦無就關連公司交易於截至2020年及2019年12月31日止年度作出或獲得任何擔保。

除此等綜合財務報表其他地方所披露外，年內概無進行重大關連方交易。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

47. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and liabilities:

47. 按類別劃分之金融資產及金融負債概要

於綜合財務狀況報表呈列之賬面值與以下金融資產及負債類別有關：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Financial assets measured at FVTPL	按公允價值於損益賬處理之金融資產		
— Listed equity investments	— 上市股本投資	3,417	6,560
Financial assets measured at FVOCI	按公允價值於其他全面收益處理之金融資產		
— Unlisted equity investments	— 非上市股本投資	227,768	226,381
— Unlisted debt investments	— 非上市債務投資	324	324
Financial assets measured at amortised cost	按攤銷成本計量之金融資產		
— Cash and cash equivalents	— 現金及等同現金項目	846,539	743,055
— Pledged and restricted bank deposits	— 已抵押及受限制銀行存款	7,251,456	10,977,565
— Trade receivables	— 應收貿易款項	429,191	487,245
— Deposits and other receivables	— 按金及其他應收款項	1,861,707	2,207,109
— Amounts due from associates	— 應收聯營公司款項	37,025	24,426
— Amount due from a joint venture	— 應收一間合營企業款項	894	836
— Amounts due from related parties	— 應收關連方款項	490,797	445,708
		11,149,118	15,119,209
Financial liabilities measured at FVTPL	按公允價值於損益賬處理之金融負債		
— Derivatives	— 衍生工具	—	2,569
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債		
— Trade payables	— 應付貿易款項	3,346,896	3,133,084
— Other payables and accruals	— 其他應付款項及應計費用	1,602,831	1,655,660
— Amount due to a director	— 欠一名董事款項	14,271	12,552
— Amounts due to associates	— 欠聯營公司款項	5,575	5,180
— Amounts due to related parties	— 欠關連方款項	506,739	232,104
— Bank and other borrowings	— 銀行及其他借貸	15,763,043	18,853,034
— Lease liabilities	— 租賃負債	6,071,082	6,046,841
— Other employee benefits	— 其他僱員福利	30,154	64,959
		27,340,591	30,005,983

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

47. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(a) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, pledged and restricted bank deposits, trade receivables, deposits and other receivables, amounts due from associates, amount due from a joint venture, amounts due from related parties, trade payables, other payables and accruals, lease liabilities, other employee benefits, bank and other borrowings, amount due to a director, amounts due to associates and amounts due to related parties.

Due to their short term nature, the carrying value of current portion of pledged and restricted bank deposits, cash and cash equivalents, trade receivables, current portion of deposits and other receivables, amounts due from/(to) associates, amount due from a joint venture, amounts due from/(to) related parties, amount due to a director, trade payables and other payables and accruals approximates fair value.

The fair value of long term trade receivables, long term deposits and other receivables, trade payables and lease liabilities approximated their carrying values as the impact of discounting were immaterial.

The carrying amounts of the bank and other borrowings approximated their fair values as they are carried at interest rates closed to the market rates.

47. 按類別劃分之金融資產及金融負債概要(續)

(a) 並非按公允價值計量之金融工具

並非按公允價值計量之金融工具包括現金及等同現金項目、已抵押及受限制銀行存款、應收貿易款項、按金及其他應收款項、應收聯營公司款項、應收一間合營企業款項、應收關連方款項、應付貿易款項、其他應付款項及應計費用、租賃負債、其他僱員福利、銀行及其他借貸、欠一名董事款項、欠聯營公司款項及欠關連方款項。

由於到期日較短，故已抵押及受限制銀行存款之流動部分、現金及等同現金項目、應收貿易款項、按金及其他應收款項之流動部分、應收／(欠)聯營公司款項、應收一間合營企業款項、應收／(欠)關連方款項、欠一名董事款項、應付貿易款項以及其他應付款項及應計費用之賬面值與公允價值相若。

長期應收貿易款項、長期按金及其他應收款項、應付貿易款項及租賃負債之公允價值與其賬面值相若，原因為貼現影響並不重大。

銀行及其他借貸之賬面值與其公允價值相若，原因為該等借貸按接近市場利率的利率列賬。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

47. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(b) Financial instruments measured at fair value

The Group followed HKFRS 7 Financial Instruments: Disclosures which introduce a three-level hierarchy for fair value measurement disclosures and additional disclosures about the relative reliability of fair value measurements.

The following table presents financial assets and liabilities measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3:	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

47. 按類別劃分之金融資產及金融負債概要(續)

(b) 按公允價值計量之金融工具

本集團遵循香港財務報告準則第7號金融工具：披露，該準則引入三個層級公允價值計量之披露以及有關公允價值計量相對可靠程度之額外披露。

下表呈列根據公允價值層級於綜合財務狀況報表按公允價值計量的金融資產及負債。按計量該等金融資產及負債公允價值所用重大輸入數值之相對可靠程度，有關層級將金融資產及負債劃分為三個層級。公允價值層級有下列層級：

第1層：	相同資產或負債於活躍市場之報價（未經調整）；
第2層：	就資產或負債而直接（即價格）或間接（即從價格推算）可觀察之輸入數據（不包括第1層所包含之報價）；及
第3層：	並非根據可觀察市場數據而得出之資產或負債輸入數據（無法觀察輸入數據）。

金融資產或負債於公允價值層級按其整體分類之層級乃以對公允價值計量而言屬重大之輸入數據之最低等級為基準。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

47. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(b) Financial instruments measured at fair value (Continued)

The financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

47. 按類別劃分之金融資產及金融負債概要(續)

(b) 按公允價值計量之金融工具(續)

於綜合財務狀況報表內按公允價值計量之金融資產及負債劃分為以下公允價值層級：

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日				
Financial assets measured at fair value	按公允價值計量之金融資產				
— Listed equity investments	— 上市股本投資	3,417	—	—	3,417
— Unlisted equity investments	— 非上市股本投資	—	227,768	—	227,768
— Club debentures	— 會所債券	—	324	—	324
Total fair value	公允價值總額	3,417	228,092	—	231,509
As at 31 December 2019	於2019年12月31日				
Assets	資產				
Financial assets measured at fair value	按公允價值計量之金融資產				
— Listed equity investments	— 上市股本投資	6,560	—	—	6,560
— Unlisted equity investments	— 非上市股本投資	—	226,381	—	226,381
— Club debentures	— 會所債券	—	324	—	324
Total fair value	公允價值總額	6,560	226,705	—	233,265
Liabilities	負債				
Financial liabilities measured at fair value	按公允價值計量之金融負債				
— Derivatives	— 衍生工具	—	2,569	—	2,569
Total fair value	公允價值總額	—	2,569	—	2,569

The fair value of listed equity investments with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The fair value of unlisted equity instruments are determined with reference to similar assets' quoted market price plus any adjustment if needed.

具標準條款及條件並於活躍流通市場買賣之上市股本投資之公允價值參考市場報價釐定。

非上市股本工具之公允價值參考類似資產之市場報價加任何調整(如有需要)釐定。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

47. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

(b) Financial instruments measured at fair value (Continued)

The fair value of club debentures is determined with reference to the quoted market bid price available to the second hand market as at the reporting date. Given that the second hand market is not considered as an active market, the fair value of the club debenture is grouped into level 2.

There have been no transfers between level 1, 2 and 3 in the reporting period (2019: no transfers). The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

48. FINANCIAL RISK MANAGEMENT

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the Board. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. Long term financial investments are managed to generate lasting returns with acceptable risk levels.

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. The Board from time to time identifies ways to assess financial markets and monitors the Group's financial risk exposures.

48.1 Foreign currency risk

Transactions in foreign currencies and the Group's risk management policies

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has exposure to some of its borrowings which is denominated in United States Dollars ("US\$") whereas the Group's major operations and cash flows are in Renminbi. The exposure to foreign exchange risk is shown as below.

The policy to manage foreign currency risk has been followed by the Group since prior years and is considered to be effective.

47. 按類別劃分之金融資產及金融負債概要(續)

(b) 按公允價值計量之金融工具(續)

會所債券之公允價值參考於報告日期二手市場可獲得市場買入報價釐定。由於二手市場不被視為活躍市場，故會所債券之公允價值分類至第2層。

第1層、第2層及第3層之間於報告期間並無重大轉撥(2019年：並無轉撥)。用於計量公允價值之方法及估值技術與過往報告期間相比並無變動。

48. 財務風險管理

本集團於日常業務及投資活動中使用金融工具而承擔財務風險。財務風險包括市場風險(包括貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

財務風險管理由本集團總部與董事會緊密合作統籌。管理財務風險之整體目標旨在藉盡量降低本集團於金融市場之風險，從而確保本集團短期至中期之現金流。長期金融投資之管理為在可接受風險水平下帶來持續回報。

本集團之政策並非積極參與金融工具買賣投機。董事會不時物色評估金融市場之方法，並監察本集團之財務風險。

48.1 貨幣風險

以外幣交易及本集團之風險管理政策

貨幣風險指金融工具之公允價值或未來現金流量因匯率變動而出現波動之風險。本集團承受以美元(美元)計值之部分借貸之風險，而本集團主要營運及現金流量則以人民幣計值。本集團所承受之外幣風險載列如下。

本集團一直沿用過往年度之外幣風險管理政策，並認為其具有成效。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.1 Foreign currency risk (Continued)

Summary of exposure

US\$ denominated financial assets and liabilities, translated into Hong Kong dollars at the closing rates, are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cash and cash equivalents and pledged and restricted bank deposits	現金及等同現金項目 以及已抵押及受限制銀行存款	91,686	288,472
Trade receivables	應收貿易款項	744	196
Other receivables	其他應收款項	349,962	390,796
Trade payables	應付貿易款項	(99)	(100)
Other payables	其他應付款項	(83,802)	(30,575)
Bank and other borrowings	銀行及其他借貸	(7,661,858)	(8,389,008)
		(7,303,367)	(7,740,219)

Sensitivity analysis

The following table illustrate the sensitivity of the Group's loss for the year and equity in regards to a 0.5% (2019: 0.5%) strengthening/weakening of US\$ against RMB at the reporting date and that all other variables in particular interest rates remain constant.

		2020 Changes in foreign exchange rates 外幣匯率 變動	(Increase)/ Decrease in loss for the year 年內虧損 (增加)/減少 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 (減少)/增加 HK\$'000 千港元		2019 Changes in foreign exchange rates 外幣匯率 變動	(Increase)/ Decrease in loss for the year 年內虧損 (增加)/減少 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 (減少)/增加 HK\$'000 千港元
US\$/RMB	美元/人民幣	+0.5%	(36,517)	(36,517)		+0.5%	(38,701)	(38,701)
		-0.5%	36,517	36,517		-0.5%	38,701	38,701

48. 財務風險管理(續)

48.1 貨幣風險(續)

風險概要

以美元列值之金融資產及負債以收市匯率換算為港元，載列如下：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cash and cash equivalents and pledged and restricted bank deposits	91,686	288,472
Trade receivables	744	196
Other receivables	349,962	390,796
Trade payables	(99)	(100)
Other payables	(83,802)	(30,575)
Bank and other borrowings	(7,661,858)	(8,389,008)
	(7,303,367)	(7,740,219)

敏感度分析

下表說明美元兌人民幣於報告日期升值/貶值0.5%(2019年: 0.5%)而所有其他變數(特別是利率)維持不變之情況對本集團年內虧損及權益之敏感度。

	2020 Changes in foreign exchange rates 外幣匯率 變動	(Increase)/ Decrease in loss for the year 年內虧損 (增加)/減少 HK\$'000 千港元	(Decrease)/ Increase in equity 權益 (減少)/增加 HK\$'000 千港元
US\$/RMB	+0.5%	(38,701)	(38,701)
	-0.5%	38,701	38,701

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.1 Foreign currency risk (Continued)

Sensitivity analysis (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the group entities; exposure to currency risk for both derivative and non-derivative financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' loss for the year and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of reporting period for presentation purposes. The analysis is performed on the same basis for 2019.

48.2 Cash flow interest rate risk

The Group is exposed to interest rate risk through the impact of interest rate changes on interest bearing bank and other borrowings, cash and cash equivalents, pledged and restricted bank deposits carrying interests at variable rates. Bank and other borrowings, cash and cash equivalents, pledged and restricted bank deposits carried at variable rates expose the Group to cash flow interest rate risk. The Group will review whether bank and other borrowings bearing fixed or floating rates should be drawn from time to time with reference to the trend of changes in interest rates. The interest rates and repayment terms of bank and other borrowings, cash and cash equivalents and pledged and restricted bank deposits of the Group are disclosed in note 27 and 23 to the consolidated financial statements. The Group currently does not have an interest rate hedging policy. However, the Board monitors interest rate change exposure regularly and will consider hedging significant interest rate exchange exposure should the need arise.

48. 財務風險管理(續)

48.1 貨幣風險(續)

敏感度分析(續)

敏感度分析乃假設外幣匯率於報告期末有所變動並適用於各集團實體；就於該日存在之衍生金融工具及非衍生金融工具面對貨幣風險以及所有其他變數(特別是利率)維持不變而釐定。

所述變動指管理層對外幣匯率於截至下一年度報告日期止期間之合理可能變動之評估。上表所呈列分析結果乃對各集團實體以就呈列而將各自功能貨幣按報告期末適用之匯率換算為港元計量之年內虧損及權益之影響彙總。有關分析乃按2019年之相同基準進行。

48.2 現金流量利率風險

本集團就以浮動利率計息之銀行及其他借貸、現金及等同現金項目、已抵押及受限制銀行存款之利率變動承擔利率風險。按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款令本集團承擔現金流量利率風險。本集團將參考利率轉變走勢不時檢討提取按定息或浮息計息之銀行及其他借貸。本集團之銀行及其他借貸、現金及等同現金項目及已抵押及受限制銀行存款之利率及還款條款於綜合財務報表附註27及23披露。本集團現時並無利率對沖政策。然而，董事會定期監控利率變動風險，並將於有需要時考慮對沖重大利率匯兌風險。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.2 Cash flow interest rate risk (Continued)

Cash flow interest rate risk sensitivity

At 31 December 2020, the Group was exposed to changes in market interest rates through its bank and other borrowings, cash and cash equivalents and pledged and restricted bank deposits, which are subject to variable interest rates. The following table illustrates the sensitivity of the loss for the year and equity to a change in interest rates of +50 basis points and -50 basis points (2019: +50 basis points and -50 basis points), with effect from the beginning of the year. The calculations are based on the Group's bank and other borrowings and bank balances held at each reporting date. All other variables are held constant.

		2020 (Increase)/ Decrease in loss for the year 年內虧損 HK\$'000 千港元			2019 (Increase)/ Decrease in loss for the year 年內虧損 HK\$'000 千港元		
Changes in basis points 基點變動		(Decrease)/ Increase in equity 權益 (減少)/增加			Changes in basis points 基點變動		(Decrease)/ Increase in equity 權益 (減少)/增加
Interest rate	利率	+50	(14,583)	(14,583)	+50	(12,290)	(12,290)
		-50	14,583	14,583	-50	12,290	12,290

48. 財務風險管理(續)

48.2 現金流量利率風險(續)

現金流量利率風險敏感度

於2020年12月31日，本集團因按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款而承擔市場利率變動之風險。下表闡述自年初起計，年內虧損及權益對利率變動+50個基點及-50個基點(2019年：+50個基點及-50個基點)之敏感度，此乃根據本集團於各報告日期持有之銀行及其他借貸以及銀行結餘計算。所有其他變數維持不變。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.3 Other price risk

Other price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is exposed to change in market prices in respect of its investments in listed equity securities classified as financial assets at FVTPL.

To manage its market price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board. The Group's listed equity securities are listed on the Stock Exchange of Hong Kong, Shenzhen and Shanghai, Mainland China. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the index and other industry indicators, as well as the Group's liquidity needs. Investments not held for trading have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

The policies to manage other price risk have been followed by the Group since prior years and are considered to be effective.

Equity price sensitivity

For listed equity securities, an average volatility of 9.0% has been observed in 2020 (2019: 12.0%). The following table illustrates the sensitivity of the Group's loss for the year and equity in regards to 9.0% (2019: 12.0%) volatility in respect of the listed equity securities classified as held for trading.

	2020			2019		
	Changes in equity price 股本價格 變動	Decrease/ (Increase) in loss for the year 年內虧損 減少/(增加) HK\$'000 千港元	Increase/ (Decrease) in equity 權益 增加/(減少) HK\$'000 千港元	Changes in equity price 股本價格 變動	Decrease/ (Increase) in loss for the year 年內虧損 減少/(增加) HK\$'000 千港元	Increase/ (Decrease) in equity 權益 增加/(減少) HK\$'000 千港元
Listed equity securities 上市股本證券	+9.0%	291	291	+12.0%	766	766
	-9.0%	(291)	(291)	-12.0%	(766)	(766)

The assumed volatilities of listed securities represent the management's assessment of a reasonably possible change in these equity security price over the next twelve-month period.

48. 財務風險管理(續)

48.3 其他價格風險

其他價格風險指金融工具之公允價值或未來現金流量因市場價格變動(利率及匯率變動除外)而出現波動之風險。本集團就其分類為按公允價值於損益賬處理之金融資產之上市股本證券投資承擔市場價格變動風險。

為管理該等投資產生之市場價格風險，本集團分散其投資組合。分散投資組合乃按照董事會所定限制作出。集團之上市股本證券乃於香港聯合交易所以及中國內地深圳及上海證券交易所上市。買入或賣出證券之決定乃根據每日監察個別證券對指數或其他市場指標之表現及本集團之流動現金需要作出。並非持作買賣投資乃按其長期增長潛力選取，並定期監察其表現是否符合預期。

本集團一直沿用過往年度其他價格風險管理政策，認為其具有成效。

股價敏感度

就上市股本證券而言，於2020年觀察得出之平均波幅為9.0%(2019年：12.0%)。下表說明分類為持作買賣之上市股本證券9.0%(2019年：12.0%)波幅對本集團之年內虧損及權益之敏感度。

上市證券之假設波幅指管理層對該等股本證券價格於未來十二個月期間之合理可能變動之評估。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.4 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's credit risk on cash and cash equivalents and pledged and restricted bank deposits is limited because the counterparties are banks with good reputation.

Exposure to credit risk

As at reporting period end, the Group's maximum exposure to credit risk is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group's principal financial assets are trade receivables, deposits and other receivables, cash and cash equivalents and pledged and restricted bank deposits. The amounts presented in the consolidated statement of financial position are net of loss allowance.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its trading records to rate its major customers and other debtors. The Group's current credit risk framework comprises the following categories:

Category 類別	Description 描述	Basis for recognising ECL 確認預期信貸虧損的基準
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	Trade receivables: lifetime ECL — not credit-impaired Other financial assets and other items: 12-month ECL
良好	交易對手方的違約風險較低及並無任何逾期款項。	應收貿易款項：全期預期信貸虧損—並未發生信貸減值 其他金融資產及其他項目：12個月預期信貸虧損
Doubtful	Amount is more than 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL — not credit-impaired
呆滯	有關款項逾期超過30日或自初步確認以來信貸風險顯著增加。	全期預期信貸虧損—並未發生信貸減值
In default	Amount is more than 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL — credit-impaired
違約	有關款項逾期超過90日或有證據顯示資產出現信貸減值。	全期預期信貸虧損—發生信貸減值
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is fully written off
撇銷	有證據顯示債務人陷入嚴重財務困難且本集團不認為日後可收回有關款項。	悉數撇銷有關金額

48. 財務風險管理(續)

48.4 信貸風險

信貸風險指交易對手方不履行其合約責任導致本集團產生財務虧損之風險。本集團僅與高信貸評級之交易對手方交易，藉以將信貸風險減至最低。

本集團就現金及等同現金項目以及已抵押及受限制銀行存款之信貸風險有限，原因為交易對手方為信譽良好之銀行。

所面對信貸風險

於報告期末，本集團所面對最大信貸風險為於綜合財務狀況報表內呈列之相關已確認金融資產之賬面值。本集團之主要金融資產為應收貿易款項、按金及其他應收款項、現金及等同現金項目以及已抵押及受限制銀行存款。於綜合財務狀況報表內呈列之金額已扣除虧損撥備。

本集團制定及設有其信貸風險評級，以根據有關違約風險程度將所面對風險分類。本集團使用其交易記錄為其主要客戶及其他債務人評級。本集團現行信貸風險框架包括以下類別：

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.4 Credit risk (Continued)

Exposure to credit risk (Continued)

The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

Group	Notes	Internal credit rating	12-month/ Lifetime ECL 12個月／全期 預期信貸虧損	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
本集團	附註	內部信貸評級				
Trade receivables 應收貿易款項	22	Performing/Doubtful/ In default 良好／呆滯／違約	Lifetime ECL 全期預期信貸虧損	534,091	(104,900)	429,191
Deposits and other receivables 按金及其他應收 款項	18	Performing/Doubtful/ In default 良好／呆滯／違約	12-month/Lifetime ECL 12個月／全期 預期信貸虧損	2,202,166	(340,459)	1,861,707

The following tables provide information about the Group's exposure to credit risk and ECLs on trade receivables and deposits and other receivables respectively:

Trade receivables

		0-90 days past due 逾期0至 90日 HK\$'000 千港元	91-180 days past due 逾期91至 180日 HK\$'000 千港元	181-270 days past due 逾期181至 270日 HK\$'000 千港元	271-360 days past due 逾期271至 360日 HK\$'000 千港元	Overdue for more than 360 days 逾期超過 360日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2020 Gross carrying amount Less: Individually assessed	於2020年12月31日 賬面總值 減：個別評估	238,491 -	71,909 -	31,240 -	8,634 -	183,817 (82,263)	534,091 (82,263)
Carrying amount under collective measurement ECL rate (%)	集體計量之賬面值 預期信貸虧損率(%)	238,491 0.1%	71,909 1%	31,240 3%	8,634 5%	101,554 20%	451,828
ECL allowance for collective measurement Individually assessed loss allowance	集體計量之預期信貸虧損撥備 個別評估虧損撥備	(238) -	(719) -	(937) -	(432) -	(20,311) (82,263)	(22,637) (82,263)
Total loss allowance	虧損撥備總額	(238)	(719)	(937)	(432)	(102,574)	(104,900)

48. 財務風險管理(續)

48.4 信貸風險(續)

所面對信貸風險(續)

下表詳列本集團金融資產及其他項目之信貸質素以及按信貸風險評級劃分之最大信貸風險：

下表提供有關本集團應收貿易款項以及按金及其他應收款項之信貸風險及預期信貸虧損之資料：

應收貿易款項

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.4 Credit risk (Continued)

Trade receivables (Continued)

		0-90 days past due 逾期0至 90日 HK\$'000 千港元	91-180 days past due 逾期91至 180日 HK\$'000 千港元	181-270 days past due 逾期181至 270日 HK\$'000 千港元	271-360 days past due 逾期271至 360日 HK\$'000 千港元	Overdue for more than 360 days 逾期超過 360日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2019	於2019年12月31日						
Gross carrying amount	賬面總值	291,859	86,917	22,816	22,273	151,413	575,278
Less: Individually assessed	減：個別評估	-	-	-	-	(68,489)	(68,489)
Carrying amount under collective measurement	集體計量之賬面值	291,859	86,917	22,816	22,273	82,924	506,789
ECL rate (%)	預期信貸虧損率(%)	0.1%	1%	3%	5%	20%	
ECL allowance for collective measurement	集體計量之預期信貸虧損撥備	(292)	(869)	(684)	(1,114)	(16,585)	(19,544)
Individually assessed loss allowance	個別評估虧損撥備	-	-	-	-	(68,489)	(68,489)
Total loss allowance	虧損撥備總額	(292)	(869)	(684)	(1,114)	(85,074)	(88,033)

ECL rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

預期信貸虧損率乃根據過去5年之實際虧損經驗得出。有關比率予以調整，以反映在收集歷史數據期間之經濟狀況、現行狀況及本集團對應收款預期年期之經濟狀況看法之間的差異。

年內應收貿易款項之虧損撥備賬變動如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 January	於1月1日	88,033	81,467
Provision of impairment	減值撥備	11,651	7,122
Write-back of impairment during the year	年內減值撤回	(68)	-
Exchange differences	匯兌差額	5,284	(556)
At 31 December	於12月31日	104,900	88,033

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.4 Credit risk (Continued)

Deposits and other receivables

48. 財務風險管理(續)

48.4 信貸風險(續)

按金及其他應收款項

		12-month ECL 12個月預期 信貸虧損 HK\$'000 千港元	Lifetime ECL collectively measured 全期預期 信貸虧損 集體計量 HK\$'000 千港元	Lifetime ECL individually measured 全期預期 信貸虧損 個別計量 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日				
Gross carrying amount	賬面總值	752,994	353,497	1,095,675	2,202,166
Less: Allowance for impairment loss	減：減值虧損撥備	(1,456)	(76,135)	(262,868)	(340,459)
Net carrying amount	賬面淨值	751,538	277,362	832,807	1,861,707
		12-month ECL 12個月預期 信貸虧損 HK\$'000 千港元	Lifetime ECL collectively measured 全期預期 信貸虧損 集體計量 HK\$'000 千港元	Lifetime ECL individually measured 全期預期 信貸虧損 個別計量 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2019	於2019年12月31日				
Gross carrying amount	賬面總值	437,831	1,517,363	433,066	2,388,260
Less: Allowance for impairment loss	減：減值虧損撥備	(4,619)	(151,737)	(24,795)	(181,151)
Net carrying amount	賬面淨值	433,212	1,365,626	408,271	2,207,109

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.4 Credit risk (Continued)

Allowance for deposits and other receivables

		12-month ECL	Lifetime ECL collectively measured	Lifetime ECL individually measured	Total
		12個月預期 信貸虧損	全期預期 信貸虧損 集體計量	全期預期 信貸虧損 個別計量	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日	7,812	112,396	21,678	141,886
Transfer to lifetime ECL	撥至全期預期信貸 虧損	(4,981)	4,981	–	–
Provision for impairment	減值撥備	1,778	34,213	3,089	39,080
Exchange differences	匯兌差額	10	147	28	185
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	4,619	151,737	24,795	181,151
Transfer to lifetime ECL	撥至全期預期信貸 虧損	(3,445)	(116,387)	119,832	–
Provision for impairment	減值撥備	214	38,559	117,877	156,650
Exchange differences	匯兌差額	68	2,226	364	2,658
At 31 December 2020	於2020年12月31日	1,456	76,135	262,868	340,459

48.5 Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover their expected cash demands, subject to approval by the Board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, if any, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. In the opinion of the Board, the Group should have adequate resources to meet its obligations in the forthcoming year on the basis as set out in note 2.1 to the financial statements.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative and derivative financial liabilities, based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

48. 財務風險管理(續)

48.4 信貸風險(續)

按金及其他應收款項撥備

48.5 流動資金風險

本集團內個別經營實體負責其本身之現金管理，包括現金盈餘之短期投資及為應付預期現金需求之新增貸款，惟有關管理須於借貸超出機關之若干預定水平時經董事會批准後方可作實。本集團之政策為定期監察其流動資金需要及是否符合借貸契諾(如有)，從而確保其維持充足現金儲備應付短期及長期流動資金需要。董事會認為，基於財務報表附註2.1所載基準，本集團有充足資源應付其來年之責任。

下表列示本集團非衍生金融負債及衍生金融負債於報告期末之剩餘合約到期情況，此乃根據合約未貼現現金流量(包括按訂約利率或若為浮息按報告日期之即期利率計算之利息付款)及本集團可能須付款之最早日期得出。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.5 Liquidity risk (Continued)

Specifically, for bank and other borrowings which contain a repayment on demand clause which can be exercised at the lender's sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for the remaining bank borrowings is prepared based on the scheduled repayment dates.

48. 財務風險管理(續)

48.5 流動資金風險(續)

具體而言，就包含可由貸款人全權酌情決定行使其須按要求還款條款之銀行及其他借貸而言，分析按本集團可能須付款之最早期限(即倘貸款人援引其無條件權利要求即時償還貸款)顯示現金流出。有關餘下銀行借貸之到期情況分析乃按預定還款日期編製。

		Carrying amount 賬面值 HK\$'000 千港元	Total contractual undiscounted cash flow 未貼現合約現金流量總額 HK\$'000 千港元	On demand or within 1 year 按要求或一年內 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年但少於五年 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日					
Non-derivatives:	非衍生工具：					
Trade payables	應付貿易款項	3,346,896	3,347,298	3,347,298	-	-
Other payables and accruals	其他應付款項及應計費用	1,602,831	1,602,831	1,602,831	-	-
Amount due to a director	欠一名董事款項	14,271	14,271	14,271	-	-
Amounts due to associates	欠聯營公司款項	5,575	5,575	5,575	-	-
Amounts due to related parties	欠關連方款項	506,739	506,739	506,739	-	-
Bank and other borrowings	銀行及其他借貸	15,763,043	20,028,580	11,333,714	8,577,942	116,924
Other employee benefits	其他僱員福利	30,154	31,400	25,031	3,057	3,312
Lease liabilities	租賃負債	6,071,082	9,005,702	1,831,176	945,398	6,229,128
		27,340,591	34,542,396	18,666,635	9,526,397	6,349,364
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed (note 43)	最高擔保金額(附註43)	-	21,712	21,712	-	-

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.5 Liquidity risk (Continued)

48. 財務風險管理(續)

48.5 流動資金風險(續)

		Carrying amount	Total contractual undiscounted cash flow 未貼現合約 現金流量總額	On demand or within 1 year 按要求或 一年內	More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 December 2019	於2019年12月31日					
Non-derivatives:	非衍生工具：					
Trade payables	應付貿易款項	3,133,084	3,133,511	3,133,274	237	-
Other payables and accruals	其他應付款項及應計費用	1,655,660	1,655,660	1,655,660	-	-
Amount due to a director	欠一名董事款項	12,552	12,552	12,552	-	-
Amounts due to associates	欠聯營公司款項	5,180	5,180	5,180	-	-
Amounts due to related parties	欠關連方款項	232,104	232,104	232,104	-	-
Bank and other borrowings	銀行及其他借貸	18,853,034	19,443,266	15,586,591	3,137,655	719,020
Other employee benefits	其他僱員福利	64,959	69,499	29,295	21,562	18,642
Lease liabilities	租賃負債	6,046,841	9,502,459	935,444	933,011	7,634,004
		30,003,414	34,054,231	21,590,100	4,092,465	8,371,666
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed (note 43)	最高擔保金額 (附註43)	-	21,024	21,024	-	-
Derivatives:	衍生工具：					
Financial liabilities at FVTPL	按公允價值於損益賬 處理之金融負債	2,569	2,569	-	-	2,569

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

48. FINANCIAL RISK MANAGEMENT (Continued)

48.5 Liquidity risk (Continued)

Taking into account the Group's financial position, the Board does not consider it is probable that the lenders will exercise its discretion to demand immediate repayment. The Board believes that such term loans will be repaid in accordance with the scheduled payment dates set out in the agreements which are summarised in the table below:

		Carrying amount	Total contractual undiscounted cash flow 未貼現合約 現金流量總額	On demand or within 1 year 按要求或 一年內	More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 December 2020	於2020年12月31日	15,763,043	16,457,642	9,079,455	7,261,263	116,924
As at 31 December 2019	於2019年12月31日	18,853,034	19,640,974	12,569,852	5,114,000	1,957,122

49. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the current and previous years.

48. 財務風險管理(續)

48.5 流動資金風險(續)

考慮到本集團之財務狀況，董事會認為貸款人不大可能行使其酌情權要求即時還款。董事會相信，該等定期貸款將按照有關協議所載預定付款日期償還，有關概要載於下表：

49. 資本管理

本集團資本管理之主要目標為保持強勁信貸評級及穩健資本比率，以支持業務發展及提高股東價值。

本集團管理其資本結構，並因應經濟狀況之轉變作出調整。為維持或調整資本結構，本集團可能調整應付股東股息、向股東給予資本回報或發行新股。本集團於本年度及過往年度之資本管理目標、政策或程序並無變動。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2020 截至2020年12月31日止年度

49. CAPITAL MANAGEMENT (Continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as the sum of bank and other borrowings less the sum of pledged and restricted bank deposits and cash and cash equivalents as shown in the consolidated statement of financial position. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios as at the reporting date are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Current liabilities	流動負債		
Bank and other borrowings	銀行及其他借貸	8,492,053	15,173,454
Non-current liabilities	非流動負債		
Bank and other borrowings	銀行及其他借貸	7,270,990	3,679,580
Total debt	債務總額	15,763,043	18,853,034
Less: Pledged and restricted bank deposits	減：已抵押及受限制銀行存款	(7,251,456)	(10,977,565)
Cash and cash equivalents	現金及等同現金項目	(846,539)	(743,055)
Net debt	債務淨額	7,665,048	7,132,414
Total equity	權益總額	3,324,676	5,294,329
Total equity and net debt	權益總額及債務淨額	10,989,724	12,426,743
Gearing ratio	資產負債比率	69.75%	57.40%

50. COMPARATIVE INFORMATION

Certain comparative figure has been represented to conform with change in presentation in current year, being provision for impairment of goodwill of approximately HK\$55,769,000 reclassified from "Other operating expenses" and separately shown as "Provision for impairment of goodwill" in the consolidated income statement.

49. 資本管理(續)

本集團使用資產負債比率監控資本，即債務淨額除以總權益加債務淨額。債務淨額乃以於綜合財務狀況報表所示銀行及其他借貸之總和減已抵押及受限制銀行存款以及現金及等同現金項目之總和計算。本集團之目標為維持資本負債比率於合理水平。於報告日期之資本負債比率如下：

50. 可比較數字

若干可比較數字已重列以符合本年度呈列方式之變動，即商譽減值撥備約55,769,000港元已自「其他經營開支」重新分類，並於綜合收益表內單獨列為「商譽減值撥備」。

List of Properties

物業一覽表

PROPERTIES UNDER DEVELOPMENT

發展中物業

Location		Interest attributable to the Group in percentage 本集團應佔 權益百分比	Floor area on completion in sq.m. (approx.) 落成時樓面面積 (概約平方米)	Type of development	Expected year of completion	Stage of development
物業地點				發展項目類別	估計完成年份	發展階段
Reclaimed site located at Liu Wan, Shekou, Shenzhen, Guangdong Province, the PRC	中國廣東省深圳蛇口六灣之填海土地	100	261,390	Residential 住宅	2024 2024年	Construction in progress 在建工程
A residential development located at Guanghua Gonglu, Huadu District, Guangdong Province, the PRC	中國廣東省花都區廣花公路之住宅物業發展	100	565,248	Residential 住宅	2024 2024年	Construction in progress 在建工程

INVESTMENT PROPERTIES

投資物業

Location		Interest attributable to the Group in percentage 本集團應佔 權益百分比	Floor area in sq.m. (approx.) 樓面面積 (概約平方米)	Type of development	Lease term
物業地點				發展項目類別	租約年期
A commercial development located at Liu Wan, Shekou, Shenzhen, Guangdong Province, the PRC	中國廣東省深圳蛇口六灣之商業發展	100	49,642	Shopping arcade/hotel/ recreational facilities 商場/酒店/娛樂設施	Medium term lease 中期租約
A commercial development located at Guanghua Gonglu, Huadu District, Guangdong Province, the PRC	中國廣東省花都區廣花公路之商業發展	100	37,086	Shopping arcade/ recreational facilities 商場/娛樂設施	Medium term lease 中期租約

Five-Year Financial Summary

五年財政摘要

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out as follows:

本集團過去五個財政年度之業績及資產與負債之摘要載列如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Revenue	收益	10,010,763	9,321,212	16,789,451	15,900,885	9,050,870
(Loss)/Profit for the year attributable to:	以下人士應佔年內(虧損)/溢利：					
Owners of the Company	本公司擁有人	(2,281,315)	(561,415)	1,140,854	1,708,027	1,359,553
Non-controlling interests	非控股權益	(248,416)	(80,011)	(166,509)	(105,592)	(81,161)
(Loss)/Profit for the year	年內(虧損)/溢利	(2,529,731)	(641,426)	974,345	1,602,435	1,278,392
Total assets	總資產	43,519,888	50,884,622	41,226,213	46,893,049	32,747,051
Total liabilities	總負債	(40,195,212)	(45,590,293)	(34,270,874)	(39,697,799)	(27,541,052)
Net assets	資產淨值	3,324,676	5,294,329	6,955,339	7,195,250	5,205,999

Stock Code 股份代碼:680
www.nanhaicorp.com

