



VC GROUP
滙盈集團

Value Convergence Holdings Limited

滙盈控股有限公司

A Hong Kong listed company with stock code: 821

香港上市公司股票代號：821

www.vcgroup.com.hk

Delivering Value
Through Excellence

卓越滙聚財富

2020 Annual Report
年報



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CORPORATE INFORMATION 公司資料

Executive Directors

Mr. FU Yiu Man, Peter (*Chairman*)
Mr. LIN Hoi Kwong, Aristo
Mr. TANG Hao
Mr. CHENG Tak Yiu, Simon

Independent Non-executive Directors

Mr. WONG Chung Kin, Quentin
Mr. WONG Kam Choi, Kerry, MH
Mr. SIU Miu Man, Simon, MH

Executive Committee

Mr. FU Yiu Man, Peter (*Chairman*)
Mr. LIN Hoi Kwong, Aristo
Mr. TANG Hao
Mr. LAI Yick Fung^Δ

Audit Committee

Mr. WONG Chung Kin, Quentin (*Chairman*)
Mr. WONG Kam Choi, Kerry, MH
Mr. SIU Miu Man, Simon, MH

Remuneration Committee

Mr. WONG Kam Choi, Kerry, MH (*Chairman*)
Mr. WONG Chung Kin, Quentin
Mr. SIU Miu Man, Simon, MH

Nomination Committee

Mr. SIU Miu Man, Simon, MH (*Chairman*)
Mr. WONG Chung Kin, Quentin
Mr. WONG Kam Choi, Kerry, MH

^Δ non-voting co-opted member

執行董事

符耀文先生 (*主席*)
連海江先生
唐顯先生
鄭德耀先生

獨立非執行董事

黃松堅先生
黃錦財先生，MH
蕭妙文先生，MH

執行委員會

符耀文先生 (*主席*)
連海江先生
唐顯先生
賴益豐先生^Δ

審核委員會

黃松堅先生 (*主席*)
黃錦財先生，MH
蕭妙文先生，MH

薪酬委員會

黃錦財先生，MH (*主席*)
黃松堅先生
蕭妙文先生，MH

提名委員會

蕭妙文先生，MH (*主席*)
黃松堅先生
黃錦財先生，MH

^Δ 無投票權成員

CORPORATE INFORMATION 公司資料

Authorised Representatives

Mr. FU Yiu Man, Peter
Mr. LAI Yick Fung

Company Secretary

Mr. LAI Yick Fung

Registered Office/Principal Place of Business

6th Floor, Centre Point
181-185 Gloucester Road
Wanchai, Hong Kong

Auditor

SHINEWING (HK) CPA Limited

Principal Bankers

Standard Chartered Bank (Hong Kong) Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited

Share Registrar and Transfer Office

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

Stock Code

The Stock Exchange of Hong Kong Limited: 821

Company Website

<http://www.vcgroup.com.hk>

授權代表

符耀文先生
賴益豐先生

公司秘書

賴益豐先生

註冊辦事處／主要營業地點

香港灣仔
告士打道181-185號
中怡商業大廈6樓

核數師

信永中和(香港)會計師事務所有限公司

主要往來銀行

渣打銀行(香港)有限公司
恒生銀行有限公司
中國銀行(香港)有限公司

股份過戶登記處

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

香港聯合交易所有限公司：821

公司網站

<http://www.vcgroup.com.hk>

CHAIRMAN'S STATEMENT

主席報告書

Following 2019 social turmoil in the city and interminable China-US trade war, the already ailing economy suffered another setback due to the COVID-19 pandemic in 2020. This caused a significant sell-off in global investment markets, and the Hang Seng Index ("HSI") fell from a high of 29,174 in January 2020 to a low of 21,139 in March 2020. This pandemic prompted an unprecedented fiscal response worldwide which amounted to about 12% of global Gross Domestic Product ("GDP"). Global investment markets began to rebound, and the HSI recovered to around 26,800 at the end of 2020. The return of China concept stocks and active trading of stocks in the new economy sector kept daily trading volume at a high level. Benefiting from this, the securities firms saw increasingly better results and created a miracle in the market.

繼二零一九年的社會動盪及無休止的中美貿易戰後，二零二零年的COVID-19疫情令本已疲弱的經濟進一步受創。疫情引起全球投資市場出現大幅拋售，恒生指數（「恒指」）從二零二零年一月的高位29,174點跌至二零二零年三月的低位21,139點。這場大流行促使全球採取前所未有的財政救市措施，金額達到全球生產總值約12%。環球投資市場於二零二零年底開始反彈，恒指年底恢復至26,800點水平左右。中國概念股回歸，加上新經濟股板塊交投活躍，令股市每日成交量維持在高位。受惠於此，證券公司業績日益成長，創造了市場奇跡。

CHAIRMAN'S STATEMENT 主席報告書

In 2020 the COVID-19 pandemic raged and swept across the world, governments had to restrict mobility and enforced social distancing policies in order to control the spread of the virus. These policies severely affected sectors such as tourism, entertainment, retailing and other contact-intensive services. Fortunately, strong demand for products that support working from home as well as the massive increase in online shopping activities led to the recovery in the manufacturing sector in the second half of 2020. The unemployment rate reached a 16-year high of 6.6% in the fourth quarter in 2020. Due to internal and external factors, Hong Kong's 2020 GDP contracted 6.1% from a year earlier.

On the contrary, the pandemic situation in mainland China came under control fairly quickly due to strict control on mobility nationwide. As a result, China has demonstrated stronger resilience and recovery of economy over other countries in 2020. Industrial production, retail and exports picked up in the second half-year and International Monetary Fund's latest forecasts suggest China's 2020 GDP managed a 2.3% increase.

The global economy and financial markets remained uncertain in 2020 but is looking better in 2021. A key element of this optimism is vaccines and the lifting of mobility-restriction and social distancing rules in due course. In addition, the Biden US\$1.9 trillion fiscal package in the US and further support measures in the EU should deliver a strong boost to economic growth in these countries. China's export sector should benefit from this.

於二零二零年，由於COVID-19疫情肆虐全球，席捲世界各地，各國政府不得不限制國民流動及實施社交距離政策，以控制病毒傳播。這些政策嚴重影響旅遊、娛樂、零售及其他需要面對面提供服務的行業。幸運的是，支援在家工作的產品需求強勁，以及網購活動大幅增加，令製造業於二零二零年下半年復蘇。二零二零年第四季度本港失業率創十六年新高，達到6.6%。受內外因素影響，二零二零年香港本地生產總值較上年同期收縮6.1%。

相反，通過嚴格管控全國人員流動，中國內地疫情迅速受控。中國藉此於二零二零年展現出較其他國家更強大的抗災及經濟復原能力。工業生產、零售及出口在下半年均有所回升，國際貨幣基金組織最新的預測顯示，中國二零二零年國內生產總值實現2.3%增長。

二零二零年全球經濟及金融市場仍存在不確定性，但二零二一年的前景正逐步看好。疫苗是激發這種樂觀情緒的關鍵原因，隨著疫苗面世，各項流動限制及社交距離規定有望於短期內取消。此外，美國拜登政府的1.9萬億美元財政方案以及歐盟的進一步支援措施，應可為這些國家的經濟增長提供強勁推動力，而中國出口業也應從中受益。

CHAIRMAN'S STATEMENT 主席報告書

Due to the tense relationship between the US and China in recent years, the business activities of Chinese enterprises have been limited, and they are even under pressure from possible suppression or sanction. Situation is not expected to improve under the Biden administration, not to mention other flash points in the Middle East, Asia and Europe. As a result, more China concept stocks returned to Hong Kong for listing. This created an opportunity for the city's IPO market and enthusiasm was aroused. Despite a slight year-on-year decline of 3% in the number of newly listed companies, the amount of funds raised through IPOs in Hong Kong increased during 2020, and this trend is expected to sustain.

The Hong Kong economy seems to have stabilized in the first quarter of 2021, although the unemployment rate ticked up a little to 7.2% during the three months to February 2021. Vaccination has started and one can be hopeful that Hong Kong can reopen to international travel soon.

近年中美關係緊張，中國企業之商業活動受到限制，甚至面臨可能被打壓或制裁壓力。預料這形勢在拜登執政下不大可能會改善，與中東、亞洲、歐洲等其他部分國家之間的關係亦如箭在弦。因此，更多中國概念股選擇回港上市。這為本港新股市場創造了機會，並引發新股熱潮。儘管新上市企業數量按年略微下降3%，但二零二零年香港新股上市集資額有所增加，這一趨勢有望持續。

香港經濟似乎已於二零二一年第一季度穩定下來，然而截至二零二一年二月止三個月內，失業率略微上升至7.2%。疫苗接種已經開始，期望香港可以很快重新開放國際旅遊。

CHAIRMAN'S STATEMENT 主席報告書

In closing, on behalf of my fellow Directors, I wish to express our sincere appreciation and wholehearted gratitude to the management team and all staff of the Group for their professional dedication, hard work, commitment and contributions throughout the year. I would also like to extend our sincere thanks to our shareholders and stakeholders for their confidence and continuous support to the Group throughout the year. We will continue to put efforts in creating greater value for our shareholders and investors.

最後，本人謹代表各董事，就管理層與本集團各同事過去一年之卓越表現、努力及竭誠奉獻深表衷心謝意。本人亦感謝各位股東與其他有關人士過去一年一直支持本集團並投以信心一票。我們會繼續努力，矢志為各股東及投資者創造更大價值。

Fu Yiu Man, Peter
Chairman & Executive Director

Hong Kong
30 March 2021

主席兼執行董事
符耀文

香港
二零二一年三月三十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VC Group is an established financial services group committed to delivering premier financial services and products that fulfill various investment and wealth management needs of clients in the Greater China region. The Group's expertise includes (i) provision of financial services comprising securities, futures and options brokering and dealing, financing services, corporate finance and other advisory services, asset management and insurance brokerage; and (ii) proprietary trading.

Further, VC Group tapped into the healthcare market by entering into the joint-venture agreement and the licence agreement as disclosed in the Company's announcement dated 24 July 2020.

滙盈集團為擁有穩固基礎的金融服務集團，致力提供優質的金融服務及產品，以滿足大中華地區客戶在投資及財富管理方面的不同需要。本集團的專業領域涵蓋(i)提供金融服務，包括證券、期貨及期權經紀及交易業務、融資服務、企業融資及其他顧問服務、資產管理及保險經紀業務；及(ii)自營買賣業務。

此外，誠如本公司日期為二零二零年七月二十四日之公佈所披露，滙盈集團透過訂立合營協議及許可協議拓展至醫療保健市場。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

BUSINESS REVIEW

During the year, the global economy faced severe headwinds arising from the COVID-19 pandemic, which resulted in disruptions to business activities around the world and rising concerns about major economies slipping into recession. Industrial and trading activities became sluggish, while financial markets remained volatile. Various countries suffered from economic contraction, negative impacts on household income gradually surfaced, and borrowers' ability to repay loans was affected.

On the other hand, being one of the most important financial centres for global financial markets, Hong Kong remained an important gateway connecting China and the world. During the year, the return of China concepts stocks to Hong Kong stock market has contributed to the increase in the stock market turnover. The average daily turnover value of Stock Connect Northbound and Southbound also achieved record in 2020. In addition, under the Linked Exchange Rate System in Hong Kong, the interest rate has been decreasing during the year, providing a positive environment for the investment and property market. Nevertheless, with a bearish market sentiment and a gloomy economic outlook, the Hang Seng Index dropped from 28,189 on 31 December 2019 and closed at 27,147 on 31 December 2020.

Securities firms in Hong Kong are also having a hard time. Following 22 securities firms ceased operation in 2019, another over 30 securities firms had the same fate during 2020. In the face of both local and global issues, capital market sentiment has inevitably been impacted.

The Group adheres to its proactive operating model by adopting a cautious and prudent strategy involving both offensive and defensive tactics in all market conditions. The Group also put tremendous efforts in optimizing and perfecting its online trading platforms.

業務回顧

於本年度，全球經濟面臨COVID-19疫情所帶來的嚴重阻力，導致世界各地商業活動受到嚴重干擾，對於主要經濟體陷入衰退的憂慮日益增加。工貿活動逐漸疲弱，而金融市場則依然動盪不安。各國面臨經濟收縮，疫情對家庭收入的負面影響逐漸浮現，借款人償還貸款的能力亦受到影響。

另一方面，香港作為全球最重要的金融中心之一，依然是連接中國與全世界的重要門戶。年內，中國概念股回歸港股市場，促進了股市成交量增長。二零二零年滬深港通北上及南下日均成交金額創下歷史新高。此外，在香港聯繫匯率制度下，年內利率不斷下降，為投資及物業市場營造了良好的投資環境。儘管如此，鑑於市場情緒低迷、經濟前景黯淡，恒生指數從二零一九年十二月三十一日的28,189點下跌至二零二零年十二月三十一日的27,147點收市。

香港的證券公司亦度過了艱難時刻。繼二零一九年有22間本地證券公司結業後，二零二零年有超過30間證券公司遭遇相同命運。資本市場的投資氣氛無可避免地受到本地及全球問題所影響。

本集團堅持積極主動的經營模式，在任何市場環境下，都採取攻守兼備、審慎嚴謹的策略。本集團亦致力優化及完善其網上交易平台。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As a financial services provider, the business performance of the Group is inevitably impacted by both the macro environment and local market conditions. Nevertheless, the Group always thrived on its solid financial standing and its various investment services and products offered to our clients. All of these consolidated the Group as a competitive player in the financial industry. While the financial-oriented business makes the Group particularly sensitive to fluctuating economic conditions and investors' sentiments, our fundamental strategy is firmly anchored and our core focus remains on developing and fortifying the Group's core businesses in provision of financial services including (i) securities, futures and options brokering and dealing, and financing services (including local and overseas securities dealing, futures and options trading, derivatives and other structured products trading, placement and underwriting, margin financing and money lending, etc.); (ii) corporate finance and other advisory services (including mergers and acquisitions and company secretarial services to clients, etc.); (iii) asset management; and (iv) insurance brokerage; and proprietary trading. Indeed, the Group is committed to achieving long-term and balanced growth on the basis of solid financial capability and a pragmatic operating strategy, which help capitalizing on any growth opportunities and thereon enhance our shareholders' value.

During the year, the Group stepped into the healthcare market by entering to joint venture agreement and licence agreement with Vast Sea Biotechnology, Inc. (formerly known as "Vast Sea, LLC"). The core product is named AVL-19, which is the given name of both the formulation and product of the dietary supplement designed to fight against COVID-19.

AVL-19 formulation is based on nucleotides and polypeptides, which are naturally occurring molecules in the human body as opposed to asynthetic chemical drugs or man-made antibodies with unknown toxicity profiles.

作為金融服務提供者，本集團的業務表現無可避免地受到宏觀環境及本地市場環境影響。儘管如此，本集團始終憑藉其穩健的財務狀況及為客戶提供各種各樣的投資服務及產品而得以茁壯成長。上述種種鞏固了本集團在金融行業中的競爭地位。雖然以金融為主的業務使本集團對經濟環境和投資者情緒波動特別敏感，但我們的基本策略是堅定不移的，我們始終堅守基本策略，全力集中發展及加強集團核心業務。集團的核心業務為提供金融服務，包括(i)證券、期貨及期權經紀及交易，以及融資服務業務(包括本地及海外證券交易、期貨及期權買賣、衍生工具及其他結構性產品買賣、配售及包銷、保證金融資以及放債等)；(ii)企業融資及其他顧問服務(包括收購合併及向客戶提供公司秘書服務等)；(iii)資產管理；及(iv)保險經紀；及自營買賣業務。事實上，憑藉穩固的財政實力及務實的經營策略，本集團銳意達致長遠而平衡的增長，掌握一切增長機遇，從而為股東提升價值。

於本年度，本集團與Vast Sea Biotechnology, Inc. (前稱Vast Sea, LLC) 訂立合營協議及許可協議，進軍醫療保健市場。其核心產品名為AVL-19，是一款對抗COVID-19的膳食補充劑配方。

AVL-19配方以核苷酸及多肽為基礎，核苷酸及多肽均為人體天然存在的分子，而不是毒性不明的非合成化學藥物或人造抗體。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Certain quantities had been successfully sold in the United States of America and Hong Kong during the year. It tallies with the Group's business strategies to enlarge revenue base of the Group by tapping into new emerging markets with expanded business initiatives and explore business opportunities.

Establishment of a joint venture securities company in Guangxi

In July 2016, the Company announced that VC Brokerage Limited ("VC Brokerage"), an indirectly wholly owned subsidiary of the Company, entered into a joint venture agreement (the "Joint Venture Agreement") with three independent third parties to establish a joint venture securities company in Guangxi, the PRC (the "PRC JV Company"). Subject to the approval by China Securities Regulatory Commission (the "CSRC"), the PRC JV Company is expected to be a full-licensed securities company permitted to provide securities brokerage, trading and investment advisory, underwriting, sponsorship and asset management services in the PRC. Pursuant to the Joint Venture Agreement, VC Brokerage will contribute RMB445 million (equivalent to approximately HK\$524 million), representing 44.5% shareholding in the PRC JV Company.

The Company intended to finance the investment in the PRC JV Company by placing of convertible bonds in the aggregate principal amount of up to HK\$850 million (the "Convertible Bonds") at an initial conversion price of HK\$0.65 each pursuant to a placing agreement entered into at the same time. The aggregate net proceeds from placing of the Convertible Bonds will be approximately HK\$829 million, which is intended to use for capital contribution to the PRC JV Company and the remaining balance is intended to use for expanding the Group's existing businesses and other possible investments in the future, when opportunities arise.

年內，本集團於美國及香港成功銷售相當數量的AVL-19配方。此舉符合本集團的業務策略，即通過擴大業務舉措開拓新興市場及發掘商機，以擴大本集團的收入基礎。

於廣西成立一間合營證券公司

於二零一六年七月，本公司宣佈本公司之間接全資附屬公司滙盈證券有限公司（「滙盈證券」）與三名獨立第三方訂立一份合營協議（「合營協議」），於中國廣西省成立一間合營證券公司（「中國合營公司」）。待中國證券監督管理委員會（「中證監」）發出批文後，預期中國合營公司將為全牌照證券公司，獲允許於中國提供證券經紀、交易及投資顧問、包銷、保薦及資產管理服務。根據合營協議，滙盈證券將出資其中人民幣445,000,000元（相當於約524,000,000港元），佔中國合營公司股權之44.5%。

本公司擬藉配售總本金額最多達850,000,000港元之可換股債券（「可換股債券」）以為於中國合營公司之投資提供資金，可換股債券乃根據一份同時訂立之配售協議配售，初步換股價為每股0.65港元。配售可換股債券之所得款項淨額將合共約為829,000,000港元，擬用於支付中國合營公司出資，另餘額擬用作擴展本集團之現有業務，以及於未來機會出現時用於其他潛在投資。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

On 21 May 2019, being the expiry date of the extended placing period, the Company was unable to reach agreement with the placing agent to further extend the placing period, the placing agreement had lapsed on that date.

In June 2018, the Company was informed by Guangxi Financial Investment Group Company Limited (廣西金融投資集團有限公司) ("Guangxi Jintou"), who is responsible for liaising with CSRC for the formation of the PRC JV Company, partners of the PRC JV Company would be changed. Guangxi Railway Investment Group Co., Ltd. (廣西鐵路投資集團有限公司) ("Guangxi Railway") will replace Guangxi Hande Group Company Limited (廣西瀚德集團有限公司) and Beijing Heyuan Finance Equity Investment Centre (limited partnership) (北京合源融金股權投資中心(有限合夥)) as a new partner of the PRC JV Company. The amount of capital contribution and shareholding of VC Brokerage in the PRC JV Company remains unchanged.

As further informed by Guangxi Jintou in September 2018, Guangxi Communications Investment Group Co., Ltd. (廣西交通投資集團有限公司) will replace Guangxi Railway become one of the joint venture partners of the PRC JV Company. The amount of capital contribution and shareholding of VC Brokerage in the PRC JV Company still remains unchanged.

於二零一九年五月二十一日，即經延長配售期間之屆滿日期，本公司仍未能與配售代理達成協議以進一步延長配售期間，因此配售協議已於當日失效。

於二零一八年六月，負責就成立中國合營公司與中證監聯絡之廣西金融投資集團有限公司(「廣西金投」)告知本公司，中國合營公司之合營夥伴將有所更改。廣西鐵路投資集團有限公司(「廣西鐵路」)將取代廣西瀚德集團有限公司及北京合源融金股權投資中心(有限合夥)成為中國合營公司新的合營夥伴。滙盈證券之出資金額及於中國合營公司之股權將維持不變。

誠如廣西金投於二零一八年九月所進一步告知，廣西交通投資集團有限公司將取代廣西鐵路成為中國合營公司之其中一名合營夥伴。滙盈證券之出資金額及於中國合營公司之股權仍然維持不變。

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As at the date of this Annual Report, the Company and VC Brokerage have not yet obtained the approval and authorisation from the CSRC for establishment of the PRC JV Company. Details of the transaction please refer to the Company's announcements dated 24 July 2016, 20 September 2016, 26 October 2016, 18 November 2016, 17 January 2017, 29 March 2017, 28 June 2017, 20 September 2017, 12 October 2017, 12 January 2018, 27 March 2018, 27 June 2018, 20 July 2018, 28 August 2018, 6 September 2018, 28 November 2018 and 21 February 2019; and the Company's circulars dated 26 September 2016, 27 February 2017, 22 September 2017, 23 February 2018, 3 August 2018 and 31 January 2019.

Subscription agreement in relation to subscription for initial subscription shares and connected transaction – grant of option to subscribe for further subscription shares and convertible bonds

On 1 July 2019, the Company and Macarthur Court Acquisition Corp. (the "Subscriber") entered into a subscription agreement pursuant to which, the Company agreed to offer for subscription and the Subscriber (i) agreed to subscribe for initial subscription shares at the initial subscription money of HK\$99,000,000; and (ii) has the option but not the obligation to subscribe for further subscription shares at the further subscription money of HK\$36,000,000 and convertible bonds at its aggregate principal amount of HK\$99,000,000 within one year of completion of the initial subscription.

於本年報日期，本公司及滙盈證券尚未就成立中國合營公司取得中證監批准及授權。有關交易之詳情請參閱本公司日期為二零一六年七月二十四日、二零一六年九月二十日、二零一六年十月二十六日、二零一六年十一月十八日、二零一七年一月十七日、二零一七年三月二十九日、二零一七年六月二十八日、二零一七年九月二十日、二零一七年十月十二日、二零一八年一月十二日、二零一八年三月二十七日、二零一八年六月二十七日、二零一八年七月二十日、二零一八年八月二十八日、二零一八年九月六日、二零一八年十一月二十八日及二零一九年二月二十一日之公佈；以及本公司日期為二零一六年九月二十六日、二零一七年二月二十七日、二零一七年九月二十二日、二零一八年二月二十三日、二零一八年八月三日及二零一九年一月三十一日之通函。

有關認購初步認購股份之認購協議及關連交易－授出可進一步認購認購股份及可換股債券之選擇權

於二零一九年七月一日，本公司與Macarthur Court Acquisition Corp.（「認購人」）訂立一份認購協議，據此，本公司同意提呈發售及認購人同意認購(i)初步認購金額為99,000,000港元之初步認購股份；及(ii)具有可於認購及建議配發及發行初步認購股份之完成日期起計一年內按進一步認購金額36,000,000港元認購進一步認購股份及本金總額99,000,000港元之可換股債券之選擇權，但並無責任作出認購。

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Subject to the terms and conditions of the subscription agreement, the Subscriber (or through its nominee(s)) shall subscribe for, and the Company shall allot and issue the 220,000,000 initial subscription shares to the Subscriber (or its nominee(s)) at the subscription price of HK\$0.45 per subscription share. The 220,000,000 initial subscription shares represent approximately (i) 17.87% of the then existing issued share capital of the Company; and (ii) 15.16% of the then issued share capital of the Company as enlarged by the issue of the initial subscription shares.

Subject to the completion of initial subscription and the terms and conditions of the subscription agreement, the Subscriber (or through its nominee(s)) shall have the option but not the obligation to subscribe for further subscription shares at the subscription price and the convertible bonds at its aggregate principal amount within one year of completion of the initial subscription. The resulting conversion shares pursuant to conversion of the convertible bonds and the further subscription shares in aggregate represent approximately (i) 24.37% of the then existing issued share capital of the Company; and (ii) 19.60% of the then issued share capital of the Company as enlarged by the issue of the conversion shares upon full conversion of the convertible bonds and the further subscription shares.

The long stop date for the fulfilment or waiver of the conditions to the subscription agreement (the "Long Stop Date") was 30 September 2019. As additional time is required for the Company and the Subscriber to finalise the terms of the revised subscription and prepare the supplemental subscription agreement accordingly, the Company entered into an amendment deed in relation to the subscription agreement with the Subscriber on 26 September 2019 to extend the Long Stop Date to 31 December 2019.

在認購協議之條款及條件規限下，認購人(或透過其代名人)將認購及本公司將向認購人(或其代名人)配發及發行220,000,000股初步認購股份，認購價為每股認購股份0.45港元。220,000,000股初步認購股份相當於(i)本公司當時已發行股本約17.87%；及(ii)本公司經發行初步認購股份所擴大之當時已發行股本約15.16%。

在初步股份認購完成及認購協議之條款及條件規限下，認購人(或透過其代名人)將具有可於初步股份認購之完成日期起計一年內按認購價認購進一步認購股份及相當於本金總額之可換股債券之選擇權，但並無責任作出認購。根據可換股債券換股得出之換股股份及進一步認購股份合共相當於(i)本公司當時已發行股本約24.37%；及(ii)本公司經於可換股債券獲悉數換股後所發行之換股股份及進一步認購股份所擴大之當時已發行股本約19.60%。

達成或豁免認購協議之條件之最後完成日期(「最後完成日期」)為二零一九年九月三十日。由於本公司與認購人需要更多時間落實經修訂認購事項之條款及據以編製補充認購協議，因此本公司已與認購人於二零一九年九月二十六日就認購協議訂立修訂契據，以將最後完成日期延後至二零一九年十二月三十一日。

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Subsequently as disclosed on the Company's announcement dated 3 January 2020, the subscription agreement has lapsed and ceased to have any effect. For details of the transaction please refer to the Company's announcements dated 1 July 2019, 22 July 2019, 16 August 2019, 10 September 2019, 26 September 2019 and 3 January 2020.

Major transaction in relation to disposal of China Fortune convertible bonds

On 18 October 2017, it was announced that the Company, Pacific Alliance Limited ("PAL") and Mr. Yip Sum Yin and Mr. Chung Chi Shing, Eric as warrantors entered into a sale and purchase agreement (the "Sale and Purchase Agreement") pursuant to which the Company agreed to purchase, and PAL agreed to sell, the convertible bonds issued by China Fortune Financial Group Limited ("CFFG CB") with a principal amount of HK\$153,585,000 convertible into 2,559,750,000 conversion shares issued by China Fortune Financial Group Limited ("CFFG Conversion Shares") at the initial conversion price of HK\$0.06 per CFFG Conversion Share (subject to adjustments) for an aggregate consideration of HK\$400,000,000. Also, pursuant to the Sale and Purchase Agreement, PAL granted to the Company the put option (the "Put Option") to require PAL to purchase from the Company the relevant convertible bonds ("Relevant Convertible Bonds"), to the extent of HK\$76,792,500 (being 50% of the principal amount of the CFFG CB), at the put option price ("Put Option Price") of HK\$200,000,000, which approximates the cost of acquisition of the Relevant Convertible Bonds by the Company under the Sale and Purchase Agreement, at any time during the put option period ("Put Option Period") on the condition set out in the Company's circular dated 7 December 2017.

於本公司日期為二零二零年一月三日之公佈披露後，認購協議已告失效並不再具有任何效力。有關交易之詳情請參閱本公司日期為二零一九年七月一日、二零一九年七月二十二日、二零一九年八月十六日、二零一九年九月十日、二零一九年九月二十六日及二零二零年一月三日之公佈。

有關出售中國富強可換股債券之主要交易

於二零一七年十月十八日宣佈，本公司、Pacific Alliance Limited ("PAL") 與擔保人葉森然先生及鍾志成先生訂立買賣協議 ("買賣協議")，據此，本公司同意購買，而PAL則同意出售本金額為153,585,000港元之中國富強金融集團有限公司所發行可換股債券 ("中國富強可換股債券")，其可按初步換股價每股中國富強換股股份0.06港元 (可予調整) 兌換為2,559,750,000股中國富強金融集團有限公司所發行換股股份 ("中國富強換股股份")，所涉及之總代價為400,000,000港元。此外，根據買賣協議，PAL向本公司授出認沽期權 ("認沽期權")，可根據本公司日期為二零一七年十二月七日之通函所載之條件於認沽期權期限 ("認沽期權期限") 內隨時要求PAL按認沽期權價200,000,000港元 ("認沽期權價") 向本公司購買相關可換股債券 ("相關可換股債券")，以76,792,500港元 (即中國富強可換股債券本金額之50%) 為限。認沽期權價與本公司根據買賣協議收購相關可換股債券之成本相若。

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On 24 January 2020, the Company announced that an agreement was entered into between the Company and PAL, pursuant to which the Company shall sell and transfer, as legal and beneficial owner, the Relevant Convertible Bonds to PAL and PAL shall purchase the Relevant Convertible Bonds pursuant to the Put Option free from all encumbrances and third party rights of any kind and together with all rights, including all rights to receive any and all redemption money and interest as well as other payments made or to be made by CFFG under and pursuant to the CFFG CB instrument ("CFFG CB Instrument").

The consideration ("Consideration"), equal to the Put Option Price, shall be HK\$200,000,000. The Consideration shall be satisfied by PAL in accordance with the following time, mode and manner:

- (a) PAL shall, forthwith upon the execution of the agreement, pay to the Company HK\$15,000,000 as deposit, which shall be utilised for partial settlement of the consideration at completion;
- (b) PAL shall pay to the Company an additional sum of HK\$81,400,000 for further part payment of the Consideration at completion (the "Further Payment"), and this Further Payment shall be settled and discharged by the Company's utilising HK\$81,400,000, being half of the amount (inclusive of the entire principal amount and all interest accrued thereon in accordance with the CFFG CB Instrument) remitted to the Company by CFFG for redemption of the CFFG CB on the maturity date (which falls on the same date as the completion date) to off-set against the Further Payment in entirety; and
- (c) Balance of the Consideration in the sum of HK\$103,600,000 shall be settled and discharged by PAL in cash in accordance with the schedule as disclosed in the Company's announcement dated 24 January 2020.

於二零二零年一月二十四日，本公司宣佈，本公司與PAL訂立協議，據此，本公司（作為法定及實益擁有人）須向PAL出售及轉讓不附帶任何產權負擔及任何性質之第三方權利之相關可換股債券，連同一切權利（包括收取任何及所有贖回款項及利息，以及中國富強於中國富強可換股債券文據（「中國富強可換股債券文據」）項下及據此作出或將作出之其他付款的一切權利），而PAL須根據認沽期權購買該等相關可換股債券。

代價（「代價」）相等於認沽期權價，即200,000,000港元。PAL須按以下時間、方式及形式支付代價：

- (a) PAL須於簽立協議後立即向本公司支付15,000,000港元作為按金，該款項將於完成時用於支付部分代價；
- (b) PAL須於完成時向本公司支付另外81,400,000港元款項，作為代價之另一部分付款（「進一步付款」），此進一步付款將由本公司透過動用中國富強於到期日（與完成日期相同之日期）贖回中國富強可換股債券而向本公司滙款之金額（當中包括全部本金額及根據中國富強可換股債券文據累計之所有利息）的半數，即以81,400,000港元悉數抵銷進一步付款之方式結算及清償；及
- (c) PAL將根據本公司日期為二零二零年一月二十四日之公佈所披露之時間表以現金結付及清償代價之餘款103,600,000港元。

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Details of the transaction is disclosed in the Company's announcements dated 24 January 2020, 18 February 2020, 3 March 2020, 19 March 2020, 14 April 2020 and the Company's circular dated 2 March 2020.

Acquisition of 20% equity interest in Speedy Billion Holdings Limited

On 28 February 2020, Filled Start Limited, an indirectly wholly owned subsidiary of the Company, completed an acquisition of 20% equity interest in Speedy Billion Holdings Limited ("Speedy Billion"), at a cash consideration of HK\$360,000. Speedy Billion is engaged in the catering business under the brand "筷品會".

Memorandum of understanding for prospective investment

On 30 March 2020, Astral Wealth Limited ("Astral Wealth"), an indirect wholly-owned subsidiary of the Company, entered into a memorandum of understanding (the "MOU") with Mr. Steven Nan Yang ("Mr. Yang"), pursuant to which both parties may have the cooperation in e-commerce and e-marketing technology sectors. Mr. Yang is engaged in e-commerce and e-technology sectors, having tremendous experience in launching e-commerce business platforms and rendering e-marketing technology services (the "e-Commerce Business").

The Company is desirous of developing in e-Commerce Business, and tentatively contemplates to, amongst other matters, (i) establish e-Commerce Business platform primarily serving corporate clients (including listed corporations); (ii) provide artificial intelligence ("AI") and data-driven interactive marketing services for corporate clients (including listed corporations); and (iii) develop tailor-made e-Commerce Business platform as well as AI and data-driven interactive marketing services for individual clients jointly with Mr. Yang as well as such other corporate entities as nominated, recommended, introduced or proposed by Mr. Yang (the "Contemplated Cooperation") and the corporate entities involved.

有關交易之詳情於本公司日期為二零二零年一月二十四日、二零二零年二月十八日、二零二零年三月三日、二零二零年三月十九日、二零二零年四月十四日之公佈及本公司日期為二零二零年三月二日之通函披露。

收購捷億集團有限公司之20%股權

於二零二零年二月二十八日，本公司之間接全資附屬公司興滿有限公司以現金代價360,000港元完成收購捷億集團有限公司（「捷億」）之20%股權。捷億以「筷品會」品牌經營餐飲業務。

潛在投資諒解備忘錄

於二零二零年三月三十日，本公司之間接全資附屬公司星豐有限公司（「星豐」）與楊楠先生（「楊先生」）訂立諒解備忘錄（「諒解備忘錄」），據此，各訂約方可於電子商務及電子營銷技術領域合作。楊先生從事電子商務及電子技術領域，於推出電子商務業務平台及提供電子營銷技術服務（「電子商務業務」）上經驗豐富。

本公司有意發展電子商務業務，並初步考慮與楊先生以及楊先生指明、推薦、介紹或建議之其他企業實體及所涉企業實體，共同（其中包括）(i)建立電子商務業務平台，主要服務企業客戶（包括上市公司）；(ii)為企業客戶（包括上市公司）提供人工智能（「人工智能」）與數據驅動型互動營銷服務；及(iii)為個人客戶開發量身定製之電子商務業務平台及人工智能與數據驅動型互動營銷服務。以上事項稱為「考慮合作事項」。

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In furtherance of the Contemplated Cooperation, Astral Wealth may, inter alia, subscribe for shares or other derivatives in the Contemplated Cooperation, and the corporate entities involved and/or such other corporate entities set up and/or maintained for the Contemplated Cooperation (altogether, the "Target Companies"), grant or procure for the granting of loan facilities and/or providing other forms of financial support to such corporate entities, and promoting e-Commerce Business and enhancing the operating environment thereof in the Mainland China (the "Prospective Investment").

Pursuant to the MOU, Astral Wealth and Mr. Yang and the Target Companies concerned shall execute sale and purchase agreements, subscription agreements, cooperation agreements, joint venture agreements, derivative instruments and certificates and/or such other agreements or instruments material for or relevant to the conduct, implementation, completion, supervision, governing and/or effectuating the Contemplated Cooperation and the Prospective Investment (collectively, the "Formal Agreement(s)") on or before 29 April 2020 or such later date as agreed by Astral Wealth and Mr. Yang and the Target Companies concerned.

During the period between the execution of the MOU and the date of execution of the Formal Agreement(s) or 29 April 2020 or such later time as Astral Wealth and Mr. Yang may agree in writing, whichever shall be the latest (both days inclusive) (the "Exclusivity Period"), no party shall contact, negotiate or enter into any agreement with any third party on or in relation to any transaction resembling, similar to or identical with the Contemplated Cooperation and the Prospective Investment without the prior written consent of the other party.

On 29 April 2020, Astral Wealth and Mr. Yang entered into a supplemental MOU to the MOU (the "Supplemental MOU") to extend the Exclusivity Period to the latest of the date of execution of the Formal Agreement(s) or 31 July 2020 or such later time as the parties to the MOU may agree in writing.

為促成考慮合作事項，星豐可（其中包括）於考慮合作事項中認購股份或其他衍生工具，以及認購所涉企業實體及／或該等就考慮合作事項而設立及／或存續之其他企業實體（統稱「目標公司」）之股份或其他衍生工具，向有關企業實體授出或促使授出貸款融資及／或提供其他形式之財務支援，以及於中國內地推廣電子商務業務及改善業界營商環境（「潛在投資」）。

根據諒解備忘錄，星豐、楊先生及有關之目標公司須於二零二零年四月二十九日或之前，或星豐、楊先生與有關之目標公司協定之較後日期，簽立對進行、實施、完成、監督、規管及／或實現考慮合作事項及潛在投資而言屬重大或相關之買賣協議、認購協議、合作協議、合資協議、衍生工具和證書及／或其他協議或文據（統稱「正式協議」）。

自簽立諒解備忘錄起至簽立正式協議或二零二零年四月二十九日或星豐與楊先生可能書面協定之較後日期（以最後發生日期為準）止期間（首尾兩日包括在內）（「排他期」），任何一方不得在未經另一方書面同意下，與任何第三方就任何與考慮合作事項及潛在投資類似、相似或相同之交易，聯絡、磋商或訂立任何協議。

於二零二零年四月二十九日，星豐與楊先生訂立有關備忘錄之補充備忘錄（「補充備忘錄」），將排他期延長至簽立正式協議或二零二零年七月三十一日或諒解備忘錄訂約方可能書面協定之較後日期（以最後發生日期為準）止。

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On 31 July 2020, no Formal Agreements were concluded and the Contemplated Cooperation would not proceed.

Details of the transaction had been disclosed in the Company's announcement date 30 March 2020 and 29 April 2020.

Placing of new shares under general mandate

On 30 March 2020, the Company entered into the placing agreement (the "Placing Agreement") with VC Brokerage Limited (the "Placing Agent"), an indirect wholly owned subsidiary of the Company, pursuant to which the Company was desirous of offering the placing shares (the "Placing Shares") free from any encumbrance whatsoever for subscription and appointed the Placing Agent on sole and exclusive basis to place and procure subscriptions for the Placing Shares on a best effort basis subject to the terms and conditions set out in the Placing Agreement. The Placing Agent shall procure not less than six placees to subscribe for up to 246,000,000 Placing Shares at a price of HK\$0.28 per Placing Share. The maximum of 246,000,000 Placing Shares represent (i) approximately 19.98% of the aggregated number of the issued Shares as at the date of the Placing Agreement; and (ii) approximately 16.66% of the aggregated number of issued share of the Company as at the date of the Placing Agreement as enlarged by the issue of the 246,000,000 Placing Shares. Assuming all the Placing Shares are successfully placed by the Placing Agent, the aggregate gross proceeds from the Placing will be approximately HK\$68.9 million and the Company intends to use the net proceeds of approximately HK\$67.4 million from the Placing for developing the e-Commerce Business if the formal agreement(s) above materialise. Otherwise, the net proceeds will be used for general working capital of the Group or possible investment in the future when opportunities arise.

於二零二零年七月三十一日，正式協議未有訂立，考慮合作事項將不會進行。

有關交易之詳情於本公司日期為二零二零年三月三十日及二零二零年四月二十九日之公佈披露。

根據一般授權配售新股份

於二零二零年三月三十日，本公司與本公司之間接全資附屬公司滙盈證券有限公司（「配售代理」）訂立配售協議（「配售協議」），據此，本公司有意提呈發售不附帶任何產權負擔的配售股份（「配售股份」）作認購，並委任配售代理根據配售協議所載之條款及條件，按竭盡所能基準單獨及獨家配售及促成配售股份認購。配售代理須促成不少於六名承配人按每股配售股份0.28港元之價格認購最多246,000,000股配售股份。配售股份之上限數目246,000,000股相當於(i)配售協議日期已發行股份總數約19.98%；及(ii)配售協議日期經發行246,000,000股配售股份而擴大之本公司已發行股份總數約16.66%。假設配售代理成功配售全部配售股份，則配售事項之所得款項總額將約為68,900,000港元。一旦正式協議落實，本公司擬將配售事項之所得款項淨額約67,400,000港元用作發展電子商務業務。倘不落實，所得款項淨額將用作本集團之一般營運資金或未來可能出現之投資機會。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As one of the conditions precedent has not been fulfilled, the Placing Agreement (as supplemented by the supplemental placing agreement dated 8 April 2020) will not proceed.

Details of the transaction had been disclosed in the Company's announcements dated 30 March 2020, 8 April 2020 and 28 April 2020.

Disposal of entire holding of 30% equity interest in Telebox Technology Group Limited

On 20 March 2020, Initial Honour Limited ("Initial Honour"), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Chen Yu Zhen ("Mr. Chen"), an independent third party, to dispose its entire holding of 30% equity interest in Telebox Technology Holdings Limited, at a cash consideration of HK\$5,000,000. During the six months ended 30 June 2020 (being the long stop date), deposit of HK\$1,000,000 was received. On 20 October 2020, Initial Honour entered into a supplemental sale and purchase agreement, pursuant to which the long stop date was extended to 30 June 2021 on the condition that Mr. Chen shall further deposit HK\$1,000,000 on or before 10 February 2021. The further deposit was made before that date.

Acquisition of 32% equity interest in China Bloom International Limited

On 7 May 2020, VC Capital Management Limited, a wholly owned subsidiary of the Company, entered into a memorandum of understanding with Mr. Chan Leung, an independent third party, to acquire 16% equity interest in China Bloom International Limited ("China Bloom") at a cash consideration of HK\$9,800,000. The principal asset of China Bloom consisted of a residential property in Hong Kong with market value of approximately HK\$68 million. As at the date hereof, HK\$7,000,000 had been paid as deposit.

由於其中一項先決條件未有達成，故配售協議（經日期為二零二零年四月八日之補充配售協議補充）將不會落實進行。

有關交易之詳情於本公司日期為二零二零年三月三十日、二零二零年四月八日及二零二零年四月二十八日之公佈披露。

出售於Telebox Technology Holdings Limited之全部30%股權

於二零二零年三月二十日，本公司之間接全資附屬公司Initial Honour Limited（「Initial Honour」）與獨立第三方陳育珍先生（「陳先生」）訂立一份買賣協議，以出售Initial Honour於Telebox Technology Holdings Limited之全部30%股權，所涉及之現金代價為5,000,000港元。截至二零二零年六月三十日（即最後完成日期）止六個月已收取1,000,000港元按金。於二零二零年十月二十日，Initial Honour訂立補充買賣協議，據此，最後完成日期延長至二零二一年六月三十日，條件是陳先生須於二零二一年二月十日或之前再支付1,000,000港元按金。該進一步付款已於該日之前作出。

收購中星國際有限公司之32%股權

於二零二零年五月七日，本公司之全資附屬公司滙盈資本管理有限公司與獨立第三方陳亮先生訂立諒解備忘錄，以收購中星國際有限公司（「中星」）之16%股權，所涉及之現金代價為9,800,000港元。中星之主要資產包括香港一座住宅物業，市值約68,000,000港元。於本報告日期已支付7,000,000港元作為按金。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

On 26 August 2020, VC Capital Management Limited entered into another memorandum of understanding with Mr. Chan Leung to acquire further 16% equity interest in China Bloom at a cash consideration of HK\$9,800,000. As at the date hereof, HK\$4,000,000 had been paid as deposit.

On 30 November 2020, VC Capital Management Limited entered into the third memorandum of understanding with Mr. Chan Leung to extend the long stop date of the completion of acquisition of the aggregate 32% equity interest in China Bloom from 30 November 2020 to 31 May 2021.

Issue of convertible bonds by a wholly owned subsidiary of the Company

On 9 July 2020, VC Global Investments Limited ("VC Global"), a wholly owned subsidiary of the Company, completed an issue of convertible bonds in the principal amount of US\$40,000 to Mr. Wu Jian. The convertible bonds are of 3-year maturity on 8 July 2023 with zero coupon and convertible into 40 conversion shares at the conversion price of US\$1,000 per conversion share. If the conversion rights are exercised in full, the new shares of VC Global to be issued and allotted shall represent 40% of the entire portfolio of enlarged equity interests in VC Global.

The convertible bonds were issued for the purpose of raising general working capital of its contemplated investment in the multi-peptide formula AVL-19, which is useful in supplementing human vitamin needs and effective in supporting human immune system and thereby helpful for anti-viral infection.

於二零二零年八月二十六日，滙盈資本管理有限公司與陳亮先生訂立另一份諒解備忘錄，以進一步收購中星之16%股權，所涉及之現金代價為9,800,000港元。於本報告日期已支付4,000,000港元作為按金。

於二零二零年十一月三十日，滙盈資本管理有限公司與陳亮先生訂立第三份諒解備忘錄，以延長收購中星合共32%股權之最後完成日期，由二零二零年十一月三十日延長至二零二一年五月三十一日。

本公司之全資附屬公司發行可換股債券

於二零二零年七月九日，本公司之全資附屬公司VC Global Investments Limited (「VC Global」)完成向吳建先生發行本金額40,000美元之可換股債券。該可換股債券期限為三年，至二零二三年七月八日到期，票面利率為零，並可按換股價每股換股股份1,000美元轉換為40股換股股份。倘行使全數換股權，所將予發行及配發之VC Global新股份將佔經擴大之VC Global全部股本權益之40%。

發行可換股債券之目的為籌集資金以用作其擬投資於多重勝肽配方AVL-19之一般營運資金。AVL-19有助補充人體維他命需要，並能有效支持人體免疫系統，因此對防止病毒感染很有幫助。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Acquisition of convertible bonds issued by IBO Technology Company Limited**

On 20 July 2020, the Company completed the acquisition of convertible bonds ("IBO Convertible Bonds") issued by IBO Technology Company Limited (Stock code: 2708) in the principal amount of HK\$5,760,000 from Mr. Lam Shu Chung, an independent third party, at a cash consideration of HK\$6,816,000. The IBO Convertible Bonds has coupon rate of 7.5% and will mature on 3 April 2022. Based on fair value assessment prepared an independent professional valuer, its fair value amounted to approximately HK\$10,795,000 and therefore gain on acquisition of approximately HK\$3,979,000 was recorded upon completion of acquisition. As at 31 December 2020, the fair value assessed by the same independent professional valuer was approximately HK\$8,665,000. As such, fair value change on financial assets at fair value through profit or loss of approximately HK\$2,130,000 was recorded for the year ended 31 December 2020.

收購艾伯科技股份有限公司發行的可換股債券

於二零二零年七月二十日，本公司完成向獨立第三方林樹松先生收購本金額為5,760,000港元由艾伯科技股份有限公司（股票代號：2708）發行的可換股債券（「艾伯可換股債券」），現金代價為6,816,000港元。艾伯可換股債券的票面利率為7.5%，並將於二零二二年四月三日到期。根據獨立專業估值師編製的公平值評估，艾伯可換股債券之公平值約為10,795,000港元，因此於收購完成時錄得收購收益約3,979,000港元。於二零二零年十二月三十一日，經相同獨立專業估值師評估的公平值約為8,665,000港元。因此，截至二零二零年十二月三十一日止年度，按公平值列賬及在損益賬處理之財務資產之公平值變動約為2,130,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Placing of new shares under general mandate, placing of convertible bonds under specific mandate, entering into joint venture agreement and licence agreement with Vast Sea Biotechnology, Inc. (formerly known as “Vast Sea, LLC”)

On 24 July 2020, the Company entered into the share placing agreement (the “Share Placing Agreement”) with VC Brokerage Limited (the “Placing Agent”), an indirectly wholly owned subsidiary of the Company, pursuant to which the Company was desirous of offering the placing shares (the “Placing Shares”) free from any encumbrance whatsoever for subscription and appointed the Placing Agent on sole and exclusive basis to place and procure subscriptions for the Placing Shares on a best effort basis subject to the terms and conditions set out in the Share Placing Agreement. The Placing Agent shall procure not less than six Share Placing placees to subscribe for up to 246,000,000 Placing Shares at a price of HK\$0.2 per Placing Share. The maximum of 246,000,000 Placing Shares represent (i) approximately 19.98% of the aggregated number of the issued Share as at the date of the Share Placing Agreement; and (ii) approximately 16.66% of the aggregated number of issued Shares as enlarged by the issue of the 246,000,000 Placing Shares as at the date of the Share Placing Agreement. Assuming all the Placing Shares are successfully placed by the Placing Agent, the gross proceeds from the Share Placing will be approximately HK\$49.2 million and the Company intends to use the net proceeds of approximately HK\$48.2 million from the Share Placing for (i) general working capital as to approximately HK\$33,200,000, among which as to approximately HK\$10,000,000 will be used for operating expenses including but not limited to rental and salary expenses, approximately HK\$11,200,000 will be used for provision of margin loan and approximately HK\$12,000,000 will be used for the money lending business of the Group; and (ii) possible business development in relation to the JV Agreement (defined below) and the License Agreement (defined below) as to approximately HK\$15,000,000. On 25 August 2020, the Share Placing was completed and 246,000,000 new Shares were issued and allotted on that date. Further details of the Share Placing are set out in the Company’s announcements dated 24 July 2020, 29 July 2020 and 25 August 2020, respectively.

根據一般授權配售新股份；根據特別授權配售可換股債券；與Vast Sea Biotechnology, Inc. (前稱Vast Sea, LLC) 訂立合營協議及許可協議

於二零二零年七月二十四日，本公司與本公司之間接全資附屬公司滙盈證券有限公司（「配售代理」）訂立股份配售協議（「股份配售協議」），據此，本公司有意提呈發售不附帶任何產權負擔的配售股份（「配售股份」）作認購，並委任配售代理根據股份配售協議所載之條款及條件，按竭盡所能基準單獨及獨家配售及促成配售股份認購。配售代理須促成不少於六名股份配售承配人按每股配售股份0.2港元之價格認購最多246,000,000股配售股份。配售股份之最高數目246,000,000股相當於(i)股份配售協議日期已發行股份總數約19.98%；及(ii)股份配售協議日期經發行246,000,000股配售股份而擴大之已發行股份總數約16.66%。假設配售代理成功配售全部配售股份，股份配售所得款項總額將約為49,200,000港元，而本公司擬將股份配售產生的所得款項淨額約48,200,000港元用於(i)一般營運資金約33,200,000港元，其中約10,000,000港元將用作經營開支（包括但不限於租金及薪酬開支）、約11,200,000港元將用作提供保證金貸款以及約12,000,000港元將用於本集團放債業務；及(ii)有關合營協議（定義見下文）及許可協議（定義見下文）之可能業務發展約15,000,000港元。於二零二零年八月二十五日，股份配售已告完成，並已於當日配發及發行246,000,000股新股份。股份配售進一步詳情載於本公司日期分別為二零二零年七月二十四日、二零二零年七月二十九日及二零二零年八月二十五日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

On 24 July 2020, the Company entered into the agreement (“CB Placing Agreement”) for the placing of convertible bonds (“CB Placing”) with the Placing Agent, pursuant to which the Company proposed to offer for subscription, and the Placing Agent had agreed to procure subscriptions for, the convertible bonds (the “Convertible Bonds”) on a best effort basis on the terms and subject to the conditions set out in the CB Placing Agreement. The Placing Agent shall procure not less than six CB Placing places to subscribe for the Convertible Bonds in the principal amount of up to HK\$52,000,000. In the case of the conversion rights having been exercised in full at the initial conversion price of HK\$0.2, a maximum of 260,000,000 new Shares to be allotted and issued by the Company, representing (i) approximately 21.12% of the aggregated number of the issued Share as at the date of the CB Placing Agreement; and (ii) approximately 17.44% of the aggregated number of issued Shares as at the date of the CB Placing Agreement as enlarged by the issue of 260,000,000 conversion shares (assuming there is no other change in the issued share capital of the Company between the date of the CB Placing Agreement and the full conversion of the Convertible Bonds). Assuming all the Convertible Bonds are successfully placed by the Placing Agent, the gross proceeds from the CB Placing will be approximately HK\$52.0 million and the Company intends to use the net proceeds of approximately HK\$50.2 million from the CB Placing for (i) general working capital as to approximately HK\$35,200,000, among which as to approximately HK\$11,200,000 will be used for provision of margin loan and approximately HK\$24,000,000 will be used for money lending business of the Group; and (ii) possible business development in relation to the JV Agreement (defined below) and the License Agreement (defined below) as to approximately HK\$15,000,000. The CB Placing took place on 6 November 2020. Further details of the CB Placing are set out in the Company’s announcements dated 24 July 2020, 29 July 2020 and 6 November 2020 and the Company circular dated 1 September 2020, respectively.

於二零二零年七月二十四日，本公司與配售代理就配售可換股債券（「可換股債券配售」）訂立協議（「可換股債券配售協議」），據此，本公司有意提呈發售作認購，而配售代理已同意根據可換股債券配售協議所載之條款及條件，按竭盡所能基準促成可換股債券（「可換股債券」）認購。配售代理須促成不少於六名可換股債券配售承配人認購本金額最多為52,000,000港元之可換股債券。假設換股權按初步換股價0.2港元獲悉數行使，本公司將配發及發行最多260,000,000股新股份，相當於(i)可換股債券配售協議日期已發行股份總數約21.12%；及(ii)可換股債券配售協議日期經發行260,000,000股換股股份而擴大之已發行股份總數約17.44%（假設於可換股債券配售協議日期至可換股債券悉數轉換日期，本公司已發行股本概無其他變動）。假設配售代理成功配售全部可換股債券，可換股債券配售所得款項總額將約為52,000,000港元，而本公司擬將可換股債券配售的所得款項淨額約50,200,000港元用於(i)一般營運資金約35,200,000港元，其中約11,200,000港元將用作提供保證金貸款以及約24,000,000港元將用於本集團放債業務；及(ii)有關合營協議（定義見下文）及許可協議（定義見下文）之可能業務發展約15,000,000港元。可換股債券配售已於二零二零年十一月六日進行。可換股債券配售進一步詳情載於本公司日期分別為二零二零年七月二十四日、二零二零年七月二十九日及二零二零年十一月六日之公佈以及本公司日期為二零二零年九月一日之通函。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

On 17 July 2020, VC Global Investments Limited, a wholly owned subsidiary of the Company (“VC Global”), entered into the joint venture agreement (the “JV Agreement”) with Vast Sea Biotechnology, Inc. (formerly known as “Vast Sea, LLC”) (“Vast Sea”) and Success Health Global Limited, a then indirect wholly own subsidiary of the Company (“Success Health”), pursuant to which VC Global, and Vast Sea have agreed to establish a joint venture vehicle, being Success Health, to carry on and conduct the business of relevant commercial application of an invention (the “Invention”). The Invention is in relation to a formula for a dietary supplement (the “AVL-19”) which contains a novel compound developed by Vast Sea (the “Core Ingredients”), Vitamins C, B6, B12, D3, Zinc, L-Arginine and N-Acetyl Cysteine, one delivery mechanism for which is a dissolvable tablet. Vast Sea believe that AVL-19 and the Core Ingredients have the potential to support the human immune system consistent with the benefits associated with dietary supplements. In June 2020, Vast Sea applied for and obtained a provisional patent registration from the United States Patent and Trademark Office with respect to the Invention, as evidenced by provisional patent registration number 63/041,587 for composition and methods for treating COVID-19 (the “Patent”).

On 17 July 2020, Success Health entered into a license agreement (the “License Agreement”) with Vast Sea, pursuant to which Success Health desires to market and sell the Core Ingredients in the form of AVL-19 and develop potential alternative uses and applications for the Core Ingredients while Vast Sea desires for Success Health to have the sole legal right to manufacture, sublicense and market and sell worldwide the Core Ingredients in the form of AVL-19 and to develop potential alternative uses and applications for the Core Ingredients through Success Health and its affiliates. Pursuant to the License Agreement, Vast Sea, being the sole legal and beneficial owner of the tangible embodiments of the Invention, is ready and willing to license the Patent exclusively to Success Health under and in accordance with the License Agreement.

於二零二零年七月十七日，本公司之全資附屬公司VC Global Investments Limited (「VC Global」)與Vast Sea Biotechnology, Inc. (前稱Vast Sea, LLC) (「Vast Sea」)及本公司當時之間接全資附屬公司Success Health Global Limited (「Success Health」)訂立合營協議 (「合營協議」)，據此，VC Global及Vast Sea已同意成立一間合營公司 (即Success Health)以經營及進行有關一項發明 (「該發明」)之相關商業應用的業務。該發明涉及一種營養補充劑配方 (「AVL-19」)，其中含有一種由Vast Sea開發之新型化合物 (「核心成分」)、維他命C、B6、B12、D3、鋅、L-精氨酸及N-乙酰半胱氨酸，而其中一種攝取機制為可溶解錠劑。Vast Sea相信，AVL-19及核心成分具有輔助人體免疫系統的潛在益處，與營養補充劑所附帶的益處一致。於二零二零年六月，Vast Sea就該發明向美國專利商標局申請專利，並獲頒臨時專利註冊，獲得臨時專利註冊編號63/041,587有關治療COVID-19的成分及療法證明 (「該專利」)。

於二零二零年七月十七日，Success Health與Vast Sea訂立許可協議 (「許可協議」)，據此，Success Health期望以AVL-19方式營銷及銷售核心成分，並開發核心成分的其他潛在用途及應用，而Vast Sea期望Success Health擁有以AVL-19方式於全球生產、轉授許可以及營銷及銷售核心成分，以及通過Success Health及其關聯公司開發核心成分的其他潛在用途及應用的唯一合法權利。根據許可協議，Vast Sea作為該發明的具體表現的唯一合法及實益擁有人，已準備及願意根據許可協議向Success Health授出該專利的獨家許可。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

For details of the transactions, please refer to the Company's announcements dated 24 July 2020 and 29 July 2020.

Grant of options under specific mandate

On 30 July 2020, the Company entered into the option agreement (the "Option Agreement") with certain grantees (the "Grantees"), pursuant to which the Company intends to grant options (the "Options") to the Grantees, and the Grantees are desirous of accepting such grant. In case the Grantees shall exercise the Options in entirety, the Company shall issue and allot 108,000,000 new Shares at the subscription price (the "Subscription Price") of HK\$0.26 per option share (the "Option Share"). The Options were granted to the Grantees at a nominal consideration of HK\$1 in three equal tranches, and the Options to be granted to a Grantee in any tranche will entitle the Grantee to, upon exercising such Options, to subscribe up to 12,000,000 new Shares at the Subscription Price.

The Options are not granted under the share option scheme of the Company adopted under Chapter 17 of the Listing Rules. According to Rule 13.36(7) of Listing Rules, the Company may not issue the Options pursuant to general mandate. A resolution will be proposed at an extraordinary general meeting to give the Directors a specific mandate to grant the Options and allot and issue the Option Shares pursuant to the exercise of the Options.

As Mr. Wei Dahang, being one of the Grantees, tendered his resignation as consultant of Success Health on 8 November 2020, no Options will be granted to the Grantees by the Company, and the Option Agreement is terminated accordingly.

For details of the transaction, please refer to the Company's announcements dated 30 July 2020, 5 August 2020 and 28 January 2021, respectively.

有關交易之詳情，請參閱本公司日期為二零二零年七月二十四日及二零二零年七月二十九日之公佈。

根據特別授權授出購股權

於二零二零年七月三十日，本公司與若干承授人（「承授人」）訂立購股權協議（「購股權協議」），據此，本公司擬向承授人授出購股權（「購股權」），而承授人亦願意接納該項授予。倘承授人全面行使購股權，本公司須按認購價每股購股權股份0.26港元（「認購價」）發行及配發108,000,000股新股份（「購股權股份」）。購股權按名義代價1港元分三個等額批次授予承授人，而任何將向承授人授出之購股權批次均將賦予承授人權利，在行使該等購股權後，可按認購價認購最多12,000,000股新股份。

購股權並非按本公司根據上市規則第17章採納之期權計劃授出。按照上市規則第13.36(7)條之規定，本公司不可根據一般授權發行購股權。本公司將於股東特別大會上提呈決議案，會上將給予董事特別授權，藉以授出購股權以及基於購股權之行使而配發及發行購股權股份。

由於魏大航先生（其中一名承授人）於二零二零年十一月八日提呈辭任Success Health顧問一職，故此本公司將不會向承授人授出任何購股權而購股權協議已隨之終止。

有關交易之詳情，請參閱本公司日期分別為二零二零年七月三十日、二零二零年八月五日及二零二一年一月二十八日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Grant of call options to the Company

The Call Option Agreement I

On 1 December 2020, the Company entered into a call option agreement with the Grantor I (being Vast Sea Biotechnology, Inc.), pursuant to which the Company was desirous of acquiring 49 shares of Success Health Global Limited ("Success Health"), representing 49% of the entire portfolio of Success Health (the "Call Option Shares I") or a certain portfolio thereof from the Grantor I, and the Grantor I was desirous of granting the call option to the Company to purchase up to 49 Call Option Shares I.

Exercise price

In consideration of the Company's payment of HK\$1 to the Grantor I the receipt of which was acknowledged, the Grantor I irrevocably granted to the Company the right to require the Grantor I to sell and transfer the Call Option Shares I or any part thereof to the Company, at such an amount to be paid by the Company to the Grantor I (or its nominee) for the Call Option Shares I or any portfolio thereof, which shall be equivalent to 90% of the valuation of Success Health as at the date of the Sale and Purchase Agreement I (being a formal sale and purchase agreement for regulating and governing the Company's acquisition of the Call Option Shares I or the corresponding portfolio thereof from the Grantor I) as assessed and determined by independent professional valuer(s) appointed or retained by the Company attributable to the ascertained portfolio of the Call Option Shares I.

The Call Option Agreement II

On 1 December 2020, the Company entered into a call option agreement with the Grantor II (being Main Dynasty International Limited), pursuant to which the Company was desirous of acquiring up to 300,000 shares of Vast Sea, representing 30% of the entire portfolio of Vast Sea (the "Call Option Shares II") or a certain portfolio thereof from the Grantor II, and the Grantor II was desirous of granting the call option to the Company to purchase up to 300,000 Call Option Shares II.

向本公司授出認購期權

認購期權協議I

於二零二零年十二月一日，本公司與授予人I（即Vast Sea Biotechnology, Inc.）訂立認購期權協議，據此，本公司有意收購Success Health Global Limited（「Success Health」）之49股股份，佔整個Success Health組合之49%（「認購期權股份I」），或收購授予人I於當中之若干組合，而授予人I亦有意向本公司授出認購期權，以購買最多49股認購期權股份I。

行使價

作為本公司向授予人I支付1港元（已確認收款）之代價，授予人I不可撤回地授予本公司可要求授予人I向本公司出售及轉讓認購期權股份I或其任何部分之權利，有關款項由本公司就認購期權股份I或當中任何組合向授予人I（或其代名人）支付，金額相當於Success Health於買賣協議I（為旨在規管及管制本公司向授予人I收購認購期權股份I或當中相應組合之收購事宜所訂立的正式買賣協議）日期經本公司委任或挽留之獨立專業估值師評估及釐定後就已確定之認購期權股份I組合應佔之估價之90%。

認購期權協議II

於二零二零年十二月一日，本公司與授予人II（即梅恩王朝國際有限公司）訂立認購期權協議，據此，本公司有意收購Vast Sea之最多300,000股股份，佔整個Vast Sea組合之30%（「認購期權股份II」），或收購授予人II於當中之若干組合，而授予人II亦有意向本公司授出認購期權，以購買最多300,000股認購期權股份II。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析*Exercise price*

In consideration of the Company's payment of HK\$1 to the Grantor II the receipt of which was acknowledged, the Grantor II irrevocably granted to the Company the right to require the Grantor II to sell and transfer the Call Option Shares II or any part thereof to the Company, at such an amount to be paid by the Company to the Grantor II (or its nominee) for the Call Option Shares II or any portfolio thereof, which shall be equivalent to 90% of the valuation of Vast Sea as at the date of the Sale and Purchase Agreement II (being a formal sale and purchase agreement for regulating and governing the Company's acquisition of the Call Option Shares II or the corresponding portfolio thereof from the Grantor II) as assessed and determined by independent professional valuer(s) appointed or retained by the Company attributable to the ascertained portfolio of the Call Option Shares II.

The Call Option Agreement III

On 1 December 2020, the Company entered into a call option agreement with the Grantor III (being Li, Jennifer Chun Jiang), pursuant to which the Company was interested in acquiring up to 300,000 shares of Vast Sea, representing 30% of the entire portfolio of Vast Sea (the "Call Option Shares III") or a certain portfolio thereof from the Grantor III after the Grantor III has completed a transaction in relation to the acquisition of an aggregate of 300,000 shares of Vast Sea from the existing shareholders of Vast Sea (the "Transaction"), and the Grantor III was desirous of granting the call option to the Company to purchase up to 300,000 Call Option Shares III.

行使價

作為本公司向授予人II支付1港元(已確認收款)之代價, 授予人II不可撤回地授予本公司可要求授予人II向本公司出售及轉讓認購期權股份II或其任何部分之權利, 有關款項由本公司就認購期權股份II或當中任何組合向授予人II(或其代名人)支付, 金額相當於Vast Sea於買賣協議II(為旨在規管及管制本公司向授予人II收購認購期權股份II或當中相應組合之收購事宜所訂立的正式買賣協議)日期經本公司委任或挽留之獨立專業估值師評估及釐定後就已確定之認購期權股份II組合應佔之估值之90%。

認購期權協議III

於二零二零年十二月一日, 本公司與授予人III(即Li, Jennifer Chun Jiang)訂立認購期權協議, 據此, 本公司有意於授予人III完成向Vast Sea現有股東收購合共300,000股Vast Sea股份之交易(「該交易」)後, 收購Vast Sea之最多300,000股股份, 佔整個Vast Sea組合之30%(「認購期權股份III」), 或收購授予人III於當中之若干組合, 而授予人III亦有意向本公司授出認購期權, 以購買最多300,000股認購期權股份III。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Exercise price

In consideration of the Company's payment of HK\$1 to the Grantor III the receipt of which was acknowledged, the Grantor III irrevocably granted to the Company the right to require the Grantor III to sell and transfer the Call Option Shares III or any part thereof to the Company, at such an amount to be paid by the Company to the Grantor III (or its nominee) for the Call Option Shares III or any portfolio thereof, which shall be equivalent to 90% of the valuation of Vast Sea as at the date of the Sale and Purchase Agreement III (a formal sale and purchase agreement for regulating and governing the Company's acquisition of the Call Option Shares III or the corresponding portfolio thereof from the Grantor III) as assessed and determined by independent professional valuer(s) appointed or retained by the Company attributable to the ascertained portfolio of the Call Option Shares III.

For details of the transaction, please refer to the Company's announcement dated 1 December 2020.

行使價

作為本公司向授予人III支付1港元(已確認收款)之代價, 授予人III不可撤回地授予本公司可要求授予人III向本公司出售及轉讓認購期權股份III或其任何部分之權利, 有關款項由本公司就認購期權股份III或當中任何組合向授予人III(或其代名人)支付, 金額相當於Vast Sea於買賣協議III(為旨在規管及管制本公司向授予人III收購認購期權股份III或當中相應組合之收購事宜所訂立的正式買賣協議)日期經本公司委任或挽留之獨立專業估值師評估及釐定後就已確定之認購期權股份III組合應佔之估值之90%。

有關交易之詳情, 請參閱本公司日期為二零二零年十二月一日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Entering into the sub-licence agreement**

On 17 December 2020, Vast Sea Biotechnology, Inc. (and Vast Sea, interchangeably the “Licensor”), the Licensee, and Hopkins Biotech Company (a company incorporated in the United States of America) (the “Sub-Licensee”) (collectively, the “Parties”) entered into a sub-licence agreement (the “Sub-Licence Agreement”), pursuant to which the Licensee sub-licence certain procedures in relation to the Licence to the Sub-Licensee (the “Sub-Licensing”).

Grant of Rights

Pursuant to the Sub-Licence Agreement, under the supervision of the Licensor, the Licensee may sub-licence to the Sub-Licensee during the Sub-Licensing Period (as defined below):

- (a) the sole and exclusive right to manufacture and produce two delivery mechanisms, namely, the eye-drop form and the tablet form of the tangible materials (the “Licensed Products”) which in the course of manufacture would be within the scope of one or more claims of the Patent (the “Relevant Product”) in the United States of America (“USA”) and the Sub-Licensed Territories (as defined below), and for avoidance of any doubt, the Relevant Product shall only be part of the Licensed Product; and
- (b) the sole and exclusive right to distribute and sell the Relevant Product to all countries in North America, European Union, Middle East and Arab League (the “Sub-Licensed Territories”).

訂立分許可協議

於二零二零年十二月十七日，Vast Sea Biotechnology, Inc. (與Vast Sea均可稱「許可人」)、被許可人及Hopkins Biotech Company (一間於美利堅合眾國註冊成立之公司) (「分被許可人」) (統稱「訂約方」) 訂立分許可協議 (「分許可協議」)，據此，被許可人將該許可所涉之若干相關程序分授予分被許可人 (「分許可事項」)。

授出權利

根據分許可協議，在許可人之監督下，被許可人可於分許可期 (定義見下文) 內分授下列權利予分被許可人：

- (a) 於美利堅合眾國 (「美國」) 及分許可地區 (定義見下文) 製造及生產兩種藥物劑型之獨家及專屬權利，分別為有形物質之滴劑及口含片 (「許可產品」)，其於製造之過程中將處於該專利之一項或以上申請之範圍內 (「相關產品」)，為免生疑問，相關產品只會是許可產品之一部分；及
- (b) 向北美洲、歐洲聯盟、中東及阿拉伯國家聯盟所有國家 (「分許可地區」) 分銷及銷售相關產品之獨家及專屬權利。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Royalty Fee

The Sub-Licensee shall pay royalty to the Licensee for the Relevant Product, which royalty shall be equivalent to 5% of the sale price of the Relevant Product sold by the Sub-Licensee (the "Royalty"). The minimum amount of Royalty for the first 12 months period commencing on the Commencement Date (as defined below) shall be US\$3,000,000, and in the case of there being any shortfall, the Sub-Licensee shall make good the difference on dollar-to-dollar basis within the 13th month after the Commencement Date (as defined below), and likewise, the minimum amount of Royalty for the remaining 12 months period commencing on the anniversary of the Commencement Date (as defined below) shall also be US\$3,000,000, and in the case of there being any shortfall, the Sub-Licensee shall make good the difference on dollar-to-dollar basis within 25th month after the Commencement Date (as defined below). Any failure and/or refusal of the Sub-Licensee to make good any shortfall in Royalty for any Sub-Licensing Period (as defined below) shall be an event of default and shall result in non-extension of the relevant Sub-Licensing Period (as defined below).

Sub-Licensing Period

The period of the Sub-Licensing, which shall be for an initial fixed term commencing on the date when the toxicity test and in-vivo studies (In Vivo Pharmacokinetics (PK) Studies) have been duly completed to the satisfaction of the Licensor, Licensee and Sub-Licensee (the "Commencement Date") and expiring on the second anniversary of the Commencement Date (both days inclusive). The initial Sub-Licensing period will be automatically renewed for a period of 12 months upon satisfaction or accomplishment of benchmarks and targets designated by the Licensee during the initial Sub-Licensing period (the "Sub-Licensing Period"). In case the Sub-Licensing Period shall not commence by 30 June 2021 or such later dates as the Parties may agree in writing, the Sub-Licence Agreement, notwithstanding that it has already been executed, shall become null and void forthwith.

專利費

分被許可人須就相關產品向被許可人支付專利權費，有關專利費金額將相當於分被許可人出售相關產品之售價之5%（「專利費」）。於開始日期（定義見下文）起首12個月之最低專利費金額將為3,000,000美元。倘有任何短缺，於開始日期（定義見下文）後第13個月內，分被許可人須按等額基準補足有關差額；同樣，於開始日期（定義見下文）一週年後餘下12個月之最低專利費金額將同樣為3,000,000美元，倘有任何短缺，於開始日期（定義見下文）後第25個月內，分被許可人須按等額基準補足有關差額。倘分被許可人於任何分許可期（定義見下文）內未能及／或拒絕補足任何專利費短缺，此將構成違約事件並將導致該分許可期（定義見下文）不再延續。

分許可期

分許可之期限初步將為固定期限，由妥善完成許可人、被許可人及分被許可人所滿意之毒性測試及體內研究（體內藥物動力學可研究）日期（「開始日期」）開始至開始日期後兩週年之日（包括首尾兩日）屆滿。初步之分許可期將於被許可人所訂明之指標及目標於初步之分許可期內達成或實現後自動重續12個月（「分許可期」）。倘分許可期並無於二零二一年六月三十日或訂約方可能書面協定之較後日期之前開始生效，分許可協議將予即時無效，而不論協議是否已簽立。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Details of the transaction was disclosed in the Company's announcement dated 17 December 2020.

Details of the Group's business performance of each operating segment for the year ended 31 December 2020, together with the comparative figures of the corresponding period in 2019, are given in the section "FINANCIAL REVIEW" below.

OUTLOOK

Challenges which are yet to be resolved, the gloomy economic outlook and market instability are expected to remain and will continue to pose negative impacts to the economy. In view of the significant downward pressure on the economy, fiscal measures are being taken in various countries to mitigate the social and economic impacts. A certain period is anticipated for the market recovery.

In respect of the financial market, Hong Kong is still a vital link for access to China's stock market. Hang Seng Index Company announced the details of enhancements to its flagship Hang Seng Index ('HSI') to ensure it remains the most representative and important benchmark of the Hong Kong stock market. Changes included (1) increasing the number of constituents to 100, (2) selecting the HSI constituents by seven industry groups, (3) relaxing the listing history requirement, (4) maintaining the representation of Hong Kong companies, and (5) adopting a weighting cap of 8% on all HSI constituents.

The enhancements to the HSI will further increase its representation and make the Index more balanced and diversified. Building on HSI's market history of more than 50 years, these enhancements will ensure that the Index remains the most important benchmark of the Hong Kong stock market and will continue to grow and evolve to keep pace with the market.

有關交易之詳情於本公司日期為二零二零年十二月十七日之公佈內披露。

有關本集團各經營分部於截至二零二零年十二月三十一日止年度之業務表現連同二零一九年同期之比較數字，敬請參閱下列之「財務回顧」部分。

展望

由於有挑戰尚待解決，黯淡的經濟前景及市場的不穩定因素預計仍將存在，並將繼續對經濟造成負面影響。面對經濟下行壓力嚴重，各國均採取財政措施，以減輕社會及經濟所受影響。預計市場需要一定時間才能恢復。

在金融市場方面，香港仍然是進入中國股市的重要渠道。恒生指數公司已公佈有關恒生指數（「恒指」）的優化細節，以確保此旗艦指數繼續成為香港股市最具代表性及最重要的市場基準。有關改動包括：(1)增加成份股數目至100隻；(2)按七個行業組別挑選恒指成份股；(3)放寬上市歷史要求；(4)保留香港公司的代表性；及(5)對所有恒指成份股採用8%的權重上限。

優化後的恒生指數將進一步提升其代表性，並使指數變得更均衡及多樣化。建基於恒生指數超過五十年的市場歷史，這次的優化將保持恒生指數為香港股票市場最重要的指標，並繼續與市場同步成長及演變。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

It is expected that more foreign-listed Chinese firms and Chinese new economy companies may consider listing in Hong Kong, and the return of China concepts stocks will benefit the Hong Kong stock market in the long run as more global funds will be allocated to the Hong Kong market. In addition, development of the “Guangdong-Hong Kong-Macao Greater Bay Area” would bring more opportunities for Hong Kong as an international financial hub.

As regard the healthcare market, the successful sale occurred in the United States of America and Hong Kong provided confidence to the Group on the further optimization and development of AVL-19. With the gradual establishment of more diversified sales channel throughout different parties around the world, the Group is optimistic that this newly launched segment will be able to bring solid positive result to the shareholders of the Company.

Our business strategies continue to include enlarging our revenue base through fostering our core businesses, and tapping into new emerging markets with expanded business initiatives. While applying our excellent operational capabilities to serve our clients, the Group will devote increased resources to business diversification and acquisition when opportunities arise, with the view to strengthening our all-round business position in Hong Kong and beyond. The Group will continue to explore the business opportunities in the PRC market. At the same time, the Group also keeps a firm grasp on the business opportunities with comparably positive growth and return in the local financial market and more resources will then be devoted.

LONG-TERM BUSINESS STRATEGY

The Group's core businesses remain competitive with a focus on provision of financial services and proprietary trading. Further, the Group tapped into the healthcare market by entering into the joint venture agreement and the licence agreement as disclosed in the Company's announcement dated 24 July 2020.

預期更多國外上市的中資企業及中國新經濟企業可能會考慮在香港上市。中國概念股的回歸將使更多全球資金配置到香港市場，長遠而言將對港股市場有利。此外，「粵港澳大灣區」的發展將為香港作為國際金融中心帶來更多機遇。

在醫療保健市場方面，美國及香港的成功銷售為集團進一步優化及發展AVL-19提供了信心。隨著在全球各地逐步建立起更多元化的銷售管道，本集團看好此新成立的業務分部將能為本公司股東帶來穩健的正面業績。

我們的業務策略將繼續是透過發展核心業務擴展收益基礎，以及通過擴大業務舉措開拓新興市場。在運用卓越的營運能力服務客戶的同時，本集團將投入更多資源，在機會來臨時進行業務多元化及收購，以鞏固我們在香港及其他地區的全面業務地位。本集團將繼續探索中國市場的商機。同時，本集團亦將牢牢把握本地金融市場中賺取相對較高增長及回報率的業務機遇，屆時將投入更多資源。

長遠業務策略

本集團之核心業務仍甚具競爭力，集中於提供金融服務及自營買賣業務。此外，誠如本公司日期為二零二零年七月二十四日之公佈所披露，本集團透過訂立合營協議及許可協議拓展醫療保健市場。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group did not make any significant changes to its business strategy in the financial service sectors. Despite market volatility, the Group safeguarded its competitive edge due to a number of factors: clients established over the years, diverse premium services that cater to clients' needs, competitive fees and a proactive and professional team that is dedicated to innovation and exploration of new markets to drive greater business returns for the investors and shareholders.

FINANCIAL REVIEW

For the year ended 31 December 2020, the Group's consolidated revenue was approximately HK\$77.9 million, which increased by about 58% as compared with the same period in 2019 of approximately HK\$49.2 million. The Group recorded a consolidated loss attributable to owners of the Company amounted to approximately HK\$31.7 million for the year ended 31 December 2020 against a loss of approximately HK\$93.4 million for the same period in 2019, representing a decrease of approximately 66%.

The decrease in the Group's consolidated loss attributable to owners of the Company in 2020 was mainly attributable to (i) increase in revenue of approximately HK\$28.7 million; (ii) positive change in net realised and unrealised gain or loss on financial assets held-for-trading of approximately HK\$40.0 million; (iii) decrease in other operating expenses of approximately HK\$7.8 million; and partially offset by (iv) increase in staff cost of approximately HK\$6.1 million; (v) increase in impairment loss on accounts receivable of approximately HK\$14.7 million; and (vi) impairment loss on other receivables of approximately HK\$5.0 million.

To facilitate the review, the Group's revenue and segment information shown in Notes 5 and 6 to the consolidated financial statements is reproduced below after some rearrangements:

本集團於金融服務業之業務策略並無任何重大變動。在市場波動下，本集團仍能憑藉以下因素而維持競爭優勢：多年來累積的客戶；服務卓越而多元化，切合客戶需要；收費具競爭力；以及擁有一隊主動而專業的團隊，敢於創新及開拓新市場，以為投資者及股東爭取更大回報。

財務回顧

截至二零二零年十二月三十一日止年度，本集團之綜合收益約為77,900,000港元，較二零一九年同期的約49,200,000港元增加約58%。本集團於截至二零二零年十二月三十一日止年度錄得本公司擁有人應佔綜合虧損約31,700,000港元，而二零一九年同期則錄得虧損約93,400,000港元，減少約66%。

本集團於二零二零年之本公司擁有人應佔綜合虧損減少之主要原因是(i)收益增加約28,700,000港元；(ii)持作買賣財務資產之已變現及未變現收益或虧損淨額錄得正數變動約40,000,000港元；(iii)其他經營開支減少約7,800,000港元；而其中部分被(iv)僱員成本增加約6,100,000港元；(v)應收賬款之減值虧損增加約14,700,000港元；及(vi)其他應收賬款之減值虧損增加約5,000,000港元所抵銷。

為便於省覽，謹將綜合財務報表附註5及6之本集團收益及分部資料重新整理轉載如下：

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Revenue Analysis

收益分析

		2020 二零二零年		2019 二零一九年		Increase (decrease) 增加 (減少) %
		Proportion of total revenue 佔總收益 比例 HK\$'000 千港元	%	Proportion of total revenue 佔總收益 比例 HK\$'000 千港元	%	
Revenue from:	來自以下各項之 收益：					
Brokerage and Financing	經紀及融資業務	59,167	76%	37,813	77%	56%
Brokerage commission and other related fees	經紀佣金及其 他相關費用	13,795	18%	11,786	24%	17%
Underwriting, sub- underwriting, placing and sub-placing commission	包銷、分包 銷、配售及 分配售佣金	1,620	2%	1,339	3%	21%
Interest income from brokerage clients	來自經紀業務 客戶之利息 收入	12,990	17%	12,723	26%	2%
Interest income from money lending clients	來自放債業務 客戶之利息 收入	30,762	39%	10,465	21%	194%
Other fees	其他費用	-	-	1,500	3%	(100%)
Corporate Finance and Other Advisory Services	企業融資及其他 顧問服務業務	9,203	12%	10,286	21%	(11%)
Asset Management	資產管理業務	-	-	-	-	-
Insurance Brokerage	保險經紀業務	-	-	-	-	-
Proprietary Trading	自營買賣業務	-	-	1,111	2%	(100%)
Sale and distribution of healthcare products	銷售及分銷醫療 保健產品	9,539	12%	-	-	100%
Total revenue	總收益	77,909	100%	49,210	100%	58%

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Segment Analysis

分部分析

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Segment results:	分部業績：		
Brokerage and Financing	經紀及融資業務	5,340	12,593
Corporate Finance and Other Advisory Services	企業融資及其他顧問服務業務	(2,614)	(2,784)
Asset Management	資產管理業務	(1,650)	(1,601)
Insurance Brokerage	保險經紀業務	(659)	(484)
Proprietary Trading	自營買賣業務	9,488	(28,434)
Sale and distribution of healthcare products	銷售及分銷醫療保健產品	(1,296)	—
Group segment profit (loss)	集團分部溢利(虧損)	8,609	(20,710)
Gain on acquisition of financial assets at fair value through profit or loss	收購按公平值列賬及在損益賬處理之財務資產之收益	3,979	3,167
Fair value change on financial assets at fair value through profit or loss	按公平值列賬及在損益賬處理之財務資產之公平值變動	(2,130)	(20,161)
Fair value change on derivative financial assets	衍生財務資產之公平值變動	4,735	—
Loss on redemption of financial assets at fair value through profit or loss	贖回按公平值列賬及在損益賬處理之財務資產之虧損	(3,358)	—
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值列賬及在損益賬處理之財務資產之虧損	(8,413)	—
Impairment loss on interest in an associate	於聯營公司之權益之減值虧損	—	(5,000)
Unallocated administrative costs	未分配行政成本	(34,047)	(51,193)
Share of profit (loss) of associates	分佔聯營公司之溢利(虧損)	127	(63)
Loss before taxation	除稅前虧損	(30,498)	(93,960)
Income tax (expenses) credit	所得稅(開支)抵免	(1,823)	591
Loss for the year	年度虧損	(32,321)	(93,369)

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Brokerage and Financing

During the year ended 31 December 2020, the Company, through its indirect wholly owned subsidiaries, namely, VC Brokerage and VC Futures Limited, provides securities, futures and options brokering and dealing, margin financing, and placing and underwriting services. It also through another indirect wholly owned subsidiary, VC Finance Limited (“VC Finance”), provides money lending services. For the year ended 31 December 2020, the brokerage and financing businesses recorded total revenue of approximately HK\$59.2 million as compared with approximately HK\$37.8 million for the same period last year, representing an increase of about 56%, and accounted for about 76% of the Group’s total revenue.

The Group’s one of the major revenue streams, namely, brokerage commission and other related fees from dealing in securities, futures and options contracts for the year ended 31 December 2020 amounted to approximately HK\$13.8 million, which was about 17% higher than that of 2019 of approximately HK\$11.8 million, and accounted for about 18% of the Group’s total revenue. The Group’s brokerage transactions recorded increase throughout 2020 with average daily trading turnover increasing by about 35% as compared to that of 2019. No other fees was charged in 2020 against 2019 which approximately HK\$1.5 million was for handling and consultancy fees.

經紀及融資業務

截至二零二零年十二月三十一日止年度，本公司透過其間接全資附屬公司，即滙盈證券及滙盈期貨有限公司提供證券、期貨及期權經紀及買賣服務、保證金融資服務，以及配售及包銷服務。本公司亦透過其另外一間間接全資附屬公司滙盈財務有限公司（「滙盈財務」）提供放債服務。截至二零二零年十二月三十一日止年度，經紀及融資業務錄得約59,200,000港元之總收益，而去年同期則約為37,800,000港元，升幅約為56%，而此收益佔本集團總收益約76%。

本集團之其中一項主要收益來源，即買賣證券、期貨及期權合約之經紀佣金收入與其他相關費用於截至二零二零年十二月三十一日止年度約為13,800,000港元，較二零一九年約11,800,000港元上升約17%，而此收益佔本集團總收益約18%。本集團之經紀交易於二零二零年全年有所增加，每日平均成交額比二零一九年增長約35%。相比二零一九年收取手續費及顧問費約1,500,000港元，於二零二零年並無收取其他費用。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Meanwhile, the Group's total interest income from financing for the year ended 31 December 2020 increased by about 89% to approximately HK\$43.8 million from approximately HK\$23.2 million for the same period last year, and accounted for about 57% of the Group's total revenue. The revenue included the interest income derived from both the brokerage business and the money lending business. Among these, the Group's interest income from our brokerage clients recorded approximately HK\$13.0 million for the year ended 31 December 2020, representing an increase of about 2% as compared to approximately HK\$12.7 million for the same period last year. The increase was mainly attributable to the increase of average loan portfolio of our brokerage clients by about 4% for the year ended 31 December 2020 as compared with the same period last year.

As mentioned above, the Group also provides money lending services to our clients. This aims at broadening our revenue base and also offering our clients with more financial flexibility to meet their personal and business needs. The Group's interest income generated from the money lending services was approximately HK\$30.8 million for the year ended 31 December 2020, representing an increase of about 194% as compared to approximately HK\$10.5 million for the same period last year. The increase was mainly contributed by a substantial increase of average loan portfolio of the money lending business by 2.8 times in 2020 as compared with the same period last year.

此外，截至二零二零年十二月三十一日止年度，本集團之融資業務利息收入總額由去年同期約23,200,000港元上升約89%至約43,800,000港元，而此收益佔本集團總收益約57%。收益包括經紀業務及放債業務產生之利息收入。該等利息收入當中，本集團來自經紀業務客戶之利息收入於截至二零二零年十二月三十一日止年度錄得約13,000,000港元，較去年同期約12,700,000港元增加約2%。收入增加主要乃由於本集團於截至二零二零年十二月三十一日止年度向經紀業務客戶提供之平均貸款組合與去年同期相比增加約4%。

一如前述，本集團亦向客戶提供放債服務，此乃旨在擴闊集團收益基礎，同時為客戶在財政上帶來更大的靈活性，以滿足彼等之個人及業務需要。本集團於截至二零二零年十二月三十一日止年度提供放債服務所產生之利息收入約為30,800,000港元，較去年同期約10,500,000港元增加約194%。此利息收入增加主要有賴於二零二零年放債業務之平均貸款組合較去年同期顯著上升2.8倍。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group has put efforts on implementing our credit control policies and procedures to review our clients' creditworthiness and credit limits from time to time so as to minimize our credit risk exposure. The Group's credit control policies and procedures are principally based on the doubtful unsecured exposure having assessed the fair value of the clients' collaterals held, the evaluation of collectability and aging analysis of the client accounts. As the local economy were about to revitalise after the fading out of COVID-19, the Group decided to take a bit more aggregate approach in provision of financing services. For the year ended 31 December 2020, there was an additional impairment loss of approximately HK\$21.6 million on client receivables from the brokerage and financing businesses (2019: HK\$7.0 million) in accordance with the Group's credit control policies and procedures and requirements of relevant accounting standard. The Group will take all necessary legal actions against the relevant clients to follow up the settlement of the outstanding loans. Details of the impairment loss on the client receivables had been disclosed in Note 26 to the consolidated financial statements.

Meanwhile, the Group offers placing and underwriting services to our clients, and acts as placing agent and underwriter for Hong Kong listed companies' fund raising activities. For the year ended 31 December 2020, the Group's placing and underwriting commission was approximately HK\$1.6 million as compared with approximately HK\$1.3 million for the same period last year. The Group will continue to put efforts to capture the opportunities towards the local initial public offerings and other fund raising exercises.

Overall, the brokerage and financing businesses recorded an operating profit after tax of approximately HK\$3.1 million for the year ended 31 December 2020 as compared with a profit of approximately HK\$12.6 million for the same period last year. The decrease of the operating performance in 2020 was mainly due to the increase of finance costs charged on intra-group loan.

本集團致力實施信貸監控政策及程序，以不時檢討客戶的信貸質素及信貸額，藉以將集團之信貸風險減至最低。本集團之信貸監控政策及程序乃主要依據無抵押呆賬之風險，就此乃評估已持有客戶抵押品之公平值、評定客戶賬項之可收回成數以及賬齡分析。由於本港經濟將於COVID-19疫情消退後重振旗鼓，因此本集團在提供融資服務方面決定採取更綜合化的方針。截至二零二零年十二月三十一日止年度，按照本集團之信貸監控政策及程序以及相關會計準則規定，有約21,600,000港元應收經紀及融資業務客戶款項之額外減值虧損（二零一九年：7,000,000港元）。本集團將向相關客戶採取一切必要法律行動，以跟進未償還貸款之收款。有關應收客戶款項減值虧損之詳情於綜合財務報表附註26披露。

此外，本集團為客戶提供配售及包銷服務，並為多家香港上市公司出任集資活動之配售代理及包銷商。於截至二零二零年十二月三十一日止年度，本集團錄得之配售及包銷佣金約為1,600,000港元，而去年同期則約為1,300,000港元。本集團將繼續投放資源以掌握本港首次公開發售及其他集資活動所展現之機遇。

整體而言，經紀及融資業務於截至二零二零年十二月三十一日止年度錄得約3,100,000港元之除稅後經營溢利，而去年同期則錄得溢利約12,600,000港元。二零二零年之經營表現倒退主要乃由於集團內公司間之貸款融資成本增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Corporate Finance and Other Advisory Services

The Company through its indirect wholly owned subsidiary, VC Capital Limited (“VC Capital”), provides corporate finance advisory services to its clients. In 2020, VC Capital was appointed as the financial adviser of certain Hong Kong listed companies for a number of corporate transactions.

The Company through its another indirect wholly owned subsidiary, VC Corporate Services Limited, provides corporate services, including company secretarial services, registered office and business services, etc., to listed and private companies.

For the year ended 31 December 2020, the Company’s corporate finance and other advisory services recorded revenue and operating loss after tax of approximately HK\$9.2 million and HK\$2.6 million as compared with approximately HK\$10.3 million and HK\$2.8 million for the same period last year, respectively.

Asset Management

For the year ended 31 December 2020, the Company’s asset management business, through its indirect wholly owned subsidiary, VC Asset Management Limited, recorded an operating loss after tax of approximately HK\$1.7 million as compared with a loss of approximately HK\$1.6 million for the same period last year, which mainly included the general operating expenses such as staff costs and professional costs.

企業融資及其他顧問服務業務

本公司透過其間接全資附屬公司滙盈融資有限公司（「滙盈融資」）向其客戶提供企業融資顧問服務。於二零二零年，滙盈融資獲香港多家上市公司委聘為多宗企業交易之財務顧問。

本公司透過其另一間間接全資附屬公司滙盈秘書服務有限公司為上市及私人公司提供企業服務，包括公司秘書服務、註冊辦事處及商業服務等。

截至二零二零年十二月三十一日止年度，本公司之企業融資及其他顧問服務業務分別錄得收益約9,200,000港元及除稅後經營虧損約2,600,000港元，至於去年同期則分別約為10,300,000港元及2,800,000港元。

資產管理業務

截至二零二零年十二月三十一日止年度，本公司透過其間接全資附屬公司滙盈資產管理有限公司經營之資產管理業務錄得約1,700,000港元之除稅後經營虧損，至於去年同期則錄得虧損約1,600,000港元，主要包括員工成本及專業費用等一般經營開支。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group continues to pursue new business opportunities and resources to develop its asset management business so as to enhance our products and services offerings to cater for the diverse and growing needs of our clients. In the past few years, the local capital market was volatile and full of uncertainties, which made the development of our asset management business still difficult. Nevertheless, the Group has continued to put efforts in approaching the potential clients so as to gain understanding of their needs, establish long-term business relationship with them and finally provide the personalised investment and wealth management services which can create greater value to them.

Insurance Brokerage

The Group, through Experts Management Limited, an indirect wholly owned subsidiary, was engaged in the provision for insurance brokerage service. Experts Management Limited owns insurance broker company licence and is entitled to conduct long term insurance business. During the year, Expert Management Limited recorded an operating loss of approximately HK\$659,000 (2019: HK\$484,000 which mainly included the general operating expenses such as staff costs).

本集團繼續積極尋求有助拓展資產管理業務之新商機及資源，藉以提升本集團所提供之產品及服務水平，以迎合客戶漸趨多元化及與日俱增之需求。過去數年，本港資本市場一直波動且充滿變數，令集團的資產管理業務發展更添困難。儘管如此，本集團仍繼續努力接洽潛在客戶，藉以了解彼等之需要、建立長期業務關係，最終向彼等提供切合個人需要之投資及財富管理服務，為彼等創造更大價值。

保險經紀業務

本集團透過間接全資附屬公司Experts Management Limited從事提供保險經紀服務。Experts Management Limited擁有保險經紀公司牌照，並有權進行長期保險業務。年內，Experts Management Limited錄得經營虧損約659,000港元（二零一九年：484,000港元），主要包括員工成本等一般經營開支。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Proprietary Trading

As at 31 December 2020, the Group held equity securities listed in Hong Kong of approximately HK\$247.3 million (31 December 2019: HK\$162.1 million) as financial assets held-for-trading, which was stated at market value. The fair value of these listed equity securities represents about 27% of the Group's total assets as at 31 December 2020 (31 December 2019: 19%). This segment had improved following the rebound of the Hong Kong capital market towards the end of the year.

The Group invests mainly through purchases in the secondary market. The management follows strictly the internal securities investment policy and seeks the approval from the Board, when necessary, so as to enhance the financial returns to the shareholders and limit the risk exposure associated therewith. During the year ended 31 December 2020, there was net purchase in securities investment of approximately HK\$66.4 million (2019: net disposal of HK\$75.9 million).

For the year ended 31 December 2020, the Group did not record any revenue (2019: HK\$1.1 million) from the proprietary trading business. Meanwhile, the Group recognised a net gain of approximately HK\$13.3 million (including a realised loss of approximately HK\$12.2 million and an unrealised gain of approximately HK\$25.5 million) on the trading investments for the year ended 31 December 2020 as compared with a net loss of approximately HK\$26.7 million (including a realised loss of approximately HK\$24.5 million and an unrealised loss of approximately HK\$2.2 million) for the same period in 2019.

自營買賣業務

於二零二零年十二月三十一日，本集團持有於香港上市之股本證券（屬持作買賣財務資產）約247,300,000港元（二零一九年十二月三十一日：162,100,000港元），乃按市值列賬。該等上市股本證券於二零二零年十二月三十一日之公平值約佔本集團總資產之27%（二零一九年十二月三十一日：19%）。此分部隨著香港資本市場於年底反彈而有所改善。

本集團主要藉著於第二市場購買而作出投資。管理層嚴格遵守內部證券投資政策，並會於有需要時先提請董事會批准，務求提升股東財務回報的同時亦限制其相關風險。於截至二零二零年十二月三十一日止年度，證券投資之淨購貨額約為66,400,000港元（二零一九年：淨出售額75,900,000港元）。

於截至二零二零年十二月三十一日止年度，本集團自營買賣業務概無錄得任何收益（二零一九年：1,100,000港元）。此外，本集團於截至二零二零年十二月三十一日止年度就持作買賣投資確認收益淨額約13,300,000港元（包括已變現虧損約12,200,000港元及未變現收益約25,500,000港元），而於二零一九年同期則錄得虧損淨額約26,700,000港元（包括已變現虧損約24,500,000港元及未變現虧損約2,200,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Below is an analysis of the financial assets held for trading held by the Group as at 31 December 2020:

本集團於二零二零年十二月三十一日持作買賣之財務資產分析如下：

Industries	行業	Market value as at 31 December 2020	Percentage to the Group's total assets	Unrealised gain (loss) for the year ended 31 December 2020
		於二零二零年 十二月三十一日 之市值 HK\$'000 千港元	佔本集團 總資產 百分比 %	止年度之 未變現收益 (虧損) HK\$'000 千港元
Energy	能源	3,861	0.42%	(13,048)
Information technology	資訊科技	88,114	9.48%	25,053
Consumer goods and services	消費品及服務	20,530	2.21%	(60,864)
Materials	原材料	5,853	0.63%	(4,047)
Financials	金融	53,964	5.81%	(1,762)
Industrials	工業	12,889	1.39%	(19,680)
Utilities	公用事業	62,127	6.69%	1,545
		247,338	26.63%	(72,803)

While the performance of different industries did vary, the Group cautiously envisages the investment portfolio and shall be determined to make any strategic moves.

儘管不同行業的表現參差，惟本集團對投資組合抱持審慎期望，並會堅定作出任何策略舉措。

The portfolio successfully turned profitable for the year ended 31 December 2020. With gradual recovery of the global capital market following the slump in the first quarter of 2021, the Group is optimistic in its proprietary trading business.

截至二零二零年十二月三十一日止年度之投資組合成功錄得溢利。隨著環球資本市場從二零二一年第一季度之下滑中逐步回復，本集團對自營買賣業務感到樂觀。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Overall, the Group's proprietary trading business recorded an operating profit after tax of approximately HK\$9.5 million for the year ended 31 December 2020 as compared with a loss of approximately HK\$28.4 million for the same period last year.

Healthcare Products

During the year ended 31 December 2020, the Group stepped into the healthcare products through Success Health Global Limited ("SHGL"), the joint venture company established with Vast Sea Biotechnology, Inc as partner. As at 31 December 2020, the Group was beneficially interested in 51% of the entire issued share capital of SHGL.

During the year, SHGL, through its 2 wholly owned subsidiaries, namely Success Health Biotech (US), Inc and Success Health BioTech (HK) Limited, recorded revenue of approximately HK\$9.5 million in respect of sale and distribution of healthcare products named AVL-19. It is the given name of both the formulation and product of the dietary supplement designed to fight against COVID-19. AVL-19 formulation is based on nucleotides and polypeptides, which are naturally occurring molecules in the human body as opposed to asynthetic chemical drugs or man-made antibodies with unknown toxicity profiles.

Despite vaccines combating COVID-19 are gradually available around the globe, the Company believes that AVL-19 serves as an alternative choice to the public particularly in view of daily healthcare needs and will have its own market.

整體而言，本集團之自營買賣業務於截至二零二零年十二月三十一日止年度錄得約9,500,000港元之除稅後經營溢利，至於去年同期則為虧損約28,400,000港元。

醫療保健產品

截至二零二零年十二月三十一日止年度，本集團透過Success Health Global Limited (「SHGL」) 拓展業務至醫療保健產品，該公司為與Vast Sea Biotechnology, Inc (作為合作夥伴) 成立的合營公司。於二零二零年十二月三十一日，本集團實益擁有SHGL全部已發行股本的51%。

年內，SHGL透過其兩間全資附屬公司Success Health Biotech (US), Inc及瑞航國際生物科技(香港)有限公司就銷售及分銷名為AVL-19的醫療保健產品錄得收益約9,500,000港元。AVL-19乃用於對抗COVID-19的膳食補充劑配方及產品的名稱。AVL-19的配方乃基於核苷酸及多肽製成，該等成分是在人體天然存在的分子，而非毒性不明的非合成化學藥物或人造抗體。

儘管對抗COVID-19的疫苗在全球各地逐步上市，惟本公司相信，考慮到日常醫療保健需求，AVL-19尤其可成為大眾的另一種選擇，並將在市場佔一席位。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Loss on redemption of financial assets at fair value through profit or loss

During the year ended 31 December 2020, the loss on redemption of financial assets at fair value through profit or loss represents the loss on redemption of the convertible bonds issued by Asia Energy Logistics Group Limited (the "Asia Energy Convertible Bonds") acquired by the Company in November 2019 amounted to approximately HK\$3.4 million. The redemption was completed on 17 July 2020 and the principal of HK\$10 million was redeemed.

Unallocated administrative costs

For the year ended 31 December 2020, the unallocated administrative costs amounted to approximately HK\$34.0 million as compared with approximately HK\$51.2 million for the same period last year, which mainly included the unallocated corporate operating expenses. The decrease in the unallocated administrative costs of approximately HK\$17.2 million in 2020 was mainly attributable to the decrease in net intra-group loan expense.

贖回按公平值列賬及在損益賬處理之財務資產之虧損

截至二零二零年十二月三十一日止年度，贖回按公平值列賬及在損益賬處理之財務資產之虧損指贖回本公司於二零一九年十一月收購之亞洲能源物流集團有限公司所發行之可換股債券（「亞洲能源可換股債券」）之虧損約3,400,000港元。該贖回事項已於二零二零年七月十七日完成，並已贖回本金額10,000,000港元。

未分配行政成本

截至二零二零年十二月三十一日止年度，未分配行政成本約為34,000,000港元，而去年同期則約為51,200,000港元，主要包括未分配企業經營開支。二零二零年之未分配行政成本減少約17,200,000港元，主要源於集團內公司間之貸款開支減少。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Income tax expenses/credit**

For the year ended 31 December 2020, the Group recognized an income tax expense of approximately HK\$1.8 million (2019: income tax credit of HK\$591,000) which included current tax expense of approximately HK\$2.4 million (2019: HK\$32,000) and deferred tax credit of approximately HK\$560,000 (2019: deferred tax credit of HK\$623,000). The current tax expense was made for the provision of Hong Kong Profits Tax charge in relation to the profitability generated from the brokerage and financing businesses and the corporate finance and other advisory services businesses and the provision of United States of America ("USA") Income Tax in relation to healthcare operation located in USA of the Group. The deferred tax credit was recognised mainly in relation to the convertible bonds issued by the Company.

Finance costs

For the year ended 31 December 2020, the finance costs of the Group amounted to approximately HK\$2.8 million (2019: HK\$4.0 million), out of which approximately HK\$2.4 million (2019: HK\$3.3 million) was incurred pursuant to the effective interest expense of convertible bonds issued by the Company during the year ended 31 December 2020, together with some finance costs incurred in relation to the Group's brokerage and financing businesses and interest expenses on lease liabilities.

所得稅開支／抵免

截至二零二零年十二月三十一日止年度，本集團確認所得稅開支約1,800,000港元（二零一九年：所得稅抵免591,000港元），當中包括即期稅項開支約2,400,000港元（二零一九年：32,000港元）及遞延稅項抵免約560,000港元（二零一九年：遞延稅項抵免623,000港元）。即期稅項開支乃為就經紀及融資業務以及企業融資及其他顧問服務業務所產生溢利而作出之香港利得稅開支之撥備及就位於美利堅合眾國（「美國」）之醫療保健業務而作出之美國所得稅撥備。遞延稅項抵免乃主要就本公司所發行可換股債券而確認。

融資成本

截至二零二零年十二月三十一日止年度，本集團之融資成本約為2,800,000港元（二零一九年：4,000,000港元），當中約2,400,000港元（二零一九年：3,300,000港元）乃就本公司於截至二零二零年十二月三十一日止年度所發行可換股債券之實際利息開支而產生，另有就本集團經紀及融資業務所產生之若干融資成本及租賃負債之利息開支。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Headcount and employees information

As at 31 December 2020, the Group employed a total of 64 employees (31 December 2019: 63), which excluded 15 self-employed account executives for brokerage services (31 December 2019: 16), and 62 and 2 were located in Hong Kong and the USA respectively (31 December 2019: 62 and 1 were located in Hong Kong and the PRC respectively). Salaries and staff benefits costs (including the Directors' emoluments) and staff commission amounted to approximately HK\$43.7 million and HK\$3.0 million respectively for the year ended 31 December 2020 as compared with approximately HK\$38.7 million and HK\$1.9 million respectively for the same period last year.

The increase in the salaries and staff benefits costs of approximately HK\$6.1 million in 2020 was mainly attributable to the recognition of the equity-settled share option expense of approximately HK\$6.9 million for the share option granted in 2020 and offset by other cost control.

The Group's employees are selected, remunerated and promoted based on their performance and qualifications. In addition to basic salaries and participation in Mandatory Provident Fund Scheme, the Group also provides medical coverage, sales commission, discretionary and performance related bonus, discretionary share options and share awards to its employees. Meanwhile, employees are provided or funded to attend training and development programs which are relevant to their works.

僱員人數及僱員資料

於二零二零年十二月三十一日，本集團聘用合共64名僱員（二零一九年十二月三十一日：63名），另有15人為經紀服務之自僱客戶主任（二零一九年十二月三十一日：16名），僱員中分別62人於香港及2人於美國工作（二零一九年十二月三十一日：62人於香港及1人於中國）。截至二零二零年十二月三十一日止年度，薪金及員工福利成本（包括董事酬金）約為43,700,000港元及員工佣金約為3,000,000港元，至於去年同期則分別約為38,700,000港元及1,900,000港元。

二零二零年之薪金及員工福利成本增加約6,100,000港元，主要乃由於就二零二零年授出之購股權確認以權益結算之購股權開支約6,900,000港元及其他成本控制之抵銷所致。

本集團僱員的甄選、薪酬水平及擢升乃根據彼等之表現及資歷而定。除基本薪金與強制性公積金計劃外，本集團亦向其僱員提供醫療保險、銷售佣金、酌情表現花紅、酌情購股權及獎勵股份。此外，本集團亦有為僱員提供或資助與其工作相關之培訓及發展課程。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Liquidity and financial resources/capital structure**

For the year ended 31 December 2020, the Group financed its business operations and investments with internal resources, cash revenue generated from operating activities as well as proceeds raised from issue of new shares and convertible bonds.

The Group adopts a prudent treasury policy. As at 31 December 2020, almost all the bank balances and cash were denominated in Hong Kong dollars. The Group intends to maintain minimum exposure to foreign exchange risks. Further, almost all the bank balances and cash were put in time deposits, saving deposits and current accounts as at 31 December 2020.

As at 31 December 2020 and 31 December 2019, the Group did not maintain any banking facilities.

As at 31 December 2020, the Group's bank balances and cash, net current assets and owner' equity (other than clients' segregated accounts) amounted to approximately HK\$64.2 million (31 December 2019: HK\$70.8 million), HK\$788.6 million (31 December 2019: HK\$729.7 million) and HK\$839.3 million (31 December 2019: HK\$785.9 million) respectively, representing a decrease of about 9%, an increase of 8% and an increase of 7% respectively as compared with that of 31 December 2019. Current ratio, expressed as current assets over current liabilities, remained robust at about 10 times as at 31 December 2020 (31 December 2019: 26 times). These showed that the Group still maintained a solid financial position as at 31 December 2020.

流動資金及財務資源／資本架構

截至二零二零年十二月三十一日止年度，本集團以內部資源、經營業務產生之現金收益以及發行新股份及可換股債券所籌集之所得款項，為其業務運作及投資提供資金。

本集團採取審慎的資金政策。於二零二零年十二月三十一日，幾乎全數銀行結餘及現金均以港元定值。本集團擬致力減低外匯風險。此外，於二零二零年十二月三十一日，接近所有銀行結餘及現金均存放於定期存款、儲蓄存款及往來賬戶。

於二零二零年十二月三十一日及二零一九年十二月三十一日，本集團並無維持任何銀行融資額。

於二零二零年十二月三十一日，本集團之銀行結餘及現金、流動資產淨值以及擁有人資金（不包括客戶獨立賬戶）分別約為64,200,000港元（二零一九年十二月三十一日：70,800,000港元）、788,600,000港元（二零一九年十二月三十一日：729,700,000港元）及839,300,000港元（二零一九年十二月三十一日：785,900,000港元），分別較二零一九年十二月三十一日減少約9%、增加8%及增加7%。於二零二零年十二月三十一日，本集團之流動比率（即流動資產除以流動負債）維持於約10倍（二零一九年十二月三十一日：26倍）的強勢水平。這顯示出本集團於二零二零年十二月三十一日維持強健之財務狀況。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As at 31 December 2020 and 31 December 2019, the total numbers of issued ordinary shares of the Company were 1,705,051,598 and 1,230,951,598, respectively.

於二零二零年十二月三十一日及二零一九年十二月三十一日，本公司已發行普通股總數分別為1,705,051,598股及1,230,951,598股。

Use of proceeds of placing of new shares under general mandate

The net proceeds from Share Placing completed on 25 August 2020 were used as follows:

根據一般授權配售新股份之所得款項用途

股份配售於二零二零年八月二十五日完成，其所得款項淨額動用如下：

Period under review	Aggregate amount used during the period under review	Purpose of usage	Remaining balance of placing proceeds as at the last date of the period under review
回顧期間	回顧期間所用總額	用途	於回顧期間最後日期配售所得款項餘額
Since completion of Share Placing on 25 August 2020 up to and including 31 December 2020	HK\$10 million 10,000,000港元	Operating expenses 經營開支	HK\$Nil million —港元
自於二零二零年八月二十五日完成股份配售起直至二零二零年十二月三十一日止	HK\$11.2 million 11,200,000港元	Provision of margin loan 提供保證金貸款	HK\$Nil million —港元
	HK\$12 million 12,000,000港元	Money lending business 放債業務	HK\$Nil million —港元
	HK\$15 million 15,000,000港元	Business development in relation to the JV Agreement and the License Agreement 有關合營協議及許可協議之業務發展	HK\$5.4 million 5,400,000港元

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Use of proceeds of placing of convertible bonds under specific mandate**

The net proceeds from CB Placing completed on 6 November 2020 were used as follows:

根據特別授權配售可換股債券之所得款項用途

可換股債券配售於二零二零年十一月六日完成，其所得款項淨額動用如下：

Period under review	Aggregate amount used during the period under review	Purpose of usage	Remaining balance of placing proceeds as at the last date of the period under review
回顧期間	回顧期間所用總額	用途	於回顧期間最後日期配售所得款項餘額
Since completion of CB Placing on 6 November 2020 up to and including 31 December 2020	HK\$11.2 million 11,200,000港元	Provision of margin loan 提供保證金貸款	HK\$Nil million —港元
自於二零二零年十一月六日完成可換股債券配售起直至二零二零十二月三十一日止	HK\$24 million 24,000,000港元	Money lending business 放債業務	HK\$16.7 million 16,700,000港元
	HK\$15 million 15,000,000港元	Business development in relation to the JV Agreement and the License Agreement 有關合營協議及許可協議之業務發展	HK\$15 million 15,000,000港元

Charges on group assets

As at 31 December 2020 and 31 December 2019, the Group did not charge any of its assets.

集團資產押記

於二零二零年十二月三十一日及二零一九年十二月三十一日，本集團並無任何抵押資產。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Foreign exchange exposure

It is the Group's policy for all operating entities to use corresponding local currency as much as possible so as to minimize exchange related risks. For the year ended 31 December 2020, almost all of the Group's principal businesses were conducted and recorded in Hong Kong dollars ("HKD") and United States dollars ("USD"). Given HKD are pegged with USD, impact from foreign exchange exposure was thus minimal and no hedging against foreign currency exposure had been necessary. In view of the operational needs, the Group will continue to monitor the foreign currency exposure from time to time and take necessary action to minimise the exchange related risks.

Contingent liabilities

As at 31 December 2020 and 31 December 2019, the Group did not have any significant contingent liabilities.

Save as the legal actions taken by the Group as mentioned in the section "Brokerage and Financing" above, so far as known to the Directors, there was no other litigation or claim of material importance in which the Group is engaged or pending or which was threatened against the Group.

Gearing ratio

As at 31 December 2020, the Group's gearing ratio, expressed as total borrowings (being the lease liabilities and liability portion of convertible bonds) over shareholders' equity, was approximately 0.03 time (31 December 2019: 0.05 time).

外匯風險

按照本集團政策，各經營實體均盡量以當地貨幣經營，以減低外匯相關風險。於截至二零二零年十二月三十一日止年度，本集團絕大部分的主要業務均以港元（「港元」）及美元（「美元」）進行及入賬。鑑於港元與美元掛鈎，外匯風險的影響極微，毋須為外匯風險作出對沖。鑒於營運需要，本集團將繼續不時監察外匯風險，並採取必要行動以盡量降低滙兌相關風險。

或然負債

於二零二零年十二月三十一日及二零一九年十二月三十一日，本集團並無任何重大或然負債。

除上文「經紀及融資業務」一節所載本集團採取的法律行動外，就董事所知，本集團並無涉及或面臨或對本集團提出任何重大訴訟或索償。

資產負債比率

於二零二零年十二月三十一日，本集團之資產負債比率，即總借款（為租賃負債及可換股債券之負債部分）佔股東權益約為0.03倍（二零一九年十二月三十一日：0.05倍）。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析**Significant investments held, their performance and future prospects**

For the year ended 31 December 2020, the Group's held the following significant investments:

18% interest in Hackett Enterprises Limited

As disclosed in 2019 Annual Report, Apex Treasure International Limited, the Company's indirect wholly owned subsidiary, is holding 18% of the entire issued share capital of Hackett Enterprises Limited ("Hackett Enterprises") at an acquisition consideration of HK\$160,000,000. Hackett Enterprises and its subsidiaries are principally engaged in the provision of loan financing and financial consultancy services in the PRC and the provision of money lending services in Hong Kong.

As at 31 December 2020, the fair value of the above interest in Hackett Enterprises is valued at HK\$29.5 million against that of approximately HK\$47.1 million as at 31 December 2019. As a result, an impairment of approximately HK\$17.6 million was recorded for the year ended 31 December 2020 and the difference was charged in the other comprehensive expense. The PRC money lending demands continued to be stagnant which were further aggravated by the COVID-19 pandemic. The Group will continue to review the investment closely to formulate the best strategy on it.

所持重大投資、其表現及未來展望

於截至二零二零年十二月三十一日止年度，本集團持有下列重大投資：

Hackett Enterprises Limited之18%權益

誠如二零一九年年報所披露，本公司之間接全資附屬公司Apex Treasure International Limited持有Hackett Enterprises Limited（「Hackett Enterprises」）全部已發行股本之18%，所涉及之收購代價為160,000,000港元。Hackett Enterprises及其附屬公司主要從事於中國提供貸款融資及金融顧問服務，以及於香港提供放債服務。

於二零二零年十二月三十一日，上述Hackett Enterprises權益之公平值估值約為29,500,000港元，相對於二零一九年十二月三十一日則約為47,100,000港元。因此，於截至二零二零年十二月三十一日止年度錄得減值約17,600,000港元，該差額於其他全面開支中扣除。COVID-19疫情導致中國放債需求持續疲軟的情況加劇。本集團將繼續密切檢討投資情況，以制定最佳投資策略。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Financial assets held-for-trading

Included in the financial assets held-for-trading as at 31 December 2020 was the Group's investment in 38,470,000 shares or approximately 8.95% of IBO Technology Company Limited (Stock Code: 2708) with fair value of approximately HK\$85.0 million, which amounts to approximately 9% of the Group's total assets. The investment cost was approximately HK\$49 million. Its share price has decreased by approximately 13% during the year ended 31 December 2020. Given the turbulence in the capital market going forward, the Group will review its performance closely and take the most appropriate for the benefits of the shareholders of the Company.

Material acquisitions and disposal of subsidiaries, associates and joint ventures

Save as disclosed above, during the year ended 31 December 2020 the Group's did not have any material acquisition or disposals.

Future plans for material investments or capital assets and their expected sources of funding in the coming year

As at 31 December 2020 and as at the date hereof, the Group had no other known plans with regard to material investments or capital assets and their expected sources of funding in the coming year except for the formation of the joint venture securities company in the PRC and the contemplated investment in Aquaporins water business set out in the section headed "Events after the reporting period" below. The Group will finance the respective investments or projects, when materialized, by using its internal resources and/or different financing options available, whichever should be deemed appropriate.

持作買賣財務資產

於二零二零年十二月三十一日，持作買賣財務資產中包括本集團對艾伯科技股份有限公司（股票代號：2708）38,470,000股或約8.95%股份的投資，其公平值約為85,000,000港元，佔本集團之總資產約9%。投資成本約為49,000,000港元。截至二零二零年十二月三十一日止年度，其股價下跌約13%。考慮到未來資本市場動盪，本集團將密切檢討其表現，並以最合適的方式為公司股東帶來利益。

重大收購及出售附屬公司、聯營公司及合營企業

除上文所披露者外，截至二零二零年十二月三十一日止年度，本集團並無任何重大收購或出售。

未來一年之重大投資或資本資產之未來計劃及預計資金來源

於二零二零年十二月三十一日及本報告日期，除於中國成立合營證券公司以及下文「報告期後事項」一節所載有關擬投資水通道蛋白水業務外，本集團於未來一年並無任何其他有關重大投資或資本資產之已知計劃及預計資金來源。本集團將因應合適情況，以其內部資源及／或不同形式可供選擇之融資方式，為有關實行投資或項目提供資金。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Meanwhile, as at 31 December 2020, the Group did not have any significant commitments contracted but not provided for in respect of purchase of property and equipment. Details of the Group's commitments are disclosed in Note 36 to the consolidated financial statements.

Events after the reporting period

Memorandum of understanding for contemplated investment in Aquaporins water business

On 27 January 2021, VC Capital (China) Limited ("VCCCL"), an indirect wholly-owned subsidiary of the Company, entered into a memorandum of understanding with Golden Ally Lifetech Group Co., Limited ("Golden Ally"), pursuant to which VCCCL is desirous of investing in the Aquaporins Water ("AQP Water") business (the "Contemplated Investment").

Information on Golden Ally

Golden Ally is engaged in the business of advanced life science technology, and has been involved in the manufacturing, production, sale, promotion and storage of AQP Water for medical and scientific researches and relevant utilisation as well as for commercial purposes. AQP Water are membrane water channel proteins which play crucial roles in water and/or mineral nutrients transport across epithelial and endothelial barriers while preventing ions and other solute from passing in human body, and further, they osmotically modulate water fluid homeostasis in several tissues. At the cellular level, the AQP Water regulate not only cell migration and transepithelial fluid transport across membranes, but also common events that are crucial for the inflammatory response.

此外，於二零二零年十二月三十一日，本集團並無就添置物業及設備已訂約但未作出撥備之任何重大承擔。有關本集團承擔之詳情載於綜合財務報表附註36。

報告期後事項

有關擬投資水通道蛋白水業務之諒解備忘錄

於二零二一年一月二十七日，本公司之間接全資附屬公司滙盈資本(中國)有限公司(「VCCCL」)與Golden Ally Lifetech Group Co., Limited(「Golden Ally」)訂立諒解備忘錄，據此，VCCCL有意投資水通道蛋白水(「水通道蛋白水」)業務(「擬投資項目」)。

有關Golden Ally的資料

Golden Ally從事尖端生命科學技術業務，一直參與水通道蛋白水的生產、製造、銷售、推廣及儲存，供醫療、科研及相關應用以及商業用途。水通道蛋白是一種水通道膜蛋白，在將水份及／或礦物質養份穿透上皮及內皮障壁的運輸過程中起關鍵作用，能夠阻止離子及其他溶質進入人體，亦可滲透調節多個人體組織的體液平衡。於細胞層面上，水通道蛋白水不僅能調節細胞遷移及跨膜穿內皮體液運輸，亦能調節對發炎反應最重要的常見現象。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Contemplated Investment

Fund Raising by Golden Ally

Golden Ally contemplates to conduct fund raising exercise for a total amount of up to US\$300 million by issuing up to 3 billion shares (the “New Shares”), which New Shares shall represent up to 30% of the common stock of Golden Ally, at US\$0.1 per share and VCCCL (and/or its nominees) contemplates to subscribe. Further, VCCCL (and/or its nominees) shall be granted the right of first refusal to subscribe a further portfolio of up to 2.1 billion shares, which shall represent 21% of the common stock of Golden Ally, at a subscription price to be negotiated and determined by the VCCCL and Golden Ally. The above subscriptions are subject to regulatory approval and VCCCL (or its nominees, to be determined by VCCCL at its sole and absolute discretion) being satisfied with the outcome of the due diligence investigations to be conducted on Golden Ally.

Exclusive Business Development Right of VCCCL

VCCCL, whether by itself or through its nominees, shall have sole and exclusive right to operate and manage all plants of or owned by Golden Ally in the PRC for manufacturing and producing AQPs Water and/or relevant products thereof or therefrom free from any interference whatsoever by Golden Ally or its agent, and VCCCL shall be reasonably remunerated for so operating and managing the plants.

For details of the transaction, please refer to the Company's announcement dated 27 January 2021.

擬投資事項

Golden Ally進行集資

Golden Ally擬透過發行最多30億股股份(「新股份」)進行集資，總金額最多為3億美元，該等新股份將佔Golden Ally普通股最多30%，每股價格為0.1美元，而VCCCL(及／或其代名人)有意認購。此外，VCCCL(及／或其代名人)將獲授認購另外一批最多21億股股份(相當於Golden Ally普通股之21%)之優先購買權，其認購價將由VCCCL與Golden Ally磋商及釐定。上述認購事項須待取得監管批准及VCCCL(或其代名人，由VCCCL全權酌情決定)信納對Golden Ally進行的盡職調查結果後，方可作實。

VCCCL的獨家業務發展權

VCCCL(不論由其本身或透過其代名人)將擁有唯一及獨家權利，可經營及管理Golden Ally於中國設立或擁有並用於生產及製造水通道蛋白水及／或其相關產品或由此產生的產品的所有廠房，而不受Golden Ally或其代理人的一切干擾，且VCCCL須就經營及管理該等廠房獲得合理報酬。

有關交易之詳情，請參閱本公司日期為二零二一年一月二十七日之公佈。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷**DIRECTORS****FU Yiu Man, Peter****Chairman & Executive Director**

Mr. Fu, aged 65, joined the Group in July 2016 and has been appointed as the Chairman and Executive Director in March 2018. Currently, Mr. Fu is the chairman of the Executive Committee and a director of certain subsidiaries of the Company. Mr. Fu is an independent non-executive director of Beijing North Star Company Limited (Stock Code: 588), a company listed on the Main Board of the Stock Exchange of Hong Kong.

Mr. Fu obtained a bachelor's degree from Wharton Business School of the University of Pennsylvania in the U.S. He has served in various senior positions in BNP Paribas, Peregrine, Baring Securities, UBS, Citigroup Inc., CCB International and CCB International (China), etc. He served as the vice-president of GCL-Poly Group since November 2013. For the period from March 2014 to June 2016, Mr. Fu had been re-designated as the vice-president of GCL Oil and Gas Company. He was responsible for overseas finance and M&A business for the oil and gas projects of the company. Mr. Fu has almost 40 years of experience in financial management and securities business.

LIN Hoi Kwong, Aristo**Executive Director**

Mr. Lin, aged 50, joined the Group in January 2014 and has been appointed as the Executive Director in April 2015. Currently, he is a member of the Executive Committee and a director of certain subsidiaries of the Company. Mr. Lin is the Honorary Secretary of Hong Kong Skating Union Limited (the associate member of the Sports Federation and Olympic Committee of Hong Kong) and the Honorary President of the Building Healthy Kowloon City Association.

董事**符耀文****主席兼執行董事**

符先生，65歲，於二零一六年七月加盟本集團，並於二零一八年三月獲委任為主席兼執行董事。符先生現為執行委員會主席及本公司若干附屬公司之董事。符先生為北京北辰實業股份有限公司（股票代號：588）之獨立非執行董事，該公司於香港聯交所主板上市。

符先生取得美國賓夕法尼亞大學沃頓商學院學士學位。他曾先後在法國巴黎銀行、百富勤、霸菱證券、瑞士銀行、花旗集團、建銀國際及建銀國際（中國）等出任高級職位。彼自二零一三年十一月起擔任協鑫集團副總裁。於二零一四年三月至二零一六年六月期間，符先生調任為協鑫石油天然氣公司副總裁，負責該公司之油氣項目在海外的融資及併購業務。符先生擁有近40年的金融管理及證券業務經驗。

連海江**執行董事**

連先生，50歲，於二零一四年一月加盟本集團，並於二零一五年四月獲委任為執行董事。彼現為執行委員會成員及本公司若干附屬公司之董事。連先生現為香港滑冰聯盟有限公司（為中國香港體育協會暨奧林匹克委員會會員）之義務秘書長及建設健康九龍城協會名譽會長。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷

Mr. Lin holds a Bachelor Degree in Business Administration and a Master of Science Degree in Marketing. Mr. Lin is also the Fellow of The Institute of Crisis and Risk Management. He has over 20 years' experience in corporate development, business strategy and merger and acquisition.

TANG Hao

Executive Director

Mr. Tang, aged 57, joined the Group in December 2020. Mr. Tang graduated from the department of laws of East China University of Political Science (華東政法大學), majored in economic laws, in 1986 and obtained the legal qualification in the PRC in 1988. Mr. Tang has extensive experience in strategic planning. He has been working as a lawyer in Shanghai No. 1 Law Firm (上海第一律師事務所), the manager of investment department in Huachen Auto Group (華晨集團), the general manager of Shanghai Huachen Shiye Company (上海華晨實業公司), the supervisor of Jinbei Vehicle Manufacturing Co., Ltd (金杯汽車股份有限公司), the director of Shenzhen Kangda Co., Ltd (深圳康達爾股份有限公司) and the director of Shanghai Zhongxi Pharmaceutical Co., Ltd (上海中西藥業股份有限公司). Mr. Tang was an executive director and the chief executive officer of Global Mastermind Capital Limited (formerly known as Mastermind Capital Limited) (Stock Code: 905) for the period from 12 November 2010 to 31 March 2014 and an executive director of Starlight Culture Entertainment Group Limited (formerly known as Jimei International Entertainment Group Limited, Sinogreen Energy International Group Limited and Karce International Holdings Company Limited) (Stock Code: 1159) for the period from 22 July 2013 to 3 November 2014, both companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Tang was also a non-executive director of Jian ePayment Systems Limited (Stock Code: 8165) for the period from 29 March 2011 to 6 July 2016, a company listed on the GEM of the Stock Exchange.

連先生持有工商管理學士學位及市場學理學碩士學位，並為商業風險評估專業協會資深會員。彼於企業發展、業務策略及業務併購方面擁有超過二十年經驗。

唐顥

執行董事

唐先生，57歲，於二零二零年十二月加盟本集團。唐先生於一九八六年華東政法大學法律系經濟法專業畢業，並於一九八八年取得中國律師資格。唐先生擁有豐富策略規劃經驗。彼於過往曾擔任上海第一律師事務所律師；華晨集團投資部經理；上海華晨實業公司總經理；金杯汽車股份有限公司監事；深圳康達爾股份有限公司董事及上海中西藥業股份有限公司董事。唐先生曾於二零一零年十一月十二日至二零一四年三月三十一日期間擔任環球大通投資有限公司(前稱慧德投資有限公司)(股份代號：905)之執行董事及行政總裁，以及於二零一三年七月二十二日至二零一四年十一月三日期間擔任星光文化娛樂集團有限公司(前稱集美國際娛樂集團有限公司、中國綠能國際集團有限公司及泰盛實業集團有限公司)(股份代號：1159)之執行董事，兩家公司均於香港聯合交易所有限公司(「聯交所」)主板上市。唐先生亦曾於二零一一年三月二十九日至二零一六年七月六日期間擔任聯交所GEM上市之公司華普智通系統有限公司(股份代號：8165)之非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷**CHENG Tak Yiu, Simon****Executive Director**

Mr. Cheng, aged 46, joined the Group in January 2021. He graduated from the University of Hong Kong with Bachelor of Engineering Degree in Computer Engineering. Mr. Cheng started his career as an auditor in an international accounting firm. Subsequently, Mr. Cheng entered into research industry and had worked in a number of international financial services companies including CLSA, Credit Suisse First Boston, BNP Paribas Peregrine, Deutsche Bank and T. Rowe Price International. Mr. Cheng is an associate member of the Hong Kong Institute of Certified Public Accountants and is admitted as a charterholder of the CFA Institute.

WONG Chung Kin, Quentin**Independent Non-executive Director**

Mr. Wong, aged 49, joined the Group as Independent Non-executive Director in March 2012. Mr. Wong is the chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. He has set up his own practice, Quentin Wong & Co. Certified Public Accountants (Practising) since 1 January 2005, and set up Quentin Wong & Co. CPA Limited in 2020. Mr. Wong is currently an independent non-executive director of China Trends Holdings Limited (Stock Code: 8171), a company listed on the GEM of the Stock Exchange of Hong Kong and Creative Enterprises Holdings Limited (Stock Code: 3992), a company listed on the Main Board of the Stock Exchange of Hong Kong.

鄭德耀**執行董事**

鄭先生，46歲，於二零二一年一月加盟本集團。彼畢業於香港大學，獲得計算機工程之工學學士學位。鄭先生之職業生涯始於彼在一家國際會計師事務所擔任核數師。其後，鄭先生加入研究行業，並曾於多家國際金融服務公司工作，包括中信里昂、瑞士信貸第一波士頓、法國巴黎百富勤、德意志銀行及普信國際。鄭先生為香港會計師公會會員及獲接納為特許財務分析師協會之特許持有人。

黃松堅**獨立非執行董事**

黃先生，49歲，於二零一二年三月加盟本集團出任獨立非執行董事。黃先生為本公司審核委員會主席以及提名委員會及薪酬委員會成員。彼於二零零五年一月一日創辦黃松堅執業會計師事務所，並於二零二零年成立黃松堅會計師事務所有限公司。黃先生現任香港聯交所GEM上市公司中國趨勢控股有限公司（股票代號：8171）及香港聯交所主板上市公司創毅控股有限公司（股票代號：3992）之獨立非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷

Mr. Wong is a fellow member of Hong Kong Institute of Certified Public Accountants, The Taxation Institute of Hong Kong, Association of Chartered Certified Accountants and The Society of Chinese Accountants & Auditors. Meanwhile, he is a member of The Institute of Chartered Accountants in England & Wales. Mr. Wong holds a bachelor of Arts degree in Accounting and Financial Management from University of Essex and a master degree of Science in Internal Auditing and Management from The City University, London. He has over 15 years working experience in audit and accounting gained from a sizeable international firm and has had 10 years of practicing experience.

WONG Kam Choi, Kerry, MH

Independent Non-executive Director

Mr. Wong, aged 54, joined the Group as Independent Non-executive Director in May 2013. Mr. Wong is the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Currently, Mr. Wong is a substantial shareholder and a director of a design and printing company. He has over 20 years' experience in design and printing industry. Mr. Wong was the executive director and chairman of the board of China Fortune Financial Group Limited (Stock Code: 290), a company listed on the Main Board of the Stock Exchange of Hong Kong, from November 2015 to January 2017.

Mr. Wong has been dedicating to wide range of community services in Hong Kong and Southern China. He is the director of Sik Sik Yuen, the committee member of Chinese People's Political Consultative Conference of Guangzhou, Liwan and chairman/vice chairman of a number of non-profit organizations.

黃先生為香港會計師公會、香港稅務學會、英國特許公認會計師公會及香港華人會計師公會資深會員。彼亦是英格蘭及威爾斯特許會計師公會會員。黃先生持有埃塞克斯大學會計及財務管理文學士學位，以及倫敦城市大學內部審核及管理理碩士學位。彼曾任職於一間大型國際機構，於審核及會計方面積累逾十五年工作經驗，並有超過十年執業經驗。

黃錦財，MH

獨立非執行董事

黃先生，54歲，於二零一三年五月加盟本集團出任獨立非執行董事。黃先生為本公司薪酬委員會主席以及審核委員會及提名委員會成員。黃先生現為一家設計及印刷公司之主要股東兼董事。彼於設計及印刷業擁有超過二十年經驗。黃先生於二零一五年十一月至二零一七年一月曾任香港聯交所主板上市公司中國富強金融有限公司（股票代號：290）之執行董事及董事會主席。

黃先生致力參與在香港及華南地區的多項公益服務。彼為薈色園董事、廣州市荔灣區政協委員及多間非牟利組織之主席／副主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷**SIU Miu Man, Simon, MH****Independent Non-executive Director**

Mr. Siu, aged 63, joined the Group as Independent Non-executive Director in October 2016. He is the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Currently, Mr. Siu is an independent non-executive director of Excalibur Global Financial Holdings Limited (Stock Code: 8350), a company listed on the GEM of the Stock Exchange of Hong Kong. He is also a director of DBG Technology Co., Ltd. (Stock Code: 300735), a company listed on Shenzhen Stock Exchange. Meanwhile, Mr. Siu is also a director of a consultancy firm and engineering firm. He was an independent non-executive director, and later on re-designated as an executive director, of Asia Energy Logistics Group Limited (Stock Code: 351), from August 2016 to March 2018 and from March 2018 to November 2018, respectively. Mr. Siu was also an independent non-executive director of Sheung Yue Group Holdings Limited (Stock Code: 1633) from October 2016 to January 2019. Both companies above are listed on the Main Board of the Stock Exchange. He had served in many public listed companies as senior management and has over 25 years of managerial experience in general management, commerce, banking, finance, real estate development and construction business.

Mr. Siu is actively participating in public affairs and charitable activities. He is the vice president of the Association of Hong Kong Professionals and the Hong Kong Real Property Federation, the honorary president of the Hong Kong Kowloon City Industry and Commerce Association and the chairman of the Building Healthy Kowloon City Association.

蕭妙文，MH**獨立非執行董事**

蕭先生，63歲，於二零一六年十月加盟本集團出任獨立非執行董事。彼為本公司提名委員會主席以及審核委員會及薪酬委員會成員。蕭先生現為香港聯交所GEM上市公司駿溢環球金融控股有限公司（股票代號：8350）之獨立非執行董事。彼亦為深圳證券交易所上市公司惠州光弘科技股份有限公司（股票代號：300735）之董事。同時，蕭先生為一間顧問公司及一間工程公司之董事。蕭先生於二零一六年八月至二零一八年三月曾任亞洲能源物流集團有限公司（股票代號：351）之獨立非執行董事，並於二零一八年三月至二零一八年十一月調任執行董事。蕭先生亦曾於二零一六年十月至二零一九年一月期間擔任上諭集團控股有限公司（股票代號：1633）之獨立非執行董事。兩間公司均於聯交所主板上市。彼曾擔任多間上市公司之高級管理人員，並於一般管理、商務、銀行、金融、房地產開發及建築業擁有逾二十五年管理經驗。

蕭先生積極參與公共事務及慈善活動。彼現為香港專業人士協會副會長、香港房地產協會副會長、香港九龍城工商業聯會永遠名譽會長，及建設健康九龍城協會主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷

Mr. Siu graduated from The Hong Kong Polytechnic University with a Polytechnic Associateship in Building Technology and Management and a Master of Science in Electronic Commerce. He is a corporate member of the Hong Kong Institution of Engineers, Hong Kong Institute of Surveyors (General Practice Stream), Royal Institution of Chartered Surveyors (General Practice Stream) and Chartered Institute of Arbitrator. Mr. Siu is an Authorized Person under the Hong Kong Building Ordinance of the Government of the HKSAR. He is also a Registered Professional Engineer (Building Stream) and a Registered Professional Surveyor (General Practice Stream).

蕭先生畢業於香港理工大學，持有理工學院建築工藝及管理院士及電子商貿理學碩士學位。彼為香港工程師學會法定會員、香港測量師學會(產業測量)會員、英國皇家特許測量師學會(產業測量)會員及特許仲裁師學會會員。蕭先生為香港特別行政區政府香港建築物條例項下之認可人士。彼亦為註冊專業工程師(建築)及註冊專業測量師(產業測量)。

SENIOR MANAGEMENT

LAI Yick Fung

Chief Financial Officer & Company Secretary

Mr. Lai, aged 50, joined the Group as chief financial officer in April 2018. He has been appointed as the Company Secretary of the Company in May 2018. Mr. Lai obtained a Master of Science Degree in Financial Management in the University of London and a Bachelor of Arts Degree in Accountancy in The Hong Kong Polytechnic University. He is an associate member of The Hong Kong Institute of Certified Public Accountants, a fellow member of The Chartered Governance Institute in the United Kingdom and The Hong Kong Institute of Chartered Secretaries. Mr. Lai was an executive director of China Eco-Farming Limited (Stock Code: 8166), company listed on the GEM of the Stock Exchange of Hong Kong, from July 2015 to March 2018. Mr. Lai had worked for an international accounting firm and a number of listed companies in Hong Kong and the United States as senior management and has over 20 years of experience in auditing, accounting, financial management and company secretarial practice.

高級管理層

賴益豐

財務總監及公司秘書

賴先生，50歲，於二零一八年四月加入本集團出任財務總監。彼於二零一八年五月獲委任為本公司公司秘書。賴先生取得倫敦大學財務管理學理學碩士學位及香港理工大學會計學文學學士學位。彼為香港會計師公會會員、英國特許公司治理公會資深會員及香港特許秘書公會資深會員。賴先生於二零一五年七月至二零一八年三月曾任香港聯交所GEM上市公司中國農業生態有限公司(股票代號：8166)之執行董事。賴先生曾任職於一間國際會計師行，且曾於多間香港及美國上市公司擔任高級管理層，並擁有逾二十年的審計、會計、財務管理及公司秘書實務經驗。

CORPORATE GOVERNANCE REPORT 企業管治報告

The board (the “Board”) of directors (the “Directors”) of Value Convergence Holdings Limited (the “Company”) believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders’ value. As such, the maintenance of a high standard of corporate governance has been and remains a top priority of the Group (the Company and its subsidiaries). The Group is committed to promoting and maintaining the highest standard of corporate governance, with the objectives of (i) the maintenance of responsible decision making; (ii) the improvement in transparency and disclosure of information to shareholders; (iii) the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of shareholders; and (iv) the improvement in management of risk and the enhancement of performance by the Group.

滙盈控股有限公司(「本公司」)董事(「董事」)會(「董事會」)相信良好的企業管治實為有效管理、健康的企業文化、成功的業務發展及提升股東價值的重要骨幹。因此，本集團(本公司及其附屬公司)始終視高水準的企業管治至為重要。本集團致力促進及維持最高標準的企業管治水平，宗旨在於(i)維持負責任的決策；(ii)改善對股東的透明度及披露的資料；(iii)貫徹一向對股東權益的尊重及對股東的合法權益的認同；及(iv)改善風險管理及提升本集團的表現。

CORPORATE GOVERNANCE REPORT 企業管治報告

COMPLIANCE OF THE CODE PROVISION OF THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the financial year ended 31 December 2020, except for the following deviations:

Code Provision A.4.1

Under the code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term and subject to re-election. All the Non-executive Directors of the Company are not appointed for specific term. However, under the Article 97 of the Articles of Association of the Company (the “Articles of Association”), all Directors, including non-executive Directors, are subject to retirement by rotation and re-election in the annual general meeting of the Company and each Director is effectively appointed under an average term of three years. The Company does not believe that arbitrary term limits on directors’ service are appropriate given that directors ought to be committed to representing the long-term interests of the Company’s shareholders, and the retirement and re-election requirements of non-executive directors have given the Company’s shareholders the right to approve continuation of non-executive directors’ offices.

企業管治守則之守則條文的遵行

本公司於截至二零二零年十二月三十一日止財政年度內一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四內《企業管治守則》（「企業管治守則」）所載之守則條文，惟下文所述的偏離除外：

守則條文第A.4.1條

根據企業管治守則之守則條文第A.4.1條，非執行董事的委任須有指定任期，並須接受重選。本公司全體非執行董事均不設指定任期。然而，按本公司之組織章程細則（「章程細則」）第97條，全體董事（包括非執行董事）均須於本公司之股東週年大會上輪值退任及膺選連任，而各董事之實際任期平均為三年。本公司不相信明文限定董事服務任期屬恰當之舉，蓋因董事須致力代表本公司股東之長遠利益，而非執行董事之退任及膺選連任規定已給予本公司股東批准非執行董事續任的權利。

CORPORATE GOVERNANCE REPORT 企業管治報告**THE BOARD OF DIRECTORS**

The Board is entrusted with the overall responsibility for promoting the success of the Company by the Director and supervision of the Company's business and affairs and the ultimate responsibility for the day-to-day management of the Company, which is delegated to the management. Each Director has a duty to act in good faith in the interests of the Company.

i. Board Composition

The Board currently comprises a total of 7 Directors, with 4 Executive Directors, namely, Mr. Fu Yiu Man, Peter (Chairman), Mr. Lin Hoi Kwong, Aristo, Mr. Tang Hao and Mr. Cheng Tak Yiu, Simon; and 3 Independent Non-executive Directors, namely, Mr. Wong Chung Kin, Quentin, Mr. Wong Kam Choi, Kerry, MH and Mr. Siu Miu Man, Simon, MH.

Pursuant to Article 88 of the Articles of Association, any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. In accordance with this article, Mr. Tang Hao and Mr. Cheng Tak Yiu, Simon shall retire, and being eligible, offer themselves for re-election.

Pursuant to Article 97 of the Articles of Association, one third of the directors for the time being shall retire from office, thus becoming eligible for re-election at each annual general meeting of the Company. The Directors to retire every year shall be those who have been longest in office since their last election. In accordance with this article, Mr. Fu Yiu Man, Peter and Mr. Wong Kam Choi, Kerry, MH shall retire at the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

董事會

董事會負有領導及監控本公司的總體責任，董事通過監督本公司的業務及事務，促進本公司取得成功。而董事會已授權管理層，對本公司的日常管理承擔最終責任。各董事均有責任以本公司利益為依歸真誠行事。

i. 董事會之組成

董事會現時由七名董事組成，其中四名屬執行董事，即符耀文先生（主席）、連海江先生、唐顥先生及鄭德耀先生；另外三名屬獨立非執行董事，即黃松堅先生、黃錦財先生，MH及蕭妙文先生，MH。

根據章程細則第88條，任何按此條獲委任之董事僅可留任至本公司下屆股東週年大會為止，屆時將符合資格於大會上膺選連任。根據此細則，唐顥先生及鄭德耀先生須退任，並符合資格膺選連任。

根據章程細則第97條，三分之一當時在任的董事須於本公司每屆股東週年大會上退任且符合資格膺選連任。於每年退任之董事應為自其上一次當選以來在任最長者。根據此細則，符耀文先生及黃錦財先生，MH須於應屆股東週年大會上退任，並符合資格膺選連任。

CORPORATE GOVERNANCE REPORT 企業管治報告

Biographical details of the retiring Directors have been set out in a circular, which will be sent to shareholders together with this Annual Report, to assist shareholders to make an informed decision on their re-elections.

ii. Independence of Independent Non-executive Directors

The Independent Non-executive Directors, all of whom are independent of the management of the Group's businesses, are highly experienced professionals with substantial experience in areas such as legal, accounting and financial management. Their mix of skills and business experience is a major contribution to the future development of the Group. They ensure that matters are fully debated and that no individual or group of individuals dominates the Board's decision-making processes. In addition, they facilitate the Board to maintain a high standard of financial and other mandatory reporting and provide adequate checks and balances to safeguard the interests of shareholders and the Company as a whole.

Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules for the year ended 31 December 2020. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines in 2020.

退任董事之履歷已載於將連同本年報一併發給股東之通函內，以供股東就彼等之重選作出知情決定。

ii. 獨立非執行董事之獨立性

全體獨立非執行董事均獨立於本集團之業務管理，彼等均為饒富經驗的專業人士，在法律、會計及財務管理等領域擁有豐富經驗。彼等不同之技能與業務經驗，對本集團未來發展有重大貢獻。彼等可保證相關事務都得到充分討論，且董事會的決策過程不會被個別或一夥人士支配。此外，彼等能促使董事會維持高水準的財務申報及其他強制申報程序，並且令董事會充分平衡以保障股東及本公司之整體利益。

各獨立非執行董事已按上市規則第3.13條就截至二零二零年十二月三十一日止年度作出年度獨立性確認。本公司認為，於二零二零年全部獨立非執行董事均已符合上市規則第3.13條所載的獨立性指引，並根據該指引的條款屬獨立人士。

CORPORATE GOVERNANCE REPORT 企業管治報告**iii. Securities Dealings by Directors and Relevant Employees**

The Company has adopted a code of conduct regarding Directors' securities dealings on terms as set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules (the "Model Code"). Having made specific enquiry of the Directors, all Directors have confirmed that they have complied with the required standard of dealings and code of conduct regarding securities transactions by Directors as set out in the Model Code in 2020.

The Board has also established a "Code of Securities Dealings by Relevant Employees" for relevant employees of the Company to regulate their dealings in the securities of the Company so as to comply with the directors' obligations under code provision A.6.4 of the CG Code.

iv. Continuous Professional Development

Every newly appointed Director receives a comprehensive, formal and tailored induction package to ensure that he/she has a proper understanding of the Company's operation and business as well as his/her duties and responsibilities of directors under statutory regulations and the Listing Rules. The Company Secretary also provides the updates on the latest development and changes in the Listing Rules and other relevant legal and regulatory requirements to the Board from time to time.

iii. 董事及相關僱員買賣證券

本公司按上市規則附錄十《上市發行人董事進行證券交易的標準守則》(「標準守則」)所載條款採納有關董事買賣證券之操守守則。經向董事提出具體徵詢，所有董事均確認，彼等於二零二零年內均有遵守標準守則所載有關董事進行證券交易之規定買賣準則及操守守則。

為履行企業管治守則之守則條文第A.6.4條規定之董事責任，董事會亦已制訂適用於本公司相關僱員的《相關僱員證券交易守則》，以規管有關彼等買賣本公司證券之交易。

iv. 持續專業發展

每名新委任之董事均會獲發一份全面、正式且專屬之入職介紹，以確保其對本公司之營運及業務，以及彼根據相關法規及上市規則所承擔之職責有透徹了解。公司秘書亦不時向董事會提供上市規則及其他相關法定及監管規定之最新發展及變動資料。

CORPORATE GOVERNANCE REPORT 企業管治報告

Meanwhile, the Directors are provided with monthly updates on the Group's financial performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills. During the year, each Director had participated in continuous professional development by attending seminars/workshops/reading materials on the following topics to develop and refresh their knowledge and skills and had provided the training records to the Company.

此外，董事每月均獲得有關本集團財務表現、狀況及前景之最新資料，以便董事會整體及各董事履行其職務。

本公司鼓勵各董事參與持續專業培訓，以增長並對其知識及技能溫故知新。於本年度，各董事均有參與持續專業培訓，包括出席有關以下題目之座談會／工作坊／閱讀有關以下題目之資料，以增長並對其知識及技能溫故知新。彼等均已向本公司提交培訓記錄。

Name of Directors	董事姓名	Topics on Training covered ^{Note} 培訓題目 ^{附註}
Mr. Fu Yiu Man, Peter	符耀文先生	(a) & (b)
Mr. Lin Hoi Kwong, Aristo	連海江先生	(a) & (b)
Mr. Tang Hao (appointed on 3 December 2020)	唐顯先生 (於二零二零年十二月三日獲委任)	N/A不適用
Mr. Cheng Tak Yiu, Simon (appointed on 20 January 2021)	鄭德耀先生 (於二零二一年一月二十日獲委任)	N/A不適用
Mr. Tin Ka Pak, Timmy (resigned on 11 September 2020)	田家柏先生 (於二零二零年九月十一日辭任)	(a)
Mr. Wong Chung Kin, Quentin	黃松堅先生	(a) & (b)
Mr. Wong Kam Choi, Kerry, MH	黃錦財先生，MH	(a) & (b)
Mr. Siu Miu Man, Simon, MH	蕭妙文先生，MH	(a) & (b)

Note:

Topics on training covered (a) Regulatory and corporate governance updates; and (b) Finance related issues.

附註：

培訓題目涵蓋(a)監管及企業管治最新資料；及(b)財務相關事宜。

CORPORATE GOVERNANCE REPORT 企業管治報告**v. Directors' Insurance**

The Company has arranged appropriate directors' and officers' liability insurance ("D&O Insurance") coverage on Directors' and senior management's liabilities in respect of legal actions against them arising out of corporate activities of the Company. The D&O insurance will be reviewed and renewed annually.

BOARD MEETINGS

The Board conducts at least four regular Board meetings a year and additional meetings are held as and when required to discuss significant events or important issues. At least 14 days notice is given for regular Board meetings to all Directors enabling them to attend and reasonable notice will be given in case of special board meetings. Agenda accompanying board papers are sent to all Directors at least 3 days before each regular board meeting. The Group ensures that appropriate and sufficient information is provided to Board members in a timely manner to keep them abreast of the Group's latest developments thereby assisting them in discharge of their duties.

The Chief Financial Officer and Company Secretary of the Company attended the board meetings to advise on statutory compliance, accounting and financial matters of the Group. All businesses transacted at the meetings were documented and maintained in accordance with applicable laws and regulations.

In 2020, the Board had held a total of 7 meetings. The details of the attendance record of each member of the Board are provided in the section "ATTENDANCE RECORD OF THE DIRECTORS AT BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS" below.

v. 董事保險

本公司已投購合適之董事及高級人員責任保險（「董事及高級人員保險」），就因本公司企業活動而針對董事及高級管理層之法律行動，為彼等提供責任保障。董事及高級人員保險將每年檢討及續保。

董事會會議

董事會每年最少舉行四次常規會議，並於有需要時額外舉行會議，以討論重大事項或重要事宜。全體董事於常規會議前均會獲得至少14日之通知以確保彼等出席，而特別董事會會議亦會獲得合理時間的通知。議程連同董事會文件會於各常規會議前至少3日發送予全體董事。本集團會確保適時向董事會成員提供適當而充足的資料，讓彼等緊貼本集團之最新發展，從而協助彼等履行職務。

本公司之財務總監及公司秘書亦有出席董事會會議，以就本集團之遵例、會計及財務事宜提供意見。於各會議上處理之事項均按照適用法例及法規予以存檔及保存。

於二零二零年，董事會共舉行七次會議。董事會各成員出席會議之記錄載於下文「董事會會議、董事委員會會議及股東大會之董事出席記錄」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告

PROCEDURE TO ENABLE DIRECTORS TO SEEK INDEPENDENT PROFESSIONAL ADVICE

To assist the Directors to discharge their duties to the Company, the Board has established written procedures to enable the Directors, upon reasonable request, to seek independent professional advice, at the Company's expense, in appropriate circumstances. No request was made by any Director for such independent professional advice in 2020.

DELEGATION BY THE BOARD

i. Management Functions

The Board delegates day-to-day operations of the Group to the board committees and the management. Both the Board and the management have clearly defined authorities and responsibilities under various internal control and check-and-balance mechanisms. The Board has established in writing which issues require decision of the full Board and which can be delegated by the Board to the board committees or management.

ii. Board Committees

To assist the Board in execution of its duties and to facilitate effective management, certain functions of the Board have been delegated by the Board to various board committees, namely, executive committee, audit committee, remuneration committee and nomination committee. The committees review and make recommendations to the Board on specific areas.

Each committee has its defined scope of duties and terms of reference and the committee members are empowered to make decisions on matters within the terms of reference of each committee. The terms of reference of the board committees are given at the Company's website under the section "Corporate Governance".

董事尋求獨立專業意見的程序

為協助董事履行其對本公司的職責，董事會已制訂書面程序，使董事可按合理要求在適當情況下聘請獨立專業顧問提供意見，有關費用由本公司支付。於二零二零年度內概無任何董事提出尋求獨立專業意見的要求。

董事會授權

i. 管理職能

董事會將本集團日常營運的管理權轉授予董事委員會及管理層。董事會與管理層在各項內部監控和制衡機制下各自具有明確的權力及職責。董事會已以書面分別訂明須交由董事會全體決定之事項，以及可授權由董事委員會或管理層負責之事項。

ii. 董事委員會

為協助董事會履行職務及促進有效管理，董事會將其若干職能轉授予各董事委員會，即執行委員會、審核委員會、薪酬委員會及提名委員會。該等委員會須就相關事項作出檢討及向董事會提出建議。

各委員會均有本身界定之職責範圍及職權範圍，而委員會成員獲授權就各委員會之職權範圍內之事宜作出決定。董事委員會之職權範圍載於本公司網站「企業管治」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告

EXECUTIVE COMMITTEE

The Executive Committee is made up of the Company's Executive Directors, namely, Mr. Fu Yiu Man, Peter (Chairman), Mr. Lin Hoi Kwong, Aristo, Mr. Tang Hao and the Company's senior management (non-voting capacity), namely, Mr. Lai Yick Fung.

It oversees the implementation of the Company's strategic objectives and risk management policies and the business and operations of all of the business units of the Group. Meanwhile, it is also responsible to develop, review and monitor the Group's corporate governance policies and practices. It holds meetings from time to time to discuss the Group's financial and operational matters and other new projects. Other details of the roles and functions of the Executive Committee are given at the Company's website under the section "Corporate Governance".

AUDIT COMMITTEE

The Audit Committee is made up of the Company's Independent Non-executive Directors, namely, Mr. Wong Chung Kin, Quentin (Chairman), Mr. Wong Kam Choi, Kerry, MH and Mr. Siu Miu Man, Simon, MH. Mr. Wong Chung Kin, Quentin is a fellow member of Hong Kong Institute of Certified Public Accountants. He has the appropriate professional qualifications, accounting or related financial management expertise, as requested by the Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are (a) to review the Group's financial statements and published reports; (b) to provide advice and comments thereon to the Board; and (c) to review and supervise the financial reporting process and internal control procedures of the Group. Other details of the roles and functions of the Audit Committee are given at the Company's website under the section "Corporate Governance".

執行委員會

執行委員會由本公司之執行董事，即符耀文先生(主席)、連海江先生及唐顯先生，以及本公司高級管理層(無投票權身份)，即賴益豐先生組成。

執行委員會負責監督落實本公司之策略目標及風險管理政策，以及本集團所有業務單位之業務及營運。其亦負責制訂、檢討及監察本集團之企業管治政策及慣例。執行委員會不時舉行會議，商討本集團之財務及營運事宜以及其他新項目。有關執行委員會角色及職能的其他詳情載於本公司網站「企業管治」一節。

審核委員會

審核委員會由本公司之獨立非執行董事，即黃松堅先生(主席)、黃錦財先生，MH及蕭妙文先生，MH組成。黃松堅先生為香港會計師公會資深會員。彼擁有上市規則第3.10(2)條所要求之合適專業資格、會計或相關財務管理專業知識。

審核委員會之主要職責是(a)審閱本集團的財務報表及將刊發之報告；(b)就此向董事會提供建議及發表意見；及(c)審查及監督本集團的財務匯報過程及內部監控程序。有關審核委員會角色及職能的其他詳情載於本公司網站「企業管治」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告

In 2020 the Audit Committee had held a total of two meetings, among other matters, to review the Group's final results for the year ended 31 December 2019 and the interim results for the six months ended 30 June 2020. The details of the attendance record of each member of the Audit Committee are provided in the section "ATTENDANCE RECORD OF THE DIRECTORS AT BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS" below.

REMUNERATION COMMITTEE

The Remuneration Committee is made up of the Company's Independent Non-executive Directors, namely Mr. Wong Kam Choi, Kerry, MH (Chairman), Mr. Wong Chung Kin, Quentin and Mr. Siu Miu Man, Simon, MH.

The Remuneration Committee makes recommendations to the Board on policies and structure for remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration, determines the remuneration packages for executive directors and senior management and makes recommendations to the Board on the remuneration of non-executive directors. Other details of the role and function of the Remuneration Committee are given at the Company's website under the section "Corporate Governance".

In 2020, the Remuneration Committee had held one meeting, among other matters, to review the remuneration package of the Directors and senior management of the Group. The details of the attendance record of each member of the Remuneration Committee are provided in the section "ATTENDANCE RECORD OF THE DIRECTORS AT BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS" below.

於二零二零年，審核委員會共舉行兩次會議，藉以（其中包括）審閱本集團截至二零一九年十二月三十一日止年度之全年業績及截至二零二零年六月三十日止六個月之中期業績。審核委員會各成員出席會議之記錄載於下文「董事會會議、董事委員會會議及股東大會之董事出席記錄」一節。

薪酬委員會

薪酬委員會由本公司之獨立非執行董事組成，即黃錦財先生，MH（主席）、黃松堅先生及蕭妙文先生，MH。

薪酬委員會負責就董事及高級管理層的薪酬政策及架構，及就設立正規而具透明度的程序制定有關薪酬政策，向董事會提出建議。委員會亦負責釐定執行董事及高級管理層的薪酬方案，並就非執行董事的酬金向董事會提出建議。有關薪酬委員會角色及職能的其他詳情載於本公司網站「企業管治」一節。

於二零二零年，薪酬委員會共舉行一次會議，藉以（其中包括）檢討董事及本集團高級管理層之薪酬方案。薪酬委員會各成員出席會議之記錄載於下文「董事會會議、董事委員會會議及股東大會之董事出席記錄」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告**i. Remuneration Policy**

The formulation of the Group's remuneration strategy and policy is based on the principles of equity and market competitiveness so as to drive staff to work towards the mission of the Group and to retain talents. As a long-term incentive plan and with the aim of motivating Directors and employees in the continued pursuit of the Company's goal and objectives and to recognize their contributions to the Group, the Company has adopted the share option scheme under which the Company may grant share options to the Directors/selected employees/eligible persons to subscribe for the shares of the Company and two share incentive award schemes, namely, The VC Share Purchase Scheme Trust and The VC Share Award Scheme Trust, under which the Company may grant awarded shares to the Directors/selected employees (Directors of the Company and its subsidiaries are not allowed to participate in The VC Share Award Scheme Trust).

ii. Emoluments of Directors

The emoluments of the Directors are determined with regard to the performance of individuals, the Company's operating results and market standards. During the year ended 31 December 2020, the Remuneration Committee has (i) considered and reviewed the salary of Directors and senior management of the Group; and (ii) considered and reviewed the discretionary bonus payments for Directors and senior management of the Group.

NOMINATION COMMITTEE

The Nomination Committee is made up of the Company's Independent Non-executive Directors, namely, Mr. Siu Miu Man, Simon, MH (Chairman), Mr. Wong Chung Kin, Quentin and Mr. Wong Kam Choi, Kerry, MH.

i. 薪酬政策

本集團之薪酬策略及政策乃根據公平原則及市場競爭能力制訂，以推動員工致力實現本集團之宗旨及挽留人才。作為一項長期激勵計劃並為鼓勵董事及僱員持續為實現本公司之目標及目的而努力，以及對彼等為本集團作出之貢獻予以肯定，本公司已採納購股權計劃（本公司可據此向董事／所選定僱員／合資格人士授出可認購本公司股份的購股權）以及兩項股份獎勵計劃（分別名為滙盈股份購買計劃信託及滙盈股份獎勵計劃信託），本公司可據此向董事／所選定僱員授出獎勵股份，惟本公司及其附屬公司之董事不得參與滙盈股份獎勵計劃信託。

ii. 董事酬金

董事之酬金乃參考個人表現、本公司之經營業績及市場水平而釐定。截至二零二零年十二月三十一日止年度內，薪酬委員會已(i)審議及檢討董事及本集團高級管理層之薪金；及(ii)考慮向董事及本集團高級管理層發放酌情花紅。

提名委員會

提名委員會由本公司之獨立非執行董事，即蕭妙文先生，MH（主席）、黃松堅先生及黃錦財先生，MH組成。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board; identifies individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship; and makes recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors.

Other details of the role and function of the Nomination Committee are given at the Company's website under the section "Corporate Governance".

In 2020, the Nomination Committee had held one meeting, among other matters, to review the structure, size and composition of the Board of the Company. The details of the attendance record of each member of the Nomination Committee for 2020 are provided in the section "ATTENDANCE RECORD OF THE DIRECTORS AT BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS" below.

Board Diversity Policy

The Nomination Committee has adopted a board diversity policy in September 2013. The main purpose of the policy is to achieve diversity on the Board. Based on the policy, the selection of candidates for board membership will be based on a range of diversity perspectives, including but not limited, to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Details of the Board Diversity Policy are given at the Company's website under the section "Corporate Governance".

提名委員會負責檢討董事會的架構、規模及組成(包括技能、知識及經驗);物色具備適合資格的人士成為董事會成員,並向董事會提出選任提名人選出任董事的建議;及就與委任或重新委任董事及制定董事繼任計劃的有關事宜向董事會提出建議。

有關提名委員會角色及職能的其他詳情載於本公司網站「企業管治」一節。

於二零二零年,提名委員會共舉行一次會議,藉以(其中包括)檢討本公司董事會之架構、人數及組成。二零二零年提名委員會各成員出席會議之記錄載於下文「董事會會議、董事委員會會議及股東大會之董事出席記錄」一節。

董事會成員多元化政策

提名委員會已於二零一三年九月採納董事會成員多元化政策。該政策之主要目的在於達致董事會成員多元化。根據該政策,本公司在選任董事會成員時會基於多元化之各方面考慮,包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則,而在考慮人選時會根據客觀條件充份顧及董事會成員多元化之裨益。有關董事會多元化政策的詳情載於本公司網站「企業管治」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告
ATTENDANCE RECORD OF THE DIRECTORS AT BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS
董事會會議、董事委員會會議及股東大會之董事出席記錄

		Attendance record of Directors in 2020 二零二零年董事出席記錄				
Name of Directors	董事姓名	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	2020 AGM/EGMs 二零二零年股東週年大會/股東特別大會
<i>Executive Directors</i> 執行董事						
Mr. Fu Yiu Man, Peter	符耀文先生	7/7	N/A不適用	N/A不適用	N/A不適用	3/3
Mr. Lin Hoi Kwong, Aristo	連海江先生	7/7	N/A不適用	N/A不適用	N/A不適用	3/3
Mr. Tang Hao ¹	唐顯先生 ¹	1/1	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Cheng Tak Yiu, Simon ²	鄭德耀先生 ²	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Tin Ka Pak, Timmy ³	田家柏先生 ³	5/6	N/A不適用	N/A不適用	N/A不適用	3/3
<i>Independent Non-executive Directors</i> 獨立非執行董事						
Mr. Wong Chung Kin, Quentin	黃松堅先生	7/7	2/2	1/1	1/1	3/3
Mr. Wong Kam Choi, Kerry, MH	黃錦財先生·MH	7/7	2/2	1/1	1/1	3/3
Mr. Siu Miu Man, Simon, MH	蕭妙文先生·MH	7/7	2/2	1/1	1/1	3/3

Notes:
附註：

- | | |
|--|-------------------------------|
| 1. Mr. Tang Hao was appointed as an Executive Director effective from 3 December 2020. | 1. 唐顯先生於二零二零年十二月三日起獲委任為執行董事。 |
| 2. Mr. Cheng Tak Yiu, Simon was appointed as an Executive Director effective from 20 January 2021. | 2. 鄭德耀先生於二零二一年一月二十日起獲委任為執行董事。 |
| 3. Mr. Tin Ka Pak, Timmy had resigned as an Executive Director effective from 11 September 2020. | 3. 田家柏先生於二零二零年九月十一日起辭任執行董事。 |

CORPORATE GOVERNANCE REPORT 企業管治報告

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

The Directors are responsible for the preparation of the consolidated financial statements. The Company's consolidated financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies have been adopted and applied consistently, and that judgments and estimates made are prudent and reasonable.

The Directors' responsibilities for preparing the financial statements and the reporting responsibilities of the external auditor are set out on pages 126 to 129 of this Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL

i. Responsibility

The Group has established Risk Management Policy to:

- a. define the roles and responsibilities of the relevant parties in the risk management process;
- b. provide a practical framework to the management for mitigating various risks; and
- c. promote risk awareness within the Group.

董事及核數師就賬目之責任

董事負責編製綜合財務報表。本公司之綜合財務報表乃按照所有相關法定規定及適用會計準則而編製。董事負責確保已貫徹採納及應用適當之會計政策，以及所作出之判斷及估計均屬審慎而合理。

董事編製財務報表之責任及外聘核數師之申報責任載於本年報第126頁至第129頁。

風險管理及內部監控

i. 責任

本集團已制訂風險管理政策，藉以：

- a. 確定風險管理過程中有關各方之角色及責任；
- b. 向管理層提交減低各類風險之實務框架；及
- c. 提高本集團上下之風險意識。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Directors and the Board Committees have an oversight role to determine that appropriate risk management processes are in place and that these processes are adequate and effective. The Directors should determine the level of risk that the Board is willing to accept in pursuit of its business objectives by considering whether the risk against reward ratio is appropriate. Management should be responsible for the identification, assessment and mitigation of material risks faced by the business unit(s)/group function(s) which they are responsible for. The management should also regularly conduct review and monitoring of the Group's compliance with the risk management process, system and internal control.

The risk management and internal control systems are designed to safeguard the shareholders' investments and the Group's assets; to maintain proper accounting records for the provision of reliable financial information; and to ensure compliance with applicable laws and regulations. It aims to provide reasonable but not absolute assurance against material misstatement, fraud or loss and to manage rather than eliminate the risk of failure to achieve the Group's business objectives.

董事會及董事委員會擔當監督之角色，負責確定訂有合適的風險管理過程，及確定該等過程為足夠而有效。董事應考慮風險回報比率是否合適，從而釐定董事會在追求商業目標當中可以承受的風險水平。管理層負責識別、評估及減低彼等各自負責之業務單位／集團職能所面對之重大風險。管理層亦應定期檢討及監察本集團有否符合風險管理過程、制度及內部監控。

風險管理及內部監控系統乃旨在保障股東的投資與本集團的資產；保存完備的會計記錄以提供可靠的財務資料；及確保遵守適用法例及規例。該系統旨在就重大錯誤陳述、欺詐或遺漏提供合理而非絕對之保證，以及管理而非消除無法達致本集團商業目標之風險。

CORPORATE GOVERNANCE REPORT 企業管治報告

ii. Management Supervision

The Board has assigned the Executive Committee to oversee the implementation of the Group's internal control and risk management and to monitor the business and operations continuously.

The Executive Committee and management have defined the organizational structure of the Group with clear reporting lines and authorities. Competent personnel are recruited to facilitate the establishment and maintenance of the risk management.

System and procedures are in place to identify, control and report on the major types of risks. The management endorses policies, procedures, codes and guidelines to mitigate significant inherent risks embedded in the operational and financial activities. The "Code of Business Conduct and Ethics" is formulated and communicated to all staffs with the aim of cultivating high integrity and ethical values within the Group.

The Group operates multiple lines of defenses to effect a robust control framework. At the first level, the operating business and support units are responsible for the day-to-day management of risks inherent in the various business activities. The second line of defense sets the policy and guidelines for managing specific risk areas, provides advice and guidance in relation to the risk. Internal audit function forms the third line of defense which evaluates significant risk exposure and contributes to the improvement of the risk management and control systems.

ii. 管理層監督

董事會已指派執行委員會持續監督落實本集團之內部監控及風險管理，以及監察業務及運作。

執行委員會及管理層已明確界定本集團之組織架構，制定了清晰的匯報流程及權責範圍，並已聘請勝任人員以協助制定及維持風險管理。

本集團訂有制度及程序以識別、控制及彙報各主要類別風險。管理層負責批核政策、程序、守則及指引藉以減低經營及財務活動中附帶之重大固有風險。管理層亦已制定及向全體員工傳達「商業操守及道德守則」，務求為本集團締造高水平之誠信及道德價值文化。

本集團設有多道防線以實行穩固的監控框架。首先，經營業務及支援單位負責各業務活動固有風險之日常管理。第二道防線訂有管理特定風險範疇之政策及指引，就有關風險提供意見及指導。第三道防線由內部審核職能組成，負責衡量重大風險，並對改善風險管理及監控系統作出建議。

CORPORATE GOVERNANCE REPORT 企業管治報告**iii. Internal Audit Function**

The Group has in place an internal audit function within the Group as required under code provision C.2.5 of the Corporate Governance Code. The annual internal audit plan is reviewed and approved by the Audit Committee. During the year under review, the Group has engaged an independent professional adviser (“Internal Control Adviser”) to perform independent appraisal of the adequacy and effectiveness of certain subsidiaries’ risk management and internal control system for the year. The Internal Control Adviser reports directly to the Audit Committee. The Internal Control Adviser independently reviews and assesses the design and the effectiveness of the major subsidiaries’ system of internal control by adopting a risk-based audit approach, focusing on major processes and activities which are quantitatively or qualitatively significant to the Group. The Internal Control Adviser reports all significant internal control and risk management matters to the Audit Committee under its scope of review.

iv. Audit Committee Supervision

The Board is responsible for maintaining and reviewing the effectiveness of risk management and internal control systems. The Audit Committee has been assigned by the Board to review and supervise the financial reporting process and internal control procedures of the Group. The Board also, through the Audit Committee, has conducted an annual review of the effectiveness of the Group’s system of risk management and internal control covering all material controls, including financial, operational and compliance controls.

iii. 內部審核職能

遵照企業管治守則之守則條文第C.2.5條所規定，本集團已設立內部審核職能。年度之內部審核計劃已經由審核委員會審閱及批可。於回顧年度內，本集團已委聘獨立專業顧問（「內部監控顧問」）就若干附屬公司之風險管理及內部監控系統於年內是否充足及有效進行獨立評估。內部監控顧問直接向審核委員會匯報。內部監控顧問採取風險為本之審計方針，集中於在質或量方面對本集團而言屬重大之主要程序及活動，獨立審閱及評定主要附屬公司之內部監控系統的設計及有效性。內部監控顧問會於其審查範圍內向審核委員會匯報所有重大內部監控及風險管理事宜。

iv. 審核委員會監督

董事會有責任維持和檢討風險管理及內部監控系統有效性。董事會已指派審核委員會檢討及監督本集團之財務匯報流程及內部監控程序。董事會亦透過審核委員會每年檢討本集團風險管理及內部監控系統在各重大監控，包括財務、營運及合規監控方面之成效。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Audit Committee conducts regular meetings with senior management, the Internal Control Adviser and external auditor to review the financial statements and auditor's reports on financial and internal control matters. The Audit Committee reports to the Board on significant internal control matters, suspected frauds or irregularities, alleged infringement of laws and regulations, which come to their attention.

The Audit Committee, through the Internal Control Adviser, has conducted comprehensive risk assessments and internal control reviews on the design and the effectiveness of the major subsidiaries' system of internal control for the year ended 31 December 2020, which covers the key controls for mitigating the major risks associated with the significant processes. During the year under review, no major issue but areas for improvement have been identified.

The Audit Committee has considered that the risk management and internal control systems are appropriately designed and effective. The Audit Committee has also assessed the adequacy of resources, qualifications, experience, training programmes and budget of staff of the Group's Finance Department and considered that it is adequate.

審核委員會定期與高級管理層、內部監控顧問及外聘核數師舉行會議，以審閱財務報表及核數師就財務及內部監控事宜編製之報告書。審核委員會就其知悉之重大內部監控事宜、懷疑欺詐或不當行為，以及涉嫌違法違規事宜，向董事會作出匯報。

於截至二零二零年十二月三十一日止年度，審核委員會已透過內部監控顧問進行全面風險評估及內部監控檢討，以評審主要附屬公司之內部監控系統的設計及有效性，涵蓋範圍包括以減低主要程序相關之重大風險為由而進行的內部監控活動。於回顧年度，除改善範疇外，並無發現任何重大事項。

審核委員會認為，風險管理及內部監控系統乃設計適當而有效。審核委員會亦已評定本集團財務部門之職員的資源、資歷、經驗、培訓計劃和經費預算，認為各有關方面均已充足。

CORPORATE GOVERNANCE REPORT 企業管治報告**v. Inside Information**

With respect to procedures and internal controls for the handling and dissemination of inside information, the Group:

- a. has developed Inside Information Disclosure Policy in relation to the disclosure of inside information about the Group companies, its officers and substantial shareholders. The disclosure can communicate such information to investors for investment decision on equal and informed basis;
- b. has established Corporate Communications Policy for responding to all media related inquiries, interviews and conference on the corporate issues. Authorized persons are assigned to act as spokespersons to speak on behalf of the Group and to respond to external enquiries; and
- c. has included in its Code of Business Conduct and Ethics a strict prohibition for all employees of the Group on the unauthorized use of confidential or inside information.

DIVIDEND POLICY

The Board has considered the general principles that it currently intends to apply when recommending dividends for approval by the shareholders or when declaring any interim dividends. The actual dividend that the Board may recommend or declare in respect of any particular financial year will be subject to the factors outlined below as well as any other factors deemed relevant by the Board. Dividend may be distributed either in cash, or in the form of shares.

v. 內幕消息

就處理及發佈內幕消息之程序及內部監控方面，本集團：

- a. 已制訂股價敏感資料披露政策，其涉及本集團旗下公司、高級人員及主要股東對股價敏感資料之披露。此披露能向投資者傳達該等消息以使投資者在平等及知情下作投資決定；
- b. 已制訂企業通訊政策，以處理回應所有有關企業事宜之媒體相關查詢、訪問及會議。本集團已指定獲授權人士作為發言人，代表本集團發言及回應外界查詢；及
- c. 在商業操守及行為守則訂明嚴格限制，嚴禁本集團全體僱員擅自使用機密或內幕消息。

股息政策

董事會在建議派發股息（須股東批准）時或宣派任何中期股息時，已考慮其目前擬應用之一般原則。董事會可能就某一特定財政年度建議或宣派股息，但實際股息金額將受下述因素及董事會視作相關之任何其他因素所規限。股息可透過現金或股份形式派發。

CORPORATE GOVERNANCE REPORT 企業管治報告

The dividend policy is as follows:

- In determining the dividend payment ratio in respect of any particular financial year, the Board will take into account a desire to maintain and potentially increase dividend levels within the overall objective of maximizing shareholder's value over the longer term, and;
- If an annual dividend in respect of a financial year is to be paid, the dividend would generally be paid in form of an interim and a final dividend.

In considering the level of dividend payments, if any, upon recommendation by the Board, various factors will be taken into account, including:

- the level of cash and retained earnings;
- the expected financial performance;
- the projected levels of capital expenditure and other investment plans;
- the taxation consideration;
- the possible effects on the Group's creditworthiness;
- statutory and regulatory restrictions; and
- any other factors the Board may deem relevant.

There can be no assurance that the Company will be able to declare or distribute any dividend in any financial year.

股息政策載列如下：

- 在釐定某一特定財政年度之派息比率時，董事會希望在達到長遠為股東創造最大價值之整體目標下，能維持或甚至增加派息水平；及
- 倘決定就某一財政年度派付全年股息，該筆股息將一般以中期或末期股息之形式派付。

在考慮董事會建議之派息(如有)水平時，將考慮多項因素，包括：

- 現金及保留盈利水平；
- 預期財務表現；
- 資本開支之預測水平及其他投資計劃；
- 稅務考慮；
- 對本集團信貸質素之潛在影響；
- 法定及監管限制；及
- 董事會視作相關之任何其他因素。

本公司無法保證能於任何財政年度宣派或派發任何股息。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDITOR'S REMUNERATION

For the year ended 31 December 2020, audit and non-audit services provided by the external auditor of the Company, are as below:

核數師酬金

截至二零二零年十二月三十一日止年度，本公司外聘核數師所提供之審核及非審核服務如下：

		SHINGEWING (HK) CPA Limited 信永中和(香港) 會計師事務所 有限公司 HK\$'000 千港元	PFK O'Connor Davies, LLP PFK O'Connor Davies, LLP HK\$'000 千港元	Total 總計 HK\$'000 千港元
Audit services	審核服務			
Audit of the consolidated financial statements of the Group for the year ended 31 December 2020 and the review of the preliminary announcement of the result of the Group for the year ended 31 December 2020	審核本集團截至二零二零年十二月三十一日止年度之綜合財務報表及審閱本集團截至二零二零年十二月三十一日止年度之初步業績公佈	1,150	-	1,150
Audit of financial statements of a subsidiary in the United States of America for the period from 17 July 2020 (date of incorporation) to 31 December 2020	審核一間於美利堅合眾國之附屬公司自二零二零年七月十七日(註冊成立日期)起至二零二零年十二月三十一日止期間之財務報表	-	233	233
Non-audit services	非審核服務			
Provision of taxation services for the year ended 31 December 2020	就截至二零二零年十二月三十一日止年度提供稅務服務	139	-	139
Additional taxation services fee and disbursement incurred for the year ended 31 December 2019	就截至二零一九年十二月三十一日止年度之額外稅務服務費用及支出	3	-	3
		1,292	233	1,525

CORPORATE GOVERNANCE REPORT 企業管治報告

COMPANY SECRETARY

The Company Secretary is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary reports to the Board and is responsible for advising the Board on governance matter. The Company Secretary has confirmed that he has taken no less than 15 hours of relevant professional training in 2020.

COMMUNICATION WITH SHAREHOLDERS

The Board recognizes the value of providing current and quality information to its Shareholders, both individual and institutional. It also recognizes the importance of maintaining continuous communication with shareholders and constantly looks for ways to ensure the Group maintains an open and ongoing dialogue with the existing and potential shareholders.

i. Shareholders' Communication Policy

The Company has adopted a shareholders' communication policy to ensure an effective ongoing dialogue with Shareholders. Such policy shall be reviewed by the Board on a regular basis to ensure its effectiveness. Details of the Shareholders' Communication Policy are given at the Company's website under the section "Corporate Governance".

ii. The Company's Website

The Company's website at www.vcgroup.com.hk provides comprehensive and most updated information about the Company, including financial results, announcements, circulars, composition of the Board/Board committees and their respective terms of reference, biographical information of directors and senior management, and other corporate documents such as Articles of Association and other policies adopted by the Company.

公司秘書

公司秘書為本公司之全職僱員，對本公司之日常事務有所認識。公司秘書向董事會匯報，並負責向董事會提供管治事宜方面之意見。公司秘書確認，彼於二零二零年已接受不少於15小時之相關專業培訓。

與股東之間的溝通

董事會明白向個人及機構股東提供適時而優質的資訊十分寶貴。董事會亦深明與股東保持持續溝通的重要性及致力尋求方法以確保本集團與現有及潛在股東能保持公開和持續溝通。

i. 股東通訊政策

本公司已採納股東通訊政策以確保與股東有效地保持溝通。董事會將定期檢討有關政策以確保其有效落實。有關股東通訊政策的詳情已於本公司網站「企業管治」一節內刊登。

ii. 本公司網站

本公司網站www.vcgroup.com.hk提供有關本公司的全面資料及最新消息，當中包括財務業績、公佈、通函、董事會／董事委員會之組成及相關職權範圍、董事及高級管理層之履歷，以及其他公司文件如章程細則及本公司採納之其他政策。

CORPORATE GOVERNANCE REPORT 企業管治報告**iii. Annual General Meeting**

The Company regards the annual general meeting (“AGM”) an important event as it provides an opportunity for the Board to communicate with the shareholders. Notice of AGM and related papers are sent to the Shareholders at least 21 clear days before the meeting. The Company supports the CG Code’s principle to encourage shareholders’ participation. Questioning by the shareholders at the AGM is encouraged and welcomed.

iv. Enquiries

The company secretary responds to letters and telephone enquiries from shareholders/investors. Shareholders and investors are welcome to raise enquiries through the Company’s email contact info@vcgroup.com.hk or by mail to our company secretary at 6th Floor, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong.

iii. 股東週年大會

本公司視股東週年大會（「股東週年大會」）為年中大事，因其為董事會與股東溝通之大好機會。股東週年大會通告及相關文件於大會日期起計最少二十一個完整日前送交股東。本公司支持企業管治守則之原則，鼓勵股東積極參與股東週年大會，並鼓勵及歡迎股東於股東週年大會上提問。

iv. 查詢

公司秘書負責回應股東／投資者之來函及電話查詢。股東及投資者如有查詢，可電郵至本公司電郵地址 info@vcgroup.com.hk 或以書面方式將有關查詢寄交本公司，地址為香港灣仔告士打道181-185號中怡商業大廈6樓，抬頭註明公司秘書收。

CORPORATE GOVERNANCE REPORT 企業管治報告

SHAREHOLDERS' RIGHTS

i. Convening of General Meetings

Under Section 566 of the Companies Ordinance (Chapter 622 of Laws of Hong Kong) (the "Companies Ordinance"), shareholders of the Company who representing at least 5% of the total voting rights of all members having a right to vote at general meetings of the Company may request the Directors of the Company to convene general meetings. The requisition must state the general nature of business to be dealt with at the meeting, and must be signed by the requisitionist(s) and deposited at the registered office of the Company at 6th Floor, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong. Shareholders may include the text of a resolution that may properly be moved and is intended to be moved at the meeting.

The Directors must proceed to convene a general meeting within 21 days from the date of receipt of the requisition. Such meeting should be held on a date not more than 28 days after the date on which the notice convening the meeting is given. If the Directors fail to convene the general meeting as aforesaid, the requisitionist(s), or any of them representing more than one-half of the total voting rights of all of them, may themselves convene the meeting. Any meeting so convened shall not be held after the expiration of three months from the date of the deposit of the requisition.

For more details, shareholders may refer to the requirements as set out in the Companies Ordinance.

股東權利

i. 召開股東大會

根據香港法例第622章《公司條例》(「公司條例」)第566條，持有佔全體有權在本公司股東大會上表決的股東的總表決權最少5%之本公司股東，可要求本公司董事召開股東大會。該要求須列明有待於大會上處理之事務之一般性質，並須由提出要求者簽署及交回本公司註冊辦事處，地址為香港灣仔告士打道181-185號中怡商業大廈6樓。股東可連帶加入可在該大會上恰當地動議且擬在該大會上動議之決議案文本。

董事須在接獲該要求日期起計21天內召開股東大會。有關大會須於發出召開大會之通告後不超過28天內舉行。倘若董事未有按上述規定召開股東大會，該等提出要求者或佔彼等全體總表決權過半數之任何提出要求者，可自行召開大會。以上述方式召開之任何大會不得在提呈要求日期起計3個月屆滿後舉行。

股東可參閱公司條例所載之規定以獲取更多資料。

CORPORATE GOVERNANCE REPORT 企業管治報告**ii. Putting Forward Proposals at General Meeting**

Under Section 615 of the Companies Ordinance, Shareholders representing at least 2.5% of the total voting rights of all the members having a right to vote, or at least 50 Shareholders who have a relevant right to vote may (a) put forward proposal at general meeting; and (b) circulate to other Shareholders written statement with respect to matter to be dealt with or other business to be dealt with at general meeting.

The requisition must be sent to the Company in hard copy or in electronic form and must identify the resolution of which notice is to be given. It must be signed by the requisitioner(s) and be received by the Company not less than six weeks before the annual general meeting to which the request related, or, if later, the time at which notice is given of that meeting.

For more details on the shareholders' qualifications, and the procedures and timeline, in connection with the above, shareholders may refer to the Sections 580 and 615 of the Companies Ordinance.

CONSTITUTIONAL DOCUMENTS

There is no significant change in the constitutional documents of the Company in 2020.

The consolidated version of the Company's Articles of Association is given at the Company's website under the section "Corporate Governance".

ii. 於股東大會上提出動議

根據公司條例第615條，持有佔全體有權表決的股東的總表決權最少2.5%之股東或最少50位有相關表決權利之股東，可(a)於股東大會上提出動議；及(b)向其他股東傳閱有關於股東大會上動議之陳述書，或其他有待在該股東大會上處理之事務。

有關要求須以紙本或電子形式送交本公司，並須指明有待發出通告之相關決議案。該要求須由提出要求者簽署及在不遲於該要求所關乎之股東週年大會前或(如較遲)該大會通知發出前六個星期送達本公司。

有關於股東大會提出動議之股東資格、程序及時限之詳細資料，股東可參閱公司條例第580條及第615條。

憲章文件

本公司之憲章文件於二零二零年並無任何重大更改。

本公司章程細則之綜合版本已登載於本公司網站「企業管治」一節。

DIRECTORS' REPORT 董事會報告書

The Board (the "Board") of Directors (the "Directors") of Value Convergence Holdings Limited (the "Company") is pleased to present their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2020, together with the audited comparative figures for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 42 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group's business during the year including the description of the Group's business and its external environment, business objectives and strategies, business model and development and principal performance drivers are provided in the Chairman's Statement and the Management Discussion and Analysis on pages 4 to 7 and pages 8 to 55 respectively of this Annual Report.

Further, the Management Discussion and Analysis also contains the information about the Group's financial performance analysis and financial position assessment, number and remuneration of employees and remuneration policies, particulars of important events affecting the Group that had occurred since the year ended 31 December 2020 and the Group's likely future development in business.

滙盈控股有限公司(「本公司」)之董事(「董事」)會(「董事會」)欣然提呈董事會年度報告書以及本公司及其附屬公司(統稱「本集團」)截至二零二零年十二月三十一日止年度之經審核綜合財務報表，連同截至二零一九年十二月三十一日止年度之經審核比較數字。

主要業務

本公司為一間投資控股公司。本公司主要附屬公司之業務載於綜合財務報表附註42。

業務回顧

年內，本集團之業務回顧包括對本集團業務及其外在環境、業務目標及策略、業務模式及發展，以及推動表現之主要因素等各項之描述，有關內容載於本年報第4頁至第7頁之主席報告書及第8頁至第55頁之管理層討論及分析。

此外，管理層討論及分析亦載有關於本集團財務表現分析及財務狀況評估、僱員數目及薪酬以及薪酬政策之資料，並載有於截至二零二零年十二月三十一日止年度以來曾發生而影響本集團之重要事件之詳情以及本集團業務之未來可能發展。

DIRECTORS' REPORT 董事會報告書

Environmental policies and performance

The Group encourages environment protection, complies with environmental legislation and promotes awareness towards environment protection to the employees. The careful use of resources and adoption of the best practices across the Group's business shows our commitment towards environmental protection. The Group adheres to the principle of Recycling and Reducing. Stationeries such as envelopes, letterheads and business cards, as well as interim reports and annual reports delivered to the shareholders are printed on environmentally friendly paper. It also implements green office practices such as encouraging double-sided printing and copying. Obsolete computer equipments, after removal of data storage devices, are either donated to charities or passed to recyclers together with used computer consumables such as ink and toner cartridges.

Compliance with laws and regulations in relation to financial services business

The Group's financial services business is mainly under the supervision of Securities and Futures Commission ("SFC"), including securities, futures and options brokering and dealing, margin financing services, corporate finance services as well as asset management, and other authorities for the insurance brokerage and money lending services. As such, the Group has to comply with the rules and regulations of SFC and other related regulators and authorities. In order to comply with all these rules and regulations, the Group's Compliance Department has tailored-made some specific operation manuals and implemented the internal control procedures to regulate the Group's daily business activities. Regular testing are conducted on the Group's operations to minimize the risk exposures and take appropriate remedial actions, when necessary. Meanwhile, the Group will engage independent professional bodies to provide advices and assistance on the Group's compliance issues, when necessary.

環境政策及表現

本集團鼓勵環保，遵守環保法例及促進僱員之環保意識。本集團於業務中實踐節約資源及採納最佳實務，展現出本集團對推動環保之承擔。本集團堅守回收及減少使用原則。信封、信箋及卡片等文具以及送交股東之中期報告及年報均以環保紙列印。本集團亦落實綠化辦公室措施，例如鼓勵雙面列印及複印。舊電腦設備在移除數據儲存器後，會連同已耗盡之電腦消耗品（如墨盒及碳粉盒）捐贈予慈善團體或送往回收商。

遵守有關金融服務業務之法例及規例

本集團之金融服務業務（包括證券、期貨及期權之經紀及買賣、保證金融資服務、企業融資服務及資產管理）主要受證券及期貨事務監察委員會（「證監會」）監管，而保險經紀及放債服務則受其他機構監管。因此，本集團須遵守證監會以及其他相關監管機構及有關當局之規則及規例。為遵守所有該等規則及規例，本集團合規部門已度身訂做具體操作手冊及實施內部控制程序，以規管本集團之日常業務運作。本集團定期對營運操作進行檢測以減低風險，並於有需要時採取適當補救措施。本集團亦將於有需要時委聘獨立專業團體就本集團有關合規之事宜提供建議及援助。

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In addition, the Group has adopted a more targeted approach to customer due diligence through the use of a sophisticated software provided by a third party financial service provider. This simplifies and accelerates the customer due diligence for the entire customer base of the Group, which includes screening for money laundering, sanctions and threat finance and also enables detailed monitoring of politically exposed person relationships and networks and is also customizable to identify a variety of specific third party risks, when necessary. All these measures are important in increasing the efficiency and effectiveness in dealing with the regulatory and operational burdens and risks the Group's regulated businesses are facing.

Relationships with customers and suppliers and major customers and suppliers

The Group understands that it is important to maintain a good relationship with its customers and suppliers. To do so, the Group delivers its financial services and products in professional attitude to procure clients' trust, which help to create new business opportunities to the Group. During the year, there was no material and significant dispute between the Group and its customers and/or suppliers.

For the year ended 31 December 2020, the aggregate revenue attributable to the Group's largest customer and five largest customers combined are approximately 9% (2019: 7%) and 28% (2019: 27%) respectively, of the Group's total revenue. During the year, none of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers. For 2020, all the five largest customers have 1 year to 22 years of business relationship with the Group and one is a listed company in Hong Kong. Besides, the Group had no major supplier due to the nature of principal activities of the Group.

此外，本集團採用由一名第三方金融服務供應商提供之精密軟件，更針對性地進行客戶盡職審查。此舉可簡化及加快對本集團整個客戶群之客戶盡職審查，包括對清洗黑錢、財務制裁及金融威脅等進行檢測篩選，並能仔細監控政治敏感人物之關係及網絡，其亦可特定設定，以識別多個特定第三方風險（如需要）。一切有關措施均極其重要，可提升處理本集團受規管業務所面對之監管及營運負擔及風險之效率及效益。

與客戶及供應商之關係以及主要客戶及供應商

本集團明瞭與其客戶及供應商維持良好關係之重要性。為實現這一點，本集團以專業之態度提供金融服務及產品以取得客戶信任，此有助為本集團創造新業務機遇。年內，本集團與其客戶及／或供應商之間並無重大及顯著爭議。

截至二零二零年十二月三十一日止年度，源自本集團最大客戶之收益及五大客戶合共之收益分別佔本集團總收益約9%（二零一九年：7%）及28%（二零一九年：27%）。於本年度，各董事、彼等之聯繫人士或據董事所知擁有本公司股本5%以上之任何本公司股東概無於本集團五大客戶中擁有任何權益。於二零二零年，本集團五大客戶均與本集團有一年至二十二年之商業關係，而其中一間為香港上市公司。此外，由於本集團之主要業務性質使然，因此本集團並無主要供應商。

DIRECTORS' REPORT 董事會報告書**Relationships with employees***(a) Emolument policy and employee benefits*

The Group understands that employees are valuable assets, therefore it provides competitive remuneration package to attract and motivate the employees. The emolument policy of the Group is set up by the Remuneration Committee of the Company. The Group's employees are selected, remunerated and promoted on the basis of their merit, qualifications, performance and competence. Regular revision for each employee is conducted annually. Meanwhile, the emoluments of the Directors and senior management of the Group are decided by the Remuneration Committee and/or the Board, having regard to the performance of individuals, the Group's operating results and comparable market statistics.

Apart from the basic salaries and participation in Mandatory Provident Fund Scheme, the Group also provides medical coverage, sales commission, discretionary performance-based bonus, discretionary share options and share awards to all employees.

As above-mentioned, the Company has a share option scheme and share award schemes as an incentive to the eligible persons of the schemes, whom including the Directors, employees and others of the Group. Details of the schemes and the movements of the share options and awarded shares granted to the eligible persons during the year are set out in the sections of "DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES", "SHARE OPTION SCHEME" and "SHARE AWARD SCHEMES" in this report.

與僱員之關係*(a) 薪酬政策及僱員福利*

本集團明瞭僱員乃寶貴資產，因此，其提供具競爭力之薪酬組合，以吸引及激勵僱員。本集團之薪酬政策乃由本公司薪酬委員會制訂。本集團根據僱員之優點、資歷、表現及勝任程度進行甄選、支薪及升遷。每名僱員之定期調整將於每年進行。另一方面，本集團董事及高級管理層之薪酬乃由薪酬委員會及／或董事會參照個人表現、本集團經營業績及可資比較市場統計數據決定。

除基本工資與強制性公積金計劃外，本集團亦為全體僱員提供醫療保險、銷售佣金、酌情表現花紅、酌情購股權及獎勵股份。

如上文所述，本公司有購股權計劃及股份獎勵計劃，作為對計劃合資格人士（包括本集團董事、僱員及其他人士）之獎勵。該等計劃之詳情以及年內授予合資格人士購股權及獎勵股份之變動詳情載於本報告書內「董事於股份、相關股份及債權證之權益」、「購股權計劃」及「股份獎勵計劃」各節。

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(b) *Training and development*

Employees of the Group are encouraged to attend training and development courses so as to keep abreast of their skills and knowledge. Our Compliance Department organizes in-house training courses for all employees of the Group, specifically for those are licensed persons registered under the Hong Kong Securities and Futures Ordinance, and provides ongoing compliance updates and regulatory requirements to them. The Group also funds the Directors to attend continuous professional development training including updates on regulatory requirements and corporate governance practices. Relevant employees are also funded to attend external training courses which are relevant to their work.

(c) *Health and safety*

In order to provide a safe working environment, offices' workstations are regularly checked and maintained by the Administration Department of the Group. Besides, cleaning of carpets and air-conditioning systems are regularly carried out so as to provide hygienic working conditions for the employees.

(b) 培訓及發展

本集團鼓勵僱員出席培訓及發展課程，以促使彼等之技能及知識與時並進。本公司合規部門安排本集團全體僱員參加內部培訓課程，特別是為根據香港證券及期貨條例註冊之持牌人，及向彼等提供持續合規更新及監管要求之資料。本集團亦資助董事出席持續專業發展培訓，包括有關監管要求及企業管治常規最新資料之培訓。相關僱員亦獲資助出席與其工作有關之外部培訓課程。

(c) 健康及安全

為了提供一個安全的工作環境，本集團行政部門定期檢查及維持辦公室傢具。此外，亦定期清洗地毯及空氣調節系統，為僱員提供衛生工作環境。

DIRECTORS' REPORT 董事會報告書**Principal risks and uncertainties of the Group**

The Group's core businesses are the provision of financial services comprising securities, futures and options brokering and dealing, financing services and corporate finance and other advisory services, asset management and insurance brokerage; proprietary trading and sale and distribution of healthcare products. Due to the nature of the Group's financial services business and proprietary trading business, the Group may be affected by a number of risks and uncertainties associated with its key financial services and products. It mainly divided into two categories, namely operational risk and financial risks. To ensure implementation of the appropriate measures in managing and monitoring these risk exposures on a timely and effective manner, policies and procedures are established by the Group. Details of the key risks and uncertainties identified by the Group and the ways on how the Group encounters these are given as follows:

(a) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed operational processes, people and systems or from external events. In the other words, the operational risk arises from non-compliance of policies and procedures and lack of control. The Group has established some operational policies and guidelines, delegation of authorities and reporting requirements for helping each employee of the Group to develop a set of personal practices in performing their job to the highest level. The operational policies provide detailed guidelines for various functions of the Group in executing most of the business transactions such as accounting and finance, operations, legal and compliance, human resources, information technology and administration.

本集團所面對之主要風險及不確定因素

本集團核心業務為提供金融服務，包括證券、期貨及期權經紀及買賣、融資服務以及企業融資及其他顧問服務，以及資產管理及保險經紀；自營買賣業務及銷售及分銷醫療保健產品。由於本集團金融服務業務及自營買賣業務之性質使然，本集團可受若干與其主要金融服務及產品有關聯之風險及不確定因素影響。其主要分成兩個類別，分別為營運風險及財務風險。為確保管理及監控該等風險之適當措施能及時有效地實施，本集團制訂政策和程序。本集團所識別之主要風險及不確定因素詳情以及本集團應對有關風險及不確定因素之方法載列如下：

(a) 營運風險

營運風險指因營運過程、個人及系統不足勝任或失效或因外在事件而導致虧損之風險。換言之，即是因不遵循政策及程序、缺乏控制而產生之營運風險。本集團已制訂若干營運政策及指引、授權及匯報規則，以協助本集團每名僱員發展一套個人實踐，好能以最高的水平執行職務。營運政策為本集團各項功能在進行大部分商業交易時提供詳細指引，如會計及財務、營運、法律及合規、人力資源、資訊科技及行政等。

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Meanwhile, detailed compliance and procedural manuals and policies are designed for the major subsidiaries of the Group which carried out the finance services business. The internal policies and manuals aim to ensure that the major subsidiaries of the Company comply with all rules, regulations, codes and legislations governing every aspect of the Group's regulated activities at all times. All sales staff and/or investment representatives are required at all times to fully understand and follow the regulated requirements, which will be updated from time to time in response to changes of rules and regulations. Training programs and active communications are continuously provided to promote their awareness. Internal control procedures are applied to monitor compliance of the Group's policies and guidelines. Appropriate disciplinary actions shall be taken against the responsible staff, who is guilty of serious misconduct. Further, for the proprietary trading business, securities investment policy has been established providing investment guidelines and reporting procedures for the responsible persons to follow.

The Group's Compliance Department and Internal Control Adviser are responsible for identifying and monitoring the key operational exposures and report regularly the potential risk issues to the management and the Audit Committee of the Group respectively.

(b) Financial risks

In the course of business activities, the Group is exposed to a variety of financial risks, including market, credit and liquidity risks.

(i) Market risk

The Group's market risk primarily includes currency risk (foreign exchange rate risk), interest rate risk and equity price risk.

同時，已為本集團經營金融服務業務之主要附屬公司設計詳細合規及程序之手冊及政策。內部政策及手冊旨在確保本公司之主要附屬公司於任何時間均遵守規管本集團受規管活動所有方面之一切規則、規例、守則及法例。所有銷售員工及／或投資代表在任何時間均須全面了解及遵循規管要求，而有關要求將不時更新，以反映規則及規例變更。為提高彼等之意識，會持續提供培訓課程及積極溝通。內部控制程序已予應用，以監控本集團政策及指引之合規情況。負責員工若有嚴重違規者，將被處適當紀律處分。此外，就自營買賣業務而言，本集團已制訂證券投資指引以向負責職員提供投資指引及申報程序。

本集團合規部門及內部監控顧問負責識別及監控主要營運風險，並定期向本集團管理層及審核委員會匯報潛在風險。

(b) 財務風險

進行業務過程中，本集團面對多種財務風險，包括市場、信貸及流動資金風險。

(i) 市場風險

本集團之市場風險主要包括貨幣風險（外幣匯率風險）、利率風險及股本價格風險。

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- *Currency risk* – It is the Group's policy for each group entity to operate in local currencies as far as possible to minimize currency risks. Almost all of the Group's principal businesses are conducted in Hong Kong dollars which is also the functional currency of the Company, with small amounts of bank deposits denominated in foreign currency. Since the impact of foreign exchange exposure is minimal, no hedging against foreign currency exposure has been carried out by the Group for the year. The Finance Department will manage and monitor the relevant risk from time to time.
- *Interest rate risk* – The Group is exposed to fair value interest rate risk in relation to fixed-rate accounts receivable from money lending business, in which the risk is considered to be insignificant as the majority of the amount is carried at amortised cost. The Group is also exposed to cash flow interest rate risk in relation to variable-rate accounts receivable from brokerage and financing businesses such as cash clients and margin clients, which is mainly relating to the fluctuation of prime rate from the Group's interest-bearing financial instruments. The Finance Department has prepared sensitivity analysis on the exposure to cash flow interest rates for the Group's interest-bearing financial instruments on a semi-annually basis and note that such exposure to the Group is not significant.
- *貨幣風險* – 本集團之政策是各集團實體均應盡可能以當地貨幣經營，以減低貨幣風險。本集團絕大部分之主要業務均以本公司之功能貨幣港元進行，只有少數銀行存款以外幣列值。由於外匯風險之影響屬微不足道，因此本集團於本年度並無為外幣風險進行對沖。財務部門會不時管理並監察相關風險。
- *利率風險* – 本集團因放債業務產生之定息應收賬款而面對公平值利率風險，而由於大部分有關款項乃按已攤銷成本列賬，因此該等風險被視為微不足道。本集團亦因經紀及融資業務之浮息應收賬款（如應收現金客戶及保證金客戶之賬款）而面對現金流利率風險，主要與本集團計息金融票據產生之銀行最優惠利率波動相關。財務部門每半年編製本集團計息金融票據之現金流利率風險之敏感度分析，並發現本集團承受之有關風險並不重大。

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- *Equity price risk* – The Group is exposed to equity price risk arising from fluctuation in the price through the Group's investment in listed equity securities. Management regularly reviews and monitors the Group's investment portfolio so as to limit the risk exposure.

(ii) Credit risk

The Group's credit risk is the risk of losses from a borrower or counterparty defaulting on an obligation which will result in financial loss to the Group. The risk mainly arises from the following business activities undertaken by the Group:

- *Financing from brokerage business* – In relation to the financing from brokerage business, the credit risk arises on the margin portfolio and clients' trade settlement. When the market goes downside, the possibility of doubtful debts will arise. The clients may be unable or unwilling to settle the sum owed. As such, credit assessment and continuous management of credit exposures are indispensable. The Group has established the credit policies and procedures setting out in details the structure of the credit risk management, the credit approval and monitoring mechanism, and the issue for provision for doubtful receivables. Meanwhile, the management of the Group has delegated a team forming the credit committee for setting the direction of the credit risk management and to oversee the Group's overall credit risk exposure. The credit committee meets monthly to review the work of the credit officer who is responsible for the daily credit management activities, determine and review the credit limits, credit approvals and other monitoring procedures to ensure that

- *股本價格風險* – 本集團因其於上市股本證券投資之價格波動而面對股本價格風險。管理層會定期檢討及監察本集團之投資組合，藉以限制所面對之風險。

(ii) 信貸風險

本集團之信貸風險為借款人或交易對手未能履行責任導致本集團產生財務損失之風險。該風險主要來自下列本集團從事之業務活動：

- *經紀業務之融資* – 就經紀業務之融資而言，信貸風險乃源自保證金貸款組合及客戶交易結算。當市場下滑，出現呆賬的機會將相應提高。客戶可能無力或不願意清償其結欠款項。因此，信貸評定及持續管理信貸風險實屬不可或缺。本集團已制訂信貸政策及程序，詳列信貸風險管理、信貸審批及監察機制之結構，以及應收款項呆壞賬之撥備事宜。此外，本集團管理層已指派專人成立信貸委員會，定出信貸風險管理方針並監察本集團整體之信貸風險。信貸委員會每月舉行會議以審閱負責日常信貸管理事宜之信貸主任之工作、釐定並檢討信貸限額、信貸審批及其他監察程序，從而確保會採取跟進行動以收回逾期債務及客戶欠付之應收賬款。信貸委員會亦會於有需要時臨時進行討論及舉行

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follow-up action is taken to recover overdue debts and receivables from the clients with shortfalls. Ad hoc discussions and meetings may also be held by the credit committee whenever necessary. Moreover, the Group closely evaluates the borrower's credit rating, financial background and repayment abilities. The assessment is based on a closely monitoring and evaluation of the collectability of individual account and on management's judgment from different aspects including the current credit worthiness of the borrowers, collateral value and the past collection history of each individual borrower.

- *Money lending* – All individual loans are currently assessed and approved by the Group's management. The Group closely evaluates the borrowers' credit rating, financial background, repayment abilities and the value of securities collateral. The assessment is based on a close monitoring and evaluation of the collectability of individual borrower and on management's judgment from different aspects including the current credit worthiness of the borrower, collateral value and the past collection history of each individual borrower. The Finance Department is responsible for the daily monitoring of the borrowers including the adequacy of the collateral value and any default or delinquency in interest or principal payments in accordance with the contractual terms, and promptly report to the management, when necessary.

會議。此外，本集團會藉著密切監察及評估各別賬款之可收回成數，並基於管理層不同方面之判斷，包括借款人現時之信用、抵押品價值及過往向各別借款人收回款項之記錄，密切評估借款人之信貸評級、財政背景及還款能力。

- *放債* – 所有各別貸款現時均經由本集團管理層評定及批准。本集團會藉著密切監察及評估向各別借款人收款之成數，並基於管理層不同方面之判斷，包括借款人現時之信用、抵押品價值及過往向各別借款人收回款項之記錄，密切評估借款人之信貸評級、財政背景及還款能力以及抵押證券之價值。財務部門負責對借款人進行日常監察，包括抵押品價值是否充足，以及有否未能根據合約條款繳付或延遲償還利息或本金，並會於有需要時即時向管理層匯報。

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Furthermore, the Group has monitored its concentration of credit risk in different aspects. The Group's concentration of credit risk by geographical locations is mainly in Hong Kong. The Group has policies in monitoring both client concentration risk and stock concentration risk. The Group regularly performs stress tests on stock concentration to evaluate the Group's credit risk exposure and capital adequacy in the event of abnormal and significant changes in market condition. As at 31 December 2020, the Group has concentration of credit risk on the accounts receivable as the aggregate balances with the five largest clients representing approximately 84% (2019: 44%) of total accounts receivable. Four of these clients' balances are within the credit limits granted by the Group and meet the loan-to-value ratio. Further, the fair values of the securities collateral held by the Group for the balances of these four largest customers are in excess of the relevant carrying amounts or has no overdue amounts as at 31 December 2020. Regarding the remaining one customer, demand letters had been issued and other actions shall be followed when necessary. Accordingly, the Directors consider that the Group's credit risk is closely monitored. The Group has no other significant concentration of credit risk.

(iii) Liquidity risk

Liquidity risk is the potential that the Group will be unable to meet its obligations when they fall due. The Group's liquidity risk management includes making available standby banking facilities as and when necessary and diversifying the funding sources. The Group's operations are mainly financed by internal generated cash flow and short-term bank borrowings. In managing the liquidity risk, it is important that the Group maintains an adequate level of cash and credit facilities to finance the Group's daily operations.

另外，本集團會從多方面監察其信貸風險過於集中的情況。按地域而言，本集團之信貸風險主要集中於香港。本集團訂有政策，監察客戶集中風險及股票集中風險。本集團會定期進行股票集中的壓力測試，藉以評估在不正常市況及市況出現重大變動下本集團之信貸風險及資本充足率。於二零二零年十二月三十一日，本集團有應收賬款之集中信貸風險，原因是與五大客戶之總結餘佔應收賬款總額約84%（二零一九年：44%）。其中四名該等客戶之結餘均在本集團授出之信貸限額之內，並符合貸款對價值比率。此外，於二零二零年十二月三十一日，本集團就該等四大客戶結餘持有之抵押證券之公平值高於相關賬面值或並無逾期款項。至於餘下一名客戶，已向該客戶發出催繳函並將於有需要時採取其他跟進行動。因此，董事認為本集團之信貸風險已得到密切監察。本集團並無其他高度集中信貸風險。

(iii) 流動資金風險

流動資金風險指本集團可能無法履行到期責任。本集團之流動資金風險管理包括於需要時取得備用銀行融資及分散資金來源。本集團營運所用資金主要來自內部產生之現金流量及短期銀行借款。於管理流動資金風險時，本集團維持充足現金及信貸融資額以撥付本集團日常營運乃至為重要。

DIRECTORS' REPORT 董事會報告書

Indeed, the Group's major subsidiaries are regulated by SFC, which are subject to SFC's liquid capital requirements. Under the liquid capital requirements, the regulated subsidiaries must maintain the minimum liquid capital, which shall in excess of HK\$3 million or 5% of their total adjusted liabilities, whichever the higher. The Finance Department monitors the Group's major funding positions on a daily basis so as to ensure adequate financial resources are available to meet the Group's financial obligations as well as to comply with SFC requirement. It is believed that the Group has adequate working capital to meet its financial obligations and the regulated subsidiaries have no non-compliance with the liquid capital requirements during the year.

(c) Others

Occurrence of any natural disaster or outbreak of contagious diseases such as COVID-19 could adversely affect the Group's business and operations. The Group implements business continuity plans including "Work from Home" and "Flexible Working Hours", and ensures all safety measures as required by the Hong Kong Government are fully implemented.

For more details about the principal risks and uncertainties in which the Group are facing and also the relevant risk management objectives and policies, please refer to section "Financial Review" contained in the Management Discussion and Analysis and notes 37 and 38 to the consolidated financial statements on pages 287 to 313 respectively of this Annual Report.

事實上，本集團之主要附屬公司乃受證監會規管，受到證監會之流動資金規定所規範。根據流動資金規定，受規管附屬公司必須維持最低流動資金，即3,000,000港元或其經調整負債總額之5%（以較高者為準）以上。財務部門每日監察本集團之主要資金狀況，確保具備充足財政資源應付本集團之財務責任以及符合證監會之規定。本集團相信其具備充足營運資金以應付其財務責任，而受規管附屬公司於年內並無違反流動資金規定。

(c) 其他

任何自然災難或傳染性疾病（如COVID-19）爆發均可能對本集團業務及營運造成不利影響。本集團會實施包括「在家工作」及「彈性上班時間」等企業營運持續計劃，並會確保全面實施香港政府所規定之所有安全措施。

有關本集團面對之主要風險及不確定因素，以及相關風險管理目標及政策之更多詳情，請參閱管理層討論及分析所載「財務回顧」一節以及本年報第287頁至第313頁之綜合財務報表附註37及附註38。

DIRECTORS' REPORT 董事會報告書

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2020 and the Group's financial position at that date are set out in the Group's consolidated financial statements on pages 130 to 327 of this Annual Report.

No interim dividend was paid to the Shareholders during the year (2019: Nil). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).

PROPERTY AND EQUIPMENT

Details of the movements in property and equipment of the Group during the year are set out in note 19 to the consolidated financial statements.

SHARE CAPITAL, SHARE OPTIONS AND SHARE AWARDS

Details of the movements in share capital, share options and share awards of the Company during the year are set out in notes 34 and 35 respectively to the consolidated financial statements.

EQUITY-LINKED AGREEMENT

Save as disclosed in the sections headed "Placing of new shares under general mandate, placing of convertible bonds under specific mandate, entering into joint venture agreement and licence agreement with Vast Sea Biotechnology, Inc (formerly known as "Vast Sea, LLC"), "Directors' interests in shares, underlying shares and debentures", "Substantial shareholders' interests in the shares of the Company" and "Share Option Schemes", the Company has not entered into any equity-linked agreement during the year ended 31 December 2020.

業績及股息

本集團截至二零二零年十二月三十一日止年度之業績及本集團於該日之財務狀況載於本年報第130頁至第327頁之綜合財務報表。

年內並無向股東派付中期股息(二零一九年：無)。董事並不建議就截至二零二零年十二月三十一日止年度派發末期股息(二零一九年：無)。

物業及設備

本集團於年內之物業及設備變動詳情載於綜合財務報表附註19。

股本、購股權及股份獎勵

有關本公司於年內之股本、購股權及股份獎勵變動詳情，分別載於綜合財務報表附註34及35。

股票掛鈎協議

除「根據一般授權配售新股份；根據特別授權配售可換股債券；與Vast Sea Biotechnology, Inc(前稱Vast Sea, LLC)訂立合營協議及許可協議」、「董事於股份、相關股份及債權證之權益」、「主要股東於本公司股份中之權益」及「購股權計劃」一節所披露者外，截至二零二零年十二月三十一日止年度，本公司並無訂立任何股票掛鈎協議。

DIRECTORS' REPORT 董事會報告書**PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

The Company has not redeemed any of its shares during the year ended 31 December 2020. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year ended 31 December 2020.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2020, the Company has no reserves available for distribution to shareholders (2019: Nil).

DONATIONS

During the year, no charitable donations was made by the Group (2019: HK\$100,000).

FIVE YEARS' FINANCIAL SUMMARY

A summary of the consolidated results and of the consolidated assets and liabilities of the Group of the past five financial years as extracted from the audited consolidated financial statements is set out on page 328 of this Annual Report. This summary does not form part of the audited consolidated financial statements.

購買、出售或贖回本公司之上市證券

截至二零二零年十二月三十一日止年度內，本公司並無贖回其任何股份。而於截至二零二零年十二月三十一日止年度內，本公司或其任何附屬公司亦無購買或出售本公司任何股份。

本公司可供分派儲備

於二零二零年十二月三十一日，本公司並無可供分派予股東之儲備(二零一九年：無)。

捐款

年內，本集團並無作出慈善捐款(二零一九年：100,000港元)。

五個年度之財務摘要

本集團過去五個財政年度之綜合業績及綜合資產負債(乃摘錄自經審核綜合財務報表)載於本年報第328頁。此摘要並非經審核綜合財務報表之一部分。

DIRECTORS' REPORT 董事會報告書

DIRECTORS OF THE COMPANY

The Directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr. FU Yiu Man, Peter, *Chairman*

Mr. LIN Hoi Kwong, Aristo

Mr. TANG Hao (*appointed on 3 December 2020*)

Mr. CHENG Tak Yiu, Simon (*appointed on 20 January 2021*)

Mr. TIN Ka Pak, Timmy (*resigned on 11 September 2020*)

Independence Non-executive Directors

Mr. WONG Chung Kin, Quentin

Mr. WONG Kam Choi, Kerry, MH

Mr. SIU Miu Man, Simon, MH

Pursuant to Article 88 of the articles of association of the Company ("Articles of Association"), any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. In accordance with this article, Mr. Tang Hao and Mr. Cheng Tak Yiu, Simon shall retire, and being eligible, offer themselves for re-election.

Pursuant to Article 97 of the Articles of Association, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office. The Directors to retire every year shall be those who have been longest in office since their last election. In accordance with this article, Mr. Fu Yiu Man, Peter and Mr. Wong Kam Choi, Kerry, MH shall retire at the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

本公司董事

本年度及直至本報告書刊發日期本公司之董事如下：

執行董事

符耀文先生，主席

連海江先生

唐顯先生(於二零二零年十二月三日獲委任)

鄭德耀先生(於二零二一年一月二十日獲委任)

田家柏先生(於二零二零年九月十一日辭任)

獨立非執行董事

黃松堅先生

黃錦財先生，MH

蕭妙文先生，MH

根據本公司之組織章程細則(「章程細則」)第88條，任何按此條獲委任之董事僅可留任至本公司下屆股東週年大會為止，屆時將符合資格於大會上膺選連任。根據此細則，唐顯先生及鄭德耀先生須退任，並符合資格膺選連任。

根據章程細則第97條，三分之一當時在任的董事(或倘董事人數並非三或三之倍數，則為最接近但不少於三分之一之人數)須退任。於每年退任之董事應為自其上一次當選以來在任最長者。根據此細則，符耀文先生及黃錦財先生，MH須於應屆股東週年大會上退任，並符合資格膺選連任。

DIRECTORS' REPORT 董事會報告書**DIRECTORS OF THE SUBSIDIARIES**

During the year and up to the date of this report, Mr. Fu Yiu Man, Peter, Mr. Tin Ka Pak, Timmy, Mr. Lin Hoi Kwong, Aristo and Mr. Cheng Tak Yiu, Simon are also directors in certain subsidiaries of the Company. Other directors of the Company's subsidiaries during the year and up to the date of this report include Mr. Tse Ming Kwong, Louis, Mr. Leung Chi Ho, David, Mr. Leung Chi Wai, Chris, Ms. Ho Wing Man, Ginny, Ms. Chan Tik Man, Ms. Cheung Ching Man, Mr. Yeung Kwok Leung, Ms. Tsui Dick Yee, Daisy, Mr. Wong Chi Ming, Mr. Chan Ming Leung, Terence, Mr. Ma Chi Keung and Mr. Wang Edward Xu.

STATUS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmation from each of the Independent Non-executive Directors concerning their independence to the Company pursuant to Rule 3.13 of the Rules of Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company considers all of the Independent Non-executive Directors are independent.

BIOGRAPHICAL DETAILS OF DIRECTORS OF THE COMPANY AND SENIOR MANAGEMENT OF THE GROUP

Biographical details of the Directors of the Company and senior management of the Group as at the date of this report are set out on pages 56 to 61 of this Annual Report.

附屬公司董事

於本年度及直至本報告書刊發日期，符耀文先生、田家柏先生、連海江先生及鄭德耀先生同時為本公司若干附屬公司之董事。於本年度及直至本報告書刊發日期，本公司附屬公司之其他董事包括謝明光先生、梁志浩先生、梁志偉先生、何詠雯女士、陳迪敏女士、張靜雯女士、楊國良先生、徐狄怡女士、黃志明先生、陳明亮先生、馬志強先生及王旭先生。

獨立非執行董事之狀況

根據香港聯合交易所有限公司（「聯交所」）《證券上市規則》（「上市規則」）第3.13條，本公司已接獲各獨立非執行董事致本公司有關彼等之獨立性的年度確認書。本公司認為各獨立非執行董事均為獨立人士。

本公司董事及本集團高級管理層之履歷

於本報告書刊發日期本公司董事及本集團高級管理層之履歷載於本年報第56頁至第61頁。

DIRECTORS' REPORT 董事會報告書

DIRECTORS' SERVICE CONTRACTS

No Directors who are proposed for re-election at the AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in note 40 to the consolidated financial statements, no contract of significance in relation to the Group's business to which the Group was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INDEMNITIES

Pursuant to the Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to be fullest extent permitted by the Companies Ordinance (Cap. 622)) which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save for the share option scheme and share award schemes disclosed in note 35 to the consolidated financial statements, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

董事之服務合約

概無擬於股東週年大會上膺選連任之董事訂有任何本集團不得在一年內不予賠償(法定賠償除外)而終止之服務合約。

董事於重大合約中之權益

除綜合財務報表附註40所披露者外，於年結日或於本年度內任何時間，董事概無在本集團為訂約方且與本集團業務有關之重大合約中，直接或間接擁有重大權益。

董事彌償保證

根據章程細則，每名董事有權就履行其職務或在履行其職務方面或在其他有關方面可能蒙受或招致之所有損失或責任從本公司之資產中獲取彌償(公司條例(第622章)許可者為限)。本公司亦已為本集團董事及高級職員安排適當的董事及高級職員責任保險。

購買股份或債權證之安排

除於綜合財務報表附註35披露之購股權計劃及股份獎勵計劃外，本公司或其任何附屬公司於本年度內概無訂立任何安排，致使董事可透過收購本公司或任何其他法團之股份或債權證而獲利。

DIRECTORS' REPORT 董事會報告書**DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

During the year, none of the Director is interested in any business apart from the Group's businesses, which competes or is likely to complete, either directly or indirectly, with the Group's businesses which is required to be disclosed pursuant to the Rule 8.10 of the Listing Rules.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, the interests of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers (the "Model Code"), were as follows:

Long Positions in the Shares and Underlying Shares of the Company*(a) Ordinary shares of the Company***董事於競爭業務之權益**

於本年度，除本集團之業務外，概無董事於任何被視為與本集團業務直接或間接產生競爭或可能產生競爭之業務中擁有權益，而須根據上市規則第8.10條作出披露。

董事於股份、相關股份及債權證之權益

於二零二零年十二月三十一日，董事及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債權證中擁有根據《證券及期貨條例》（「證券及期貨條例」）第352條列入本公司存置之登記冊內之有關權益，或根據《上市發行人董事進行證券交易的標準守則》（「標準守則」）須另行知會本公司及聯交所之權益如下：

於本公司股份及相關股份之好倉*(a) 本公司之普通股*

	Number of shares				Approximate% of shareholding
	Personal interest	Spouse interest	Corporate interests	Total	
	個人權益	配偶權益	法團權益	總計	佔股權概約 百分比
Mr. Wong Chung Kin, Quentin 黃松堅先生	500,000	—	—	500,000	0.03%

DIRECTORS' REPORT 董事會報告書

(b) Share options of the Company

(b) 本公司之購股權

Name of Directors 董事姓名	Number of share options 購股權數目				Outstanding at 31 December 2020 於二零二零年 十二月 三十一日 尚未行使	Approximate % of total issued ordinary shares 佔已發行 普通股總數 概約百分比	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價
	Outstanding at 1 January 2020 於二零二零年 一月一日 尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效					
Mr. Fu Yiu Man, Peter 符耀文先生	7,484,000	-	-	-	7,484,000	0.44%	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至 二零二一年一月二十三日	1.67
	-	7,700,000	-	-	7,700,000	0.45%	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
	7,484,000	7,700,000	-	-	15,184,000	0.89%			
Mr. Lin Hoi Kwong, Aristo 連海江先生	7,940,000	-	-	-	7,940,000	0.47%	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至 二零二一年一月二十三日	1.67
	-	7,700,000	-	-	7,700,000	0.45%	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
	7,940,000	7,700,000	-	-	15,640,000	0.92%			
Mr. Wong Chung Kin, Quentin 黃松堅先生	200,000	-	-	-	200,000	0.01%	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至 二零二一年一月二十三日	1.67
	-	1,228,000	-	-	1,228,000	0.07%	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
	200,000	1,228,000	-	-	1,428,000	0.08%			
Mr. Wong Kam Choi, Kerry, MH 黃錦財先生, MH	200,000	-	-	-	200,000	0.01%	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至 二零二一年一月二十三日	1.67
	-	1,228,000	-	-	1,228,000	0.07%	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
	200,000	1,228,000	-	-	1,428,000	0.08%			
Mr. Siu Miu Man, Simon 蕭妙文先生, MH	200,000	-	-	-	200,000	0.01%	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至 二零二一年一月二十三日	1.67
	-	1,228,000	-	-	1,228,000	0.07%	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
	200,000	1,228,000	-	-	1,428,000	0.08%			
Total 總計	16,024,000	19,084,000	-	-	35,108,000	2.05%			

DIRECTORS' REPORT 董事會報告書*Notes:*

1. As at 31 December 2020, the Company's total issued ordinary shares was 1,705,051,598.
2. During the year, no share options mentioned above were cancelled.
3. Details of the Share Option Scheme are set out under the section of "SHARE OPTION SCHEME" in this report.

Save as disclosed above, as at 31 December 2020, none of the Directors and their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

1. 於二零二零年十二月三十一日，本公司之已發行普通股總數為1,705,051,598股。
2. 年內，概無上述購股權被註銷。
3. 有關購股權計劃之詳情載於本報告書內「購股權計劃」一節。

除上文所披露者外，於二零二零年十二月三十一日，董事及彼等各自之聯繫人士於本公司及其相聯法團（按證券及期貨條例第十五部之定義）之股份、相關股份或債權證中，概無擁有列入本公司根據證券及期貨條例第352條存置之登記冊內之任何權益或淡倉，或根據標準守則已另行知會本公司及聯交所之任何權益或淡倉。

DIRECTORS' REPORT 董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES OF THE COMPANY

主要股東於本公司股份中之權益

Long positions in the shares/underlying shares of the Company

於本公司股份／相關股份之好倉

Name 名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Number of underlying shares held 所持相關股份數目	Aggregate interest 權益總額	Approximate% of total issued ordinary shares 佔已發行普通股總數概約百分比	Notes 附註
Mr. Chung Chi Shing, Eric 鍾志成先生	Beneficial owner 實益擁有人	293,352,000	2,020,000	295,372,000	17.32%	2
	Held by controlled corporation 受控制法團持有	75,000,000	-	75,000,000	4.40%	3
		368,352,000	2,020,000	370,372,000	21.72%	

Notes:

附註：

- As at 31 December 2020, the Company's total issued ordinary shares was 1,705,051,598.
- The underlying shares represent the total of 792,000 and 1,228,000 share options granted by the Company to Mr. Chung Chi Shing, Eric on 24 January 2018 and 27 July 2020, respectively.
- Mr. Chung Chi Shing, Eric is taken to be interested in 75,000,000 ordinary shares of the Company as a result of him being beneficially interested in the entire issued share capital of Power Global Group Limited, which in turn holds 75,000,000 ordinary shares of the Company or approximately 4.40% of the Company's total issued ordinary shares as at 31 December 2020.

- 於二零二零年十二月三十一日，本公司之已發行普通股總數為1,705,051,598股。
- 相關股份即本公司於二零一八年一月二十四日及二零二零年七月二十七日分別向鍾志成先生授出之792,000份購股權及1,228,000份購股權。
- 於二零二零年十二月三十一日，鍾志成先生被視為擁有75,000,000股本公司普通股之權益，原因是彼擁有Power Global Group Limited全部已發行股本之實益權益，而該公司則持有75,000,000股本公司普通股，佔本公司已發行普通股總數約4.40%。

Save as disclosed above, as at 31 December 2020, the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company which had been recorded in the register to be kept under Section 336 of the SFO.

除上文所披露者外，於二零二零年十二月三十一日，本公司概無獲知會根據證券及期貨條例第336條存置之登記冊所記錄有關本公司股份及相關股份之任何其他權益或淡倉。

DIRECTORS' REPORT 董事會報告書**SHARE OPTION SCHEMES**

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 8 June 2009, the Company adopted a share option scheme (the "2009 Share Option Scheme"). On 14 June 2018, by passed an ordinary resolution at the extraordinary general meeting, the Company adopted another share option scheme (the "2018 Share Option Scheme"). On the same date, the 2009 Share Option Scheme was terminated. No further options shall be offered under and/or pursuant to the 2009 Share Option Scheme but in all other respects the provisions of the 2009 Share Option Scheme shall remain in full force and effect and options granted thereunder prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue.

Summary of the principal terms of the 2009 Share Option Scheme and the 2018 Share Options Scheme (collectively known as the "Share Option Schemes") are listed below.

Summary of the Share Option Schemes*(a) Purpose of the Share Option Schemes*

The purpose of the Share Option Schemes is to recognize the contribution made by the participants to the Group and also provide them an opportunity to have a personal stake in the Company with the view to motivating them to optimize their performance and efficiency for the benefit of the Group and to attract and retain or otherwise maintain ongoing business relationship with them whose contributions are beneficial to the long term growth of the Group.

購股權計劃

本公司根據於二零零九年六月八日舉行之股東週年大會上通過之普通決議案，採納一項購股權計劃（「二零零九年購股權計劃」）。於二零一八年六月十四日，本公司藉著於股東特別大會上通過之普通決議案採納另一項購股權計劃（「二零一八年購股權計劃」）。於同一日，二零零九年購股權計劃亦告終止。再不得按照及／或根據二零零九年購股權計劃授出購股權，惟二零零九年購股權計劃條文於所有其他方面仍具十足效力及作用，且於終止前根據該計劃已授出之購股權仍為有效且可根據其發行條款予以行使。

二零零九年購股權計劃及二零一八年購股權計劃（統稱為「購股權計劃」）之主要條款概要載列如下。

購股權計劃概要*(a) 購股權計劃之目的*

購股權計劃之目的乃為肯定參與者向本集團所作出之貢獻及為參與者提供個人持有本公司股份權益之機會，藉以達到激勵參與者盡力提升工作表現及效率，為本集團帶來裨益；及吸引及挽留或以其他方式維持與參與者之持續業務關係，該等參與者所作出之貢獻為本集團之長遠發展帶來裨益。

DIRECTORS' REPORT 董事會報告書

(b) *Participants of the Share Option Schemes*

Pursuant to the Share Option Scheme, the Board may, at its discretion, to make an offer for the grant of share options to the employees or directors of the Group or such other persons who are eligible for participation in the Share Option Schemes to subscribe for ordinary shares in the Company subject to the terms and conditions stipulated in the Share Option Schemes.

(c) *Total number of shares available for issue under the Share Option Schemes*

The maximum number of shares of the Company which may be issued upon exercise of outstanding share options granted and yet to be exercised under the Share Option Schemes must not exceed 30% of the total number of shares of the Company in issue from time to time.

The total number of shares of the Company which may be issued upon exercise of all share options to be granted under the 2009 Share Option Schemes and the 2018 Share Option Scheme shall not in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of approval of the Share Option Schemes (i.e. 37,116,977 shares and 89,481,682 shares of the Company, which represented approximately 10% of the total number of shares of the Company in issue as at 8 June 2009 and 14 June 2018 respectively). The Company may seek approval of the Company's shareholders in a general meeting for refreshing the 10% limit under the Share Option Schemes save that the total number of shares of the Company which may be issued upon the exercise of all share options to be granted under the Share Option Schemes under the limit as "refreshed" may not exceed 10% of the total number of shares of the Company in issue as at the date of approval of the limit.

(b) *購股權計劃之參與者*

根據購股權計劃，董事會可酌情向本集團之僱員或董事或合資格參與購股權計劃之其他人士提呈授出購股權，在購股權計劃條款及條件規限下認購本公司之普通股。

(c) *根據購股權計劃可發行之股份總數*

根據購股權計劃已授出之尚未行使購股權於行使時可予發行之本公司股份總數，最多不得超過本公司不時全部已發行股份之30%。

根據二零零九年購股權計劃及二零一八年購股權計劃將予授出之全部購股權於行使時可予發行之本公司股份總數，合共不得超過批准購股權計劃當日本公司全部已發行股份之10% (即37,116,977股及89,481,682股本公司股份，分別佔二零零九年六月八日及二零一八年六月十四日本公司已發行股份總數約10%)。本公司可敦請本公司股東於股東大會上批准更新購股權計劃之10%限額，惟於經「更新」限額下根據購股權計劃將予授出之全部購股權於行使時可予發行之本公司股份總數，不得超過批准該限額當日本公司全部已發行股份之10%。

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As at 31 December 2020, the total number of shares available for issue under the 2018 Share Option Scheme was 88,872,000, representing approximately 5.21% of the total number of shares of the Company in issue as at the date of this Annual Report.

(d) Maximum entitlement of each participant

The total number of the shares of the Company issued and to be issued upon exercise of the share options granted and to be granted to any participant (including both exercised, cancelled and outstanding share options) in any twelve months up to the date of the grant to such participant shall not exceed 1% of the total number of shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting of the Company.

(e) Time of exercise of share option

Pursuant to the Share Option Schemes, any share option may be exercised in accordance with its terms at any time during a period to be determined and notified by the Board to each grantee, save that no share option may be exercised more than 10 years from the date on which the share option is deemed to have been granted and accepted in accordance with the terms of the Share Option Schemes. The Board may provide restrictions on the exercise of a share option during the option period.

於二零二零年十二月三十一日，根據二零一八年購股權計劃可予發行之股份總數為88,872,000股，相當於本年報日期本公司已發行股份總數約5.21%。

(d) 各參與者之最大配額

截至向任何參與者授出購股權當日止十二個月內向該參與者授出及將予授出之購股權（包括已行使、已註銷及尚未行使之購股權）於行使時將予發行之本公司股份，連同已向該參與者發行之本公司股份，合共不得超過本公司全部已發行股份之1%。如欲額外授出超過此限制之購股權，必須於本公司股東大會上取得股東批准。

(e) 購股權之行使時間

根據購股權計劃，任何購股權可根據其條款於董事會釐定並知會個別承授人之期間內任何時間行使，惟不得於購股權根據購股權計劃之條款被視為授出及接納當日起計十年後行使。董事會可附加於購股權期間行使購股權之限制。

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(f) *Payment on acceptance of share option*

Pursuant to the Share Option Schemes, HK\$1 is payable by the grantee to the Company on acceptance of the share option within 28 days (for 2009 Share Option Scheme) and 7 days (for 2018 Share Option Scheme) from the date of grant of the share option.

(g) *Basic of determining the subscription price of share option*

The exercise price per share option under the Share Option Scheme shall be determined by the Board in its absolute discretion, but in any event shall be at least the highest of: (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date when share option is offered; and (ii) the average closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which share option is offered.

(h) *Remaining life of the Share Option Scheme*

The 2009 Share Option Scheme has no remaining life as no further share options may be granted but the provisions of the 2009 Share Option Scheme shall in all other respects remain in full force and effect and share options which are granted during the life of the 2009 Share Option Scheme may continue to be exercisable in accordance with their respective terms of issue.

(f) *接納購股權時付款*

根據購股權計劃，承授人須於授出購股權當日起計28日內（就二零零九年購股權計劃而言）及7日內（就二零一八年購股權計劃而言）接納購股權，並向本公司支付1港元。

(g) *釐定購股權認購價之基準*

根據購股權計劃，每份購股權之行使價應由董事會全權酌情釐定，惟無論如何不得低於下列兩者中的較高者：(i)本公司股份在提呈購股權當日在聯交所日報表所報的收市價；及(ii)本公司股份在緊接提呈購股權當日前五個營業日在聯交所日報表所報的平均收市價。

(h) *購股權計劃之剩餘年期*

二零零九年購股權計劃已再無有效年期，再不得據此授出購股權，惟二零零九年購股權計劃條文於所有其他方面仍具十足效力及作用，且於二零零九年購股權計劃有效期內已授出之購股權仍可繼續根據其各自之發行條款予以行使。

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The 2018 Share Option Scheme will continue to be in full force and effect for a period of 10 years commencing on 14 June 2018 (save that the Company, by ordinary resolutions in general meeting or the Board, may at any time terminate the operation of the 2018 Share Option Scheme). After termination, no further share options will be granted but the provisions of the 2018 Share Option Scheme shall in all other respects remain in full force and effect and the share options which are granted during the life of the 2018 Share Option Scheme may continue to be exercisable in accordance with their respective terms of issue.

Movement of Share Options

As at 31 December 2020, 146,988,000 share options of the Company were outstanding. Details of the movements of the share options during the year are as follows:

Category of participant 參與者類別	Number of share options 購股權數目					Outstanding at 31 December 2020 於二零二零年 十二月三十一日 尚未行使	Date of grant 授出日期	Share options duration 購股權之期限	Exercise price 行使價 HK\$ 港元
	Outstanding at 1 January 2020 於二零二零年 一月一日尚未行使	Granted during the year 於年內授出	Reclassified during the year 於年內重新分類	Exercised during the year 於年內行使	Lapsed during the year 於年內失效				
Directors 行使價	16,024,000	-	-	-	-	16,024,000	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至二零 二一年一月二十三日	1.67
	-	26,784,000	(7,700,000)	-	-	19,084,000	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
Employees 僱員	8,932,000	-	-	-	-	8,932,000	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至二零 二一年一月二十三日	1.67
	-	54,988,000	7,700,000	(600,000)	-	62,088,000	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
Other eligible persons 其他合資格人士	33,160,000	-	-	-	-	33,160,000	24 January 2018 二零一八年一月二十四日	24 January 2018 – 23 January 2021 二零一八年一月二十四日至二零 二一年一月二十三日	1.67
	-	7,700,000	-	-	-	7,700,000	27 July 2020 二零二零年七月二十七日	27 July 2020 – 26 July 2023 二零二零年七月二十七日至 二零二三年七月二十六日	0.26
Total 總計	58,116,000	89,472,000	-	(600,000)	-	146,988,000			

二零一八年購股權計劃將由二零一八年六月十四日起計十年內具有十足效力及作用(惟本公司根據股東大會通過之普通決議案或董事會可隨時終止二零一八年購股權計劃之運作)。終止後,概不得再根據二零一八年購股權計劃授出購股權,惟二零一八年購股權計劃之條文於所有其他方面仍具十足效力及作用,且於二零一八年購股權計劃有效期內已授出之購股權仍可繼續根據其各自之發行條款予以行使。

購股權變動

於二零二零年十二月三十一日,共有146,988,000份本公司之購股權為尚未行使。購股權於年內之變動如下:

DIRECTORS' REPORT 董事會報告書

Note:

Commencing from the date of grant up to the date falling on 3 years from the date of grant of the share options, all shares comprised in the share options can be exercised at any time.

Details of the grant of share options to the Directors of the Company are disclosed in the sub-headed "Long Positions in the Shares and Underlying Shares of the Company" under the section of "DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES" above.

During the year, no share options were cancelled under the Share Option Scheme.

SHARE AWARD SCHEMES

On 31 March 2008, the Company adopted two share incentive award schemes, namely The VC Share Purchase Scheme Trust (the "Share Purchase Scheme") and The VC Share Award Scheme Trust (the "Share Subscription Scheme") (the Share Purchase Scheme and the Share Subscription Scheme collectively are referred to as the "Share Award Schemes"). Summary of the principal terms of the Share Award Schemes are listed below:

Summary of the Share Award Schemes

(a) Purpose of the Share Award Schemes

The purpose of Share Award Schemes is to attract skilled and experienced personnel, to provide incentives for them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

附註：

於授出購股權日期起直至其後三年到期當日，涉及所有股份之購股權可隨時行使。

有關本公司董事獲授購股權之詳情，乃於上文「董事於股份、相關股份及債權證之權益」一節中「於本公司股份及相關股份之好倉」之分節中披露。

年內概無任何購股權根據購股權計劃被註銷。

股份獎勵計劃

於二零零八年三月三十一日，本公司採納兩項股份獎勵計劃，分別名為滙盈股份購買計劃信託（「股份購買計劃」）及滙盈股份獎勵計劃信託（「股份認購計劃」）（股份購買計劃及股份認購計劃統稱為「股份獎勵計劃」）。股份獎勵計劃之主要條款概要載列如下：

股份獎勵計劃概要

(a) 股份獎勵計劃之目的

股份獎勵計劃旨在透過提供一個取得本公司股本權益之機會，吸引有才能及經驗之人士加入本集團，提供獎勵使彼等繼續效力本集團，以及激勵彼等致力推動本集團之未來發展及業務擴充。

DIRECTORS' REPORT 董事會報告書*(b) Participants of the Share Award Schemes*

The Board may, subject to the rules relating to the Share Award Schemes, from time to time at its absolute discretion select any employee of the Company or its subsidiaries to be a participant in the Share Award Schemes. However, director of the Company or any subsidiaries and any other connected person of the Company are not allowed to participate in the Share Subscription Scheme.

(c) Duration of the Share Award Schemes

The Share Award Schemes have a term of 20 years from the date of adoption, i.e. 31 March 2008. The Board may by resolution terminate the operation of the Share Award Schemes at any time provided that such termination shall not affect any subsisting rights of any selected employee. If, at the date of such termination, the trustee holds any shares which has not vested, then the trustee shall within 21 business days of receiving notice of such termination sell such shares and remit the proceeds of sale (after deductions) to the Company.

(d) Scheme Limit

The scheme limit of the Share Purchase Scheme and Share Subscription Scheme is 2% and 1% of the total number of shares of the Company in issue respectively from time to time (excluding shares which have already been transferred to employees on vesting).

(b) 股份獎勵計劃之參與者

在股份獎勵計劃有關規則規限下，董事會可不時全權酌情甄選本公司或其附屬公司之任何僱員參與股份獎勵計劃。然而，本公司或任何附屬公司之董事及本公司之任何其他關連人士均不得參與股份認購計劃。

(c) 股份獎勵計劃之期限

股份獎勵計劃由採納日期（即二零零八年三月三十一日）起為期二十年。董事會可隨時藉決議案終止股份獎勵計劃之運作，惟有關終止不得影響任何選定僱員之任何既有權利。倘於有關終止日期受託人持有任何未歸屬之股份，則受託人須於接獲有關終止通知起計二十一個營業日內出售該等股份，並將出售所得款項（於作出扣減後）滙寄予本公司。

(d) 計劃限額

股份購買計劃及股份認購計劃之計劃限額分別為本公司不時已發行股份總數之2%及1%（不包括已於歸屬時轉讓予僱員之股份）。

DIRECTORS' REPORT 董事會報告書

(e) Grant of the Awarded Shares

For the Share Purchase Scheme, the Board or the trustee of the scheme (as the case may be) shall either (1) set aside a sum of money or (2) determine a number of shares which it wishes to be the subject of a bonus or award under the Share Purchase Scheme. Where a sum of money has been set aside (or a number of shares has been determined), it shall pay (or cause to be paid) that amount or an amount sufficient to purchase that number of shares to the trustee (or as it shall direct) from the Group's resources as soon as practicable following such funds being set aside. Within 15 business days of receiving the amount sufficient to purchase that number of shares, the trustee shall apply the same towards the purchase of shares on the Stock Exchange.

For the Share Subscription Scheme, the Board or the trustee of the scheme (as the case may be) shall at its discretion either (i) determine a notional cash amount or (ii) determine a number of shares (the "Number of Awarded Shares") which it wishes to be the subject of an award under the Share Subscription Scheme. Where a notional cash amount has been determined by the Board, the Board shall determine the maximum number of shares (the "Relevant Number of Shares"), rounded down to the nearest whole number which could be purchased with such notional cash amount on the Stock Exchange at the market price prevailing on the date of the award. The Company shall pay (or cause to be paid) an amount of either (i) the Relevant Number of Shares (where the Board has determined a notional cash amount) or (ii) the Number of Awarded Shares (where the Board has determined such number) to the trustee (or as it shall direct) from the Group's resources as soon as practicable in accordance with the rules relating to the Share Subscription Scheme.

(e) 授出獎勵股份

就股份購買計劃而言，董事會或計劃內之受託人（視情況而定）須(1)撥出一筆款項或(2)釐定擬作為股份購買計劃項下之花紅或獎勵之股份數目。倘已撥出一筆款項（或已釐定股份數目），則其須於有關資金撥出後在實際可行情況下盡快從本集團之資源中，向受託人（或按其指示）支付（或促使支付）該筆金額或足以購買該等股份數目之金額。受託人須於收到足以購買該等股份數目之金額後十五個營業日內，以該筆資金在聯交所購買股份。

就股份認購計劃而言，董事會或計劃內之受託人（視情況而定）須酌情(i)釐定名義現金額或(ii)釐定擬作為股份認購計劃項下之獎勵之股份數目（「獎勵股份數目」）。倘董事會已釐定名義現金額，則董事會須釐定股份之最高數目（「相關股份數目」），並向下調整至可以該筆名義現金額按於獎勵日期之現行市價在聯交所購買之最接近股份整數。本公司須根據股份認購計劃有關規則於實際可行情況下盡快從本集團之資源中，向受託人（或按其指示）支付（或促使支付）一筆相等於(i)相關股份數目（倘董事會已釐定名義現金額）或(ii)獎勵股份數目（倘董事會已釐定有關數目）之金額。

DIRECTORS' REPORT 董事會報告書

No payment shall be made to the trustee of the Share Award Schemes (the "Trustee") and no instructions to subscribe for shares shall be given to the Trustee under the Share Award Schemes where any member of the Board is in possession of the inside information in relation to the Company or where dealings by Directors are prohibited under the Model Code as set out in the appendices to the Listing Rules or any applicable laws and regulations or any internal code of conduct in securities dealing adopted by the Company from time to time.

(f) Vesting of the Awarded Shares

Vesting of the shares will be conditional on the selected employee remaining as an employee of the Company or the subsidiary until the vesting date. The Board also has the discretion to stipulate such other conditions in respect of a particular employee which will apply to the vesting of the shares. Any shares held by the Trustee on behalf of the selected employee of the Share Award Schemes shall vest in accordance with the timetable determined by the Board at its discretion. An award will lapse where the Company or the business division by which the selected employee is employed ceases to be part of the Group or in the event the selected employee does not deliver the notice of exercise within the prescribed time limit to the Trustee for the purpose of exercising his rights to receive the vested shares.

Where shares which are referable to a selected employee do not vest or are not acquired by selected employees in accordance with the procedures abovementioned, the Trustee shall hold such shares or any income deriving therefrom exclusively for the benefit of all selected employees of the Group as the Trustee determines in its absolute discretion, after having taken into consideration recommendations of the Board.

倘任何董事會成員管有有關本公司之內幕消息或倘董事根據上市規則附錄所載之標準守則或任何適用法例及規例或本公司不時採納有關證券買賣之任何內部操守守則而遭禁止進行買賣時，概不得根據股份獎勵計劃向股份獎勵計劃之受託人（「受託人」）付款，亦不得向受託人作出認購股份之指示。

(f) 獎勵股份之歸屬

股份之歸屬須以所選定僱員於截至歸屬日期止依然為本公司或附屬公司之僱員為條件。董事會亦可酌情附加適用於特定僱員歸屬股份之其他條件。受託人代股份獎勵計劃之所選定僱員持有之任何股份應根據董事會酌情釐定之時間表予以歸屬。倘本公司或所選定僱員受僱之業務部門不再為本集團之一部分，或倘所選定僱員未於指定時限內向受託人遞交有關行使其權利以收取歸屬股份之行使通知，則獎勵將告失效。

倘可交付予選定僱員之股份並未按照上述程序歸屬或由選定僱員購買，則受託人須純為本集團之所有選定僱員之利益（由受託人經考慮董事會之推薦意見後全權酌情釐定），持有該等股份或就此產生之任何收入。

DIRECTORS' REPORT 董事會報告書

(g) Trustee of the Schemes

The Company shall have the power exercisable by deed to appoint or remove any person as a Trustee. The minimum number of trustees shall be two individuals or a body corporate. The Trustee has the power to exercise at its discretion all voting rights attached to any shares held. Pursuant to the scheme rules, the Trustee is obligated to exercise its power with the objective of maximizing the benefits of the participants of the Share Award Schemes and shall not be subject to influence from any party.

Outstanding Awarded Shares

During the year ended 31 December 2020, there were no shares awarded by the Company to any employees of the Company and/or its subsidiaries and outstanding under the Share Award Schemes.

CONNECTED TRANSACTIONS

Significant related party transactions entered by the Group during the year ended 31 December 2020 are disclosed in note 40 to the consolidated financial statements.

None of the related party transactions fall under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's audited consolidated financial statements and results for the year ended 31 December 2020 and is satisfied that these have been prepared in accordance with the applicable accounting standards and fairly present the Group's financial positions and results for the year ended 31 December 2020.

Information on the work of the Audit Committee and its composition are set out in the "Corporate Governance Report" on pages 70 to 71 of this Annual Report.

(g) 該等計劃之受託人

本公司具有可藉契諾行使之權力以委聘任何人士出任受託人或罷免任何人士之受託人身份。受託人之最少數目為兩名個人或一個法團。受託人具有權力可酌情行使其持有之任何股份所附帶之全部表決權。根據該等計劃之規則，受託人有責任以替股份獎勵計劃參與者取得最大利益為目標而行使其權力，不得受任何其他人士影響。

獎勵股份餘額

於截至二零二零年十二月三十一日止年度內，本公司概無根據股份獎勵計劃向本公司及／或其附屬公司之任何僱員獎勵任何股份，亦無任何獎勵股份餘額。

關連交易

本集團於截至二零二零年十二月三十一日止年度內訂立之重大關聯方交易於綜合財務報表附註40中披露。

概無任何關聯方交易屬於上市規則第14A章所界定之「關連交易」或「持續關連交易」。

審核委員會

審核委員會已審閱本集團截至二零二零年十二月三十一日止年度之經審核綜合財務報表及業績，並信納其已根據適用會計準則編製，並公平地呈列本集團截至二零二零年十二月三十一日止年度之財務狀況及業績。

有關審核委員會之工作及組成之資料載於本年報第70頁至第71頁之「企業管治報告」內。

DIRECTORS' REPORT 董事會報告書**CORPORATE GOVERNANCE**

The Corporate Governance Report is set out on pages 62 to 86 of this Annual Report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained a sufficient public float under the Listing Rules throughout the year ended 31 December 2020.

AUDITOR

Messrs. Deloitte Touche Tohmatsu has resigned as auditor of the Company with effect from 22 November 2018. The Board has appointed Messrs. SHINEWING (HK) CPA Limited as new auditor of the Company to fill the casual vacancy with effect from 28 November 2018 and to hold office until the conclusion of the next annual general meeting of the Company.

The financial statements of the Company for the 3 years ended 31 December 2020 have been audited by Messrs. SHINEWING (HK) CPA Limited. A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. SHINEWING (HK) CPA Limited as auditor of the Company.

On behalf of the Board of
Value Convergence Holdings Limited
Fu Yiu Man, Peter
Chairman & Executive Director

Hong Kong
30 March 2021

企業管治

企業管治報告載於本年報第62頁至第86頁。

足夠公眾持股量

於本報告書刊發日期，根據本公司公開取得之資料及就董事所知，本公司截至二零二零年十二月三十一日止年度一直維持上市規則規定之足夠公眾持股量。

核數師

德勤·關黃陳方會計師行已辭任本公司核數師一職，由二零一八年十一月二十二日起生效。董事會已委聘信永中和(香港)會計師事務所有限公司為本公司新核數師，以填補該臨時空缺，由二零一八年十一月二十八日起生效。信永中和(香港)會計師事務所有限公司將留任至本公司下屆股東週年大會結束為止。

本公司截至二零二零年十二月三十一日止三個年度之財務報表已經由信永中和(香港)會計師事務所有限公司審核。於應屆股東週年大會上將提呈決議案以續聘信永中和(香港)會計師事務所有限公司為本公司核數師。

代表董事會
滙盈控股有限公司
主席兼執行董事
符耀文

香港
二零二一年三月三十日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE MEMBERS OF VALUE CONVERGENCE HOLDINGS LIMITED

滙盈控股有限公司

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Value Convergence Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 130 to 327, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (the "HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

致滙盈控股有限公司之全體股東

(於香港註冊成立之有限公司)

意見

本核數師已審核列載於第130頁至第327頁滙盈控股有限公司(「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二零二零年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表的附註，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二零二零年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量，並已按照《香港公司條例》妥為編製。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

意見基準

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

關鍵審核事項

關鍵審核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核最為重要的事項。這些事項是在我們審核整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

Impairment allowance on accounts receivable from money lending services

Refer to note 26 to the consolidated financial statements and the accounting policies on pages 174 to 181.

The key audit matter

關鍵審計事項

As at 31 December 2020, the Group had accounts receivable from money lending services with carrying amount of approximately HK\$249,086,000. The Group has identified loans based on significant increases in the likelihood or risk of a default occurring since initial recognition.

於二零二零年十二月三十一日，貴集團來自放債服務之應收賬款之賬面值約為249,086,000港元。貴集團根據自初步確認後違約可能性顯著增加或發生違約風險而識別貸款。

The assessment of impairment for accounts receivable from money lending services involves significant management judgements and estimates on the amount of expected credit loss at the reporting date.

評估來自放債服務之應收賬款之減值時涉及管理層對報告日期之預期信貸虧損金額作出重大判斷及估計。

關鍵審核事項(續)

放債服務應收賬款減值準備

請參閱綜合財務報表附註26及第174頁至第181頁之會計政策。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures were designed to assess the assumptions and critical judgements of the Group's forward-looking expected credit loss ("ECL") model used to estimate the impairment loss.

我們的審計程序旨在評估於貴集團為估計減值虧損所用前瞻性預期信貸虧損(「預期信貸虧損」)模式內的假設及判斷。

We obtained an understanding of the Group's credit risk management, practices and key controls over the application of the impairment methodology, and assessed the Group's impairment provisioning policy in accordance with the requirements of HKFRS 9, including an evaluation of management judgement on i) the use of reasonable and supportable credit risk information that is available without undue cost or effort; and ii) the staging criteria for determining if a significant increase in credit risk has occurred.

我們已獲得對貴集團信貸風險管理、有關應用減值方法之實務及關鍵控制的了解，並評估貴集團根據香港財務報告準則第9號規定之減值撥備政策，包括評估管理層對i)使用毋須付出不必要成本或努力即可取得之合理及具支持的信貸風險資料；及ii)釐定信貸風險有否顯著增加的分階段標準作出之判斷。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項 (續)

Impairment allowance on accounts receivable from
money lending services (continued)

放債服務應收賬款減值準備 (續)

The key audit matter

How the matter was addressed in our audit

關鍵審計事項

我們的審計如何處理該事項

We tested the appropriateness of the Group's determination of significant increase in credit risk and the basis for classification of exposures into the three stages. Our testing included the checking to loan overdue information, and considering the stage classification determined by the Group.

我們已測試 貴集團在釐定信貸風險是否顯著增加及將風險分類為三個階段的基準是否合適。我們的測試包括檢查貸款逾期資料，並考慮 貴集團釐定的階段分類。

We evaluated the Group's estimation methodology of ECL, and checked the parameters to external data sources where available, including the price volatility of selected underlying collateral, valuation of the collateral and other sources of cash flows, and developed a reasonable range of expected cash shortfall for comparison with the Group's assessment.

我們已評估 貴集團的預期信貸虧損估計方法，並檢查可取得的外部資料來源數據，包括選定相關抵押品之價格波動、抵押品估值及現金流量的其他來源，並制定合理範圍的預期現金短缺，以與 貴集團的評估作比較。

We also assessed the financial statement disclosures relating to the Group's exposure to credit risk.

我們亦已評估有關 貴集團面對信貸風險的財務報表披露。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

Valuation of financial assets at fair value through other comprehensive income

Refer to note 23 to the consolidated financial statements and the accounting policies on page 171.

The key audit matter

關鍵審計事項

As at 31 December 2020, included in the financial assets at fair value through other comprehensive income is an investment in unlisted equity securities of approximately HK\$29,517,000. Independent valuer was engaged by the management for the fair value estimations of the unlisted equity securities as at 31 December 2020.

於二零二零年十二月三十一日，按公平值列賬及在其他全面收入表處理之財務資產包括於非上市股本證券之投資約29,517,000港元。管理層委聘獨立估值師為非上市股本證券於二零二零年十二月三十一日之公平值作出估計。

We have identified the valuation of the investment in unlisted equity securities included in the financial assets at fair value through other comprehensive income as a key audit matter since significant judgements and estimates, including use of significant unobservable inputs, have been used in the fair value estimations by the management and the independent valuer at the end of the reporting period.

我們將計入按公平值列賬及在其他全面收入表處理之財務資產內之非上市股本證券投資之估值識別為關鍵審計事項，因為管理層及獨立估值師在估計於報告期末之公平值時採用重大判斷及估計，包括重大不可觀察輸入數據。

關鍵審核事項(續)

按公平值列賬及在其他全面收入表處理之財務資產之估值

請參閱綜合財務報表附註23及第171頁之會計政策。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures were designed to challenge management's estimation in determining the fair value of the financial assets. We have also involved valuation specialists to review the appropriateness of this fair value.

我們的審計程序旨在質詢管理層在釐定金融資產之公平值時的估計。我們亦已找來估值專家以審視此公平值是否適合。

We also focused on the valuation methodologies and assumptions of financial instruments that were classified as level 3 in the fair value hierarchy.

我們亦集中關注分類入第3級公平值層級之金融票據之估值方法及假設。

We have assessed the valuation methodology and challenged the inputs and assumptions used in the valuation and validated the observable inputs using external market data.

我們已評估有關之估值方法，質詢於估值中所用之輸入數據及假設，並利用外部市場數據來核證可觀察輸入數據。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告**OTHER INFORMATION**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

其他資料

貴公司董事須對其他資料負責。其他資料包括刊載於年報內的資料，但並不包括綜合財務報表及我們就此出具的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們並無對其他資料發表任何形式的核證結論。

在我們審核綜合財務報表時，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況有重大抵觸，或是否存在重大錯誤陳述。倘我們基於已執行的工作認為其他資料存在重大錯誤陳述，則我們須報告有關事項。

就此而言，我們並無任何事項需要報告。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

RESPONSIBILITIES OF DIRECTORS OF THE COMPANY AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Audit Committee are responsible for overseeing the Group's financial reporting process.

貴公司董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及《香港公司條例》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

審核委員會須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and our agreed terms of engagements, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

核數師就審核綜合財務報表承擔的責任

我們的目標是合理確保綜合財務報表整體而言不存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並根據《香港公司條例》第405條及我們的經協定聘約條款僅向閣下（作為整體）出具包括我們意見的核數師報告，除此之外別無其他目的。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。合理確保乃高水平的保證，但不能擔保按香港審計準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可能由欺詐或錯誤引起，倘合理預期個別或整體錯誤陳述可能影響綜合財務報表使用者根據綜合財務報表而所作出的經濟決定，則被視作重大錯誤陳述。

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 HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表承擔的責任(續)

在根據香港審計準則進行審核的整個過程中，我們運用專業判斷並保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足而適當的審核憑證，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、虛假陳述或凌駕內部控制的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，但目的並非對貴集團的內部監控是否有效發表意見。
- 評估 貴公司董事所採用會計政策是否適當及作出會計估計及相關披露資料是否合理。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF
THE CONSOLIDATED FINANCIAL STATEMENTS
(continued)**

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

**核數師就審核綜合財務報表承擔的
責任(續)**

- 對 貴公司董事採用持續經營會計基礎是否適當作出結論，及根據所得的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對 貴集團持續經營的能力構成重大疑慮。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注意綜合財務報表中的相關披露資料。倘有關的披露資料不足，則我們須修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、架構及內容，包括披露資料，以及綜合財務報表是否公平地反映相關交易及事件。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以便對綜合財務報表發表意見。我們負責指導、監督及執行 貴公司的審核工作。我們就我們的審核意見承擔全部責任。

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, related safeguards.

From the matters communicated with the audit committee, 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Wong Chuen Fai.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Chuen Fai

Practising Certificate Number: P05589

Hong Kong

30 March 2021

核數師就審核綜合財務報表承擔的責任(續)

除其他事項外，我們會與審核委員會就審核的計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括我們在審核過程中識別到內部監控的任何重大缺失。

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性的相關道德要求。我們並會與審核委員會就可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及在適用的情況下相關防範措施作出溝通。

從與審核委員會溝通的事項中，我們釐定對本期綜合財務報表的審核至關重要的事項，即關鍵審核事項。我們在核數師報告中描述該等事項，除非法例或規例不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在報告中傳達某一事項所造成的負面後果蓋過公眾利益以致我們會決定不應在報告中傳達該事項則作別論。

出具本獨立核數師報告的審核項目合夥人為黃銓輝先生。

信永中和(香港)會計師事務所有限公司

執業會計師

黃銓輝

執業證書編號：P05589

香港

二零二一年三月三十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收入表For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (re-presented) (重列)
Revenue	收益	5	77,909	49,210
Other income	其他收入	5	5,529	4,092
Cost of inventories sold	銷售存貨成本		(6,605)	-
Other gains (losses)	其他收益(虧損)	7	8,455	(43,845)
Impairment losses on accounts receivable, net	應收賬款之減值 虧損淨額	26	(22,139)	(7,451)
Impairment losses on other receivables	其他應收賬款之減值虧損	27	(4,994)	-
Impairment loss on interest in an associate	於聯營公司之權益之 減值虧損	22	-	(5,000)
Staff costs	員工成本	8	(46,660)	(40,605)
Commission expenses	佣金開支		(5,449)	(4,840)
Depreciation of property and equipment	物業及設備折舊	19	(3,095)	(3,304)
Depreciation of right-of-use assets	使用權資產折舊	21	(6,497)	(6,047)
Finance costs	融資成本	11	(2,811)	(3,960)
Other operating expenses	其他經營開支		(24,268)	(32,147)
Share of profit (loss) of associates	分佔聯營公司之溢利 (虧損)		127	(63)
Loss before tax	除稅前虧損		(30,498)	(93,960)
Income tax (expense) credit	所得稅(開支)抵免	12	(1,823)	591
Loss for the year	年度虧損	13	(32,321)	(93,369)
Other comprehensive expense for the year	年度其他全面開支			
Item that will not be classified subsequently to profit or loss:	其後不會分類至 損益賬之項目:			
Fair value change of financial assets at fair value through other comprehensive income	按公平值列賬及在其他 全面收入表處理之財 務資產之公平值變動	23	(17,537)	(160,030)
Total comprehensive expense for the year	年度全面開支總額		(49,858)	(253,399)

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

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (re-presented) (重列)
	Notes 附註		
Loss for the year attributable to:	以下人士應佔年度虧損：		
– Owners of the Company	– 本公司擁有人	(31,687)	(93,369)
– Non-controlling interests	– 非控股權益	(634)	–
		(32,321)	(93,369)
Total comprehensive expense attributable to:	以下人士應佔 全面開支總額：		
– Owners of the Company	– 本公司擁有人	(49,224)	(253,399)
– Non-controlling interests	– 非控股權益	(634)	–
		(49,858)	(253,399)
Loss per share (HK cents)	每股虧損 (港仙)		
Basic and diluted	基本及攤薄	15	(2.36)
		(2.36)	(7.59)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表As at 31 December 2020
於二零二零年十二月三十一日

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
Non-current assets	非流動資產			
Goodwill	商譽	16	2,016	2,016
Trading rights	交易權	17	-	-
Other intangible assets	其他無形資產	18	1,246	1,246
Interest in associates	於聯營公司之權益	22	487	4,926
Property and equipment	物業及設備	19	3,643	5,915
Statutory deposits	法定按金	20	4,181	2,988
Rental and utility deposits	租金及水電按金		272	1,868
Right-of-use assets	使用權資產	21	6,330	10,879
Financial assets at fair value through profit or loss	按公平值列賬及在損益賬處理之財務資產	24	8,665	13,358
Financial assets at fair value through other comprehensive income	按公平值列賬及在其他全面收入表處理之財務資產	23	29,517	47,054
			56,357	90,250
Current assets	流動資產			
Inventories	存貨		183	-
Accounts receivable	應收賬款	26	442,842	223,680
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	27	108,678	18,520
Financial assets at fair value through profit or loss	按公平值列賬及在損益賬處理之財務資產	24	247,338	445,867
Derivative financial assets	衍生財務資產	25	4,735	-
Bank balances and cash	銀行結餘及現金	28	64,200	70,788
			867,976	758,855
Asset classified as held-for-sale	分類為持作銷售之資產	32	4,926	-
			872,902	758,855
Current liabilities	流動負債			
Accounts payable	應付賬款	29	50,702	16,231
Accrued liabilities and other payables	應計負債及其他應付賬款	29	8,392	5,968
Convertible bonds	可換股債券	31	17,302	-
Lease liabilities	租賃負債	21	5,495	6,641
Tax payable	應繳稅項		2,420	329
			84,311	29,169
Net current assets	流動資產淨額		788,591	729,686
Total assets less current liabilities	總資產減流動負債		844,948	819,936

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 December 2020
於二零二零年十二月三十一日

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	31	4,940	29,005
Deferred tax liabilities	遞延稅項負債	30	424	659
Lease liabilities	租賃負債	21	880	4,409
			6,244	34,073
Net assets	資產淨值		838,704	785,863
Capital and reserves	資本及儲備			
Share capital	股本	34	1,680,295	1,585,239
Reserves	儲備		(841,037)	(799,376)
Equity attributable to owners of the Company	本公司擁有人應佔權益		839,258	785,863
Convertible bonds issued by a subsidiary	附屬公司發行可換股債券	31	80	-
Non-controlling interests	非控股權益		(634)	-
Total equity	權益總額		838,704	785,863

The consolidated financial statements on pages 130 to 327 were approved and authorised for issue by the board of directors on 30 March 2021 and are signed on its behalf by:

第130頁至第327頁所載之綜合財務報表經董事會於二零二一年三月三十日批准授權刊行，並由下列董事代表簽署：

Mr. Fu Yiu Man, Peter
符耀文先生
Director
董事

Mr. Lin Hoi Kwong, Aristo
連海江先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		Attributable to owners of the company 本公司擁有人應佔							
		Share capital	Capital reserve	Convertible bonds reserve	Investments revaluation reserve	Share option reserve	Other reserve	Accumulated losses	Total
		股本	資本儲備	可換股債券儲備	投資重估儲備	購股權儲備	其他儲備	累計虧損	總計
		HK\$'000 千港元	HK\$'000 千港元 (note a) (附註a)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note b) (附註b)	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,585,239	123,758	17,536	(550)	51,631	(767)	(737,585)	1,039,262
Loss for the year	年度虧損	-	-	-	-	-	-	(93,369)	(93,369)
Other comprehensive expense for the year	年度其他全面開支								
Fair value loss on financial assets at fair value through other comprehensive income (note 23)	按公平值列賬及在其他全面收入表處理之財務資產之公平值虧損(附註23)	-	-	-	(160,030)	-	-	-	(160,030)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	(160,030)	-	-	(93,369)	(253,399)
Transfer of share option reserve upon lapse of share options	因購股權失效而轉撥購股權儲備	-	-	-	-	(24,257)	-	24,257	-
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	1,585,239	123,758	17,536	(160,580)	27,374	(767)	(806,697)	785,863

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		Attributable to owners of the company 本公司擁有人應佔							Convertible bond issued by a subsidiary 附屬公司 發行可換股 債券	Non- controlling interests	Total	
		Share capital	Capital reserve	Convertible bonds reserve	Investments revaluation reserve	Share option reserve	Other reserve	Accumulated losses	Total			
		股本 HK\$'000 千港元	資本儲備 HK\$'000 千港元 (note a) (附註a)	可換股 債券儲備 HK\$'000 千港元	投資 重估儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元 (note b) (附註b)	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元	附屬公司 發行可換股 債券 HK\$'000 千港元 (note 31) (附註31)	非控股權益 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	1,585,239	123,758	17,536	(160,580)	27,374	(767)	(806,697)	785,863	-	-	785,863
Loss for the year	年度虧損	-	-	-	-	-	-	(31,687)	(31,687)	-	(634)	(32,321)
Other comprehensive expense for the year	年度其他全面開支											
Fair value loss on financial assets at fair value through other comprehensive income (note 23)	按公平值列賬及在其他全 面收入表處理之財務資 產之公平值虧損 (附註23)	-	-	-	(17,537)	-	-	-	(17,537)	-	-	(17,537)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	(17,537)	-	-	(31,687)	(49,224)	-	(634)	(49,858)
Recognition of equity-settled share option expenses (note 35)	確認以股本支付之購股權 開支(附註35)	-	-	-	-	7,517	-	-	7,517	-	-	7,517
Issue of shares upon exercise of share options (note 34c)	因行使購股權而發行股份 (附註34c)	196	-	-	-	(40)	-	-	156	-	-	156
Recognition of equity component of convertible bonds (note 31)	確認可換股債券之權益 部分(附註31)	-	-	15,000	-	-	-	-	15,000	95	-	15,095
Deferred tax liabilities on recognition of equity component of convertible bonds	確認可換股債券之 權益部分所產生之 遞延稅項負債	-	-	(2,475)	-	-	-	-	(2,475)	(15)	-	(2,490)
Issue of shares upon conversion of convertible bonds (note 34a)	因可換股債券換股而 發行股份(附註34a)	45,664	-	(13,124)	-	-	-	-	32,540	-	-	32,540
Release of deferred tax liabilities on conversion of convertible bonds (note 34a)	因可換股債券換股而 撥回遞延稅項負債 (附註34a)	-	-	2,165	-	-	-	-	2,165	-	-	2,165
Reversal of convertible bonds reserve (note 31)	撥回可換股債券儲備 (附註31)	-	-	(8,626)	-	-	-	7,146	(1,480)	-	-	(1,480)
Issue of shares by top-up placement and subscription (note 34b)	因以先舊後新方式配售 及認購而發行股份 (附註34b)	49,200	-	-	-	-	-	-	49,200	-	-	49,200
Transaction costs attributable to issue of shares by placement (note 34b)	因配售而發行股份所 產生之交易成本 (附註34b)	(4)	-	-	-	-	-	-	(4)	-	-	(4)
At 31 December 2020	於二零二零年 十二月三十一日	1,680,295	123,758	10,476	(178,117)	34,851	(767)	(831,238)	839,258	80	(634)	838,704

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

Notes:

附註：

(a) Capital reserve

Pursuant to a scheme of capital reorganisation, which became effective on 28 May 2003, the High Court of Hong Kong had approved the reduction of the capital of Value Convergence Holdings Limited (the "Company") and the cancellation of the Company's share premium account. The credit arising from the reduction of the share capital account and cancellation of the share premium account, after eliminated against the accumulated losses, in the aggregate amount of HK\$123,758,200 was transferred to a capital reserve account of the Company. Such capital reserve account will not be treated as realised profits, and shall be treated as an undistributable reserve of the Company until and unless the creditors of the Company as at the date of the sanction are fully settled. In view of the fact that the Company had already fully settled the relevant debts due to the creditors, the Company is of the view that the reserve is distributable to the Company's shareholders.

(a) 資本儲備

根據於二零零三年五月二十八日生效之股本重組計劃，香港高等法院批准削減滙盈控股有限公司（「本公司」）股本及註銷本公司之股份溢價賬。削減股本賬及註銷股份溢價賬所產生之進賬與累計虧損對銷後之總額為123,758,200港元，已撥入本公司之資本儲備賬。該資本儲備賬不會被視為已變現溢利，而被視為本公司之不可分派儲備，直至及除非本公司於該頒令當日之應付賬已悉數償付為止。鑑於本公司已悉數償付結欠債權人之有關債務，故本公司認為，此儲備已可分派予本公司股東。

(b) Other reserve

Other reserve represented the differences between the purchase considerations and the amounts acquired from non-controlling interests arising from acquisitions of the remaining equity interests of 9.90% and 8.84% in VC Capital Limited ("VC Capital") and VC Asset Management Limited respectively completed in year 2012.

(b) 其他儲備

其他儲備指向非控股權益分別收購滙盈融資有限公司（「滙盈融資」）及滙盈資產管理有限公司各自餘下之9.90%及8.84%股本權益之購買代價與所收購款項之間的差額，有關收購已於二零一二年完成。

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before tax	除稅前虧損	(30,498)	(93,960)
Adjustment for	調整項目		
Interest income from authorised institutions	來自認可機構之利息收入	(538)	(702)
Interest income from convertible bonds	可換股債券利息收入	(138)	(3,105)
Other interest income	其他利息收入	(1,611)	(263)
Interest expense on the convertible bonds	可換股債券利息開支	2,441	3,248
Interest expense on borrowings	借款利息開支	-	11
Interest expense on lease liabilities	租賃負債利息開支	370	701
Impairment loss on investment in an associate	於聯營公司之投資 之減值虧損	-	5,000
Share of (profit) loss of associates	分佔聯營公司之 (溢利)虧損	(127)	63
Depreciation of property and equipment	物業及設備折舊	3,095	3,304
Depreciation of right-of-use assets	使用權資產折舊	6,497	6,047
Fair value change on derivative financial assets	衍生財務資產之 公平值變動	(4,735)	-
Unrealised (gain) loss on financial assets held-for-trading	持作買賣財務資產之 未變現(收益)虧損	(18,804)	2,246
Loss on redemption of financial assets at fair value through profit or loss	贖回按公平值列賬及 在損益賬處理之 財務資產之虧損	3,358	-
Fair value change on financial assets at fair value through profit or loss	按公平值列賬及在 損益賬處理之 財務資產公平值變動	2,130	20,161
Gain on acquisition of financial assets at fair value through profit or loss	收購按公平值列賬及 在損益賬處理之 財務資產之收益	(3,979)	(3,167)
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值列賬及 在損益賬處理之 財務資產之虧損	8,413	-
Impairment loss on accounts receivable, net	應收賬款之減值 虧損淨額	22,139	7,451
Impairment loss on other receivables	其他應收賬款之減值 虧損	4,994	-
(Gain) loss on disposal of property and equipment	出售物業及設備 之(收益)虧損	(245)	166
Equity-settled share option expense (note 35)	以股本支付之購股權 開支(附註35)	7,517	-
Provision for long service payments/ annual leave payments	長期服務金/年假 福利撥備	320	237

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	599	(52,562)
Increase in inventories	存貨增加	(183)	-
Increase in accounts receivable	應收賬款之增加	(239,690)	(63,204)
(Increase) decrease in financial assets at held-for-trading	持作買賣財務資產之(增加)減少	(66,396)	75,898
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款之減少	3,856	6,653
Decrease (increase) in rental and utility deposits	租金及水電按金之減少(增加)	1,596	(290)
Increase (decrease) in accounts payable	應付賬款之增加(減少)	34,471	(8,159)
Increase (decrease) in accrued liabilities and other payables	應計負債及其他應付賬款之增加(減少)	744	(1,493)
Cash used in operations	經營所用現金	(265,003)	(43,157)
Bank interest received	已收銀行利息	46	768
Income tax refund	退回所得稅	3	-
Income tax paid	已付所得稅	(295)	(240)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(265,249)	(42,629)
INVESTING ACTIVITIES	投資活動		
Purchase of financial assets at fair value through profit or loss	購買按公平值列賬及在損益賬處理之財務資產	(6,816)	(10,000)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	-	40,000
Proceed from disposal of financial assets at fair value through profit or loss	出售按公平值列賬及在損益賬處理之財務資產之所得款項	172,800	-
Acquisition of interest in an associate	收購於聯營公司之權益	(360)	-
Acquisition of a subsidiary	收購附屬公司	-	(2,016)
Purchase of property and equipment	購買物業及設備	(828)	(7,044)
Proceeds from disposal of property and equipment	出售物業及設備之所得款項	250	503
Proceeds from redemption of convertible bonds	贖回可換股債券之所得款項	10,000	-
Interest income from convertible bonds	可換股債券利息收入	138	-
Deposit paid for business acquisition (note 27)	收購業務之已付按金(附註27)	(11,000)	-
Deposits received for disposal of asset classified as held-for-sale (note 32)	出售分類為持作銷售之資產之已收按金(附註32)	1,000	-
Payment of statutory deposits	法定按金付款	(1,633)	(47)
Refund of statutory deposits	法定按金退款	440	47
NET CASH FROM INVESTING ACTIVITIES	投資活動所得現金淨額	163,991	21,443

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Proceeds from exercise of share options	行使購股權之所得款項	156	-
Proceeds from issue of convertible bonds	發行可換股債券之 所得款項	52,311	-
Proceeds from issue of shares	發行股份之所得款項	49,200	-
Repayment of bank borrowings	償還銀行借款	-	(40,000)
Payments for transaction costs attributable to issue of shares by placement	支付因配售而發行股份 所產生之交易成本	(4)	-
Repayment of lease liabilities	償還租賃負債	(6,993)	(6,019)
Interest paid	已付利息	-	(39)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資活動所得 (所用)現金淨額	94,670	(46,058)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 之減少淨額	(6,588)	(67,244)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及 現金等值項目	70,788	138,032
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及 現金等值項目	64,200	70,788

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

1. GENERAL INFORMATION

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activity of the Company are investment holding. The principal activities of its subsidiaries are set out in note 42.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

1. 一般資料

本公司為一家於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址於年報內公司資料一節中披露。

本公司之主要業務為投資控股。其附屬公司之主要業務載於附註42。

綜合財務報表以港元列示，港元亦為本公司之功能貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

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

In the current year, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in HKFRSs and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning 1 January 2020:

Amendments to HKFRS 3 Definition of a Business

Amendments to HKAS 1 Definition of Material
and HKAS 8

Amendments to HKFRS 9, Interest Rate Benchmark
HKAS 39 and HKFRS 7 Reform

The application of the Amendments to References to the Conceptual Framework in HKFRSs and the amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

2. 採用新頒佈及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已首次採用香港財務報告準則（「香港財務報告準則」）中涉及引述概念框架之修訂以及以下由香港會計師公會（「香港會計師公會」）頒佈並於本集團二零二零年一月一日開始之財務年度生效之經修訂香港財務報告準則：

香港財務報告準則 業務之定義
第3號之修訂

香港會計準則第1號 重大之定義
及香港會計準則
第8號之修訂

香港財務報告準則 利率基準改革
第9號、香港會計
準則第39號及香港
財務報告準則
第7號之修訂

於本年度採用香港財務報告準則中涉及引述概念框架之修訂以及經修訂香港財務報告準則對本期間及過往期間本集團之財務表現及財務狀況及／或綜合財務報表所載之披露事項並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

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

New and amendments to HKFRSs issued but not yet effective

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

HKFRS 17	Insurance Contracts and related Amendments ⁴
Amendments to HKFRS 3	Reference to Conceptual Framework ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong 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	Property, plant and Equipment: Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ³
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendment to HKFRSs	Annual Improvements to HKFRSs 2018 – 2020 cycle ³
Accounting Guideline 5 (Revised)	Merger Accounting for common control combinations ⁵

2. 採用新頒佈及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新頒佈及經修訂香港財務報告準則

本集團並無提前採用以下已頒佈但尚未生效之新頒佈及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約及相關修訂 ⁴
香港財務報告準則第3號之修訂	涉及概念框架之引述 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間之資產出售或注資 ²
香港會計準則第1號之修訂	將負債分類為流動或非流動以及香港詮釋第5號之相關修訂（二零二零年）「財務報表之呈列－借款人對訂有按要求償還條款之定期貸款進行分類」 ⁴
香港會計準則第16號之修訂	物業、廠房及設備：達到擬定用途前獲得之收入 ³
香港會計準則第37號之修訂	虧損合約－履行合約之成本 ³
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4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
香港財務報告準則之修訂	二零一八年至二零二零年周期香港財務報告準則之年度改進 ³
會計指引第5號（經修改）	共同控制之合併之會計處理 ⁵

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

New and amendments to HKFRSs issued but not yet effective (continued)

- ¹ Effective for annual periods beginning on or after 1 January 2021.
- ² Effective for annual periods beginning on or after a date to be determined.
- ³ Effective for annual periods beginning on or after 1 January 2022.
- ⁴ Effective for annual periods beginning on or after 1 January 2023.
- ⁵ Effective for common control combinations that occur on or after beginning of the first annual reporting period on or after 1 January 2022.

The directors of the Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

2. 採用新頒佈及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新頒佈及經修訂香港財務報告準則（續）

- ¹ 於二零二一年一月一日或以後開始之年度期間生效。
- ² 於某待定日期或以後開始之年度期間生效。
- ³ 於二零二二年一月一日或以後開始之年度期間生效。
- ⁴ 於二零二三年一月一日或以後開始之年度期間生效。
- ⁵ 就於二零二二年一月一日或以後之首個年度報告期間開始時或以後發生之共同控制之合併而言生效。

本公司董事預期，採用新頒佈及經修訂香港財務報告準則對本集團業績及財務狀況並無重大影響。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載列聯交所證券上市規則（「上市規則」）及《香港公司條例》規定之適用披露資料。

誠如下列會計政策所述，綜合財務報表乃按歷史成本基準編製，惟若干金融票據乃按各報告期末之公平值計量。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

Basis of consolidation

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

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

3. 主要會計政策(續)

歷史成本一般是建基於就換取貨品及服務所支付之代價之公平值。

公平值是於計量日期市場參與者於主要(或最有利)市場上之有序交易中按現行市況出售資產可收取或轉讓負債須支付之價格(即退出價)，而不論該價格是否可直接觀察或使用其他估值技術估計。公平值計量之詳情於下文所載之會計政策中解釋。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司所控制之實體以及其附屬公司之財務報表。如本公司符合以下情況，即為取得控制權：

- 對被投資方具有權力；
- 因參與被投資方業務而承擔可變回報之風險或享有可變回報之權利；及
- 可對被投資方使用權力以影響其回報。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

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

3. 主要會計政策(續)

綜合基準(續)

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資方擁有控制權。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益及其他全面收入表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收入之每個成份乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

有必要時，會對附屬公司財務報表作出調整，以使彼等之會計政策與本集團之會計政策一致。

本集團內公司間之所有資產及負債、權益、收入、開支及有關本集團成員之間交易的現金流量，一概於綜合入賬時悉數對銷。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)****Business combinations or asset acquisition**

Effective from 1 January 2020, the Group can elect to apply an optional concentration test, a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. 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. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Assets acquisitions

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

3. 主要會計政策(續)**業務合併或資產收購**

自二零二零年一月一日起，本集團可就每項交易自行選擇應用集中度測試。集中度測試容許實體簡單評估所收購之一組活動及資產是否並非一項業務。只要所收購之總資產之絕大部分公平值集中於一項可識別資產或一組類似之可識別資產，即符合集中度測試之結果。被評估之總資產不包括現金及現金等值項目、遞延稅項資產以及在遞延稅項負債之影響下所產生之商譽。倘符合集中度測試之結果，則該組活動及資產並非一項業務，且毋須再作評估。

資產收購

本集團於收購一組不構成業務之資產與負債時，其首先會按該等資產及負債各自之公平值將購買價分配至財務資產／財務負債，隨後按該等資產及負債於購買日期各自之相對公平值，將購買價餘額分配至其他可識別資產及負債，藉此識別並確認所收購之個別可識別資產及所承擔之個別可識別負債。此類交易不會產生商譽或議價購買收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations or asset acquisition (continued)

Business combinations

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

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

- deferred tax assets or liabilities arising from the assets acquired and liabilities assumed in the business combination are recognised and measured in accordance with HKAS 12 Income Taxes;
- assets or liabilities related to the acquiree's employee benefit arrangements are recognised and measured in accordance with HKAS 19 Employee Benefits;

3. 主要會計政策(續)

業務合併或資產收購(續)

業務合併

業務合併採用收購法入賬。於業務合併中轉讓之代價乃按公平值計量，公平值按本集團所轉讓之資產於收購日期之公平值、本集團向被收購方之前擁有人所承擔之負債及本集團為換取被收購方之控制權而發行之股本權益總額計算。為落實業務合併而產生之收購相關成本乃於產生時於損益賬確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公平值確認，惟下列者除外：

- 於業務合併中收購之資產及承擔之負債所產生之遞延稅項資產或負債乃根據香港會計準則第12號「所得稅」確認及計量；
- 與被收購方僱員福利安排有關之資產或負債乃根據香港會計準則第19號「僱員福利」確認及計量；

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

**Business combinations or asset acquisition
(continued)**

Business combinations (continued)

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

3. 主要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

- 與被收購方之以股份為基礎付款交易有關之負債或股本票據或以本集團之以股份為基礎付款交易取代被收購方之以股份為基礎付款交易乃根據香港財務報告準則第2號「以股份為基礎付款」於收購日期計量(見下文會計政策)；
- 按照香港財務報告準則第5號「持作銷售之非流動資產及終止經營業務」分類為持作銷售之資產(或處置組)乃根據該準則計量；及
- 租賃負債按餘下租賃付款之現值計量，當中假設被收購之租賃於收購日期時為一項新租賃，除非有關租賃為(a)租期於收購日期起12個月內屆滿；或(b)相關資產屬低價值資產。使用權資產按相等於租賃負債之金額計量，並經調整以反映與市場條款作比較時租賃條款之好壞。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations or asset acquisition (continued)

Business combination (continued)

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

Non-controlling interests, unless as required by another standards, are measured at acquisition-date fair value except for non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets on a transaction-by-transaction basis.

3. 主要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

商譽乃計量為所轉讓之代價、於被收購方任何非控股權益之金額及本集團先前持有之被收購方股權(如有)之公平值三者之總和,較於收購日期所收購之可識別資產與所承擔之可識別負債之淨額所超出之差額。倘經過重新評估後,於收購日期所收購之可識別資產與所承擔之可識別負債之淨額高於所轉讓之代價、於被收購方任何非控股權益之金額及收購方先前持有之被收購方股權(如有)之公平值三者之總和,則差額即時於損益賬確認為議價收購收益。

除非其他準則有所規定,否則非控股權益乃以收購日期之公平值計量,惟倘屬現有擁有人權益且容許其持有人於清盤時有權按比例分佔實體資產淨值之非控股權益,則可在逐項交易中按公平值或按現有擁有人權益按比例分佔被收購方之可識別資產淨值之已確認金額計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising from a business combination is carried at cost less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") (or groups of CGU) that is expected to benefit from the synergies of the combination.

A CGU (or groups of CGU) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or groups of CGU) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the CGU (or groups of CGU). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

The Group's policy for goodwill relating to an associate that included in the carrying amount of the investment is set out in "investment in associates" below.

3. 主要會計政策(續)

商譽

業務合併所產生之商譽乃按成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至預期可自合併之協同效益獲利之本集團各個現金產生單位(「現金產生單位」)(或現金產生單位組別)。

獲分配商譽之現金產生單位(或現金產生單位組別)於每年進行減值測試，或如有跡象顯示該現金產生單位可能出現減值，則更頻繁地測試。就基於報告期內進行之收購而產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)乃於該報告期結束前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則首先分配減值虧損以調低該單位獲分配之任何商譽之賬面值，其後根據現金產生單位(或現金產生單位組別)內各資產之賬面值按比例分配減值虧損至該單位之其他資產。任何商譽之減值虧損乃直接於損益賬確認。就商譽確認之減值虧損不會於隨後期間撥回。

聯營公司之商譽乃計入投資之賬面值，而本集團有關此等商譽之政策載於下文「於聯營公司之投資」。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in associates

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

The Group's investment in associates are accounted for in the consolidated financial statements using the equity method, except for the investments classified as held-for-sale in which case it is accounted for in accordance with HKFRS 5. Under the equity method, investment in an associate is initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the associate is recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of loss of an associate equals or exceeds its interest in the associate, which determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

3. 主要會計政策(續)

於聯營公司之投資

聯營公司指本集團對其有重大影響力之實體。重大影響力指參與被投資方財務及營運決策之權力，惟對該等政策並無控制權或共同控制權。

本集團於聯營公司之投資採用權益法於綜合財務報表入賬，惟分類為持作銷售之投資除外，該等投資按照香港財務報告準則第5號入賬。根據權益法，於聯營公司之投資初步按成本確認。本集團分佔聯營公司之溢利或虧損及其他全面收入之變動於收購日期後分別於損益賬及其他全面收入內確認。倘本集團分佔聯營公司之虧損相等於或超出其於該聯營公司之權益(以權益法釐定，連同任何實質上組成本集團於該聯營公司投資淨額部分之長期權益)，則本集團取消確認其分佔之進一步虧損。僅於本集團已產生法定或推定責任或代表聯營公司付款時，方就額外虧損作出撥備及確認負債。

倘聯營公司所用之會計政策有別於本集團於類似情況下就類似交易及事件所採用者，則在本集團應用權益法過程中使用聯營公司財務報表時，會調整聯營公司之會計政策，以使與本集團之會計政策貫徹一致。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)****Investment in associates (continued)**

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

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 36 Impairment of assets issued by the HKICPA are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)**於聯營公司之投資(續)**

於聯營公司之投資乃自被投資方成為聯營公司當日起使用權益法入賬。於收購投資時，收購成本超出本集團分佔聯營公司可識別資產及負債淨公平值之任何部分一概確認為商譽，並計入投資之賬面值。

於重新評估後，本集團分佔聯營公司可識別資產及負債淨公平值超出收購成本之任何部分一概於收購投資期間於損益賬確認。

就釐定是否需要對本集團於聯營公司之投資確認任何減值虧損而言，已應用香港會計師公會頒佈之香港會計準則第36號「資產減值」之規定。當有需要時，投資之全部賬面值（包括商譽）會作為單一資產進行減值測試，方法為比較其可收回金額（使用價值與公平值減出售成本之較高者）與其賬面值。任何經此確認之減值虧損不會分配至構成投資賬面值一部分之任何資產（包括商譽）。減值虧損之任何撥回於該項投資可收回金額其後增加時確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in associates (continued)

Gains and losses resulting from transactions between the Group and its associates are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate. The Group's share in the associate's gains or losses resulting from these transactions is eliminated.

The Group applies HKFRS 9 Financial Instruments issued by the HKICPA, including the impairment requirements, to long-term interests in an associate to which the equity method is not applied and which form part of the net investment in the investee. In applying HKFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by HKAS 28 – Investments in Associates and Joint Ventures issued by the HKICPA (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with HKAS 28).

3. 主要會計政策(續)

於聯營公司之投資(續)

本集團與其聯營公司進行交易所得之損益，僅以非關連投資者於該聯營公司之權益為限在綜合財務報表確認。本集團分佔聯營公司來自該等交易之損益均予以對銷。

本集團應用香港會計師公會頒佈之香港財務報告準則第9號「金融票據」(包括減值規定)，以處理不採用權益法並構成於被投資方之淨投資一部分之聯營公司長期權益。在對長期權益應用香港財務報告準則第9號時，本集團並無考慮香港會計師公會頒佈之香港會計準則第28號「於聯營公司及合營企業之投資」所規定之賬面值調整(即根據香港會計準則第28號，因分配被投資方之虧損或進行減值評估而產生之長期權益賬面值調整)。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets held-for-sale

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

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

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

Non-current assets and disposal groups classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

3. 主要會計政策(續)

持作銷售之非流動資產

倘非流動資產或處置組之賬面值將主要透過銷售交易(而非透過持續使用)收回,則此類非流動資產及處置組分類為持作銷售。有關分類乃規定資產或處置組必須可即時按現狀出售,只受出售此類資產或處置組之正常及慣常條款所規限,而且出售成數極高。管理層必須盡力履行出售承諾,並預期應於分類之日起計一年內可確認為完成出售。

倘本集團承諾履行出售計劃,而該項計劃涉及失去對某附屬公司之控制權,則該附屬公司之所有資產及負債將於符合上述條件時分類為持作銷售,不論本集團於出售後會否保留於原附屬公司之非控股權益。

倘本集團承諾履行出售計劃,而該項計劃涉及出售於某聯營公司或合營企業之投資或投資之一部分,則將予出售之該投資或該投資之一部分將於符合上述條件時分類為持作銷售,而本集團會自投資(或投資之一部分)分類為持作銷售之時起,就該部分分類為持作銷售之投資終止使用權益法。

分歸為持作銷售之非流動資產及處置組按其原賬面值與公平值減出售成本之較低者計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially same.

3. 主要會計政策(續)

收益確認

所確認描述向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，本集團使用五個步驟確認收益：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

本集團於完成履約責任時（或就此）確認收益，即於特定履約責任相關之商品或服務之「控制權」轉讓予客戶時。

履約責任指一項獨特貨品及服務（或一組獨特貨品或服務）或一系列大致相同之獨特貨品或服務。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

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

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

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

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

3. 主要會計政策(續)

收益確認(續)

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全履行相關履約責任之進展隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團履約製造出或提升某項資產，而該項資產於製造或提升時由客戶控制；或
- 本集團履約並無製造出對本集團而言有其他用途的資產，且本集團就迄今為止已完成的履約擁有可強制執行收款之權利。

否則，收益於客戶獲得獨特貨品或服務控制權之時間點確認。

收益按客戶合約訂明之代價計量，惟不包括代表第三方收取之款項、折扣及銷售相關稅項。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Contract assets and contract liabilities

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

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

3. 主要會計政策(續)

收益確認(續)

合約資產及合約負債

合約資產指本集團就已向客戶轉讓貨品或服務而換取代價之權利(尚未成為無條件)。其根據香港財務報告準則第9號進行減值評估。相反,應收賬款指本集團收取代價之無條件權利,即代價到期付款前僅有待時間推移。

合約負債指本集團就已向客戶收取代價而須向客戶轉讓貨品或服務之責任。倘本集團於確認相關收益前擁有無條件收取代價之權利,亦會確認合約負債。在此情況下,亦會確認相應的應收賬款。

就與客戶訂立之單一合約而言,會呈列合約資產淨值或合約負債淨額。就多份合約而言,不相關合約之合約資產及合約負債不會按淨額基準呈列。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Contract assets and contract liabilities (continued)

The Group recognised revenue from the following major sources:

- Brokerage commission and other related fee from dealing in securities and futures and options contracts
- Underwriting, sub-underwriting, placing and sub-placing commission
- Arrangement, advisory, referral fee and other fee income
- Interest income
- Dividend income from financial assets held-for-trading
- Sales and distribution of healthcare products

Provision of services

Brokerage

The Group provides broking and dealing services for securities, futures and options contracts. Commission income is recognised at a point in time on the execution date of the trades at a certain percentage of the transaction value of the trades executed. The Group provides custodian and handling services for securities, futures and options customer accounts. Fee income is recognised when the transaction is executed and service is completed (i.e. at a point in time), except for custodian service fee which is recognised over time.

3. 主要會計政策(續)

收益確認(續)

合約資產及合約負債(續)

本集團確認以下主要來源之收益：

- 買賣證券及期貨及期權合約之經紀佣金及其他相關費用
- 包銷、分包銷、配售及分配售佣金
- 安排、顧問、轉介費及其他費用收入
- 利息收入
- 持作買賣財務資產之股息收入
- 銷售及分銷醫療保健產品

提供服務

經紀服務

本集團提供證券、期貨及期權合約之經紀及買賣服務。佣金收入於執行買賣當日之某一時間點按所執行買賣之交易價值之若干百分比確認。本集團為證券、期貨及期權客戶賬戶提供託管及處理服務。費用收入於執行買賣及完成服務時(即於一個時間點)確認，惟託管服務費隨時間確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Provision of services (continued)

Corporate finance and other advisory services

The Group provides underwriting, sub-underwriting, placing and sub-placing services to customers for their fund raising activities in equity and debt capital markets. Revenue is recognised when the relevant underwriting and placing are completed. Accordingly, the revenue is recognised at a point in time.

The Group also provides corporate advisory services to corporate clients for their corporate actions. The Group considers that all the services promised in a particular contract of being a corporate advisor are interdependent and interrelated and should be therefore accounted for as a single performance obligation. As there is enforceable right to payment for the Group for the performance of services completed up to date based on the contracts with customers regarding corporate advisory services, the revenue is recognised over time based on the stage of completion of the contract, the services transferred to customers up to date. The Group provides corporate secretary services to customers. Revenue is recognised over time or at a point in time with reference to the detailed terms of transactions as stipulated in the contracts entered into with its customers and counterparties.

3. 主要會計政策(續)

收益確認(續)

提供服務(續)

企業融資及其他顧問服務

本集團為客戶提供於股本及債券資本市場集資活動之包銷、分包銷、配售及分配售服務，並於相關包銷及配售完成時確認收益。因此，收益乃於一個時間點確認。

本集團亦就公司客戶之各項企業行動提供企業顧問服務。本集團認為，於單一企業顧問合約中承諾提供之所有服務，均為互相依存及互相關聯，故應入賬為單一履約責任。由於根據與客戶訂立之企業顧問服務合約，本集團就迄今已完成履約之服務擁有收取付款之強制執行權利，故根據合約完成階段及迄今向客戶轉移之服務隨時間確認收益。本集團為客戶提供公司秘書服務，並參考與客戶及對手方訂立之合約詳細交易條款，隨時間確認或於一個時間點確認收益。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Revenue recognition (continued)

Provision of services (continued)

Asset management

The Group provides asset management services to customers. The customer simultaneously receives and consumes the benefit provided by the Group, hence the revenue is recognised as a performance obligation satisfied over time. Asset management fee income is charged at a fixed percentage per month of the net asset value of the managed accounts under management of the Group.

The Group is also entitled to a performance fee when there is a positive performance for the relevant performance period and it is recognised at the end of the relevant performance period, when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Sale and distribution of healthcare products

Revenue from sale and distribution of healthcare products is recognised at the point when the control of the goods is transferred to the customers (generally on delivery of the healthcare products).

3. 主要會計政策(續)

收益確認(續)

提供服務(續)

資產管理

本集團為客戶提供資產管理服務。客戶同時取得並耗用本集團提供之利益，因此，收益乃隨著履約責任達成時確認。資產管理費收入按本集團管理之管理賬戶之資產淨值之固定百分比每月收取。

本集團亦有權就於相關表現周期取得之正面表現收取表現費，並於相關表現周期期末，即可變代價之相關不確定性其後獲得解決，導致已確認之累計收益金額被大幅撥回之可能性極低時，確認有關表現費。

銷售及分銷醫療保健產品

銷售及分銷醫療保健產品之收益於貨品之控制權轉移予客戶之時間點(一般為交付醫療保健產品時)確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

Definition of a lease

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

The Group as lessee

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

3. 主要會計政策(續)

租賃

租賃之定義

倘某合約賦予權利在一定時間內控制已識別資產之使用權以換取代價，則該合約為租賃或包含租賃。

本集團作為承租人

就於首次應用日期或之後訂立或修改之合約而言，本集團於合約訂立時評估該合約是否為租賃或包含租賃。本集團就其作為承租人之所有租賃安排確認使用權資產及相應租賃負債，惟短期租賃(界定為租期12個月或以下之租賃)及低價值資產租賃除外。就該等租賃而言，本集團按租期以直線法確認租賃付款為經營開支，除非以另一系統化基準更能代表消耗租賃資產所產生之經濟利益之時間模式，則作別論。

租賃負債

於開始日期，本集團按當日尚未支付租賃付款之現值計量租賃負債。租賃付款按租賃隱含之利率貼現。倘未能輕易釐定該利率，本集團將使用其增量借款利率貼現。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Leasing (continued)

Lease liabilities (continued)

Lease payments included in the measurement of the lease liability comprise:

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

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3. 主要會計政策(續)

租賃(續)

租賃負債(續)

於租賃負債之計量中所包含之租賃付款包括：

- 固定租賃付款(包括實質固定付款)減任何應收租賃優惠；
- 可變租賃付款，其取決於指數或利率，於開始日期採用指數或利率初步計量；
- 承租人根據剩餘價值擔保預期應付之金額；
- 購買權之行使價(倘承租人可合理肯定行使該等權利)；及
- 終止租賃之罰金付款(倘租期反映本集團行使終止租賃之權利)。

租賃負債在綜合財務狀況表中單獨呈列。

租賃負債之其後計量為增加賬面值以反映租賃負債之利息(採用實際利率法)及減少賬面值以反映作出之租賃付款。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

Lease liabilities (continued)

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 主要會計政策(續)

租賃(續)

租賃負債(續)

倘出現以下情況，租賃負債將予重新計量(並對相關使用權資產予以相應調整)：

- 租期有變或發生重大事件或變化導致須改變對行使購買權之評估，在此情況下，租賃負債乃透過使用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 因指數或利率變動或有擔保剩餘價值下之預期付款變動導致租賃付款出現變化，在此情況下，租賃負債乃透過使用初步貼現率(惟倘因浮動利率變動而導致租賃付款出現變化，則使用經修訂貼現率)貼現經修訂租賃付款而重新計量。
- 租賃合約已修改且租賃修改不作為一項單獨租賃入賬，在此情況下，租賃負債乃根據經修改租賃之租期透過使用於修改生效日期之經修訂貼現率貼現經修訂租賃付款而重新計量。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Leasing (continued)

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, provision is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

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

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

3. 主要會計政策(續)

租賃(續)

使用權資產

使用權資產包括初步計量之相應租賃負債、於開始日期或之前作出之租賃付款及任何初期直接成本，減已收取之租賃優惠。當本集團就拆除及移除租賃資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定之狀態承擔成本責任，將根據香港會計準則第37號「撥備、或然負債及或然資產」確認及計量撥備。除非成本乃因生產存貨而產生，否則該等成本乃計入相關使用權資產。

本集團將使用權資產單獨呈列在綜合財務狀況表中。

使用權資產其後以成本減累計折舊及減值虧損計量。使用權資產乃按租期與相關資產之可使用年期(以較短者為準)折舊。折舊於租賃開始日期開始計提。

本集團應用香港會計準則第36號來釐定使用權資產是否已減值，並就任何已識別減值虧損入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment is stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

物業及設備

物業及設備乃以成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

折舊乃按物業及設備項目於估計可使用年期內扣減剩餘價值以直線法確認所撇減其成本。估計可使用年期、剩餘價值及折舊方法於各報告期末予以檢討,而任何估計變動之影響按前瞻基準入賬。

物業及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。出售或報銷物業及設備項目所產生之任何收益或虧損乃按該資產之出售所得款項與賬面值之差額計算並於損益賬中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

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

A financial asset and a financial liability is offset and the net amount presented in the consolidated statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3. 主要會計政策(續)

金融票據

財務資產及財務負債乃當某集團實體成為票據合約條文之訂約方時於綜合財務狀況表中確認。

除與客戶訂立合約所產生之交易應收賬款乃按香港會計師公會頒佈之香港財務報告準則第15號「客戶合約收益」初步計量外，財務資產及財務負債初步按公平值確認。收購或發行財務資產及財務負債（按公平值列賬及在損益賬處理（「按公平值列賬及在損益賬處理」）之財務資產及財務負債除外）之直接交易成本乃於初步確認時加入財務資產或財務負債之公平值或自財務資產或財務負債之公平值內扣除（如適用）。收購按公平值列賬及在損益賬處理之財務資產或財務負債之直接交易成本乃即時於損益賬中確認。

本集團在及只會在以下情況下，方會將財務資產及財務負債對銷，並於綜合財務狀況表呈列其淨額：當本集團現時具有可依法強制執行之權利以對銷已確認金額；並且有意按淨額結算或同時變現資產及清償負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

3. 主要會計政策(續)

金融票據(續)

財務資產

所有日常財務資產買賣按交易日基準確認及取消確認。日常買賣乃指須按照市場規定或慣例在一定時間內交付資產之財務資產買賣。

所有已確認財務資產視乎財務資產之分類隨後整份按攤銷成本或公平值計量。財務資產於初步確認時分類為隨後按攤銷成本、按公平值列賬及在其他全面收入表處理(「按公平值列賬及在其他全面收入表處理」)或按公平值列賬及在損益賬處理之方式計量。

初步確認時，財務資產之分類乃取決於財務資產合約現金流量特性及本集團管理該等資產之業務模式。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

按攤銷成本列賬之財務資產(債務票據)

倘同時符合以下條件，則本集團隨後按攤銷成本計量財務資產：

- 持有財務資產之業務模式之目的為持有財務資產藉以收取合約現金流量；及
- 財務資產合約條款令於特定日期產生之現金流量乃純粹為支付本金及未償還本金之利息。

按攤銷成本列賬之財務資產隨後使用實際利率法計量並須予減值。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

攤銷成本及實際利率法

實際利率法乃計算債務票據之攤銷成本及按有關期間攤分利息收入之方法。

就並非購買或產生信貸減值財務資產(即於初步確認時已出現信貸減值之資產)之財務資產而言,實際利率乃將初步確認時之估計日後現金收入(包括所有所支付或所收取而構成整體實際利率之費用及基點、交易成本及其他所有溢價或折讓)(不包括預期信貸虧損)按債務票據之預期年期或較短期間(如適用)實際貼現至債務票據賬面總值之利率。就購買或產生信貸減值財務資產而言,經信貸調整實際利率乃按於初步確認時將估計日後現金收入(包括預期信貸虧損)貼現至債務票據攤銷成本之利率計算。

財務資產之攤銷成本指財務資產於初步確認時計量之金額減以本金還款,再加以初步金額與到期金額之間的任何差額使用實際利率法計算之累計攤銷(就任何虧損準備作出調整)。財務資產之賬面總值指就任何虧損準備作出調整前之財務資產攤銷成本。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "Other income" line item (note 5).

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

攤銷成本及實際利率法(續)

隨後按攤銷成本及按公平值列賬及在其他全面收入表處理之債務票據之利息收入使用實際利率法確認。就並非購買或產生信貸減值財務資產之財務資產而言，利息收入使用財務資產賬面總值之實際利率計算，惟隨後出現信貸減值之財務資產除外(見下文)。就隨後出現信貸減值之財務資產而言，利息收入應用財務資產攤銷成本之實際利率確認。倘於隨後報告期間信貸減值金融票據之信貸風險有所改善致使財務資產不再出現信貸減值，則利息收入應用財務資產賬面總值之實際利率確認。

就購買或產生信貸減值財務資產而言，本集團應用初步確認時財務資產攤銷成本之經信貸調整實際利率確認。此計算不會回轉至總額基準，即使財務資產信貸風險隨後有所改善致使財務資產不再出現信貸減值亦然。

利息收入於損益賬確認並計入「其他收入」項目(附註5)。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held-for-trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

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

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

指定為按公平值列賬及在其他全面收入表處理之股本票據

於初步確認時，本集團可作出不可撤回選擇(按個別票據基準)將於股本票據之投資指定為按公平值列賬及在其他全面收入表處理。倘股本票據屬持作買賣或倘屬收購方確認業務合併之或然代價，則不得指定為按公平值列賬及在其他全面收入表處理。

按公平值列賬及在其他全面收入表處理於股本票據之投資初步按公平值加交易成本計量。其後按公平值計量，公平值變動所產生之損益於其他全面收入確認並累計入投資重估儲備。於出售股本投資時，累計損益不會重新分類至損益賬，反而會撥入保留盈利。

該等於股本票據之投資的股息於確立本集團收取股息之權利時於損益賬確認，除非股息明確屬於收回投資成本的一部分則作別論。股息計入損益賬「收益」一項。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL

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

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held-for-trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 38.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

按公平值列賬及在損益賬處理之財務資產

並不符合按攤銷成本計量或按公平值列賬及在其他全面收入表處理之財務資產一概按公平值列賬及在損益賬處理計量。具體而言：

- 於股本票據之投資乃分類為按公平值列賬及在損益賬處理，除非本集團於初步確認時將既非持作買賣亦非業務合併之或然代價之股本投資指定為按公平值列賬及在其他全面收入表處理。
- 不符合按攤銷成本列賬標準或按公平值列賬及在其他全面收入表處理標準之債務票據一概分類為按公平值列賬及在損益賬處理。此外，倘有關指定消除或大幅減少按不同基準計量資產或負債或確認其收益及虧損會產生之計量或確認差異，則符合按攤銷成本列賬標準或按公平值列賬及在其他全面收入表處理標準之債務票據於初步確認時可指定為按公平值列賬及在損益賬處理。本集團並無指定任何債務票據為按公平值列賬及在損益賬處理。

按公平值列賬及在損益賬處理之財務資產於各報告期末按公平值計量，在其並非指定對沖關係的一部分之情況下，任何公平值收益或虧損均於損益賬確認。於損益賬確認之收益或虧損淨額並不包括財務資產賺取之任何股息或利息。公平值按附註38所述之方式釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL (continued)

A financial asset is held-for-trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

按公平值列賬及在損益賬處理之財務資產(續)

倘屬下列情況，則財務資產屬持作買賣：

- 購入財務資產主要為於不久將來出售；或
- 於初步確認時其構成本集團共同管理的已識別金融票據組合的一部分及具有近期實際短期獲利模式；或
- 其為一項衍生工具(屬財務擔保合約或指定及實際上為對沖票據之對沖票據除外)。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“ECL”) on accounts receivable, and financial assets measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for accounts receivable from dealing in securities transactions, provision of corporate finance and other advisory services and contract assets. The ECL on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值

本集團就應收賬款及按攤銷成本計量之財務資產確認預期信貸虧損(「預期信貸虧損」)之虧損準備。預期信貸虧損金額於各報告日期更新,以反映信貸風險自初步確認有關金融票據以來之變動。

本集團必然確認證券交易買賣、提供企業融資及其他顧問服務之應收賬款及合約資產整個存續期之預期信貸虧損。該等財務資產之預期信貸虧損乃根據本集團過往之信貸虧損經驗採用撥備方陣估計,並就債務人獨有之因素、整體經濟狀況以及於報告日期對現行及預測經濟狀況發展方向之評估(包括金錢時間值(如適用))作出調整。

就所有其他金融票據,本集團計量相等於十二個月預期信貸虧損之虧損準備,除非倘信貸風險自初步確認後顯著增加,則本集團確認整個存續期之預期信貸虧損。評估應否確認整個存續期之預期信貸虧損時,乃基於自初步確認後違約之可能性或風險有否顯著增加而進行。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

信貸風險顯著增加

評估金融票據信貸風險是否自初步確認後顯著增加時，本集團將金融票據於報告日期發生違約之風險與金融票據於初步確認日期發生違約之風險加以比較。作出此評估時，本集團會考慮合理及可靠的定量及定性資料，包括過往經驗及毋須付出過多成本或努力即可取得的前瞻性資料。

具體而言，於評估信貸風險自初步確認以來有否顯著增加時會考慮以下資料：

- 金融票據之外部(如可得)或內部信貸評級實際或預期顯著下跌；
- 業務、財務或經濟環境現時或預期發生不利變化，而預期足以導致大幅削弱債務人履行債務責任之能力；
- 債務人經營業績實際或預期顯著惡化；

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Significant increase in credit risk (continued)

- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, (except for accounts receivable from ordinary course of business of money lending services where a longer period of "past due" has been applied by the directors of the Company in view of the nature of the operation of the business and practice in managing the credit risk), unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

信貸風險顯著增加(續)

- 同一債務人其他金融票據之信貸風險顯著增加；
- 債務人之監管、經濟或技術環境實際或預期發生重大不利變化，而導致大幅削弱債務人履行債務責任之能力。

不管上述評估的結果，倘合約付款逾期超過30日（惟本公司董事基於業務營運性質及信貸風險管理慣例，而對在日常業務過程中因進行放債服務而產生之應收賬款採用較長「逾期期限」除外），本集團即假定財務資產之信貸風險自初步確認後顯著增加，除非本集團有合理及可靠資料顯示相反情況。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

信貸風險顯著增加(續)

儘管如上文所述，惟倘債務票據於報告日期被判定為信貸風險偏低，本集團即假設債務票據之信貸風險自初步確認後並無顯著增加。倘屬下列情況，金融票據會被判定為信貸風險偏低：i)金融票據違約風險偏低；ii)借款人有很強的能力履行短期內之合約現金流量責任；及iii)經濟及商業環境之長期不利變化有可能但不一定會降低借款人履行其合約現金流量責任的能力。倘債務票據擁有「投資級別」(根據全球通用之定義)之外部信貸評級或(倘無法取得外部評級)該資產擁有「良好」之內部信貸評級，則本集團視該資產之信貸風險偏低。「良好」指交易對手財務狀況穩健且並無逾期款項。

本集團定期監察用以識別信貸風險有否顯著增加之標準是否有效，並於適當時作出修訂以確保該等標準足以於款項逾期之前識別信貸風險顯著增加。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when a financial asset is more than 90 days past due, (except for accounts receivable from ordinary course of business of money lending services where a longer period of "past due" has been applied by the directors of the Company in view of the nature of the operation of the business and practice in managing the credit risk) unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

違約之定義

本集團認為以下情況就內部信貸風險管理而言構成違約事件，因為過往經驗表明符合以下任何一項條件之財務資產本集團未必能收回：

- 債務人違反財務契諾；或
- 內部產生或取自外部來源之資料表明，債務人不太可能向債權人(包括本集團)全數還款(不考慮本集團持有之任何抵押品)。

本集團認為，倘財務資產逾期超過90日(惟本公司董事基於業務營運性質及信貸風險管理慣例，而對在日常業務過程中因進行放債服務而產生之應收賬款採用較長「逾期期限」除外)即屬違約，除非本集團有合理可靠資料顯示較寬鬆的違約標準更為合適，則作別論。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

信貸減值財務資產

當發生一項或多項事件而對財務資產的估計未來現金流量產生不利影響時，該財務資產即為出現信貸減值。財務資產出現信貸減值之證據包括有關以下事件之可觀察數據：

- 發行人或借款人之重大財政困難；
- 違反合約，例如違約或逾期事件；
- 借款人之貸款人出於與借款人財政困難有關之經濟或合約原因而向借款人授出貸款人原本不會考慮之特惠；
- 借款人甚有可能破產或進行其他財務重組；或
- 因財政困難以致該財務資產之活躍市場消失。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated 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, discounted at the original effective interest rate.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

撇銷政策

當有資料顯示債務人處於嚴重財政困難且本集團沒有合理預期收回款項時，例如交易對手被清盤或進入破產程序，本集團即撇銷財務資產。已撇銷之財務資產仍可能根據本集團經考慮法律意見後(如適用)收回款項之程序實施強制執行。任何隨後收回之款項會於損益中確認。

計量及確認預期信貸虧損

計量預期信貸虧損時，會綜合考慮違約概率、違約損失率(即發生違約時損失程度)及違約敞口的函數。違約概率及違約損失率的評定乃以根據上前瞻性資料作出調整之歷史數據為基礎。對於違約敞口，就財務資產而言，此為資產於報告日期之賬面值。

就財務資產而言，預期信貸虧損估計為根據合約結欠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兩者之間的差額，並按初始實際利率貼現。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Measurement and recognition of ECL (continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for financial assets that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

財務資產減值(續)

計量及確認預期信貸虧損(續)

本集團於損益賬確認所有金融票據減值收益或虧損，並以虧損準備賬對賬面值作出相應調整，惟按公平值列賬及在其他全面收入表處理之財務資產除外，其虧損準備乃於其他全面收入確認並累計入投資重估儲備，而並不會於綜合財務狀況表扣減財務資產之賬面值。

取消確認財務資產

本集團僅會於收取財務資產現金流量之合約權利屆滿，或轉讓財務資產並轉移絕大部分資產擁有權風險及回報予另一方時，方取消確認財務資產。倘本集團既無轉移亦無保留絕大部分擁有權風險及回報並繼續控制已轉讓資產，則本集團確認其於資產之保留權益及就其可能須支付之金額確認相應負債。倘本集團保留已轉讓資產絕大部分擁有權風險及回報，則本集團繼續確認財務資產並就已收所得款項確認有抵押借款。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策(續)

金融票據(續)

財務資產(續)

取消確認財務資產(續)

於取消確認按攤銷成本計量之財務資產時，資產賬面值與已收及應收代價總和之差額乃於損益賬中確認。此外，於取消確認本集團在初步確認時選擇按公平值列賬及在其他全面收入表處理之股本票據投資時，先前累計入投資重估儲備之累計收益或虧損不會重新分類至損益賬，惟轉撥入保留盈利。

財務負債及股本票據

分類為債務或權益

集團實體發行之債務及股本票據乃根據合約安排之實質內容與財務負債及股本票據之定義分類為財務負債或權益。

股本票據

股本票據乃證明於扣除其所有負債後在實體資產中擁有剩餘權益之任何合約。集團實體發行之股本票據乃按已收取所得款項(扣除直接發行成本)確認。

購回本公司本身之股本票據乃直接於權益確認及扣減。購買、出售、發行或註銷本公司本身之股本票據不會於損益賬確認任何收益或虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised costs

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

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

3. 主要會計政策(續)

金融票據(續)

財務負債及股本票據(續)

財務負債

所有財務負債隨後使用實際利率法按攤銷成本計量或按公平值列賬及在損益賬處理。

當轉讓財務資產(此轉讓並不符合取消確認資格)或當應用持續參與方法時產生之財務負債乃根據下文載列之特定會計政策計量。

隨後按攤銷成本計量之財務負債

財務負債並非1)收購方確認業務合併之或然代價、2)持作買賣、或3)指定為按公平值列賬及在損益賬處理之財務負債，其後一概使用實際利率法按攤銷成本計量。

實際利率法乃計算財務負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃將估計日後現金付款(包括所有所支付或所收取而構成整體實際利率之費用及基點、交易成本及其他所有溢價或折讓)按財務負債之預期年期或較短期間(如適用)實際貼現至財務負債攤銷成本之利率計算。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Financial instruments (continued)

*Financial liabilities and equity instruments
(continued)*

Financial liabilities (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Convertible bonds

Convertible bonds contain liability and equity components

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

3. 主要會計政策(續)

金融票據(續)

財務負債及股本票據(續)

財務負債(續)

取消確認財務負債

本集團於(並僅於)其責任獲解除、取消或屆滿時,方會取消確認財務負債。取消確認之財務負債賬面值與已付或應付代價(包括任何已轉讓非現金資產或已承擔負債)之差額乃於損益賬中確認。

可換股債券

可換股債券包含負債及權益部分

本集團所發行包含負債及換股權部分之可換股債券,於初步確認時根據合約安排之實質內容與財務負債及股本票據之定義分開分類為相關項目。會以固定金額現金或其他財務資產換取固定數目之本公司本身股本票據之方式結算之換股權乃分類為股本票據。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Convertible bonds (continued)

Convertible bonds contain liability and equity components (continued)

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible bonds reserve).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds reserve until the embedded option is exercised. Where the option remains unexercised at the expiry date, the balance stated in convertible bonds reserve will be released to the accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

3. 主要會計政策(續)

可換股債券(續)

可換股債券包含負債及權益部分(續)

初步確認時，負債部分之公平值按類似不可換股債務之當前市場利率釐定。發行可換股債券之所得款項總額與撥之負債部分之公平值兩者之間的差額(即持有人將貸款票據兌換為權益之換股權)列入權益(可換股債券儲備)。

於隨後期間，可換股債券之負債部分使用實際利率法按攤銷成本列賬。權益部分(指可將負債部分轉換為本公司普通股之換股權)將保留於可換股債券儲備內，直至該內含換股權獲行使為止。倘換股權於到期日尚未獲行使，則可換股債券儲備所列之結餘將撥回至累計虧損。換股權獲轉換或到期概不會於損益賬確認任何收益或虧損。

與發行可換股債券有關之交易成本按所得款項總額分配比例分配至負債及權益部分。與權益部分有關之交易成本直接於權益扣除。與負債部分有關之交易成本計入負債部分之賬面值，並於可換股債券期限內按實際利率法攤銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

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

Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策(續)

借貸成本

所有借貸成本乃於產生之期間內於損益賬確認。

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度應課稅溢利計算。基於在其他年度應課稅之收入或可扣稅之開支項目，以及永遠毋須課稅或可扣稅之項目，以致應課稅溢利與綜合損益及其他全面收入表中所報除稅前溢利並不相同。本集團之即期稅項負債乃按報告期末已實行或大致上已實行之稅率計算。

遞延稅項乃就綜合財務報表之資產及負債賬面值與計算應課稅溢利所使用之相應稅基之臨時差額而確認。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產則以可能出現應課稅溢利，足以要動用可扣稅之臨時差額予以抵銷為限，就該等臨時差額確認。若於某項交易中，因初步確認(業務合併除外)資產及負債而產生既不影響應課稅溢利亦不影響會計溢利之臨時差額，則不會確認該等遞延稅項資產及負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year which the asset is realised or the liability is settled, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債乃就於附屬公司及聯營公司之投資相關之應課稅臨時差額而確認，惟若本集團可控制臨時差額撥回，且臨時差額可能不會於可見未來撥回的情況除外。與該等投資及權益相關之可扣稅臨時差額產生之遞延稅項資產，僅會於可能有足夠應課稅溢利，足以要動用該臨時差額之優惠且預期會於可見未來撥回，方會確認該遞延稅項資產。

遞延稅項資產之賬面值於報告期末作檢討，並在不再可能有足夠應課稅溢利以收回全部或部分資產價值時作撇減。

遞延稅項資產及負債乃按預期於資產變現或負債償還之年度之適用稅率，基於報告期末已實行或大致上已實行之稅率(及稅法)計量。

遞延稅項資產及負債之計量，反映本集團於報告期末預期收回或償還其資產或負債賬面值之方式所帶來之稅務影響。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either (i) the same taxable entity; or (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

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

Current tax and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 主要會計政策(續)

稅項(續)

當有可依法將即期稅項資產與即期稅項負債強制抵銷之權利，且有關遞延稅項資產及負債涉及同一稅務機關向(i)同一應課稅實體；或(ii)不同應課稅實體(但各方於未來每次預期結清或收回大量遞延稅項負債或資產之期間，擬按淨額基準結清即期稅項負債及資產，或同步進行變現資產與結清負債)所徵收之所得稅時，遞延稅項資產及負債將予清償或抵銷。

為方便計量本集團於確認使用權資產及相關租賃負債之租賃交易中之遞延稅項，本集團首先釐定各項稅項扣減乃歸屬於使用權資產還是租賃負債。

就稅項扣減乃歸屬於租賃負債之租賃交易而言，本集團就使用權資產及租賃負債分開應用香港會計準則第12號之規定。由於應用了初步確認之豁免，故與使用權資產及租賃負債有關之臨時差額不會於初步確認時及租期內確認。

即期稅項及遞延稅項於損益賬中確認，惟與於其他全面收入確認或直接於權益確認之項目有關之即期稅項及遞延稅項，亦會分別於其他全面收入確認或直接於權益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to directors, employees and other eligible persons

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

3. 主要會計政策(續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為有關功能貨幣(即該實體經營所在主要經濟地區之貨幣)入賬。於報告期末，以外幣定值之貨幣項目均按該日之適用匯率重新換算。按公平值列賬及以外幣定值之非貨幣項目均按公平值釐定日期之適用匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

於結算貨幣項目及重新換算貨幣項目時產生之滙兌差額均於產生之期間於損益賬中確認。

以股份為基礎付款交易

以股本支付之以股份為基礎付款交易

授予董事、僱員及其他合資格人士之購股權

向僱員及其他提供類似服務之人士作出以股本支付之以股份為基礎付款乃按授出日期股本票據之公平值計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

Equity-settled share-based payment transactions (continued)

Share options granted to directors, employees and other eligible persons (continued)

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). The Group measures the recharge based on the fair value of the equity instruments of the Company at the grant date and allocates that recharge to each subsidiary based on the proportion of services received. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting condition. 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 the share option reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss. When the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

3. 主要會計政策(續)

以股份為基礎付款交易(續)

以股本支付之以股份為基礎付款交易 (續)

授予董事、僱員及其他合資格人士之購股權(續)

於授出日期釐定以股本支付之以股份為基礎付款之公平值(並無計及所有非市場歸屬情況)乃基於本集團對最終將予歸屬之股本票據之估計於歸屬期間以直線法支銷，而權益(購股權儲備)亦隨之相應增加。本集團按本公司股本票據於授出日期之公平值計量有關分攤數額，並按各附屬公司收取服務之比例將有關分攤數額分配予各附屬公司。於各報告期末，本集團修訂其預期將予歸屬(基於評估所有相關非市場歸屬情況)之股本票據數目之估計。修訂有關原先估計(如有)之影響乃於損益賬中確認以使累計開支反映經修訂估計，而購股權儲備亦隨之相應調整。

對於在授出當日即時歸屬之購股權，其公平值會即時於損益賬中列支。購股權獲行使時，先前於購股權儲備中確認之金額將轉撥至股本。當購股權於歸屬日期後被收回或於屆滿日期仍未獲行使，則先前於購股權儲備中確認之金額將轉撥至累計虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

Equity-settled share-based payment transactions (continued)

Shares awarded to directors and employees

The fair value of services received determined by reference to the fair value of shares awarded at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (awarded shares compensation reserve).

When The VC Share Purchase Scheme Trust ("Trust") purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share purchase scheme and deducted from total equity. No gain or loss is recognised on the transactions of the Company's own shares. When the Trust transfers the Company's shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held for share purchase scheme. Accordingly, the related expense of the granted shares vested is reversed from awarded shares compensation reserve. The difference arising from such transfer is debited/credited to accumulated losses.

When the share awards are forfeited before the vesting date, the amount previously recognised in awarded shares compensation reserve will be reversed immediately in profit or loss.

3. 主要會計政策(續)

以股份為基礎付款交易(續)

以股本支付之以股份為基礎付款交易 (續)

向董事及僱員獎勵股份

按獎勵當日獎勵股份之公平值釐定所獲服務之公平值，乃於歸屬期間以直線法支銷，而權益(獎勵股份報酬儲備)亦隨之相應增加。

當滙盈股份購買計劃信託(「信託」)於公開市場購入本公司股份，所付之代價(包括任何直接遞增成本)乃列為就股份購買計劃持有之股份，並自權益總額扣除。概不會就本公司本身股份之交易確認收益或虧損。當信託於歸屬時將本公司股份轉移予承授人，授出股份歸屬之相關成本會自就股份購買計劃持有之股份中撥回。因此，授出股份歸屬之相關開支會自獎勵股份報酬儲備撥回。有關轉移產生之差額會自保留溢利中扣除/計入累計虧損。

倘股份獎勵於歸屬日期前被收回，則先前在獎勵股份報酬儲備確認之金額，會即時在損益賬撥回。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

When measuring fair value except for the Group's share-based payment transactions, leasing transactions, net realisable value of inventories and value in use of property and equipment for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3. 主要會計政策(續)

公平值計量

就減值評估計量公平值時(就本集團以股份為基礎付款交易、租賃交易、存貨可變現價值淨額以及物業及設備使用價值除外)，本集團計及市場參與者在計量日為該資產或負債定價時會計及之該等特徵。

非財務資產之公平值計量計及市場參與者藉著利用該資產之最高及最佳用途或向其他市場參與者(其會利用該資產之最高及最佳用途)出售該資產而產生經濟利益之能力。

本集團按情況採用適當且具備充分數據之估值技術計量公平值，盡量利用相關可觀察輸入數據並盡量減少使用不可觀察輸入數據。具體而言，本集團按輸入數據之特徵將公平值計量分為以下三個級別：

第1級－ 相同資產或負債於活躍市場之報價(未經調整)。

第2級－ 估值技術可直接或間接觀察得出對公平值計量而言屬重大之最低級別輸入數據。

第3級－ 估值技術無法觀察得出對公平值計量而言屬重大之最低級別輸入數據。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

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

Retirement benefits costs

Payments to the Mandatory Provident Fund Scheme (the "MPF") are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

公平值計量(續)

於報告期末，本集團藉著檢討按經常性基準以公平值計量之資產及負債之公平值計量，釐定其公平值層級間有否出現轉移。

政府補助

政府補助乃於能合理保證本集團將會遵守有關補助所附帶之條件，且能合理保證將會收取有關補助，方可確認。

政府補助乃於政府補助擬補償之相關成本確認為開支之期間內，按系統化基準在損益賬確認。

就作為已經產生之開支或虧損之補償而應收之政府補助，或目的是為本集團提供即時財務支援(而未來不會有相關之成本)之政府補助，乃於補助成為應收款項之期間內在損益賬確認。

退休福利成本

向強制性公積金(「強積金」)計劃支付之款項乃於僱員提供服務而致使彼等有權享有供款時確認。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)****Short-term and other long-term employee benefits**

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

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

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

3. 主要會計政策(續)**短期及其他長期僱員福利**

短期僱員福利乃於僱員提供服務時按預期將支付的福利之未貼現金額確認。所有短期僱員福利均確認為開支，惟另一項香港財務報告準則規定或允許福利計入資產之成本值則另作別論。

僱員之工資及薪金及年假等應計福利乃於扣除任何已支付金額後確認為負債。

就其他長期僱員福利確認的負債乃按預計本集團就僱員直至報告日期提供的服務而估計的未來現金流出的現值計量。因服務成本、利息及重新計量導致負債的賬面值出現之任何變動均於損益賬確認，惟另一項香港財務報告準則規定或允許其計入資產之成本值則另作別論。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on property and equipment, right-of-use assets and intangible assets (other than impairment of goodwill set out in accounting policy of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment, right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value 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 assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

物業及設備、使用權資產及無形資產之減值虧損(不包括上述商譽之會計政策所載之商譽減值)

本集團於報告期末審閱其物業及設備及使用權資產之賬面值，以釐定是否有跡象顯示該等資產出現減值虧損。倘出現任何減值跡象，即會估計該資產之可收回金額，以釐定減值虧損(如有)之程度。倘不能估計個別資產之可收回金額，本集團會估計該資產所屬現金產生單位之可收回金額。如可確定一個合理貫徹之分配基準，企業資產亦會被分配至個別現金產生單位，否則會被分配至按可確定之合理貫徹分配基準之最小現金產生單位組別。

具無限定可使用年期之無形資產會每年及凡有跡象可能出現減值時進行減值測試。

可收回金額為公平值減銷售成本及使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前貼現率貼現至其現值，該貼現率反映目前市場對資金時間值之評估以及估計未來現金流量未經調整之資產之獨有風險。

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**3. SIGNIFICANT ACCOUNTING POLICIES
(continued)****Impairment losses on property and equipment,
right-of-use assets and intangible assets (other
than impairment of goodwill set out in
accounting policy of goodwill above)
(continued)**

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

3. 主要會計政策(續)**物業及設備、使用權資產及無形資產
之減值虧損(不包括上述商譽之
會計政策所載之商譽減值)(續)**

倘若一項資產或現金產生單位之可收回金額預計低於其賬面值，則該資產(或該現金產生單位)之賬面值將被撇減至其可收回金額。倘若企業資產或企業資產之一部分不能按合理貫徹之基準分配至一項現金產生單位內，則本集團會將一組現金產生單位之賬面值(包括分配至該組現金產生單位之企業資產或企業資產一部分之賬面值)與該組現金產生單位之可收回金額作比較。分配減值虧損時，減值虧損會先分配以撇減任何商譽之賬面值(如適用)，其後再根據一項單位或一組現金產生單位內各項資產之賬面值按比例分配至其他資產。資產賬面值不會被撇減，以致低於以下三項之最高者：其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零。原應分配至該項資產之減值虧損金額會按比例分配至該單位或該組現金產生單位內之其他資產。除非相關資產根據另一準則而按經重估金額列賬，否則減值虧損即時於損益賬確認，有關減值虧損將根據該準則視作重估減值處理。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on property and equipment, right-of-use assets and intangible assets (other than impairment of goodwill set out in accounting policy of goodwill above)

(continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the CGU) in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 主要會計政策(續)

物業及設備、使用權資產及無形資產之減值虧損(不包括上述商譽之會計政策所載之商譽減值)(續)

倘其後撥回減值虧損，資產(或現金產生單位)之賬面值調高至其重新估計之可收回金額，惟因此而增加之賬面值不可高於假設該資產或(現金產生單位)於過往年度未經確認減值虧損原應釐定之賬面值。撥回之減值虧損即時確認為收入。

存貨

存貨以成本與可變現價值淨額之較低者入賬。存貨成本按先進先出法計算。可變現價值淨額指存貨之估計售價減去所有估計至完工尚需投入之成本及估計銷售成本。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. 估計不確定性之主要來源

於應用附註3所述本集團之會計政策時，本公司董事須就未能自其他來源輕易取得之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及被視為屬有關之其他因素為基礎。實際結果可能有別於此等估計。

估計及相關假設會持續檢討。倘會計估計修訂僅影響該期間，則該修訂會在修訂估計期間確認。倘該修訂同時影響當期及未來期間，則該修訂會同時在修訂期間及未來期間確認。

於報告期末，有關未來之主要假設及估計不確定性之其他主要來源（為會構成重大風險導致於下個財政年度資產及負債之賬面值須作出大幅調整者）如下。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of accounts receivable

The impairment provisions for accounts receivable are based on assumptions about ECL. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, bases on the number of days that an individual receivable is outstanding as well as the Group's historical experience and forward-looking information at the end of the reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss and other comprehensive income. As at 31 December 2020, the carrying amount of accounts receivable from securities transactions, futures and options contracts transactions, provision of corporate finance and other advisory service, money lending services and sales and distribution of healthcare products approximately HK\$181,735,000, HK\$17,000, HK\$3,108,000, HK\$249,086,000 and HK\$8,896,000 (2019: HK\$135,054,000, HK\$18,000, HK\$5,969,000, HK\$82,639,000 and nil) respectively, net of accumulated impairment losses of approximately HK\$23,436,000, nil, HK\$1,031,000, HK\$51,177,000 and nil (2019: HK\$21,622,000, nil, HK\$450,000, HK\$31,433,000 and nil) respectively.

4. 估計不確定性之主要來源(續)

估計應收賬款減值

應收賬款減值撥備乃以有關預期信貸虧損之假設為依據。本集團於作出該等假設時運用判斷並基於個別應收款項未償還日數以及本集團過往經驗及於各報告期末之前瞻性資料而挑選減值計算之轉入數據。此等假設及估計出現變化可能嚴重影響評估結果，或須於綜合損益及其他全面收入表作出額外減值。於二零二零年十二月三十一日，證券交易之應收賬款、期貨及期權合約交易之應收賬款、提供企業融資及其他顧問服務之應收賬款、放債服務之應收賬款以及銷售及分銷醫療保健產品之應收賬款之賬面值分別約為181,735,000港元、17,000港元、3,108,000港元、249,086,000港元及8,896,000港元(二零一九年：135,054,000港元、18,000港元、5,969,000港元、82,639,000港元及無)，扣除累計減值虧損分別約23,436,000港元、無、1,031,000港元、51,177,000港元及無(二零一九年：21,622,000港元、無、450,000港元、31,433,000港元及無)。

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**4. KEY SOURCES OF ESTIMATION UNCERTAINTY
(continued)**

Income taxes

As at 31 December 2020, no deferred tax asset has been recognised in respect of certain tax losses of approximately HK\$448,093,000 (2019: HK\$436,009,000) due to the unpredictability of future profit streams. The realisable of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, or changes in facts and circumstances which result in revision of future taxation profits estimation, a material recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a recognition takes place.

Estimated fair value of convertible bonds investments, derivative financial assets and financial assets at FVTOCI

As described in note 38, the directors of the Company use their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For convertible bonds investments, derivative financial assets and financial assets at FVTOCI, assumptions are made based on inputs not quoted in an active market adjusted for specific features of the instrument. If the inputs and estimates applied in the model are different, the fair value of these financial instruments may change.

4. 估計不確定性之主要來源(續)

所得稅

於二零二零年十二月三十一日，並無就約448,093,000港元(二零一九年：436,009,000港元)之若干稅項虧損確認遞延稅項資產，蓋因未來溢利來源無法預測。遞延稅項資產的可實現性主要取決於未來是否有足夠未來溢利或應課稅臨時差額。倘所產生之實際未來溢利少於預期或由於事實及狀況變化致使修改未來應課稅溢利估計，則可能導致確認大額遞延稅項資產，將於確認期間於損益賬確認。

可換股債券投資、衍生財務資產及按公平值列賬及在其他全面收入表處理之財務資產之估計公平值

誠如附註38所述，本公司董事運用其判斷就並無於活躍市場報價之金融票據選擇適當之估值技術，並應用市場從業者常用之估值技術。對於可換股債券投資、衍生財務資產及按公平值列賬及在其他全面收入表處理之財務資產，乃基於並無於活躍市場報價之輸入數據(就票據特定性質作出調整)作出假設。倘該模式所用之輸入數據及估計不同，則該等金融票據之公平值亦可能有變。

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截至二零二零年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated fair value of convertible bonds investments, derivative financial assets and financial assets at FVTOCI (continued)

The carrying amounts of the convertible bonds investments, derivative financial assets and financial assets at FVTOCI as at 31 December 2020 were approximately HK\$8,665,000 (2019: HK\$297,087,000), HK\$4,735,000 (2019: nil) and HK\$29,517,000 (2019: HK\$47,054,000). The directors of the Company believe that the chosen valuation techniques and assumptions are appropriate in determining the fair value of these financial instruments.

5. REVENUE AND OTHER INCOME

Revenue principally arises from the (i) financial services which consists of the provision of securities, futures and options brokering and dealing, provision of margin financing and money lending services, provision of placing and underwriting services, provision of initial public offerings, mergers and acquisitions services, and other corporate finance related advisory services, (ii) proprietary trading and (iii) sale and distribution of healthcare products.

4. 估計不確定性之主要來源(續)

可換股債券投資、衍生財務資產及按公平值列賬及在其他全面收入表處理之財務資產之估計公平值(續)

可換股債券投資、衍生財務資產及按公平值列賬及在其他全面收入表處理之財務資產於二零二零年十二月三十一日之賬面值分別約為8,665,000港元(二零一九年: 297,087,000港元)、4,735,000港元(二零一九年: 無)及29,517,000港元(二零一九年: 47,054,000港元)。本公司董事認為, 所選估值技術及假設就釐定此等金融票據之公平值而言屬恰當。

5. 收益及其他收入

收益主要來自(i)金融服務, 當中包括提供證券、期貨及期權經紀及買賣; 提供保證金融資及放債服務; 提供配售及包銷服務; 提供首次公開發售服務; 提供合併與收購服務; 及其他企業融資相關顧問服務; (ii)自營買賣業務; 及(iii)銷售及分銷醫療保健產品。

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5. REVENUE AND OTHER INCOME (continued)**5. 收益及其他收入(續)**

Revenue	收益	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內與客戶訂立合約之收益		
Disaggregated by major services lines	按主要服務劃分		
– Brokerage commission and other related fees from dealing in securities, futures and options contracts	– 買賣證券、期貨及期權合約所得經紀佣金及其他相關費用	13,795	11,786
– Underwriting, sub-underwriting, placing and sub-placing commission	– 包銷、分包銷、配售及分配售佣金	1,620	1,339
– Arrangement, referral, advisory and other fee income	– 安排、轉介、顧問及其他費用收入	9,203	11,786
– Sale and distribution of healthcare products	– 銷售及分銷醫療保健產品	9,539	–
		34,157	24,911
Revenue from other sources	來自其他來源之收益		
– Interest income from clients	– 來自客戶之利息收入	43,752	23,188
– Dividend income from listed equity securities classified as financial assets at fair value through profit or loss (“FVTPL”)	– 來自分類為按公平值列賬及在損益賬處理(「按公平值列賬及在損益賬處理」)之財務資產之上市股本證券之股息收入	–	1,111
		43,752	24,299
		77,909	49,210
Disaggregation of revenue from contracts with customers by timing of recognition	按與客戶訂立合約所得收益之確認時間劃分		
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Timing of revenue recognition	收益確認時間		
At a point in time	於一個時間點	25,250	15,128
Over time	於一段時間內	8,907	9,783
		34,157	24,911

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5. REVENUE AND OTHER INCOME (continued)

Other income

5. 收益及其他收入(續)

其他收入

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest income from authorised institutions	來自認可機構之利息收入	538	702
Interest income from convertible bonds	來自可換股債券之利息收入	138	3,105
Other interest income	其他利息收入	1,611	263
Total Interest income	利息收入總額	2,287	4,070
Government grants (note)	政府補助(附註)	3,151	-
Sundry income	雜項收入	91	22
		5,529	4,092

Note: During the year 31 December 2020, the Group recognised government grants of approximately HK\$3,151,000 in respect of COVID-19-related subsidies, of which amounted to HK\$3,051,000 related to Employment Support Scheme provided by the Government of the Hong Kong Special Administrative Region under the Anti-Epidemic Fund. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

附註：截至二零二零年十二月三十一日止年度，本集團就COVID-19相關補助金確認政府補助約3,151,000港元，其中3,051,000港元涉及香港特別行政區政府之防疫抗疫基金下之「保就業」計劃。就該等補助而言，並無未達成之條件及其他或然事項。

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截至二零二零年十二月三十一日止年度

6. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately, according to the nature of products and services provided, with each segment representing a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments.

The Group manages its businesses by divisions, which are organised by different business lines.

Information reported to the Group's Executive Committee, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment is prepared on this basis. The Group has identified the following six (2019: five) reportable segments under HKFRS 8 Operating Segments as follows:

- (i) the brokerage and financing segment engages in securities, futures and options brokering and dealing, provision of margin financing and money lending, and placing and underwriting services;
- (ii) the corporate finance and other advisory services segment engages in provision of corporate financial advisory services and company secretarial services;
- (iii) the asset management segment engages in provision of asset management services;
- (iv) the insurance brokerage segment engages in provision of insurance brokerage services;

6. 分部資料

本集團各經營業務乃按所提供產品及服務之性質分開組織及管理，各分部為一個策略業務，其提供之產品及服務所面對之風險及賺取之回報，有別於其他經營分部。

本集團以業務分部管理其業務，並以不同業務線分類。

向本集團執行委員會（即主要營運決策者（「主要營運決策者」））彙報之資料乃用於資源分配及表現評估，並按上述基礎編製。本集團已根據香港財務報告準則第8號「經營分部」確定下列六個（二零一九年：五個）須予報告分部如下：

- (i) 經紀及融資業務分部從事證券、期貨及期權經紀及買賣、提供保證金融資及放債，以及配售及包銷服務；
- (ii) 企業融資及其他顧問服務業務分部從事提供企業融資顧問服務及公司秘書服務；
- (iii) 資產管理業務分部從事提供資產管理服務；
- (iv) 保險經紀業務分部從事提供保險經紀服務；

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For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

(v) the proprietary trading segment engages in trading of equity securities, debt securities and other financial products; and

(vi) the sale and distribution of healthcare products segment engages in trading of healthcare products.

Sales and distribution of healthcare products were commenced during the year ended 31 December 2020 as a result of incorporation of a new subsidiary, Success Health Global Limited. Therefore, a new segment of sales of healthcare products was in the current year.

6. 分部資料(續)

(v) 自營買賣業務分部從事股本證券、債務證券及其他金融產品買賣；及

(vi) 銷售及分銷醫療保健產品分部從事醫療保健產品買賣。

銷售及分銷醫療保健產品之業務於截至二零二零年十二月三十一日止年度通過註冊成立新附屬公司 Success Health Global Limited 展開。因此，本年度新增銷售醫療保健產品分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2020
 截至二零二零年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

The following tables presented revenue and results of these reportable and operating segments for the years ended 31 December 2020 and 2019.

Year ended 31 December 2020

		Brokerage and financing	Corporate finance and other advisory services	Asset management	Insurance brokerage	Proprietary trading	Healthcare	Segment total	Eliminations	Total
		經紀及融資業務	及其他顧問服務業務	資產管理業務	保險經紀業務	自營買賣業務	醫療保健業務	分部總計	對銷	總計
		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
Segment revenue	分部收益	59,167	9,203	-	-	-	9,539	77,909	-	77,909
Intra-segment sales	分部間銷售額	-	1,672	-	-	-	-	1,672	(1,672)	-
		59,167	10,875	-	-	-	9,539	79,581	(1,672)	77,909
Segment profit (loss)	分部溢利(虧損)	5,340	(2,614)	(1,650)	(659)	9,488	(1,296)	8,609	-	8,609
Unallocated administrative costs	未分配行政成本									(34,047)
Gain on acquisition of financial assets at FVTPL	收購按公平值列賬及在損益賬處理之財務資產之收益									3,979
Loss on redemption of financial assets at FVTPL	贖回按公平值列賬及在損益賬處理之財務資產之虧損									(3,358)
Fair value change of financial assets at FVTPL	按公平值列賬及在損益賬處理之財務資產之公平值變動									(2,130)
Fair value change of derivative financial assets	衍生財務資產之公平值變動									4,735
Loss on disposal of financial assets at FVTPL	出售按公平值列賬及在損益賬處理之財務資產之虧損									(8,413)
Share of profit of associates	分佔聯營公司之溢利									127
Loss before tax for the year	年度除稅前虧損									(30,498)

6. 分部資料(續)

下表載列截至二零二零年及二零一九年十二月三十一日止年度該等須予報告及經營分部之收益及業績資料。

截至二零二零年十二月三十一日止年度

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截至二零二零年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Year ended 31 December 2020 (continued)

Other segment information

	Corporate finance and other advisory services 企業融資 及其他顧問 服務業務	Asset management 資產 管理業務	Insurance brokerage 保險 經紀業務	Proprietary trading 自營 買賣業務	Healthcare 醫療 保健業務	Segment total 分部總計	Adjustments 調整	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	HK\$'000 千港元	HK\$'000 千港元 (note) (附註)	HK\$'000 千港元
Amounts included in the measure of segment profit or loss: 計量分部損益時計入之金額:								
Net realised and unrealised (gain) loss on financial assets held-for-trading 持作買賣財務資產之已變現及未變現(收益)虧損淨額	-	-	-	(13,302)	-	(13,302)	-	(13,302)
Interest income from authorised institutions 來自認可機構之利息收入	(487)	(28)	(22)	-	-	(537)	(1)	(538)
Staff costs 員工成本	7,734	7,634	1,410	764	2,114	19,656	27,004	46,660
Commission expenses 佣金開支	5,449	1	-	-	1,573	7,023	(1,574)	5,449
Depreciation of property and equipment 物業及設備折舊	348	42	1	-	-	393	2,702	3,095
Impairment loss on accounts receivable, net 應收賬款之減值虧損淨額	21,558	581	-	-	-	22,139	-	22,139
Finance costs 融資成本	18,951	-	-	-	2,018	20,969	(18,528)	2,441
Amounts regularly provided to the Group's Executive Committee but not included in the measure of segment profit or loss: 定期提供予本集團執行委員會但計量分部損益時並未計入之金額:								
Additions to non-current assets 非流動資產添置	-	40	-	-	-	40	2,736	2,776
Impairment loss on other receivable 其他應收賬款之減值虧損	-	-	-	-	-	-	4,994	4,994
Depreciation of right-of-use assets 使用權資產折舊	-	-	-	-	-	-	6,497	6,497
Interest expenses on lease liabilities 租賃負債之利息開支	-	-	-	-	-	-	370	370
Income tax expense 所得稅開支	2,213	(37)	-	-	207	2,383	(560)	1,823
Interest income from convertible bonds 來自可換股債券之利息收入	-	-	-	-	-	-	(138)	(138)

6. 分部資料(續)

截至二零二零年十二月三十一日止年度(續)

其他分部資料

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6. SEGMENT INFORMATION (continued)

Year ended 31 December 2019

		Brokerage and financing	Corporate finance and other advisory services 企業融資 及其他顧問 服務業務	Asset management 資產 管理業務	Insurance brokerage 保險 經紀業務	Proprietary trading 自營 買賣業務	Segment total 分部總計	Eliminations 對銷	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	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue	分部收益	37,813	10,286	-	-	1,111	49,210	-	49,210
Intra-segment sales	分部間銷售額	55	1,912	-	-	-	1,967	(1,967)	-
		37,868	12,198	-	-	1,111	51,177	(1,967)	49,210
Segment profit (loss)	分部溢利(虧損)	12,593	(2,784)	(1,601)	(484)	(28,434)	(20,710)	-	(20,710)
Unallocated administrative costs	未分配行政成本								(51,193)
Gain on acquisition of financial assets at FVTPL	收購按公平值列賬及在損益賬處理之財務資產之收益								3,167
Fair value change of financial assets at FVTPL	按公平值列賬及在損益賬處理之財務資產之公平值變動								(20,161)
Impairment loss on interest in an associate	於聯營公司之權益之減值虧損								(5,000)
Share of loss of an associate	分佔聯營公司之虧損								(63)
Loss before tax for the year	年度除稅前虧損								(93,960)

6. 分部資料(續)

截至二零一九年十二月三十一日止年度

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截至二零二零年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Year ended 31 December 2019 (continued)

Other segment information

	Corporate finance and other advisory services	Asset management	Insurance brokerage	Proprietary trading	Segment total	Adjustments	Total	
	經紀及 融資業務 HK\$'000 千港元	企業融資及 其他顧問 服務業務 HK\$'000 千港元	資產管理 業務 HK\$'000 千港元	保險經紀 業務 HK\$'000 千港元	自營買賣 業務 HK\$'000 千港元	分部總計 HK\$'000 千港元	調整 HK\$'000 千港元 (note) (附註)	總計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss:	計量分部損益時計入之金額：							
Net realised and unrealised loss on financial assets held-for-trading	持作買賣財務資產之已變現及未變現虧損淨額	-	-	-	26,669	26,669	-	26,669
Interest income from authorised institutions	來自認可機構之利息收入	(527)	(110)	(60)	-	(697)	(5)	(702)
Staff costs	員工成本	7,052	7,143	1,364	480	16,039	24,566	40,605
Commission expenses	佣金開支	4,789	-	-	-	4,894	(54)	4,840
Depreciation of property and equipment	物業及設備折舊	361	34	-	-	395	2,909	3,304
Impairment loss on accounts receivable, net	應收賬款之減值虧損淨額	7,001	450	-	-	7,451	-	7,451
Finance costs	融資成本	6,801	-	-	-	1,858	(5,400)	3,259
Amounts regularly provided to the Group's Executive Committee but not included in the measure of segment profit or loss:	定期提供予本集團執行委員會但計量分部損益時並未計入之金額：							
Additions to non-current assets	非流動資產添置	127	13	2	-	142	10,206	10,348
Depreciation of right-of-use assets	使用權資產折舊	-	-	-	-	-	6,047	6,047
Interest expenses on lease liabilities	租賃負債之利息開支	-	-	-	-	-	701	701
Income tax credit	所得稅抵免	(20)	-	-	(145)	(165)	(426)	(591)
Interest income from convertible bonds	來自可換股債券之利息收入	-	-	-	-	-	(3,105)	(3,105)

Note: Adjustments include the unallocated administrative costs that are not directly allocated to the six (2019: five) operating segments and also represent the intra-group sales, finance costs and management fee which are eliminated at consolidation.

6. 分部資料(續)

截至二零一九年十二月三十一日止年度(續)

其他分部資料

附註：調整包括並無直接分配至六個(二零一九年：五個)經營分部之未分配行政成本，以及代表於綜合賬目時予以對銷之集團內公司間銷售、融資成本及管理費。

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6. SEGMENT INFORMATION (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit or loss represents the profit earned by/loss from each segment, before the deduction of unallocated administrative costs, fair value change of financial assets at FVTPL, gain on acquisition of financial assets at FVTPL, loss on redemption of financial assets at FVTPL, loss on disposal of financial assets at FVTPL, fair value change of derivative financial assets, impairment loss on interest in an associate and share of profit (loss) of an associate. This is the measure reported to the Group's Executive Committee for the purposes of resource allocation and performance assessment.

No customer accounted for 10% or more of the Group's revenue for the years ended 31 December 2020 and 2019. The Group's operations are mainly located in Hong Kong (place of domicile). The Group's revenue from external customers is mainly derived from Hong Kong amounted to approximately HK\$68,370,000 and from the United States of America amounted to approximately HK\$9,539,000, for the year ended 31 December 2020. For the year ended 31 December 2019, the entire revenue from external customers is derived from Hong Kong. Almost all of its non-current assets and other than financial instruments are attributed to the operations in Hong Kong.

Information about the Group's non-current assets is presented based on geographical location of the assets. For the year ended 31 December 2020, amounted of approximately HK\$14,000 is derived from the United States of America while the remaining is derived from Hong Kong. For the year ended 31 December 2019, the entire non-current asset is derived from Hong Kong.

Segment assets and liabilities are not presented as they are not regularly provided to the Group's Executive Committee.

6. 分部資料(續)

各經營分部之會計政策與附註3所述之本集團會計政策一致。分部損益指各分部所賺取之溢利／產生之虧損，並未扣除未分配行政成本、按公平值列賬及在損益賬處理之財務資產之公平值變動、收購按公平值列賬及在損益賬處理之財務資產之收益、贖回按公平值列賬及在損益賬處理之財務資產之虧損、出售按公平值列賬及在損益賬處理之財務資產之虧損、衍生財務資產之公平值變動、於聯營公司之權益之減值虧損及分佔聯營公司之溢利(虧損)。此乃向本集團執行委員會報告以供分配資源及評定表現之基準。

截至二零二零年及二零一九年十二月三十一日止年度，並無單一客戶佔本集團收益10%或以上。本集團之業務乃主要設於香港(常駐地)。截至二零二零年十二月三十一日止年度，本集團外部客戶之收益主要源自香港及美國，所產生收益分別約68,370,000港元及約9,539,000港元。截至二零一九年十二月三十一日止年度，外部客戶之收益全部源自香港。本集團幾乎全部非流動資產(除金融票據外)均與香港業務有關。

有關本集團非流動資產之資料按資產所在地理位置呈列。截至二零二零年十二月三十一日止年度，約14,000港元非流動資產位於美國，其餘則位於香港。截至二零一九年十二月三十一日止年度，全部非流動資產均位於香港。

由於分部資產及負債並無定期提供予本集團執行委員會，故並無呈列有關資料。

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7. OTHER GAINS (LOSSES)

7. 其他收益(虧損)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Gain (loss) on disposal of property and equipment	出售物業及設備之 收益(虧損)	245	(166)
Net exchange gain (loss)	滙兌收益(虧損)淨額	95	(16)
Gain on acquisition of financial assets at FVTPL (note 24)	收購按公平值列賬及 在損益賬處理之財務資 產之收益(附註24)	3,979	3,167
Loss on redemption of financial assets at FVTPL (note 24)	贖回按公平值列賬及在損 益賬處理之財務資產之 虧損(附註24)	(3,358)	-
Fair value change of financial assets at FVTPL (note 24)	按公平值列賬及在損益賬 處理之財務資產之公平 值變動(附註24)	(2,130)	(20,161)
Net realised and unrealised gain (loss) on financial assets held-for-trading (note 24)	持作買賣財務資產之 已變現及未變現收益 (虧損)淨額(附註24)	13,302	(26,669)
Loss on disposal of financial assets at FVTPL (note 24)	出售按公平值列賬及在損 益賬處理之財務資產之 虧損(附註24)	(8,413)	-
Fair value change of derivative financial assets (note 25)	衍生財務資產之公平值變動 (附註25)	4,735	-
		8,455	(43,845)

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8. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)**8. 員工成本(包括董事酬金)**

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Staff commission	員工佣金	2,965	1,937
Salaries and wages	薪金及工資	31,678	33,858
Termination benefit	終止僱傭福利金	128	148
Staff welfare	員工福利	1,589	1,548
Recruitment costs	招聘成本	219	11
Provision of long service payment/ annual leave benefits	長期服務金／年假 福利撥備	320	237
Retirement benefits scheme contributions	退休福利計劃供款	818	924
Discretionary and performance related incentive payments and provision of gratuity	酌情表現相關獎金及 約滿酬金撥備	2,077	1,942
Equity-settled share option expense (note 35)	以股本支付之購股權開支 (附註35)	6,866	-
		46,660	40,605

The Group participates in a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of which are held in separate trustee-administered funds.

本集團推行於二零零零年十二月根據《強制性公積金計劃條例》設立之強制性公積金計劃(「強積金計劃」)。有關計劃之資產由信託管理基金分開持有。

Both the Group and the employees contribute a fixed percentage of the relevant payroll to the MPF Scheme. The contribution by the Group is capped at HK\$1,500 per employee per month and is expensed as incurred.

本集團及僱員均按有關薪金之固定百分比向強積金計劃供款。本集團之供款上限為每名僱員每月1,500港元，供款乃於發生時列作開支。

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9. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the 7 (2019: 11) directors of the Company were as follows:

9. 董事酬金

已付及應付本公司7位(二零一九年: 11位)董事之酬金如下:

		Year ended 31 December 2020 截至二零二零年十二月三十一日止年度				
		Salaries and other benefits	Retirement benefits scheme contribution	Equity-settled share option expense	Total emoluments	
Fees		薪金及 其他福利	退休福利 計劃供款	以股本支 付之購股 權開支	總酬金	
袍金		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	
Executive Directors	執行董事					
Fu Yiu Man, Peter	符耀文	–	2,063	18	2,802	
Tin Ka Pak, Timmy (note 1)	田家柏(附註1)	–	763	13	1,497	
Lin Hoi Kwong, Aristo	連海江	–	953	18	1,692	
Tang Hao (note 6)	唐顥(附註6)	94	–	–	94	
Independent Non-executive Directors	獨立非執行董事					
Wong Chung Kin, Quentin	黃松堅	216	–	–	216	
Wong Kam Choi, Kerry, MH	黃錦財, MH	216	–	–	216	
Siu Miu Man, Simon, MH	蕭妙文, MH	216	–	–	216	
		742	3,779	49	6,733	

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9. DIRECTORS' EMOLUMENTS (continued)**9. 董事酬金(續)**

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		Fees	Salaries and other benefits	Retirement benefits scheme contribution	Equity-settled share option expense with share purchase	Total emoluments
	袍金	薪金及其他福利	退休福利計劃供款	以股本支付之購股權開支	總酬金	
	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	
Executive Directors 執行董事						
Fu Yiu Man, Peter	符耀文	–	2,040	18	–	2,058
Tin Ka Pak, Timmy	田家柏	–	960	18	–	978
Lin Hoi Kwong, Aristo	連海江	–	960	18	–	978
Xie Jintai (note 2)	謝錦泰(附註2)	–	277	–	–	277
Zhang Min (note 3)	張民(附註3)	–	774	18	–	792
Jiang Tian (note 4)	姜天(附註4)	–	173	4	–	177
Lu Mengjia (note 5)	陸夢嘉(附註5)	–	333	7	–	340
Independent Non-executive Directors 獨立非執行董事						
Wong Chung Kin, Quentin	黃松堅	216	–	–	–	216
Wong Kam Choi, Kerry, MH	黃錦財, MH	216	–	–	–	216
Siu Miu Man, Simon, MH	蕭妙文, MH	216	–	–	–	216
Chiang Ho Wai (note 7)	蔣浩璋(附註7)	72	–	–	–	72
		720	5,517	83	–	6,320

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9. DIRECTORS' EMOLUMENTS (continued)

Notes:

1. Mr. Tin Ka Pak, Timmy was resigned with effect from 11 September 2020.
2. Mr. Xie Jintai was resigned with effect from 20 May 2019.
3. Mr. Zhang Min was resigned with effect from 3 December 2019.
4. Mr. Jiang Tian was resigned with effect from 1 April 2019.
5. Ms. Lu Mengjia was resigned with effect from 6 May 2019.
6. Mr. Tang Hao was appointed as Executive Director of the Company with effect from 3 December 2020.
7. Mr. Chiang Ho Wai was resigned with effect from 1 May 2019.

The Executive Directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The Independent Non-executive Directors' emoluments shown above were mainly for their services as directors of the Company.

Mr. Tin Ka Pak, Timmy had also been the Chief Executive Officer of the Company until he stepped down with effective from 1 January 2019 and resigned as an Executive Director with effect from 11 September 2020 and his emoluments disclosed above include those for services rendered by him as the Chief Executive Officer in 2019 only.

9. 董事酬金(續)

附註：

1. 田家柏先生於二零二零年九月十一日起辭任。
2. 謝錦泰先生於二零一九年五月二十日起辭任。
3. 張民先生於二零一九年十二月三日起辭任。
4. 姜天先生於二零一九年四月一日起辭任。
5. 陸夢嘉女士於二零一九年五月六日起辭任。
6. 唐顥先生於二零二零年十二月三日起獲委任為本公司執行董事。
7. 蔣浩璋先生於二零一九年五月一日起辭任。

上文所載執行董事酬金主要涉及彼等就管理本公司及本集團事務提供之服務。上文所載獨立非執行董事酬金主要涉及彼等出任本公司董事提供之服務。

田家柏先生同時出任本公司行政總裁，至二零一九年一月一日退任為止，並自二零二零年九月十一日起辭任執行董事。上文披露之酬金僅包括彼於二零一九年以行政總裁身份提供服務收取之酬金。

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9. DIRECTORS' EMOLUMENTS (continued)

For the year ended 31 December 2020, 26,784,000 share options (2019: nil) were granted to the directors of the Company to subscribe for ordinary shares of the Company in respect of their services provided to the Group. These share options were vested immediately and equity-settled share option expense of approximately HK\$2,163,000 (2019: nil) was recognised for the year ended 31 December 2020. Details of the share option scheme of the Company are set out in note 35.

For the years ended 31 December 2020 and 2019, no ordinary shares were awarded to the directors of the Company under share incentive award schemes in respect of their services provided to the Group. Further details of which are set out in note 35.

9. 董事酬金(續)

截至二零二零年十二月三十一日止年度內，本公司董事就向本集團提供之服務獲授可認購本公司普通股之購股權26,784,000份(二零一九年：無)。該等購股權乃即時歸屬，並於截至二零二零年十二月三十一日止年度就此確認以股本支付之購股權開支約2,163,000港元(二零一九年：無)。有關本公司購股權計劃之詳情載於附註35。

截至二零二零年及二零一九年十二月三十一日止年度內，概無根據股份獎勵計劃就本公司董事向本集團提供之服務向彼等獎勵普通股。有關進一步詳情載於附註35。

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10. FIVE HIGHEST PAID EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2019: one) were directors of the Company whose emoluments are included in the disclosures in note 9. The emoluments of the remaining two individuals (2019: four) were as follows:

10. 五位最高薪僱員及高級管理層酬金

本集團五位最高薪酬人士中，三位（二零一九年：一位）為本公司董事，其酬金資料載於附註9。餘下兩名（二零一九年：四名）人士之酬金載列如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	3,240	5,523
Retirement benefit scheme contributions	退休福利計劃供款	36	72
Discretionary and performance related incentive payments	酌情表現相關獎勵付款	–	996
Equity-settled share option expense	以股本支付之購股權開支	615	–
		3,891	6,591

Their emoluments fell within the following bands:

彼等之酬金介乎下列範圍：

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	4
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	–	–

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10. FIVE HIGHEST PAID EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

Other than the emoluments of directors disclosed in note 9, the emoluments of the senior management fell within the following bands:

10. 五位最高薪僱員及高級管理層酬金(續)

除附註9所披露董事之酬金外，高級管理層之酬金介乎下列範圍：

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	–	–

The senior management represents key management personnel of the Group, other than directors of the Company whose emoluments are included in note 9. The emoluments of the key management personnel are included in note 40.

高級管理層指本集團之主要管理人員(不包括本公司董事，彼等之酬金已於附註9中披露)。主要管理人員之酬金載於附註40。

During the years ended 31 December 2020 and 2019, no emoluments were paid or payable by the Group to the directors of the Company or the five highest paid individuals of the Group as inducements to join or upon joining the Group or as a compensation for loss of office.

截至二零二零年及二零一九年十二月三十一日止年度內，本公司並無向本公司董事或本集團五位最高薪人士支付或應付任何酬金，作為加盟本集團或於加盟時之獎勵或作為離職補償。

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11. FINANCE COSTS

11. 融資成本

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Interests on:	以下項目之利息：		
Convertible bonds issued (<i>note 31</i>)	已發行可換股債券 (<i>附註31</i>)	2,441	3,248
Bank loans	銀行貸款	-	11
Lease liabilities (<i>note 21</i>)	租賃負債 (<i>附註21</i>)	370	701
		2,811	3,960

12. INCOME TAX EXPENSES (CREDIT)

12. 所得稅開支(抵免)

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	2,213	-
The People's Republic of China ("PRC")	中華人民共和國		
Enterprise Income Tax	(「中國」)企業所得稅	-	48
United States ("US") Maryland ("MD") Tax	美利堅合眾國(「美國」)		
and Federal Income Tax	馬里蘭州(「馬里蘭州」)		
	稅及聯邦所得稅	207	-
Overprovision in prior year	過往年度超額撥備		
Hong Kong Profits Tax	香港利得稅	(37)	(20)
PRC Enterprise Income Tax	中國企業所得稅	-	4
Deferred tax (<i>note 30</i>)	遞延稅項 (<i>附註30</i>)		
current year	本年度	(560)	(623)
		1,823	(591)

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12. INCOME TAX EXPENSES (CREDIT) (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 qualifying corporation will be taxed at 8.25% and profits above HK\$2 million will be taxed at 16.5%. For the year ended 31 December 2020, Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime.

No Hong Kong Profits Tax has been provided for in the consolidated financial statements as the Group did not have any assessable profits for the year ended 31 December 2019.

Under the Law of PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC entities is 25% from 1 January 2008 onwards.

No Enterprise Income Tax has been provided for in the consolidated financial statements as the Group did not have any assessable profits for the year ended 31 December 2020.

12. 所得稅開支(抵免)(續)

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。該條例草案於二零一八年三月二十八日經簽署成為法律，並於翌日刊憲。根據利得稅兩級制，合資格法團首2,000,000港元溢利之稅率為8.25%，而超過2,000,000港元之溢利稅率為16.5%。截至二零二零年十二月三十一日止年度，本集團旗下合資格實體之香港利得率按利得稅兩級制計算。

由於本集團於截至二零一九年十二月三十一日止年度並無任何應課稅溢利，故並無於綜合財務報表中就香港利得稅作出撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國實體之稅率由二零零八年一月一日起為25%。

由於本集團於截至二零二零年十二月三十一日止年度並無任何應課稅溢利，故並無於綜合財務報表中就中國企業所得稅作出撥備。

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12. INCOME TAX EXPENSES (CREDIT) (continued)

Pursuant to the rules and regulation of the British Virgin Islands ("BVI"), the Group is not subject to any income tax in this jurisdiction.

The US corporate tax rate is 21% for the year ended 31 December 2020 in accordance to the Tax Cuts and Jobs Act of 2017. The US income tax includes (a) federal income tax calculated at a fixed rate of 21% for the year ended 31 December 2020 (2019: nil) on the estimated US federal taxable income and (b) state income tax calculated at various state income tax rates for both periods on the estimated state taxable income for the respective states (i.e. MD Tax of 8.25%). The income subject to tax in a specific state (i.e. state taxable income) is calculated based on the federal taxable income with state tax adjustments, which is then allocated or apportioned to the respective states (i.e. percentage of taxable income that should be apportioned or specially allocated to the respective states in which the Group operates) based on the apportionment factors provided from the state tax returns in previous year.

12. 所得稅開支(抵免)(續)

根據英屬處女群島(「英屬處女群島」)規則及規例，本集團毋須繳納該司法權區之任何所得稅。

根據二零一七年減稅與就業法案，截至二零二零年十二月三十一日止年度的美國企業稅率為21%。美國所得稅包括(a)就估計美國聯邦應課稅收入按截至二零二零年十二月三十一日止年度之固定稅率21%(二零一九年：無)計算之聯邦所得稅及(b)於兩個期間內就於各州之估計州應課稅收入按不同州所得稅率(馬里蘭州稅率為8.25%)計算之州所得稅。於特定州份應繳稅之收入(即州應課稅收入)於計算時乃以聯邦應課稅收入為基礎並按各州稅法進行調整，再按上年度相關州份報稅表所列明之分攤因子，計算分配或分攤予該州份之應課稅收入(即應當分攤或指定分配予本集團經營所在相關州份之應課稅收入百分比)。

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12. INCOME TAX EXPENSES (CREDIT) (continued)

The tax expenses (credit) can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅開支(抵免)(續)

稅項開支(抵免)與綜合損益及其他全面收入表之除稅前虧損對賬如下:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before tax	除稅前虧損	(30,498)	(93,960)
Calculated at Hong Kong Profits Tax rate of 16.5% (2019: 16.5%)	按香港利得稅稅率16.5% (二零一九年: 16.5%)計算	(5,032)	(15,503)
Tax effect of share of (profit) loss of associates	分佔聯營公司(溢利)虧損之稅務影響	(21)	10
Tax effect of different tax rate of the PRC representative offices	各中國代表處不同稅率之稅務影響	-	47
Tax effect of different tax rate of the US subsidiary	美國附屬公司不同稅率之稅務影響	(83)	-
Tax effect of income not taxable for tax purpose	就稅項而言毋須繳稅收入之稅務影響	(6,316)	(791)
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣稅開支之稅務影響	10,719	6,946
Overprovision in respect of prior year	就過往年度超額撥備	(37)	(16)
Tax effect of deductible temporary difference not recognised	未確認之可扣稅臨時差額之稅務影響	873	7,149
Utilisation of previously unrecognised deductible temporary difference	動用以往未確認之可扣稅臨時差額	-	(741)
Utilisation of previously unrecognised tax losses	動用以往未確認之稅項虧損	(2,715)	(2,425)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	4,600	4,733
Effect of two-tiered profits tax rates regime	利得稅兩級制之影響	(165)	-
Tax expenses (credit) for the year	年度稅項開支(抵免)	1,823	(591)

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13. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

13. 年度虧損

年度虧損經扣除下列各項後列賬：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Included in other operating expenses:	包含於其他經營開支：		
Auditor's remuneration	核數師酬金	1,150	1,080
Depreciation of property and equipment	物業及設備折舊	3,095	3,304
Depreciation for right-of-use assets	使用權資產折舊	6,497	6,047
Entertainment and travel expenses (mainly incurred for business development)	應酬差旅開支(主要就業務發展而產生)	4,629	6,017

14. DIVIDENDS

No dividends have been paid or declared or proposed by the Company during the years ended 31 December 2020 and 2019.

14. 股息

截至二零二零年及二零一九年十二月三十一日止年度，本公司並無支付或宣派或建議任何股息。

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15. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

15. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損之虧損		
Loss for the year attributable to owners of the Company	本公司擁有人應佔年度虧損	(31,687)	(93,369)
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損之普通股加權平均數	1,343,054	1,230,952

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds and exercise of the Company's options under the share option scheme granted in 2020 since their exercise would result in a decrease in loss per share for the years ended 31 December 2020 and 2019.

計算每股攤薄虧損時並無假設本公司未償還可換股債券已換股及本公司於二零二零年根據購股權計劃授出之購股權已行使，因這樣會導致截至二零二零年及二零一九年十二月三十一日止年度之每股虧損減少。

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16. GOODWILL

16. 商譽

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying value	賬面值		
As at 1 January	於一月一日	2,016	–
Acquired on acquisition of a subsidiary during the year (note 39)	年內因收購附屬公司而 獲得(附註39)	–	2,016
As at 31 December	於十二月三十一日	2,016	2,016

For the purposes of impairment testing, goodwill set out above has been allocated to one CGU, comprising a subsidiary in the provision of insurance brokerage services.

為進行減值測試，上述商譽已分配至一個由一間提供保險經紀服務之附屬公司組成之現金產生單位（「該現金產生單位」）內。

During the years ended 31 December 2020 and 2019, management of the Company determines that there is no impairment on goodwill.

於截至二零二零年及二零一九年十二月三十一日止年度，本公司管理層釐定商譽並無減值。

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17. TRADING RIGHTS**17. 交易權**

HK\$'000
千港元

Cost	成本	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日	5,066
Amortisation	攤銷	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日	5,066
Carrying values	賬面值	
At 31 December 2019 and 31 December 2020	於二零一九年十二月三十一日及 二零二零年十二月三十一日	—

Trading rights are amortised over 10 years from 6 March 2000, the effective date of the merger of the Stock Exchange, HKFE and Hong Kong Securities Clearing Company Limited ("HKSCC").

交易權由二零零零年三月六日(聯交所、香港期交所及香港中央結算有限公司(「香港結算」)合併當日)起分十年攤銷。

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18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

		HK\$'000 千港元
Cost	成本	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日	1,538
Accumulated impairment	累計減值	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日	(292)
Carrying values	賬面值	
At 31 December 2019 and 31 December 2020	於二零一九年十二月三十一日及 二零二零年十二月三十一日	1,246

Other intangible assets represent club memberships with indefinite useful lives and are tested for impairment annually by comparing their carrying amounts with their recoverable amounts based on fair value less costs to sell. The fair value is determined using an observable market price or recent market transaction price and no indication of impairment was noted during the years ended 31 December 2020 and 2019.

其他無形資產指具無限定可使用年期之會所會籍，並以公平值減銷售成本為基準按年比較其賬面值及其可收回金額以進行減值測試。公平值採用可觀察的市價或近期市場交易價格釐定，於截至二零二零年及二零一九年十二月三十一日止年度內並無出現減值跡象。

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19. PROPERTY AND EQUIPMENT
19. 物業及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及 設備 HK\$'000 千港元	Computer equipment and software 電腦設備及 軟件 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 January 2019	於二零一九年一月一日	4,440	4,926	10,288	2,983	22,637
Additions	添置	5,689	938	217	200	7,044
Write-off	撇銷	-	(64)	(118)	-	(182)
Disposal	出售	(4,415)	(1,150)	(2,453)	(1,422)	(9,440)
At 31 December 2019	於二零一九年 十二月三十一日	5,714	4,650	7,934	1,761	20,059
Additions	添置	-	33	67	728	828
Write-off	撇銷	(26)	-	-	(578)	(604)
Disposal	出售	-	(5)	(700)	-	(705)
At 31 December 2020	於二零二零年 十二月三十一日	5,688	4,678	7,301	1,911	19,578
Depreciation	折舊					
At 1 January 2019	於二零一九年一月一日	4,347	4,495	9,291	1,660	19,793
Charge for the year	年內開支	2,005	321	553	425	3,304
Write-off	撇銷	-	(64)	(118)	-	(182)
Disposal	出售	(4,321)	(1,139)	(2,425)	(886)	(8,771)
At 31 December 2019	於二零一九年 十二月三十一日	2,031	3,613	7,301	1,199	14,144
Charge for the year	年內開支	2,009	317	398	371	3,095
Write-off	撇銷	(26)	-	-	(578)	(604)
Disposal	出售	-	(3)	(697)	-	(700)
At 31 December 2020	於二零二零年 十二月三十一日	4,014	3,927	7,002	992	15,935
Carrying values	賬面值					
At 31 December 2020	於二零二零年 十二月三十一日	1,674	751	299	919	3,643
At 31 December 2019	於二零一九年 十二月三十一日	3,683	1,037	633	562	5,915

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19. PROPERTY AND EQUIPMENT (continued)

The above items of property and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Over the lease term not exceeding three years
Furniture, fixtures and equipment	20%
Computer equipment and software	33%
Motor vehicles	20%

19. 物業及設備(續)

上述物業及設備項目乃以直線法按以下年率計算折舊：

租賃物業裝修	不超過三年之租期
傢俬、裝置及設備	20%
電腦設備及軟件	33%
汽車	20%

20. STATUTORY DEPOSITS

20. 法定按金

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The Stock Exchange	聯交所		
– Compensation fund deposit	– 賠償基金按金	200	200
– Fidelity fund deposit	– 互保基金按金	200	200
HKSCC	香港結算		
– Guarantee fund deposit	– 保證基金供款	1,318	200
– Admission fee deposit	– 參與費	200	200
– Stamp duty deposit	– 印花稅按金	75	–
Hong Kong Futures Exchange Clearing Corporation Limited (“HKFECC”)	香港期貨結算有限公司 (「香港期貨結算」)		
– Reserve fund deposit	– 儲備基金供款	1,500	1,500
China Securities Depository and Clearing Corporation Limited	中國證券登記結算 有限責任公司	688	688
		4,181	2,988

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21. LEASES**(i) Right-of-use assets**

Leased properties

租賃物業

2020

2019

二零二零年

二零一九年

HK\$'000

HK\$'000

千港元

千港元

6,330

10,879

The Group has lease arrangements for its office premises, staff quarters and car parking spaces. The lease terms are generally ranged from one to two years.

本集團已就寫字樓物業、員工宿舍及泊車位訂立租賃安排。租期一般為一至兩年。

Additions to the right-of-use assets for the year ended 31 December 2020 amounted to HK\$1,948,000 (2019: HK\$3,304,000), due to new leases of property.

基於物業之新租約，截至二零二零年十二月三十一日止年度之使用權資產添置為1,948,000港元（二零一九年：3,304,000港元）。

(ii) Lease liabilities

Non-current

非流動

Current

流動

2020

2019

二零二零年

二零一九年

HK\$'000

HK\$'000

千港元

千港元

880

4,409

5,495

6,641

6,375

11,050

21. 租賃**(i) 使用權資產****(ii) 租賃負債**

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21. LEASES (continued)

(ii) Lease liabilities (continued)

21. 租賃(續)

(ii) 租賃負債(續)

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	5,495	6,641
After one year but within three years	一年後但三年內	880	4,409
		6,375	11,050
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內須結清 之款項(列於 流動負債下)	(5,495)	(6,641)
Amount due for settlement after 12 months	12個月後須結清之款項	880	4,409

During the year ended 31 December 2020, the Group had entered into one (2019: one) new lease agreement in respect of renting property and recognised lease liability of approximately HK\$1,948,000 (2019: HK\$3,188,000).

截至二零二零年十二月三十一日止年度，本集團就出租物業訂立一項(二零一九年：一項)新租賃協議，並確認租賃負債約1,948,000港元(二零一九年：3,188,000港元)。

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21. LEASES (continued)**(iii) Amounts due recognised in profit or loss**

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation expense on right-of-use assets	使用權資產之折舊開支		
– Office premises	– 辦公室物業	4,808	4,808
– Staff quarters	– 員工宿舍	1,689	1,239
Expense relating to short-term leases	與短期租賃有關之開支	371	4,593
Interest expense on lease liabilities (<i>note 11</i>)	租賃負債之利息開支 (附註11)	370	701

(iv) Others

During the year ended 31 December 2020, the total cash outflow for leases amount to approximately HK\$7,364,000 (2019: HK\$10,612,000).

Restrictions or covenants on leases

As at 31 December 2020, lease liabilities of approximately HK\$6,375,000 are recognised with related right-of-use assets of approximately HK\$6,330,000 (2019: lease liabilities of approximately HK\$11,050,000 and related right-of-use assets of approximately HK\$10,879,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

21. 租賃(續)**(iii) 於損益賬確認之應付款項**

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation expense on right-of-use assets	使用權資產之折舊開支		
– Office premises	– 辦公室物業	4,808	4,808
– Staff quarters	– 員工宿舍	1,689	1,239
Expense relating to short-term leases	與短期租賃有關之開支	371	4,593
Interest expense on lease liabilities (<i>note 11</i>)	租賃負債之利息開支 (附註11)	370	701

(iv) 其他

截至二零二零年十二月三十一日止年度，租賃所產生之總現金流出約為7,364,000港元(二零一九年：10,612,000港元)。

租約之限制或契諾

於二零二零年十二月三十一日，已確認之租賃負債約6,375,000港元，相關使用權資產約6,330,000港元(二零一九年：租賃負債約11,050,000港元，相關使用權資產約10,879,000港元)。除出租人所持租賃資產之抵押權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款之抵押品。

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22. INTEREST IN ASSOCIATES

22. 於聯營公司之權益

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of investment in associates	於聯營公司之投資成本	360	10,000
Impairment loss	減值虧損	-	(5,000)
Share of post-acquisition profit (loss) and other comprehensive income (expenses)	分佔收購後溢利(虧損)及其他全面收入(開支)	127	(74)
		487	4,926

On 20 March 2020, Initial Honour Limited ("Initial Honour"), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Chen Yu Zhen, an independent third party, to dispose Initial Honour's entire holding of 30% equity interest in Telebox Technology Holdings Limited ("Telebox"), at a cash consideration of HK\$5,000,000 and a deposit of HK\$1,000,000 as received during the year ended 31 December 2020.

On 20 October 2020, Initial Honour entered into a supplemental sale and purchase agreement, pursuant to which the long stop date was extended to 30 June 2021. Subsequent to the year ended 31 December 2020, an additional HK\$1,000,000 deposit was received.

於二零二零年三月二十日，本公司之間接全資附屬公司Initial Honour Limited與獨立第三方陳育珍先生訂立一份買賣協議，以出售Initial Honour於Telebox Technology Holdings Limited (「Telebox」)之全部30%股權，所涉及之現金代價為5,000,000港元。截至二零二零年十二月三十一日止年度已收取1,000,000港元按金。

於二零二零年十月二十日，Initial Honour訂立補充買賣協議，據此，最後交易完成日期延長至二零二一年六月三十日。截至二零二零年十二月三十一日止年度結束後已收取額外1,000,000港元按金。

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22. INTEREST IN ASSOCIATES (continued)

As at 31 December 2020 and 2019, the details of the Group's associates are as follows:

22. 於聯營公司之權益(續)

於二零二零年及二零一九年十二月三十一日，本集團之聯營公司詳情載列如下：

Name of entity	Form of entity	Country of incorporation	Principal place of operation	Class of shares held	Proportion of ownership interests held by the Group		Proportion of voting power held		Principal activities
					2020	2019	2020	2019	
實體名稱	實體形式	註冊成立國家	主要營業地點	所持股份類別	本集團所持 擁有權益比例		所持投票權比例		主要業務
					二零二零年	二零一九年	二零二零年	二零一九年	
Telebox Technology Holdings Limited	Incorporated 註冊成立	Republic of Seychelles 塞舌爾共和國	PRC 中國	Ordinary 普通股	30% (note) (附註)	30%	30% (note) (附註)	30%	(i) Operation of social media platform 經營社交媒體平台 (ii) Operation of cryptocurrency trading platform 經營加密貨幣交易平臺 (iii) Provision of digital wallet for custody and transfer of cryptocurrencies 提供數碼錢包託管及轉讓加密貨幣等業務
Speedy Billion Holdings Limited 捷億集團有限公司	Incorporated 註冊成立	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	20%	–	20%	–	Operation of catering business in Hong Kong 於香港經營餐飲業務

note: Investment in Telebox was classified as "Asset classified as held-for-sale" in accordance with HKFRS 5 as at 31 December 2020. For details, please refer to note 32.

附註: 於Telebox之投資乃根據香港財務報告準則第5號於二零二零年十二月三十一日分類為「分類為持作銷售之資產」。有關詳情，請參閱附註32。

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22. INTEREST IN ASSOCIATES (continued)

The summarised financial information of the associates that is material to the Group and are accounted for using equity method is set out below:

Telebox Technology Holdings Limited ("Telebox")

Current assets
Non-current assets
Current liabilities
Non-current liabilities

22. 於聯營公司之權益(續)

對本集團而言重要並使用權益法入賬之聯營公司之財務資料概要載列如下：

Telebox Technology Holdings Limited ("Telebox")

2019
二零一九年
HK\$'000
千港元

流動資產 —
非流動資產 —
流動負債 (260)
非流動負債 —

2019
二零一九年
HK\$'000
千港元

Revenue 收益 —
Loss and other comprehensive expenses for the year 年度虧損及其他全面開支 214

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22. INTEREST IN ASSOCIATES (continued)

The reconciliation of the summarised financial information presented above to the carrying amount of the interest in the associate is set out below:

22. 於聯營公司之權益(續)

上列財務資料概要與於聯營公司權益賬面值之對賬載列如下：

		2019 二零一九年 HK\$'000 千港元
Net liabilities of the associate	聯營公司之負債淨額	(260)
The Group's share of net liabilities of Telebox	本集團分佔Telebox之負債淨額	(78)
Goodwill	商譽	10,004
Impairment loss	減值虧損	(5,000)
Carrying amount of the Group's interest in Telebox	本集團於Telebox權益之賬面值	4,926

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**23. 按公平值列賬及在其他全面收入表處理之財務資產**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unlisted equity securities designated as at FVTOCI (notes a & b)	指定為按公平值列賬及在其他全面收入表處理之非上市股本證券(附註a及b)	29,517	47,054
Analysed for reporting purpose as non-current assets	就報告目的分析作非流動資產	29,517	47,054

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Notes:

- (a) On 8 June 2018, the Company issued convertible bonds with 2% coupon rate at a total principal value of HK\$160,000,000 to an independent third party, CVP Financial Group Limited, as the consideration of the acquisition of 18% of the equity securities issued by Hackett Enterprises Limited, a private entity incorporated in the Republic of Seychelles, which, together with its subsidiaries, is engaged in the business of provision of loan financing and financial consultancy services in the PRC and the provision of money lending services in Hong Kong.

According to the valuation as at 31 December 2020 performed by an independent professional valuer, the fair value of these securities acquired was approximately HK\$29,517,000 (2019: HK\$47,054,000), a fair value loss of HK\$17,537,000 (2019: HK\$160,030,000) was recognised in other comprehensive income.

- (b) The amount also includes the Group's investments in 5% and 5% of the unlisted equity securities issued by two private entities incorporated in Hong Kong and the British Virgin Islands respectively. Their principal activities are investment holding in the PRC and operation of restaurants in Hong Kong respectively. The fair value of both investments were approximately to nil as at 31 December 2020 and 31 December 2019.

23. 按公平值列賬及在其他全面收 入表處理之財務資產(續)

附註：

- (a) 於二零一八年六月八日，本公司發行本金總額為160,000,000港元2厘票面息率之可換股債券予獨立第三方遠見金融集團有限公司，作為收購本集團於Hackett Enterprises Limited所發行股本證券之18%之投資的代價，該公司為一間於塞舌爾共和國註冊成立之私人公司，連同其附屬公司主要從事於中國提供貸款融資及金融顧問服務，以及於香港提供放債服務。

根據獨立專業估值師於二零二零年十二月三十一日進行之估值，所收購證券之公平值約29,517,000港元(二零一九年：47,054,000港元)。於其他全面收入表中確認公平值虧損17,537,000港元(二零一九年：160,030,000港元)。

- (b) 此金額亦包括本集團於兩間分別於香港及英屬處女群島註冊成立之私人公司所發行非上市股本證券之5%投資及5%投資。該等公司之主要業務分別為於中國投資控股及於香港經營餐廳。於二零二零年十二月三十一日及二零一九年十二月三十一日，該等投資之公平值約為零港元。

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Notes: (continued)

(c) The investment in equity instrument is not held for trading. Instead, it is held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate these investments in equity instrument as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Details of financial assets at FVTPL are set out as follows:

23. 按公平值列賬及在其他全面收入表處理之財務資產(續)

附註：(續)

(c) 於股本票據之投資並非持作買賣，而是作中至長期策略用途持有。因此，本公司董事已選擇將該等於股本票據之投資指定為按公平值列賬及在其他全面收入表處理，原因是董事認為，於損益賬確認該等投資之短期公平值波動將與本集團長期持有該等投資及變現該等投資之長遠表現潛力的策略不符。

24. 按公平值列賬及在損益賬處理之財務資產

按公平值列賬及在損益賬處理之財務資產之詳情載列如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets mandatorily measured at FVTPL	強制按公平值列賬及在損益賬處理之財務資產		
Convertible bonds (notes a, b and c)	可換股債券(附註a、b及c)	8,665	297,087
Listed equity securities listed in Hong Kong	於香港上市之上市股本證券	247,338	162,138
		256,003	459,225
Analysed for reporting purpose:	就報告目的分析：		
– Non-current assets	– 非流動資產	8,665	13,358
– Current assets	– 流動資產	247,338	445,867
		256,003	459,225

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes:

- (a) On 18 October 2017, the Company entered into a sale and purchase agreement with Pacific Alliance Limited ("PAL") as vendor, pursuant to which the Company agreed to purchase, and PAL agreed to sell, the 3-year 2%, unsecured redeemable convertible bonds with the principal amount of HK\$153,585,000 issued by China Fortune Financial Group Limited ("China Fortune", Stock Code: 290) on 30 March 2017 (the "China Fortune Convertible Bonds") for an aggregate consideration of HK\$400,000,000 (the "Acquisition"). The consideration of HK\$40,000,000 was satisfied in cash and the balance of the consideration of HK\$360,000,000 was satisfied by way of issue of the convertible bonds by the Company at the completion date of the Acquisition (note 31). The China Fortune Convertible Bonds are convertible into 2,559,750,000 conversion shares of China Fortune at the initial conversion price of HK\$0.06 per conversion share (subject to adjustments). The Acquisition was completed on 8 January 2018. The China Fortune Convertible Bonds were classified as financial assets at FVTPL and measured at fair value at initial recognition and at the end of each reporting period.

In return for the Company's undertaking to China Fortune that the Company shall not exercise the conversion rights attaching to the China Fortune Convertible Bonds from the completion date up to and including 29 March 2019, PAL grants to the Company a put option which require PAL to purchase from the Company the China Fortune Convertible Bonds to the extent of the principal amount of HK\$76,792,500.

24. 按公平值列賬及在損益賬處理之財務資產(續)

附註：

- (a) 於二零一七年十月十八日，本公司與 Pacific Alliance Limited (「PAL」，作為賣方) 訂立一份買賣協議，據此，本公司同意購買、而 PAL 同意出售中國富強金融集團有限公司 (「中國富強」，股票代號：290) 於二零一七年三月三十日發行本金額為 153,585,000 港元之三年期 2 厘息無抵押可贖回可換股債券 (「中國富強可換股債券」)，所涉及之總代價為 400,000,000 港元 (「收購事項」)。當中 40,000,000 港元之代價乃以現金支付，其餘 360,000,000 港元之代價則以本公司於收購事項完成日期發行之可換股債券之方式支付 (附註 31)。中國富強可換股債券可按初步換股價每股換股股份 0.06 港元 (可予調整) 兌換為 2,559,750,000 股中國富強換股股份。收購事項已於二零一八年一月八日完成。中國富強可換股債券乃分類為按公平值列賬及在損益賬處理之財務資產，於初步確認時及各報告期末按公平值計量。

因應本公司向中國富強承諾本公司不會於完成日期起至二零一九年三月二十九日 (包括該日) 行使中國富強可換股債券所附帶之換股權，PAL 向本公司授出認沽期權，據此可要求 PAL 向本公司購買中國富強可換股債券 (以 76,792,500 港元之本金額為限)。

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(a) (continued)

The fair values of the China Fortune Convertible Bonds HK\$283,729,000 as at 31 December 2019 and were calculated using the binomial option pricing model ("Binomial Model") by an independent professional valuer in which the major parameters were summarised as follows:

Share price of the issuer	發行人之股價	31 December 2019 二零一九年 十二月三十一日 HK\$0.059 0.059港元
Effective interest rate of the issuer	發行人之實際利率	15%
Risk free rate	無風險利率	2.16%
Expected volatility of the issuer	發行人之預期波幅	42.75%
Dividend yield of the issuer	發行人之股息率	0%

The effective interest rate of the issuer was determined with reference to the average of the bond yields of the comparable companies with similar businesses and credit rating of the issuer. Risk free rate was determined with reference to yield of Hong Kong government bonds over the exercise period near the valuation date of 31 December 2019. Expected volatility of the issuer was determined using the historical volatility of the issuer's share price over the exercise period as at the valuation date of 31 December 2019.

On 24 January 2020, the Company has exercised the put option granted by PAL and a portion of China Fortune Convertible Bonds with principal amount of HK\$76,792,500 has been disposed of to PAL at put option price of HK\$200,000,000.

24. 按公平值列賬及在損益賬處理之財務資產(續)

附註：(續)

(a) (續)

中國富強可換股債券於二零一九年十二月三十一日之公平值約為283,729,000港元，乃由獨立專業估值師採用二項式期權定價模式(「二項式模式」)計算，其主要參數概述如下：

發行人之實際利率乃參考與發行人業務及信貸評級相若之可資比較公司之平均債券回報率釐定。無風險利率乃參考香港政府債券於估值日期二零一九年十二月三十一日後於行使期內之回報率釐定。發行人之預期波幅乃使用於估值日期二零一九年十二月三十一日於行使期內之發行人股價歷史波幅釐定。

於二零二零年一月二十四日，本公司行使PAL所授出之認沽期權，並按認沽期權價200,000,000港元向PAL出售本金額為76,792,500港元之一部分中國富強可換股債券。

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(a) (continued)

During the year ended 31 December 2020, the China Fortune Convertible Bond has been matured and redeemed by China Fortune at a consideration of HK\$81,400,000.

The loss on disposal in aggregate redemption of approximately HK\$8,413,000 was recognised in the profit or loss for the year ended 31 December 2020.

(b) On 14 November 2019, a wholly-owned subsidiary of the Company, VC Brokerage Limited ("VC Brokerage") acquired a 3-year 2.5%, unsecured non-redeemable convertible bonds issued by Asia Energy Logistics Group Limited ("Asia Energy" Stock code: 351) for a principal amount of HK\$10,000,000 ("Asia Energy Convertible Bond") at a consideration of HK\$10,000,000. The initial conversion price of the convertible bonds is HK\$0.30 per share.

The fair value of the Asia Energy Convertible Bond was approximately HK\$13,358,000 as at 31 December 2019 and was calculated using Binomial Model by an independent professional valuer in which the parameters were summarised as follows:

24. 按公平值列賬及在損益賬處理之財務資產(續)

附註：(續)

(a) (續)

於截至二零二零年十二月三十一日止年度，中國富強可換股債券到期，並獲中國富強以81,400,000港元之代價贖回。

截至二零二零年十二月三十一日止年度於損益賬確認贖回出售之虧損總額約8,413,000港元。

(b) 於二零一九年十一月十四日，本公司之全資附屬公司滙盈證券有限公司(「滙盈證券」)收購亞洲能源物流集團有限公司(「亞洲能源」，股票代號：351)發行之3年期2.5厘息無抵押不可退款可換股債券(本金額為10,000,000港元)(「亞洲能源可換股債券」)，代價為10,000,000港元。可換股債券之初步換股價為每股0.30港元。

於二零一九年十二月三十一日，亞洲能源可換股債券之公平值約為13,358,000港元，乃由獨立專業估值師採用二項式模式計算，其參數概述如下：

31 December 2019
二零一九年
十二月三十一日

Share price of the issuer	發行人之股價	HK\$0.4 0.4港元
Effective interest rate of the issuer	發行人之實際利率	12%
Risk free rate	無風險利率	1.66%
Expected volatility of the issuer	發行人之預期波幅	84%
Dividend yield of the issuer	發行人之股息率	0%

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(b) (continued)

The effective interest rate of the issuer was determined with reference to the average of the bond yields of the comparable companies with similar businesses and credit rating of the issuer. Risk free rate was determined with reference to yield of Hong Kong government bonds over the exercise period near the valuation date of 31 December 2019. Expected volatility of the issuer was determined using the historical volatility of the issuer's share price over the exercise period as at the valuation date of 31 December 2019.

During the year ended 31 December 2020, the Asia Energy Convertible Bond has been redeemed by Asia Energy at a consideration of HK\$10,000,000. The loss on redemption of approximately HK\$3,358,000 was recognised in the profit or loss for the year ended 31 December 2020.

(c) On 20 July 2020, the Company had acquired a 3-year 7.5%, unsecured non-redeemable convertible bonds issued by IBO Technology Company Limited ("IBO Tech" Stock code: 2708) issued on 3 April 2019 for a principal amount of HK\$5,760,000 at a consideration of HK\$6,816,000 ("IBO Tech Convertible Bond") from an independent third party. The initial conversion price of the convertible bonds is HK\$1.60 per share. The transaction was completed on 20 July 2020.

24. 按公平值列賬及在損益賬處理之財務資產(續)

附註：(續)

(b) (續)

發行人之實際利率乃參考與發行人業務及信貸評級相若之可資比較公司之平均債券回報率釐定。無風險利率乃參考香港政府債券於估值日期二零一九年十二月三十一日前後於行使期內之回報率釐定。發行人之預期波幅乃使用於估值日期二零一九年十二月三十一日於行使期內之發行人股價歷史波幅釐定。

於截至二零二零年十二月三十一日止年度，亞洲能源可換股債券獲亞洲能源以10,000,000港元之代價贖回。截至二零二零年十二月三十一日止年度於損益賬確認贖回虧損約3,358,000港元。

(c) 於二零二零年七月二十日，本公司向獨立第三方收購艾伯科技股份有限公司（「艾伯科技」，股票代號：2708）於二零一九年四月三日發行之3年期7.5厘息無抵押不可贖回可換股債券（本金額為5,760,000港元），代價為6,816,000港元（「艾伯科技可換股債券」）。可換股債券之初步換股價為每股1.60港元。有關交易已於二零二零年七月二十日完成。

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(c) (continued)

The fair values of the IBO Tech Convertible Bond were approximately HK\$10,795,000 as at the acquisition date and approximately HK\$8,665,000 as at 31 December 2020. The fair values were calculated using Binomial Model by an independent professional valuer in which the parameters were summarised as follows:

Share price of the issuer	發行人之股價
Effective interest rate of the issuer	發行人之實際利率
Risk free rate	無風險利率
Expected volatility of the issuer	發行人之預期波幅
Dividend yield of the issuer	發行人之股息率

The effective interest rate of the issuer was determined with reference to the average of the bond yields of the comparable companies with similar businesses and credit rating of the issuer. Risk free rate was determined with reference to yield of Hong Kong government bonds over the exercise period near the valuation dates of 20 July 2020 and 31 December 2020 respectively. Expected volatility of the issuer was determined using the historical volatility of the issuer's share price over the exercise period as at the valuation dates of 20 July 2020 and 31 December 2020 respectively.

24. 按公平值列賬及在損益賬處理之財務資產(續)

附註：(續)

(c) (續)

於收購日期及二零二零年十二月三十一日，艾伯科技可換股債券之公平值分別約為10,795,000港元及8,665,000港元。該等公平值由獨立專業估值師採用二項式模式計算，其參數概述如下：

31 December 2020 二零二零年 十二月三十一日	20 July 2020 二零二零年 七月二十日
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HK\$2.21 2.21港元	HK\$2.88 2.88港元
15%	15%
0.08%	0.09%
54%	49%
0%	0%

發行人之實際利率乃參考與發行人業務及信貸評級相若之可資比較公司之平均債券回報率釐定。無風險利率乃參考香港政府債券於估值日期二零二零年七月二十日及二零二零年十二月三十一日前後於行使期內之回報率釐定。發行人之預期波幅乃使用於估值日期二零二零年七月二十日及二零二零年十二月三十一日於行使期內之發行人股價歷史波幅釐定。

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25. DERIVATIVE FINANCIAL ASSETS**25. 衍生財務資產**

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Call options	認購期權	4,735	-

On 1 December 2020, the Company entered into a call option agreement (the "Call Option Agreement I") with the Vast Sea Biotechnology, Inc. ("Vast Sea"), which owned 49% equity interest of Success Health Global Limited ("Success Health"). Vast Sea has granted a call option to the Company to purchase up to 49 shares, representing 49% of the entire portfolio of Success Health, a non-wholly owned subsidiary of the Group, or a certain portfolio thereof from Vast Sea at an exercise price equivalent to 90% of the valuation of Success Health as at the date of sale and purchase agreement as assessed and determined by professional valuer appointed or retained by the Company attributable to the ascertained portfolio of the shares ("Call Option I").

The fair value of Call Option I included in the consolidated statement of financial position as at 31 December 2020 are as follows:

於二零二零年十二月一日，本公司與擁有Success Health Global Limited (「Success Health」) 之49%股權之Vast Sea Biotechnology, Inc. (「Vast Sea」) 訂立認購期權協議 (「認購期權協議I」)。Vast Sea已向本公司授出認購期權，以購買本集團非全資附屬公司Success Health最多49股股份，佔整個Success Health股份組合之49%，或按相當於Success Health於買賣協議日期之估值之90%之行使價，購買Vast Sea於當中之若干部分，有關估值由本公司就已確定之股份組合委任或聘任之專業估值師評估及釐定 (「認購期權I」)。

認購期權I於二零二零年十二月三十一日之公平值 (計入綜合財務狀況表) 如下：

Fair value at measurement date (HK\$'000)	於計量日期之公平值 (千港元)	3,661
Exercise price	行使價	HK\$85,504 per call option share 每股認購期權 股份85,504港元
Expected volatility	預期波幅	59.951%
Expected dividends	預期股息	-
Risk-free interest rate (based on United States Treasury Notes)	無風險利率 (依據美國國庫票據利率)	0.103%

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25. DERIVATIVE FINANCIAL ASSETS (continued)

On 1 December 2020, the Company entered into a call option agreement (the "Call Option Agreement II") with Main Dynasty International Limited ("Main Dynasty"), which owned 30% equity interest of Vast Sea. Main Dynasty has granted a call option to the Company to purchase up to 300,000 shares, representing 30% of the entire portfolio of Vast Sea or a certain portfolio thereof from Main Dynasty at an exercise price equivalent to 90% of the valuation of Vast Sea as at the date of sale and purchase agreement as assessed and determined by independent professional valuer appointed or retained by the Company attributable to the ascertained portfolio of the shares ("Call Option II").

On 1 December 2020, the Company entered into a call option agreement (the "Call Option Agreement III") with Li, Jennifer Chun Jiang ("Jennifer Li"), who acquired 30% equity interest of Vast Sea. Jennifer Li has granted a call option to the Company to purchase up to 300,000 shares, representing 30% of the entire portfolio of Vast Sea or a certain portfolio thereof from Jennifer Li at an exercise price equivalent to 90% of the valuation of Vast Sea as at the date of sale and purchase agreement as assessed and determined by independent professional valuer appointed or retained by the Company attributable to the ascertained portfolio of the shares ("Call Option III").

25. 衍生財務資產(續)

於二零二零年十二月一日，本公司與擁有Vast Sea之30%股權之Main Dynasty International Limited(「Main Dynasty」)訂立認購期權協議(「認購期權協議II」)。Main Dynasty已向本公司授出認購期權，以購買Vast Sea最多300,000股股份，佔整個Vast Sea股份組合之30%，或按相當於Vast Sea於買賣協議日期之估值之90%之行使價，購買Main Dynasty於當中之若干部分，有關估值由本公司就已確定之股份組合委任或聘任之獨立專業估值師評估及釐定(「認購期權II」)。

於二零二零年十二月一日，本公司與收購Vast Sea之30%股權之Li, Jennifer Chun Jiang(「Jennifer Li」)訂立認購期權協議(「認購期權協議III」)。Jennifer Li已向本公司授出認購期權，以購買Vast Sea最多300,000股股份，佔整個Vast Sea股份組合之30%，或按相當於Vast Sea於買賣協議日期之估值之90%之行使價，購買Jennifer Li於當中之若干部分，有關估值由本公司就已確定之股份組合委任或聘任之獨立專業估值師評估及釐定(「認購期權III」)。

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25. DERIVATIVE FINANCIAL ASSETS (continued)

The fair values of Call Options II and III included in the consolidated statement of financial position as at 31 December 2020 are as follows:

Fair value per option at measurement date (HK\$'000)	於計量日期之每份期權公平值 (千港元)	537
Exercise price	行使價	HK\$2 per call option share 每股認購期權股份2港元
Expected volatility	預期波幅	59.951%
Expected dividends	預期股息	—
Risk-free interest rate (based on United States Treasury Notes)	無風險利率 (依據美國國庫票據利率)	0.103%

For details of the terms of the call options above, please refer to announcement dated 1 December 2020.

As at 31 December 2020, the fair values of the above call options were derived at after taking into consideration of the expected exercisable date, the underlying business value of Success Health and Vast Sea and the adoption of the binomial model with the above details.

25. 衍生財務資產(續)

認購期權II及認購期權III於二零二零年十二月三十一日之公平值(計入綜合財務狀況表)如下:

有關上述認購期權之條款詳情，請參閱日期為二零二零年十二月一日之公佈。

於二零二零年十二月三十一日，上述認購期權之公平值乃經考慮預計可行使日期、Success Health及Vast Sea之相關業務價值，以及所採納之二項式模式(詳情如上)而得出。

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26. ACCOUNTS RECEIVABLE

26. 應收賬款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Accounts receivable arising from the ordinary course of business of dealing in:	在日常業務過程中因進行以下交易而產生之應收賬款：		
Securities transactions (note a):	證券交易(附註a)：		
Clearing house	結算所	22,670	5,209
Cash clients	現金客戶	27,342	2,922
Futures and options contracts transactions (note a):	期貨及期權合約交易(附註a)：		
Clearing house	結算所	17	18
		50,029	8,149
Accounts receivable arising from the ordinary course of business of provision of corporate finance and other advisory services (note a)	在日常業務過程中因提供企業融資及其他顧問服務而產生之應收賬款(附註a)	4,139	6,419
Less: Impairment loss	減：減值虧損	(1,031)	(450)
		3,108	5,969
Accounts receivable arising from the ordinary course of business of money lending services (note b)	在日常業務過程中因進行放債服務業務而產生之應收賬款(附註b)	300,263	114,072
Less: Impairment loss	減：減值虧損	(51,177)	(31,433)
		249,086	82,639
Accounts receivable arising from the ordinary course of business of dealing in (note c):	在日常業務過程中因進行以下交易而產生之應收賬款(附註c)：		
Securities transactions:	證券交易：		
Margin clients	保證金客戶	155,159	148,545
Less: Impairment loss	減：減值虧損	(23,436)	(21,622)
		131,723	126,923
Accounts receivable arising from the ordinary business of sale and distribution of healthcare products (note d)	在日常業務過程中因銷售及分銷醫療保健產品而產生之應收賬款(附註d)	8,896	-
		442,842	223,680

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For the year ended 31 December 2020
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26. ACCOUNTS RECEIVABLE (continued)

As at 31 December 2020, the gross amount of accounts receivable arising from contracts with customers amounted to approximately HK\$63,064,000 (2019: HK\$14,568,000).

The Group measures the loss allowance for accounts receivable other than accounts receivable from margin clients and money lending clients, at an amount equal to lifetime ECL. The ECL on these accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

26. 應收賬款(續)

於二零二零年十二月三十一日，與客戶訂立合約所產生之應收賬款總額約為63,064,000港元(二零一九年：14,568,000港元)。

本集團按相等於整個存續期預期信貸虧損之金額計量應收賬款(應收保證金客戶及放債客戶之賬款除外)之虧損準備。該等應收賬款之預期信貸虧損乃參考債務人過往之違約經驗及對債務人現時財務狀況之分析，採用撥備方陣估計，並按債務人獨有之各項因素、債務人所經營行業之整體經濟狀況以及於報告日期對現行及預測狀況發展方向之評估作出調整。

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26. ACCOUNTS RECEIVABLE (continued)

Notes:

- (a) The settlement terms of accounts receivable arising from the ordinary course of business of dealing in securities transactions are two trading days after the trade date and accounts receivable arising from the ordinary course of business of dealing in futures and options contracts transactions are one trading day after the trade date. Accounts receivable from clearing house and majority of accounts receivable from cash clients represent trades pending settlement arising from the business of dealing in securities transactions.

In respect of the accounts receivable arising from dealing in securities, futures and options contracts, except for those amounts due from margin clients, the aging analysis based on the trade date is as follows:

26. 應收賬款(續)

附註：

- (a) 在日常業務過程中因進行買賣證券交易而產生之應收賬款之結算期為買賣日期後兩個交易日，而在日常業務過程中因進行買賣期貨及期權合約交易而產生之應收賬款之結算期為買賣日期後一個交易日。應收結算所賬款及大部分應收現金客戶賬款指因進行買賣證券交易業務而產生之待結算交易。

因進行買賣證券、期貨及期權合約而產生之應收賬款(應收保證金客戶賬款除外)之賬齡分析(按買賣日期計算)如下：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日內	49,726	7,743
31 – 90 days	31至90日	12	53
Over 90 days	超過90日	291	353
		50,029	8,149

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

(a) (continued)

The settlement terms of accounts receivable arising from provision of corporate finance and other advisory services are normally due immediately from date of billing but the Group may grant a credit period of 30 days on average to its clients. The aging analysis of these receivables based on the invoice date is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30日內	499	1,716
31 – 90 days	31至90日	563	787
Over 90 days	超過90日	2,046	3,466
		3,108	5,969

Movements of the provision for impairment loss on accounts receivable from the provision of corporate finance and other advisory services are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
As at 1 January	於一月一日	450	–
Impairment losses recognised on trade receivables	就應收賬款確認之減值虧損	581	450
As at 31 December	於十二月三十一日	1,031	450

26. 應收賬款(續)

附註：(續)

(a) (續)

因提供企業融資及其他顧問服務而產生之應收賬款之結算期一般自發單日期起即時到期，但本集團可給予其客戶平均30日之信貸期。該等應收款項之賬齡分析(按發票日期計算)如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30日內	499	1,716
31 – 90 days	31至90日	563	787
Over 90 days	超過90日	2,046	3,466
		3,108	5,969

年內因提供企業融資及其他顧問服務業務而產生之應收賬款之減值虧損撥備變動如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
As at 1 January	於一月一日	450	–
Impairment losses recognised on trade receivables	就應收賬款確認之減值虧損	581	450
As at 31 December	於十二月三十一日	1,031	450

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

- (b) As at 31 December 2020, accounts receivable arising from money lending services bear fixed-rate interest of 1.25% to 1.5% per month or 12% per annum (2019: 1.5% per month or 12% per annum). The accounts receivable had remaining contractual maturity date falling within one year as at the end of each reporting period. As at 31 December 2020, accounts receivable with net carrying amount of approximately HK\$59 million (2019: HK\$44 million) were secured by the client's listed securities and client's properties.

Analysis of the gross carrying amount as at 31 December 2020 and 2019 by the Group's internal credit rating and year end classification:

For the year ended 31 December 2020

Internal credit rating	內部信貸評級	12-months ECL (Stage 1)	Lifetime	Lifetime	Total
			ECL not credit- impaired (Stage 2)	ECL credit- impaired (Stage 3)	
			並無信貸減值 十二個月 預期信貸 虧損 (第1階段)	已信貸 減值之 整個存續期 預期信貸 虧損 (第3階段)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Performing	良好	4,362	-	-	4,362
Doubtful	懷疑	-	268,681	-	268,681
Default	違約	-	-	27,220	27,220
		4,362	268,681	27,220	300,263

26. 應收賬款(續)

附註：(續)

- (b) 於二零二零年十二月三十一日，因放債服務而產生之應收賬款按每月1.25厘至1.5厘或每年12厘(二零一九年：每月1.5厘或每年12厘)之固定利率計息。於各報告期末，該等應收賬款之剩餘合約年期為少於一年。於二零二零年十二月三十一日，賬面淨值約59,000,000港元(二零一九年：44,000,000港元)之應收賬款以客戶上市證券及客戶物業為抵押。

按本集團內部信貸評級及年末分類對於二零二零年及二零一九年十二月三十一日之賬面總值分析如下：

截至二零二零年十二月三十一日止年度

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

(b) (continued)

For the year ended 31 December 2019

Internal credit rating	內部信貸評級	12-months ECL (Stage 1)	Lifetime	Lifetime	Total
			ECL not credit- impaired (Stage 2)	ECL credit- impaired (Stage 3)	
			並無信貸減值 之整個存續期 預期信貸 虧損 (第1階段)	減值之 整個存續期 預期信貸 虧損 (第3階段)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Performing	良好	-	-	-	-
Doubtful	懷疑	-	81,552	-	81,552
Default	違約	-	-	32,520	32,520
		-	81,552	32,520	114,072

26. 應收賬款(續)

附註：(續)

(b) (續)

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

(b) (continued)

Movements of the provision for impairment loss on accounts receivable from money lending business are as follows:

26. 應收賬款(續)

附註：(續)

(b) (續)

年內因放債業務而產生之應收賬款之減值虧損撥備變動如下：

		12-months ECL (Stage 1)	Lifetime ECL not credit- impaired (Stage 2)	Lifetime ECL credit- impaired (Stage 3)	Total
		十二個月 預期信貸 虧損 (第1階段)	並無信貸減值 之整個存續期 預期信貸 虧損 (第2階段)	已信貸 減值之 整個存續期 預期信貸 虧損 (第3階段)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	-	3,249	37,220	40,469
Impairment reversed during the year	年內撥回之減值	-	-	(10,000)	(10,000)
Impairment loss recognised during the year	年內確認之減值虧損	-	931	33	964
At 31 December 2019	於二零一九年十二月三十一日	-	4,180	27,253	31,433
Impairment reversed during the year	年內撥回之減值	-	-	(33)	(33)
Impairment loss recognised during the year	年內確認之減值虧損	22	19,755	-	19,777
At 31 December 2020	於二零二零年十二月三十一日	22	23,935	27,220	51,177

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

- (c) The accounts receivable from margin clients of approximately HK\$155,159,000 (2019: HK\$148,545,000) were secured by the clients' pledged listed securities which carried a fair value of approximately HK\$346,109,000 (2019: HK\$401,856,000).

Securities are assigned with specific margin ratios for calculating margin values. Additional funds or collateral are required if the amount of accounts receivable from margin clients outstanding exceeds the eligible margin value of the securities deposited. The collateral held can be re-pledged up to 140% of the accounts receivable from margin clients amounts and the corresponding collateral held can be sold at the Group's discretion to settle any outstanding amounts owed by the margin clients. Accounts receivable from margin clients are repayable on demand and bear interest at commercial rates.

Accounts receivable for margin clients of HK\$31,648,000 (2019: HK\$34,645,000), which are not fully secured by the respective clients' listed securities, are considered as credit-impaired. An impairment of HK\$22,981,000 (2019: HK\$21,622,000) was made by the management after taking into account subsequent additional cash and securities collateral. Such accounts receivable due from margin clients were assessed to be credit impaired and classified as stage 3 during the year as it became default to repay the outstanding balance for a period of time.

No ageing analysis is disclosed in the opinion of directors of the Company as ageing analysis is not meaningful in view of the revolving nature of the business of margin loan financing.

26. 應收賬款(續)

附註：(續)

- (c) 為數約155,159,000港元(二零一九年：148,545,000港元)應收保證金客戶之應收賬款乃以公平值約346,109,000港元(二零一九年：401,856,000港元)之已抵押上市證券作抵押。

證券均設有特定保證金比率以計算保證金價值。倘應收保證金客戶之未償還賬款金額超過所寄存證券之合資格保證金價值，則須提供額外資金或抵押品。所持有之抵押品可再質押，金額最高至應收保證金客戶之應收賬款的140%，而所持有之相關抵押品亦可由本集團酌情決定出售以清償保證金客戶結欠之任何未償還款項。應收保證金客戶之應收賬款須於要求時償還並按商業利率計息。

為數約31,648,000港元(二零一九年：34,645,000港元)應收保證金客戶之應收賬款並無以相關客戶之上市證券作全數抵押，並已視作出現信貸減值。管理層經計及其後收到之額外現金及證券抵押品，就應收賬款作出22,981,000港元(二零一九年：21,622,000港元)之減值。該等應收保證金客戶之應收賬款因其未償還結餘已拖欠一段時間，故已被評定為出現信貸減值並已於年內由第1階段轉撥至第3階段。

本公司董事認為，基於保證金貸款融資業務之循環性質，賬齡分析並無意義，並因此並無披露賬齡分析。

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26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

(c) (continued)

Analysis of the gross carrying amount on accounts receivable from margin clients as at 31 December 2020 and 2019 by the Group's internal credit rating and year end classification:

For the year ended 31 December 2020

Internal credit rating	內部信貸評級	12-months	Lifetime	Lifetime	Total
		ECL (Stage 1)	ECL not credit- impaired (Stage 2)	ECL credit- impaired (Stage 3)	
		並無信貸減值 十二個月 預期信貸 虧損 (第1階段)	並無信貸減值 之整個存續期 預期信貸 虧損 (第2階段)	已信貸減值之 整個存續期 預期信貸 虧損 (第3階段)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Performing	良好	69,569	–	–	69,569
Doubtful	懷疑	–	53,942	–	53,942
Default	違約	–	–	31,648	31,648
		69,569	53,942	31,648	155,159

For the year ended 31 December 2019

Internal credit rating	內部信貸評級	12-months	Lifetime	Lifetime	Total
		ECL (Stage 1)	ECL not credit- impaired (Stage 2)	ECL credit- impaired (Stage 3)	
		並無信貸減值 十二個月 預期信貸 虧損 (第1階段)	並無信貸減值 之整個存續期 預期信貸 虧損 (第2階段)	已信貸減值之 整個存續期 預期信貸 虧損 (第3階段)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Performing	良好	113,900	–	–	113,900
Doubtful	懷疑	–	–	–	–
Default	違約	–	–	34,645	34,645
		113,900	–	34,645	148,545

26. 應收賬款(續)

附註：(續)

(c) (續)

按本集團內部信貸評級及年末分類對於二零二零年及二零一九年十二月三十一日應收保證金客戶之應收賬款之賬面總值分析如下：

截至二零二零年十二月三十一日止年度

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For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

26. ACCOUNTS RECEIVABLE (continued)

Notes: (continued)

(c) (continued)

Movements of the provision for impairment loss on accounts receivable from margin clients are as follows:

		12-months ECL (Stage 1) 十二個月 預期信貸 虧損 (第1階段) HK\$'000 千港元	Lifetime ECL not credit- impaired (Stage 2) 並無信貸減值 之整個存續期 預期信貸 虧損 (第2階段) HK\$'000 千港元	Lifetime ECL credit- impaired (Stage 3) 已信貸減值之 整個存續期 預期信貸 虧損 (第3階段) HK\$'000 千港元	Total 總計 HK\$'000 千港元
ECL allowances as at 1 January 2019	於二零一九年 一月一日之預期 信貸虧損準備	-	-	5,587	5,587
Amounts written off	撇銷金額	-	-	(2)	(2)
Impairment loss recognised for the year	年內確認之減值虧損	-	-	16,037	16,037
31 December 2019	於二零一九年 十二月三十一日	-	-	21,622	21,622
Impairment loss recognised for the year	年內確認之減值虧損	-	455	1,359	1,814
31 December 2020	於二零二零年 十二月三十一日	-	455	22,981	23,436

(d) The Group allows credit period of 120 days to its trade customers. The Group does not hold any collateral over its accounts receivables. The following is an aged analysis of the gross accounts receivables, presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

26. 應收賬款(續)

附註：(續)

(c) (續)

應收保證金客戶之應收賬款之減值虧損撥備變動如下：

(d) 本集團為其貿易往來客戶提供120日信貸期。本集團並無就其應收賬款持有任何抵押品。以下為於報告期末按發票日期(與相關收益確認日期相若)呈列之應收賬款總額之賬齡分析。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30日內	8,896	-

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27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

27. 預付款項、按金及其他應收賬款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other receivables arising from disposal of financial assets at FVTPL (note a)	因出售按公平值列賬及在損益賬處理之財務資產而產生之其他應收賬款 (附註a)	93,600	-
Others	其他	3,983	14,432
		97,583	14,432
Less: impairment allowances (note b)	減：減值準備 (附註b)	(4,994)	-
Other receivables	其他應收賬款	92,589	14,432
Deposit for business acquisition (note c)	業務收購按金 (附註c)	11,000	-
Prepayments and other deposits	預付款項及其他按金	5,089	4,088
		108,678	18,520

Notes:

附註：

(a) As disclosed in note 24, the Company has exercised the put option granted by PAL to dispose of the China Fortune Convertible Bonds to PAL on principal amount of HK\$76,792,500. The consideration of HK\$200,000,000 is settled by installments according to the settlement plan between the Company and PAL and the final instalment to be due on July 2021. For details, please refer to the Company's announcements dated on 24 January 2020 and 3 March 2020.

(a) 誠如附註24所披露，本公司已行使PAL所授出之認沽期權，以向PAL出售本金額為76,792,500港元之中國富強可換股債券。有關代價200,000,000港元乃按本公司與PAL協定之清償計劃分期償還，最後一期將於二零二一年七月到期。有關詳情，請參閱本公司日期為二零二零年一月二十四日及二零二零年三月三日之公佈。

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27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Notes: (continued)

- (b) For other receivables, the Group measures the loss allowance at an amount equal to 12 – month ECL. The Group uses past due information to assess whether credit risk has increase significantly since initial recognition.

The Group measures the loss allowance for other receivables under general approach in HKFRS 9.

- (c) During the year ended 31 December 2020, the Group entered into a memorandum of understanding to acquire 32% equity interest of China Bloom International Limited (“China Bloom”). As at 31 December 2020, refundable deposit of approximately HK\$11,000,000 had been paid. Details were set out in note 36.

27. 預付款項、按金及其他應收賬款 (續)

附註：(續)

- (b) 就其他應收賬款而言，本集團計量相等於十二個月預期信貸虧損之虧損準備。本集團使用逾期資料以評估信貸風險是否自初步確認後顯著增加。

本集團根據香港財務報告準則第9號之常規做法為其他應收賬款計量虧損準備。

- (c) 截至二零二零年十二月三十一日止年度，本集團訂立諒解備忘錄以收購中星國際有限公司（「中星」）之32%股權。於二零二零年十二月三十一日已支付可退還按金約11,000,000港元。詳情載於附註36。

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27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Analysis of the gross carrying amount on other receivables as at 31 December 2020 by the Group's internal credit rating and year end classification:

For the year ended 31 December 2020

Internal credit rating	內部信貸評級	12-months ECL (Stage 1)	Lifetime ECL not credit-impaired (Stage 2)	Lifetime ECL credit-impaired (Stage 3)	Total
			並無信貸減值之整個存續期 十二個月 預期信貸虧損 (第1階段) HK\$'000 千港元	已信貸減值之整個存續期 預期信貸虧損 (第2階段) HK\$'000 千港元	
Performing	良好	2,871	-	-	2,871
Doubtful	懷疑	-	93,600	-	93,600
Default	違約	-	-	1,112	1,112
		2,871	93,600	1,112	97,583

27. 預付款項、按金及其他應收賬款 (續)

按本集團內部信貸評級及年末分類對於二零二零年十二月三十一日之其他應收賬款之賬面總值分析如下：

截至二零二零年十二月三十一日止年度

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27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

For the year ended 31 December 2019

27. 預付款項、按金及其他應收賬款 (續)

截至二零一九年十二月三十一日止年度

Internal credit rating	內部信貸評級	12-months ECL (Stage 1)	Lifetime	Lifetime	Total
			ECL not credit- impaired (Stage 2)	ECL credit- impaired (Stage 3)	
			並無信貸減值 之整個存續期 十二個月 預期信貸虧損 (第1階段)	已信貸減值 之整個存續期 預期信貸 虧損 (第2階段)	總計 (第3階段)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Performing	良好	14,432	–	–	14,432
Doubtful	懷疑	–	–	–	–
Default	違約	–	–	–	–
		14,432	–	–	14,432

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27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Movements of the provision for impairment loss on other receivables are as follows:

27. 預付款項、按金及其他應收賬款 (續)

年內其他應收賬款之減值虧損撥備變動如下：

	12-months ECL (Stage 1)	Lifetime ECL not credit-impaired (Stage 2)	Lifetime ECL credit-impaired (Stage 3)	Total
	並無信貸減值之整個存續期	已信貸減值之整個存續期		
	十二個月	預期信貸	預期信貸	
	預期信貸虧損	虧損	虧損	
	(第1階段)	(第2階段)	(第3階段)	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
ECL allowances as at 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、二零一九年十二月三十一日及二零二零年一月一日之預期信貸減值準備	-	-	-
Impairment loss recognised for the year	年內確認之減值虧損	-	3,978	1,016
31 December 2020	於二零二零年十二月三十一日	-	3,978	1,016
				4,994

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28. BANK BALANCES AND CASH

Bank balances and cash comprise of cash and short-term bank deposits held by the Group at market interest rates ranging from 0.001% to 2.00% (2019: 0.001% to 2.40%) per annum with an original maturity of one month.

In the course of the conduct of the regulated activities of its ordinary business, VC Brokerage, VC Futures Limited and VC Capital act as trustees that result in the holding of clients' monies on behalf of clients and other institutions. These assets are not assets of the Group and, therefore, are not included in its consolidated statement of financial position. As at 31 December 2020, the Group maintained segregated accounts at a clearing house of approximately HK\$3,373,000 (2019: HK\$3,235,000) and at other authorised institutions of approximately HK\$114,737,000 (2019: HK\$148,407,000) in conjunction with its securities, futures and options brokering and dealing business, and corporate financial advisory business as a result of the normal business transactions, which are not otherwise dealt with in these consolidated financial statements.

28. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原到期日為一個月、按市場年利率介乎0.001厘至2.00厘(二零一九年: 0.001厘至2.40厘)計息之短期銀行存款。

在日常業務過程中經營受規管活動時，滙盈證券、滙盈期貨有限公司及滙盈融資充當受託人，代客戶及其他機構持有客戶款項。該等資產並非本集團之資產，故不計入其綜合財務狀況表內。於二零二零年十二月三十一日，本集團因其正常業務交易而進行之證券、期貨及期權經紀及買賣業務以及企業融資顧問業務而於一間結算所設立獨立賬戶，金額約3,373,000港元(二零一九年: 3,235,000港元)，另於其他認可機構設立獨立賬戶，金額約114,737,000港元(二零一九年: 148,407,000港元)，有關賬戶不會在綜合財務報表中處理。

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29. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND OTHER PAYABLES 29. 應付賬款、應計負債及其他應付賬款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Accounts payable arising from dealing in securities:	因進行證券買賣而產生之應付賬款：		
Clearing house	結算所	4,546	-
Cash clients	現金客戶	44,201	16,053
Margin clients	保證金客戶	302	178
		49,049	16,231
Accounts payable arising from sale and distribution of healthcare products	因銷售及分銷醫療保健產品而產生之應付賬款	1,653	-
		50,702	16,231
Accrued liabilities and other payables:	應計負債及其他應付賬款：		
Accrued expenses	應計開支	3,321	2,328
Interest payable to convertible bond holders	應付可換股債券持有人利息	1,742	1,382
Contract liabilities	合約負債	55	-
Others	其他	3,274	2,258
		8,392	5,968

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29. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND OTHER PAYABLES (continued)

Accounts payable to clearing house represent trades pending settlement arising from dealing in securities which are usually due within two trading days after the trade date.

The accounts payable to cash clients and margin clients are repayable on demand except where certain balances represent trade pending settlement which are usually due within two trading days after the trade date or deposits received from clients for their securities dealing activities. Only the excessive amounts over the required deposits stipulated are repayable on demand.

No aging analysis on accounts payable arising from dealing in securities is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of this business.

An aged analysis of account payable from sale and distribution of healthcare products at the end of the reporting period based on invoice dates is as follows:

29. 應付賬款、應計負債及其他應付賬款(續)

應付結算所賬款指買賣證券產生之待結算交易，一般於買賣日期後之兩個交易日內到期。

應付現金及保證金客戶之賬款須於要求時償還，惟若干待結算交易結餘（一般於買賣日期後之兩個交易日內到期）或就客戶證券買賣活動向其收取之按金除外。僅有多於指定按金之數額為須於要求時償還。

基於此業務之性質，本公司董事認為有關進行證券買賣而產生之應付賬款之賬齡分析並無任何額外價值，故未有披露任何賬齡分析。

於報告期末就銷售及分銷醫療保健產品而產生之應付賬款進行賬齡分析（按發票日期計算）如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	1,653	—

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29. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND OTHER PAYABLES (continued)

No aging analysis on accounts payable arising from dealing in securities is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of this business.

Contract liabilities includes receipt in advance to provide financial advisory services. The Group received part of the contract value as receipt in advance from financial advisory services projects when service contracts are signed. The receipts in advance payment result in contract liabilities and relevant revenue is recognised over the financial advisory services project period.

No revenue recognised during the year ended 31 December 2020 was included in the contract liabilities at the beginning of the year. There was no revenue recognised in the current year that related to performance obligations that were satisfied in a prior year.

29. 應付賬款、應計負債及其他應付賬款(續)

基於此業務之性質，本公司董事認為有關進行證券買賣而產生之應付賬款之賬齡分析並無任何額外價值，故未有披露任何賬齡分析。

合約負債包括提供融資顧問服務之預收款項。本集團於簽訂服務合約時收取部分合約價值，作為融資顧問服務項目之預收款項。預收款項形成合約負債，相關收益於融資顧問服務項目期內確認。

年初合約負債中並無計入於截至二零二零年十二月三十一日止年度確認之收益。本年度確認之收益與上年度履行之履約責任並無關聯。

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30. DEFERRED TAX (ASSET)/LIABILITIES

The following is the major deferred tax (asset) liabilities recognised and movements thereon during the current and prior years.

30. 遞延稅項(資產)/負債

已確認之主要遞延稅項(資產)負債以及其於本年度及過往年度之變動如下。

		Tax losses	Unrealised gain on financial assets held for trading	Accelerated tax depreciation	Convertible bonds	Total
		稅項虧損	持作買賣 財務資產之 未變現收益	加速 稅項折舊	可換股債券	總計
		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
At 1 January 2019	於二零一九年一月一日	(740)	742	144	1,136	1,282
Charge (credit) to profit or loss	於損益賬扣除(抵免)	(5,326)	5,248	(68)	(477)	(623)
At 31 December 2019	於二零一九年 十二月三十一日	(6,066)	5,990	76	659	659
Charge to convertible bond reserve	於可換股債券儲備扣除	-	-	-	325	325
Charge (credit) to profit or loss	於損益賬扣除(抵免)	(970)	1,046	(76)	(560)	(560)
At 31 December 2020	於二零二零年 十二月三十一日	(7,036)	7,036	-	424	424

At 31 December 2020, the Group has estimated unused tax losses of approximately HK\$490,729,000 (2019: HK\$473,433,000) available for offset against future profits. As at 31 December 2020, deferred tax asset and liability have been recognised in respect of tax losses of approximately HK\$42,636,000 (2019: HK\$36,764,000) and taxable temporary difference of approximately HK\$42,636,000 (2019: HK\$36,764,000).

於二零二零年十二月三十一日，本集團有估計未動用稅項虧損約490,729,000港元(二零一九年：473,433,000港元)可供抵銷未來溢利。於二零二零年十二月三十一日，已就稅項虧損約42,636,000港元(二零一九年：36,764,000港元)及應課稅臨時差額約42,636,000港元(二零一九年：36,764,000港元)確認遞延稅項資產及負債。

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30. DEFERRED TAX (ASSET)/LIABILITIES (continued)

During the year ended 31 December 2020, no deferred tax asset has been recognised in respect of the remaining tax losses of approximately HK\$448,093,000 (2019: HK\$436,669,000) due to the unpredictability of future profit streams. The estimated unused tax losses have no expiry date but are subject to further approval of the Hong Kong Inland Revenue Department.

31. CONVERTIBLE BONDS

On 8 January 2018, the Company issued convertible bonds ("CB1") with zero coupon rate at a total principal value of HK\$360,000,000 to PAL as the balance of the consideration of the acquisition of the China Fortune Convertible Bonds as disclosed in note 24. The convertible bonds will mature on the third anniversary of the date of issue of the convertible bonds. The convertible bonds are converted into 288,000,000 conversion shares at any time between the date of issue of the convertible bonds and the maturity date at the bondholder's option at initial conversion price of HK\$1.25 per conversion share.

30. 遞延稅項(資產)/負債(續)

截至二零二零年十二月三十一日止年度，並無就餘下稅項虧損約448,093,000港元(二零一九年：436,669,000港元)確認遞延稅項資產，蓋因未來溢利來源無法預測。該等估計未動用稅項虧損不設屆滿日，但須經香港稅務局另行批准，方可動用。

31. 可換股債券

於二零一八年一月八日，本公司發行本金總額為360,000,000港元零票息率之可換股債券(「可換股債券1」)予PAL，作為附註24所披露收購中國富強可換股債券之餘下代價。可換股債券將於可換股債券發行日期後第三個週年日到期。可換股債券可由債券持有人選擇於可換股債券發行日期起直至到期日止期間內，隨時按初步換股價每股換股股份1.25港元將可換股債券兌換為288,000,000股換股股份。

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31. CONVERTIBLE BONDS (continued)

During the year ended 31 December 2018, CB1 with principal amounts of HK\$345,000,000 were converted into 276,000,000 ordinary shares of the Company at the conversion price of HK\$1.25 per share. The amount of approximately HK\$198,397,000 (net of tax effect) was released in convertible bonds reserve upon the conversion of convertible bonds.

On 24 January 2020, the Company has entered into an agreement to dispose of the China Fortune Convertible Bonds at a put option price of HK\$200,000,000 to PAL. As part of the settlement arrangement, PAL has tendered the outstanding principal amount of CB1 in the sum of HK\$15,000,000 to the Company for cancellation as partial settlement of the consideration. The amount of approximately HK\$8,626,000 was released in convertible bonds reserve upon the cancellation of convertible bond. Details of the transaction was set out in note 24.

On 8 June 2018, the Company issued convertible bonds ("CB2") with 2% coupon rate at a total principal value of HK\$160,000,000 to an independent third party, CVP Financial Group Limited, as the consideration of the acquisition of unlisted equity securities issued by Hackett Enterprises Limited as disclosed in note 23. The convertible bond will mature on the third anniversary of the date of issue of the convertible bonds. The convertible bonds are converted into 123,076,923 conversion shares at any time between the date of issue of the convertible bond and the maturity date at the bondholder's initial conversion price of HK\$1.3 per conversion share.

31. 可換股債券(續)

於截至二零一八年十二月三十一日止年度，本金額345,000,000港元之可換股債券1已按每股1.25港元兌換為276,000,000股本公司普通股。兌換可換股債券後，可換股債券儲備解除約198,397,000港元之款額(扣除稅務影響)。

於二零二零年一月二十四日，本公司訂立協議以按認沽期權價200,000,000港元向PAL出售中國富強可換股債券。作為結算安排之一部分，PAL已交回未償還本金額為15,000,000港元之可換股債券1予本公司作註銷，以結付部分代價。註銷可換股債券後，可換股債券儲備解除約8,626,000港元之款額。有關交易之詳情載於附註24。

於二零一八年六月八日，本公司發行本金總額為160,000,000港元2厘票面息率之可換股債券(「可換股債券2」)予獨立第三方遠見金融集團有限公司，作為附註23所披露收購Hackett Enterprises Limited發行之非上市股本證券之代價。可換股債券將於可換股債券發行日期後第三個週年日到期。可換股債券可由債券持有人選擇於可換股債券發行日期起直至到期日止期間內，隨時按初步換股價每股換股股份1.3港元將可換股債券兌換為123,076,923股換股股份。

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31. CONVERTIBLE BONDS (continued)

On 9 July 2020, VC Global Investments Limited ("VC Global Investments"), a wholly owned subsidiary of the Company, issued convertible bonds ("CB 3") with zero coupon rate at a principal value of US\$40,000 to an independent third party, Wu Jian. These convertible bonds will mature on the third anniversary of the date of issue of the convertible bonds at their principal amount or can be converted into 40 shares of VC Global Investments at any time commencing from the issue date up to the maturity date at the bondholder's initial conversion price of US1,000 equivalent to HK\$7,780 per conversion share.

On 6 November 2020, the Company issued convertible bonds ("CB4") with zero coupon rate at a total principal value of HK\$52,000,000 to six independent third parties. The convertible bond will mature on the third anniversary of the date of issue of the convertible bonds. The convertible bonds are converted into 260,000,000 conversion shares at any time between the date of issue of the convertible bond and the maturity date at the bondholder's initial conversion price of HK\$0.2 per conversion share.

During the year ended 31 December 2020, CB4 with principal amounts of HK\$45,500,000 were converted into 227,500,000 ordinary shares of the Company at the conversion price of HK\$0.2 per share. The amount of approximately HK\$10,959,000 (net of tax effect) was released in convertible bonds reserve upon the conversion of convertible bonds.

The CB1, CB2 and CB4 comprise a liability component and equity conversion component. The residual amount, representing the value of the equity component, is included in the convertible bonds reserve under equity attributable to the owners of the Company.

31. 可換股債券(續)

於二零二零年七月九日，本公司之全資附屬公司VC Global Investments Limited (「VC Global Investments」)向獨立第三方吳建先生發行本金額40,000美元之零票面息率可換股債券(「可換股債券3」)。該可換股債券將於發行可換股債券日期後第三週年按其本金額到期，或可於發行日期起至到期日止任何時間按債券持有人之初步換股價1,000美元兌換為40股VC Global Investments股份，相當於每股換股股份7,780港元。

於二零二零年十一月六日，本公司向六名獨立第三方發行本金總額52,000,000港元之零票面息率可換股債券(「可換股債券4」)。該可換股債券將於發行可換股債券日期後第三週年到期。該可換股債券可於發行可換股債券日期起至到期日止任何時間按債券持有人之初步換股價每股換股股份0.2港元兌換為260,000,000股換股股份。

於截至二零二零年十二月三十一日止年度，本金額45,500,000港元之可換股債券4按每股換股股份0.2港元兌換為227,500,000股本公司普通股。兌換可換股債券後，可換股債券儲備解除約10,959,000港元之款額(扣除稅務影響)。

可換股債券1、可換股債券2及可換股債券4由負債部分及權益換股部分組成。殘值(即權益部分之價值)計入本公司擁有人應佔權益下之可換股債券儲備。

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31. CONVERTIBLE BONDS (continued)

The CB3 comprise a liability component and equity conversion component. The residual amount representing the value of the equity component, is included in the convertible bonds issued by a subsidiary under equity.

The movement of liability component of the convertible bonds is as follows:

31. 可換股債券(續)

可換股債券3由負債部分及權益換股部分組成。殘值(即權益部分之價值)計入權益項下之附屬公司發行可換股債券。

可換股債券負債部分之變動如下：

		Issued by the Company 本公司發行			Issued by a subsidiary 附屬公司發行	Total 總計
		CB1 issued on 8 January 2018 於二零一八年 一月八日發行 之可換股債券1 HK\$'000 千港元	CB2 issued on 8 June 2018 於二零一八年 六月八日發行 之可換股債券2 HK\$'000 千港元	CB4 issued on 6 November 2020 於二零二零年 十一月六日發行 之可換股債券4 HK\$'000 千港元	CB3 issued on 9 July 2020 於二零二零年 七月九日發行 之可換股債券3 HK\$'000 千港元	
Liability component at 1 January 2019	於二零一九年一月一日 之負債部分	11,717	14,399	-	-	26,116
Effective interest expenses (note 11)	實際利息開支(附註11)	1,523	1,725	-	-	3,248
Interest payable	應付利息	-	(359)	-	-	(359)
Liability component at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日之 負債部分	13,240	15,765	-	-	29,005
Liability component on initial recognition	初步確認時之負債部分	-	-	37,000	216	37,216
Cancelled due to the exercise of put options (note 24)	因行使認沽期權而註銷 (附註24)	(13,520)	-	-	-	(13,520)
Effective interest expenses (note 11)	實際利息開支(附註11)	280	1,897	250	14	2,441
Conversion into new ordinary shares (note 34)	兌換為新普通股(附註34)	-	-	(32,540)	-	(32,540)
Interest payable	應付利息	-	(360)	-	-	(360)
Liability component at 31 December 2020	於二零二零年十二月三十一日 之負債部分	-	17,302	4,710	230	22,242

Analysis as:

分析：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current liabilities	流動負債	17,302	-
Non-current liabilities	非流動負債	4,940	29,005
		22,242	29,005

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31. CONVERTIBLE BONDS (continued)

The principal amount of the convertible bonds not yet converted are as follows:

31. 可換股債券(續)

尚未兌換之可換股債券之本金額如下：

		Issued by the Company			Issued by
		本公司發行			a subsidiary
		CB1 issued on	CB2 issued on	CB4 issued on	CB3 issued on
		8 January 2018	8 June 2018	6 November 2020	9 July 2020
		於二零一八年	於二零一八年	於二零二零年	於二零二零年
		一月八日發行之	六月八日發行之	十一月六日發行之	七月九日發行之
		可換股債券1	可換股債券2	可換股債券4	可換股債券3
Maturity date	到期日	8 January 2021	8 June 2021	6 November 2023	9 July 2023
		二零二一年	二零二一年	二零二三年	二零二三年
		一月八日	六月八日	十一月六日	七月九日
Remaining principal not yet converted as at 31 December 2020	於二零二零年十二月 三十一日尚未兌換之餘 下本金	–	HK\$18,000,000 18,000,000港元	HK\$6,500,000 6,500,000港元	US\$40,000 40,000美元
Remaining principal not yet converted as at 31 December 2019	於二零一九年十二月 三十一日尚未兌換之餘 下本金	HK\$15,000,000 15,000,000港元	HK\$18,000,000 18,000,000港元	N/A 不適用	N/A 不適用
Conversion price	換股價	HK\$1.25 per share 每股1.25港元	HK\$1.3 per share 每股1.3港元	HK\$0.2 per share 每股0.2港元	US\$1,000 per share 每股1,000美元

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31. CONVERTIBLE BONDS (continued)

The convertible bonds issued at their respective issue dates recognised in the consolidated statement of financial position are as follows:

31. 可換股債券(續)

於相關發行日期發行之可換股債券於綜合財務狀況表確認如下：

		Issued by the Company 本公司發行			Issued by a subsidiary 附屬公司發行
		CB1 issued on 8 January 2018 於二零一八年 一月八日發行 之可換股債券1 HK\$'000 千港元	CB2 issued on 8 June 2018 於二零一八年 六月八日發行 之可換股債券2 HK\$'000 千港元	CB4 issued on 6 November 2020 於二零二零年 十一月六日發行 之可換股債券4 HK\$'000 千港元	CB3 issued on 9 July 2020 於二零二零年 七月九日發行 之可換股債券3 HK\$'000 千港元
Fair value of convertible bonds issued	已發行可換股債券之公平值	474,684	207,084	52,000	311
Equity conversion component	權益換股部分	(225,269)	(85,550)	(15,000)	(95)
Liability component on initial recognition at issue date	於發行日期初步確認時之 負債部分	249,415	121,534	37,000	216
Maturity date	到期日	8 January 2021 二零二一年 一月八日	8 June 2021 二零二一年 六月八日	6 November 2023 二零二三年 十一月六日	8 July 2023 二零二三年 七月八日

32. ASSET CLASSIFIED AS HELD-FOR-SALE**32. 分類為持作銷售之資產**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Equity share held-for-sale	持作銷售之權益股份	4,926	—

On 20 March 2020, Initial Honour Limited ("Initial Honour"), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Chen Yu Zhen, an independent third party, to dispose Initial Honour's entire holding of 30% equity interest in Telebox Technology Holdings Limited ("Telebox"), at a cash consideration of HK\$5,000,000.

於二零二零年三月二十日，本公司之間接全資附屬公司Initial Honour Limited (「Initial Honour」)與獨立第三方陳育珍先生訂立一份買賣協議，以出售Initial Honour於Telebox Technology Holdings Limited (「Telebox」)之全部30%股權，所涉及之現金代價為5,000,000港元。

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32. ASSET CLASSIFIED AS HELD-FOR-SALE (continued)

Investment in Telebox was classified as “Asset classified as held-for-sale” in accordance with HKFRS 5 and are measured at the lower of the carrying amount as at 31 December 2019 and fair value less cost to sale as at 31 December 2020.

32. 分類為持作銷售之資產(續)

於Telebox之投資乃根據香港財務報告準則第5號於二零二零年十二月三十一日分類為「分類為持作銷售之資產」，並以於二零一九年十二月三十一日之賬面值與於二零二零年十二月三十一日之公平值減銷售成本之較低者計量。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Asset classified as held-for-sale	分類為持作銷售之資產		
Interest in an associate	於聯營公司之權益	4,926	—
Liability directly associated with asset classified as held-for-sale (included in accrued liabilities and other payables)	與分類為持作銷售之資產直接相聯之負債(計入應計負債及其他應付賬款)		
Deposit received	已收按金	1,000	—

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33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

33. 融資活動產生之負債對賬

下表載列本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債為其有關之現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動產生之現金流量之負債。

		Convertible bonds 可換股債券 HK\$'000 千港元	Other payables 其他應付賬款		Lease liabilities 租賃負債 HK\$'000 千港元	Short-term bank borrowings 短期銀行借款 HK\$'000 千港元
			Interest payables on convertible bonds 可換股債券之應付利息 HK\$'000 千港元	Interest payables on bank borrowings 銀行借款之應付利息 HK\$'000 千港元		
At 31 December 2018	於二零一八年十二月三十一日	26,116	1,023	28	-	40,000
<i>Non-cash changes</i>	<i>非現金變動</i>					
Impact on adoption of HKFRS 16	採納香港財務報告準則第16號之影響	-	-	-	13,180	-
At 1 January 2019	於二零一九年一月一日	26,116	1,023	28	13,180	40,000
Financing cash outflows	融資現金流出	-	-	(39)	(6,019)	(40,000)
<i>Non-cash changes</i>	<i>非現金變動</i>					
Interest expenses accrued	應計利息開支	2,889	359	11	701	-
New lease arrangements	新租賃安排	-	-	-	3,188	-
At 31 December 2019	於二零一九年一月一日	29,005	1,382	-	11,050	-
Financing cash inflows	融資現金流入	37,216	-	-	-	-
Financing cash outflows	融資現金流出	-	-	-	(6,993)	-
<i>Non-cash changes</i>	<i>非現金變動</i>					
New lease arrangement	新租賃安排	-	-	-	1,948	-
Interest expenses accrued	應計利息開支	2,081	360	-	370	-
Liability component on derecognition of CB1 for the disposal of put option	就出售認沽期權取消確認可換股債券1時之負債部分	(13,520)	-	-	-	-
Conversion into new ordinary shares	兌換為新普通股	(32,540)	-	-	-	-
At 31 December 2020	於二零二零年十二月三十一日	22,242	1,742	-	6,375	-

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34. SHARE CAPITAL

34. 股本

		Number of ordinary shares 普通股數目 '000 千股	Share capital 股本 HK\$'000 千港元
At 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、 二零一九年十二月三十一日 及二零二零年一月一日	1,230,952	1,585,239
Issue of shares upon conversion of convertible bonds (note a)	因可換股債券換股而發行 股份(附註a)	227,500	45,664
Issue of shares upon by top-up placement of shares (note b)	因以先舊後新方式配售 而發行股份(附註b)	246,000	49,200
Transaction costs attributable to issue of shares by placement (note b)	因配售而發行股份之 交易成本(附註b)	-	(4)
Issue of shares upon exercise of share options (note c)	因行使購股權而發行 股份(附註c)	600	196
At 31 December 2020	於二零二零年十二月三十一日	1,705,052	1,680,295

Notes:

附註：

(a) During the year ended 31 December 2020, certain portions of CB4 were converted into 227,500,000 ordinary shares of the Company at the conversion price of HK\$0.2 per ordinary shares. As a result of the conversion, share capital has been increased by approximately HK\$45,664,000 and convertible bonds reserve has been decreased by approximately HK\$10,959,000. The new shares rank pari passu with the existing shares in all respects.

(a) 截至二零二零年十二月三十一日止年度，可換股債券4之若干部分已按每股普通股0.2港元兌換為227,500,000股本公司普通股。鑑於換股，股本增加約45,664,000港元，而可換股債券儲備則減少約10,959,000港元。新股份於各方面與現有股份享有同等地位。

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34. SHARE CAPITAL (continued)

Notes: (continued)

- (b) On 24 July 2020, the Company entered into a placing and subscription agreement with a placing agent, pursuant to which the Company was desirous of offering the placing shares and use its best endeavour to procure not less than six placees for up to 246,000,000 shares of the Company at HK\$0.2 per placing shares.

The completion of the placing took place on 25 August 2020 and a total of 246,000,000 shares of the Company were successfully placed to not less than six placees at the HK\$0.2 per sale share. All the conditions of the subscription as set out in the placing and subscription took place on 17 September 2020 whereby a total of 246,000,000 shares of the Company (the "Subscription Shares") were allotted and issued at HK\$0.2 per Subscription Share in all respects.

The net proceeds from the placing is approximately HK\$49,196,000 after deduction of commission and other related expenses of placing from the gross proceeds of approximately HK\$49,200,000.

- (c) During the year ended 31 December 2020, 600,000 share options under the share option scheme of the Company had been exercised by the holders at exercise price HK\$0.26 each for the issuance of shares. As a result of the exercise of share options, bank balances and cash and share capital have been increased by HK\$156,000 and HK\$196,000 respectively and share option reserve has been decreased by approximately HK\$40,000. The new shares rank pari passu with the existing shares in all respects.

34. 股本(續)

附註：(續)

- (b) 於二零二零年七月二十四日，本公司與一名配售代理訂立配售及認購協議，據此，本公司有意提呈發售配售股份並盡最大努力促成不少於六名承配人按每股配售股份0.2港元認購最多246,000,000股本公司股份。

有關配售已於二零二零年八月二十五日完成，並成功按每股待售股份0.2港元向不少於六名承配人配售合共246,000,000股本公司股份。至於配售及認購協議所載認購事項之所有條件已於二零二零年九月十七日完成，並已據此按每股本公司股份（「認購股份」）0.2港元配發及發行合共246,000,000股認購股份。

配售事項之所得款項總額約為49,200,000港元，而扣除佣金及配售事項之相關開支後，配售事項之所得款項淨額約為49,196,000港元。

- (c) 截至二零二零年十二月三十一日止年度，本公司購股權計劃下之600,000份購股權由持有人按每股0.26港元之行使價行使以發行股份。鑑於行使購股權，銀行結餘及現金與股本分別增加156,000港元及196,000港元，而購股權儲備則減少約40,000港元。新股份於各方面與現有股份享有同等地位。

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35. SHARE OPTIONS AND SHARE AWARDS

Share option scheme

The Company offered the share option scheme under which share options are granted to the directors, employees and other eligible persons of the Group to subscribe for shares of the Company in recognising their contributions and in retaining employees who will continue to make valuable contribution to the Group.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 8 June 2009, the Company adopted a share option scheme (the "2009 Share Option Scheme").

Pursuant to an extraordinary resolution passed at the extraordinary general meeting of the Company held on 14 June 2018, the Company adopted a share option scheme (the "2018 Share Option Scheme").

On 24 January 2018, directors and employees of the Group and other eligible persons were granted share options to subscribe for 66,256,000 underlying shares under the 2009 Share Option Scheme. These share options were immediately vested on the grant date and have duration of 3 years from the date of grant i.e. from 24 January 2018 to 23 January 2021. Any share options granted shall normally lapse upon the expiration of 3 months after the relevant grantee ceases to be an employee of the Group. The Board has the discretion to amend the terms of the 2009 Share Option Scheme.

35. 購股權及股份獎勵

購股權計劃

本公司提供購股權計劃，據此授出可認購本公司股份之購股權予本集團董事、僱員及其他合資格人士，以肯定彼等之貢獻及吸引會繼續為本集團作出寶貴貢獻之僱員留任。

本公司根據於二零零九年六月八日舉行之股東週年大會上通過之普通決議案，採納一項購股權計劃（「二零零九年購股權計劃」）。

本公司根據於二零一八年六月十四日舉行之股東特別大會上通過之決議案，採納一項新購股權計劃（「二零一八年購股權計劃」）。

於二零一八年一月二十四日，本公司根據二零零九年購股權計劃向本集團董事及僱員及其他合資格人士授出可認購66,256,000股相關股份之購股權。該等購股權已於授出日期即時歸屬，並由授出日期起計有效期為三年（即二零一八年一月二十四日至二零二一年一月二十三日）。任何已授出之購股權在正常情況下將於有關承授人不再為本集團僱員後三個月失效。董事會可酌情修訂二零零九年購股權計劃之條款。

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**35. SHARE OPTIONS AND SHARE AWARDS
(continued)****Share option scheme (continued)**

On 27 July 2020, directors and employees of the Group and other eligible persons were granted share options to subscribe for 89,472,000 underlying shares under the 2018 Share Option Scheme. These share options were immediately vested on the grant date and have duration of 3 years from the date of grant i.e. from 27 July 2020 to 26 July 2023. Any share options granted shall normally lapse upon the expiration of 3 months after the relevant grantee ceases to be an employee of the Group. The Board has the discretion to amend the terms of the 2018 Share Option Scheme.

As at 31 December 2020, the number of shares in respect of which share options had been granted and remained outstanding under the 2009 Share Option Scheme and 2018 Share Option Scheme was 58,116,000 and 88,872,000 respectively (2019: 58,116,000 and nil respectively), representing approximately 3.41% and 5.2% respectively (2019: 4.72% and nil respectively) of the shares of the Company in issue.

35. 購股權及股份獎勵(續)**購股權計劃(續)**

於二零二零年七月二十七日，本公司根據二零一八年購股權計劃向本集團董事及僱員及其他合資格人士授出可認購89,472,000股相關股份之購股權。該等購股權已於授出日期即時歸屬，並由授出日期起計有效期為三年（即二零二零年七月二十七日至二零二三年七月二十六日）。任何已授出之購股權在正常情況下將於有關承授人不再為本集團僱員後三個月失效。董事會可酌情修訂二零一八年購股權計劃之條款。

於二零二零年十二月三十一日，根據二零零九年購股權計劃及二零一八年購股權計劃已授出而尚未行使之購股權所涉及之股份數目分別為58,116,000股及88,872,000股（二零一九年：分別為58,116,000股及無），相當於本公司已發行股份分別約3.41%及5.2%（二零一九年：分別約4.72%及無）。

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For the year ended 31 December 2020
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35. SHARE OPTIONS AND SHARE AWARDS (continued)

Share option scheme (continued)

The estimated fair values of the options granted under the 2018 Share Option Scheme on 27 July 2020 is approximately HK\$7,517,000 recognised in the share option reserve, which was calculated using the binomial model with the key inputs into the model as disclosed below.

35. 購股權及股份獎勵(續)

購股權計劃(續)

根據二零一八年購股權計劃於二零二零年七月二十七日授出之購股權之估計公平值約為7,517,000港元(於購股權儲備確認)，乃採用二項式模式計算，其中該模式之主要輸入數據於下表披露。

		27 July 2020 二零二零年 七月二十七日
Share Price at the date of grant	於授出日期之股價	HK\$0.26 0.26港元
Exercise Price	行使價	HK\$0.26 0.26港元
Risk-free rate	無風險利率	0.069%
Expected volatility	預期波幅	66%
Exercise multiples – directors	行使倍數 – 董事	2.47
– employees/other eligible persons	– 僱員/其他合資格人士	1.60

The Group recognised total equity-settled share option expense of approximately HK\$6,866,000 and HK\$651,000 included in the staff cost and other operating expenses respectively for the year ended 31 December 2020 in relation to the 89,472,000 share options granted under the 2018 Share Option Scheme.

於截至二零二零年十二月三十一日止年度，本集團就根據二零一八年購股權計劃授出之89,472,000份購股權確認以股本支付之購股權開支總額約6,866,000港元及651,000港元，分別計入員工成本及其他經營開支。

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**35. SHARE OPTIONS AND SHARE AWARDS
(continued)****Share option scheme (continued)**

Movements in the number of share options granted to the directors of the Company, employees of the Group and other eligible persons outstanding under the 2018 Share Option Scheme during the year are as follows:

Year ended 31 December 2020

Categories of grantees	Grant date	Exercise Price Per share	Number of share options 購股權數目				Balance as at 31 December 2020 於二零二零年十二月三十一日之結餘
			Balance as at 1 January 2020 於二零二零年一月一日之結餘	Granted during the year 於年內授出	Reclassification during the year 於年內重新分類	Exercised during the year 於年內行使	
Directors of the Company 本公司董事	27 July 2020 二零二零年七月二十七日	HK\$0.26 0.26港元	-	26,784,000	(7,700,000)	-	19,084,000
Employees 僱員	27 July 2020 二零二零年七月二十七日	HK\$0.26 0.26港元	-	54,988,000	7,700,000	(600,000)	62,088,000
Other eligible persons 其他合資格人士	27 July 2020 二零二零年七月二十七日	HK\$0.26 0.26港元	-	7,700,000	-	-	7,700,000
Total 總計			-	89,472,000	-	(600,000)	88,872,000

35. 購股權及股份獎勵(續)**購股權計劃(續)**

於年內根據二零一八年購股權計劃授予本公司董事、本集團僱員及其他合資格人士之尚未行使購股權數目變動如下：

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35. SHARE OPTIONS AND SHARE AWARDS (continued)

Share option scheme (continued)

Movements in the number of share options granted to the directors of the Company, employees of the Group and other eligible persons outstanding under the 2009 Share Option Scheme during the year are as follows:

Year ended 31 December 2020

Categories of grantees	Grant date	Exercise Price Per share	Number of share options 購股權數目					Balance as at 31 December 2020 於二零二零年 十二月三十一日 之結餘
			Balance as at 1 January 2020 於二零二零年 一月一日 之結餘	Granted during the year 於年內授出	Reclassification during the year 於年內 重新分類 (note 2) (附註2)	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	
Directors of the Company 本公司董事	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	16,024,000	-	-	-	-	16,024,000
Employees 僱員	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	8,932,000	-	-	-	-	8,932,000
Other eligible persons 其他合資格人士	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	33,160,000	-	-	-	-	33,160,000
Total 總計			58,116,000	-	-	-	-	58,116,000
Exercisable as at 31 December 2020 於二零二零年十二月 三十一日可予行使								147,588,000
Weighted average exercise price 加權平均行使價			HK\$1.67 1.67港元	HK\$0.26 0.26港元	-	HK\$0.26 0.26港元	-	HK\$0.82 0.82港元

35. 購股權及股份獎勵(續)

購股權計劃(續)

於年內根據二零零九年購股權計劃授予本公司董事、本集團僱員及其他合資格人士之尚未行使購股權數目變動如下：

截至二零二零年十二月三十一日止年度

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35. SHARE OPTIONS AND SHARE AWARDS
(continued)

Share option scheme (continued)

Year ended 31 December 2019

35. 購股權及股份獎勵(續)

購股權計劃(續)

截至二零一九年十二月三十一日止年度

Categories of grantees	Grant date	Exercise Price Per share	Number of share options 購股權數目					Balance as at 31 December 2019 於二零一九年 十二月三十一日 之結餘
			Balance as at 1 January 2019 於二零一九年 一月一日 之結餘	Granted during the year 於年內授出	Reclassification during the year 於年內 重新分類 (note 2) (附註2)	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	
Directors of the Company 本公司董事	29 September 2016 二零一六年九月二十九日	HK\$1.76 1.76港元	22,400,000	-	(5,000,000)	-	(17,400,000)	-
	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	23,964,000	-	(7,940,000)	-	-	16,024,000
Employees 僱員	29 September 2016 二零一六年九月二十九日	HK\$1.76 1.76港元	1,300,000	-	(200,000)	-	(1,100,000)	-
	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	9,132,000	-	(200,000)	-	-	8,932,000
Other eligible persons 其他合資格人士	29 September 2016 二零一六年九月二十九日	HK\$1.76 1.76港元	16,900,000	-	5,200,000	-	(22,100,000)	-
	24 January 2018 二零一八年一月二十四日	HK\$1.67 1.67港元	32,960,000	-	8,140,000	-	(7,940,000)	33,160,000
Total 總計			106,656,000	-	-	-	(48,540,000)	58,116,000
Exercisable as at 31 December 2019 於二零一九年十二月三十一日 可予行使								58,116,000
Weighted average exercise price 加權平均行使價			HK\$1.70 1.70港元	-	-	-	HK\$1.75 1.75港元	HK\$1.67 1.76港元

No share options under 2009 Share Option Scheme has been granted during the years ended 31 December 2019 and 2020.

於截至二零一九年及二零二零年十二月三十一日止年度，並無根據二零零九年購股權計劃授出購股權。

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35. SHARE OPTIONS AND SHARE AWARDS (continued)

Share option scheme (continued)

Notes:

- (1) The reclassification represents the number of share options transferred between the different categories of grantees as a result of the resignation of two directors of the Company and an employee during the year ended 31 December 2020.
- (2) The reclassification represents the number of share options transferred between the different categories of grantees as a result of the appointment of one director of the Company and the resignation of one director of the Company and certain employees during the year ended 31 December 2019.

The weighted average share price of the Company was HK\$0.82 (2019: HK\$1.67).

Awarded share schemes

On 31 March 2008, the Board approved the establishment of two share incentive award schemes, namely the VC Share Award Scheme Trust (the "Share Subscription Scheme") and the VC Share Purchase Scheme Trust (the "Share Purchase Scheme") (the Share Purchase Scheme and the Share Subscription Scheme collectively are referred to as the "Share Award Schemes"). The Share Subscription Scheme will subscribe for new shares whereas the Share Purchase Scheme utilises shares purchased in the market. The directors of the Company and any subsidiaries of the Company will be entitled to participate in the Share Purchase Scheme but not the Share Subscription Scheme.

35. 購股權及股份獎勵(續)

購股權計劃(續)

附註：

- (1) 重新分類指由於截至二零二零年十二月三十一日止年度內本公司兩名董事及一名僱員辭任而於不同承授人類別之間轉撥購股權之數目。
- (2) 重新分類指由於截至二零一九年十二月三十一日止年度內本公司一名董事獲委任以及本公司一名董事及若干僱員辭任而於不同承授人類別之間轉撥購股權之數目。

本公司之加權平均股價為0.82港元(二零一九年：1.67港元)。

股份獎勵計劃

於二零零八年三月三十一日，董事會批准設立兩項股份獎勵計劃，即滙盈股份獎勵計劃信託(「股份認購計劃」)及滙盈股份購買計劃信託(「股份購買計劃」)(股份購買計劃及股份認購計劃統稱為股份獎勵計劃)。股份認購計劃將認購新股份，而股份購買計劃乃動用在市場上所購買之股份。本公司及其任何附屬公司之董事將有權參與股份購買計劃，但不可參與股份認購計劃。

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截至二零二零年十二月三十一日止年度

**35. SHARE OPTIONS AND SHARE AWARDS
(continued)****Awarded share schemes (continued)**

The purpose of each of the Share Subscription Scheme and the Share Purchase Scheme is to encourage and facilitate the acquisition and holding of shares in the Company, by and for the benefit of employees of the Company and any subsidiaries of the Company (excluding directors of the Company and any subsidiaries and other connected persons of the Company in respect of the Share Subscription Scheme). The Board may determine from time to time to award shares in order to recognise the contribution of certain employees, to seek to retain them for the continued operation and development of the Group, and to attract suitable personnel for the further development of the Group.

Share Subscription Scheme

The Share Subscription Scheme is a form of a share incentive award scheme known as The VC Share Award Scheme Trust. The directors of the Company and any subsidiaries and other connected persons of the Company will not be entitled to participate in the Share Subscription Scheme. The number of shares to be issued under the Share Subscription Scheme is limited to one per cent of the ordinary issued share capital of the Company from time to time (excluding shares which have already been transferred to employees on vesting).

Vesting of the shares will be conditional on the selected employee remaining as an employee of the Company or a subsidiary until the vesting date. The Board also has the discretion to stipulate such other conditions in respect of a particular employee which will apply to the vesting of the shares. No share was granted through the Share Subscription Scheme since its establishment.

35. 購股權及股份獎勵(續)**股份獎勵計劃(續)**

股份認購計劃及股份購買計劃均旨在鼓勵及促進本公司及任何附屬公司之有關僱員(就股份認購計劃而言,不包括本公司及其任何附屬公司之董事及本公司之其他關連人士)為其本身利益而購入及持有本公司之股份。董事會可不時決定授出獎勵股份,藉以肯定若干僱員之貢獻、挽留彼等繼續為本集團之營運及發展效力,以及招攬合適人員加入本集團,進一步推動本集團之發展。

股份認購計劃

股份認購計劃為一項名為滙盈股份獎勵計劃信託之股份獎勵計劃。本公司及任何附屬公司之董事及本公司之其他關連人士將無權參與股份認購計劃。根據股份認購計劃發行之股份數目乃限於本公司不時之已發行普通股本(不包括已於歸屬時轉讓予僱員之股份)之百分之一。

股份之歸屬須以所選定僱員於截至歸屬日期止依然為本公司或附屬公司之僱員為條件。董事會亦可酌情附加適用於特定僱員歸屬股份之其他條件。自設立以來,概無透過股份認購計劃授出股份。

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35. SHARE OPTIONS AND SHARE AWARDS (continued)

Awarded share schemes (continued)

Share Purchase Scheme

The Share Purchase Scheme is a form of a share incentive award scheme known as The VC Share Purchase Scheme Trust. The directors and employees of the Company and any subsidiaries of the Company will be entitled to participate in the Share Purchase Scheme. The number of shares to be issued under the Share Purchase Scheme is limited to two per cent of the ordinary issued share capital of the Company from time to time (excluding shares which have already been transferred to employees on vesting).

Vesting of the shares will be conditional on the selected employee remaining as the Director or an employee of the Company or a subsidiary until the vesting date. The Board also has the discretion to stipulate such other conditions in respect of a particular Director or an employee which will apply to the vesting of the shares.

For the years ended 31 December 2020 and 2019, there was no movement or outstanding awarded shares under the Share Purchase Scheme.

35. 購股權及股份獎勵(續)

股份獎勵計劃(續)

股份購買計劃

股份購買計劃乃一項名為滙盈股份購買計劃信託之股份獎勵計劃。本公司及其任何附屬公司之董事及僱員將有權參與股份購買計劃。根據股份購買計劃發行之股份數目乃限於本公司不時之已發行普通股本(不包括已於歸屬時轉讓予僱員之股份)之百分之二。

股份之歸屬須以所選定僱員於截至歸屬日期止依然為本公司或附屬公司之董事或僱員為條件。董事會亦可酌情附加適用於特定董事或僱員歸屬股份之其他條件。

截至二零二零年及二零一九年十二月三十一日止年度，股份購買計劃項下概無任何獎勵股份餘額，亦無任何變動。

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36. CAPITAL COMMITMENTS

As at the end of the reporting period, the Group's commitments contracted but not provided for in respect of capital contribution to a joint venture are as follows:

36. 資本承擔

於報告期末，本集團就向合營企業注資已訂約但未撥備之承擔如下：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Capital contribution to a joint venture (note a)	向合營企業注資 (附註a)	524,299	495,508
Acquisition of a private equity (note b)	收購私募股權 (附註b)	8,600	—
		532,899	495,508

Notes:

(a) In July 2016, VC Brokerage entered into a joint venture agreement (the "Joint Venture Agreement") with three independent third parties to establish a joint venture, in which the principal activity is securities broking in Guangxi, the PRC (the "JV Company"). Pursuant to the Joint Venture Agreement, VC Brokerage will contribute RMB445 million (equivalent to approximately HK\$524 million (2019: equivalent to approximately HK\$496 million)), representing 44.5% equity interest of the JV Company. Meanwhile, the Company entered into a placing agreement (the "Placing Agreement") with a placing agent to procure on a best effort basis, to not less than six independent parties, to subscribe for the convertible bonds in the aggregate principal amount of up to HK\$850 million during the placing period, to finance the investment of the JV Company.

附註：

(a) 於二零一六年七月，滙盈證券與三名獨立第三方訂立一份合營協議（「合營協議」），以於中國廣西省成立一間主要從事證券經紀活動之合營企業（「合營公司」）。根據合營協議，滙盈證券將出資人民幣445,000,000元（相當於約524,000,000港元（二零一九年：相當於約496,000,000港元）），佔合營公司股權之44.5%。此外，本公司與配售代理訂立一份配售協議（「配售協議」），以按竭盡所能基準於配售期間促使不少於六名獨立人士認購總本金額最多達850,000,000港元之可換股債券，以為合營公司之投資提供資金。

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36. CAPITAL COMMITMENTS (continued)

Notes: (continued)

(a) (continued)

The Joint Venture Agreement and the Placing Agreement will become effective upon (i) the Company having obtained the approval and authorisation from its shareholders and the relevant regulatory authorities about the Joint Venture Agreement and the Placing Agreement; and (ii) VC Brokerage having obtained the approval and authorisation from the relevant regulatory authorities for establishment of the JV Company. On 26 October 2016, the approval and authorisation from the shareholders of the Company in relation to the Joint Venture Agreement and the Placing Agreement had been obtained. As at the date of this report, the application of the formation of the JV Company is still under China Securities Regulatory Commission's review.

(b) On 7 May 2020, VC Capital Management Limited, a wholly owned subsidiary of the Company, entered into a memorandum of understanding with Mr. Chan Leung, an independent third party, to acquire 16% equity interest in China Bloom at a consideration of approximately HK\$9,800,000.

On 26 August 2020, VC Capital Management Limited entered into another memorandum of understanding with Mr. Chan Leung to acquire further 16% equity interest in China Bloom at a cash consideration of HK\$9,800,000.

36. 資本承擔 (續)

附註：(續)

(a) (續)

合營協議及配售協議將於(i)本公司已就合營協議及配售協議取得本公司股東及有關監管當局批准及授權；及(ii)滙盈證券已就成立合營公司取得有關監管當局批准及授權時生效。於二零一六年十月二十六日，合營協議及配售協議已獲得本公司股東批准及授權。於本報告日期，中國證券監督管理委員會仍在審批成立合營公司之申請。

(b) 於二零二零年五月七日，本公司之全資附屬公司滙盈資本管理有限公司與獨立第三方陳亮先生訂立諒解備忘錄，以收購中星之16%股權，所涉及之代價約為9,800,000港元。

於二零二零年八月二十六日，本公司之全資附屬公司滙盈資本管理有限公司與陳亮先生訂立另一份諒解備忘錄，以進一步收購中星之16%股權，所涉及之現金代價為9,800,000港元。

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36. CAPITAL COMMITMENTS (continued)

Notes: (continued)

(b) (continued)

On 30 November 2020, VC Capital Management Limited entered into the third memorandum of understanding to extend the long stop date of the completion of acquisition of the aggregate 32% equity interest in China Bloom from 30 November 2020 to 31 May 2021.

The principal asset of China Bloom consisted of a residential property in Hong Kong with market value of approximately HK\$68,000,000.

Amount of approximately HK\$11,000,000 was paid up to the date of the report. VC Capital Management Limited is committed to pay a further sum of HK\$8,600,000 for the consideration.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure each group entity will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt and equity attributable to owners of the Company (comprising issued share capital and reserves).

The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group manages its overall capital structure through payment of dividends and issuance of new shares.

36. 資本承擔(續)

附註：(續)

(b) (續)

於二零二零年十一月三十日，滙盈資本管理有限公司訂立第三份諒解備忘錄，以延長收購中星合共32%股權之最後完成日期，由二零二零年十一月三十日延長至二零二一年五月三十一日。

中星之主要資產包括香港一座住宅物業，市值約68,000,000港元。

截至報告日期已支付11,000,000港元之款額。滙盈資本管理有限公司承諾進一步支付8,600,000港元之代價。

37. 資本風險管理

本集團的資本管理乃旨在確保各集團實體將可以持續方式經營，同時透過適當平衡資本與負債結構為股東帶來最大回報。本集團之整體策略與過往年度維持不變。

本集團的資本結構包括債務及本公司擁有人應佔權益(包括已發行股本及儲備)。

管理層透過考量資本成本及與各類資本有關的風險檢討資本結構。為此，本集團透過派付股息及新股發行，管理其整體資本架構。

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37. CAPITAL RISK MANAGEMENT (continued)

Several subsidiaries of the Group (the "Regulated Subsidiaries") are registered with the Hong Kong Securities and Futures Commission (the "SFC") for the business they operate in. The Regulated Subsidiaries are subject to liquid capital requirements under the Hong Kong Securities and Futures (Financial Resources) Rules (the "SF(FR)R") adopted by the SFC. Under the SF(FR)R, the Regulated Subsidiaries must maintain their liquid capital (assets and liabilities adjusted as determined by the SF(FR)R) in excess of HK\$3 million or 5% of their total adjusted liabilities, whichever is higher. The required information is filed with the SFC on a monthly basis. The Regulated Subsidiaries have no non-compliance with the liquid capital requirements imposed by the SF(FR)R during the year.

One of the subsidiaries is a member of Insurance Authority during the year ended 31 December 2020 and 2019 is required to maintain a minimum net asset value and share capital of HK\$100,000 at all times. There is no non-compliance of the capital requirements imposed by the Insurance Authority the year ended 31 December 2020 and 2019.

37. 資本風險管理(續)

本集團若干附屬公司(「受規管附屬公司」)就其所經營業務向香港證券及期貨事務監察委員會(「證監會」)註冊。受規管附屬公司受證監會採納之香港《證券及期貨(財務資源)規則》(「財務資源規則」)之流動資金規定所規範。根據財務資源規則，受規管附屬公司的流動資金(資產與負債，經財務資源規則決定予以調整)必須維持於3,000,000港元或其經調整負債總額之5%(以較高者為準)以上。此外，亦須每月向證監會提交所需資料。年內，受規管附屬公司並無違反財務資源規則訂明之流動資金規定。

於截至二零二零年及二零一九年十二月三十一日止年度，其中一間附屬公司為保險業監管局之會員，並按規定須於任何時候維持100,000港元之最低資產淨值及股本。於截至二零二零年及二零一九年十二月三十一日止年度，並無違反該項由保險業監管局訂明之資本規定。

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38. FINANCIAL INSTRUMENTS
Categories of financial instruments
Financial assets

Financial assets at amortised costs	Financial asset at FVTOCI	Financial asset at FVTPL	– Derivative financial assets	– Held for trading	– Designated at FVTPL
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財務資產

按攤銷成本列賬之財務資產	按公平值列賬及在其他全面收入表處理之財務資產	按公平值列賬及在損益賬處理之財務資產	– 衍生財務資產	– 持作買賣	– 指定為按公平值列賬及在損益賬處理
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38. 金融票據
金融票據類別

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
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613,321

311,768

29,517

47,054

4,735

–

247,338

162,138

8,665

297,087

Financial liabilities

Amortised cost

財務負債

已攤銷成本

81,281

51,142

Financial risk management objectives and policies

The Group's major financial instruments include rental and utility deposits, financial assets at FVTPL, financial assets at FVTOCI, accounts receivable, deposits and other receivables, bank balances and cash, accounts payable, accrued liabilities and other payables and convertible bonds issued. Details of these financial instruments are disclosed in their respective notes. The risks associated with these financial instruments include market risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

財務風險管理之宗旨及政策

本集團之主要金融票據包括租金及水電按金、按公平值列賬及在損益賬處理之財務資產、按公平值列賬及在其他全面收入表處理之財務資產、應收賬款、按金及其他應收賬款、銀行結餘及現金、應付賬款、應計負債及其他應付賬款及已發行可換股債券。該等金融票據之詳情於相關附註中披露。與該等金融票據相關之風險包括市場風險、信貸風險及流動資金風險。如何減輕該等風險之政策載列如下。管理層對該等風險進行管理及監察，確保及時有效實行適當措施。

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk

Currency risk

It is the Group's policy for each group entity to operate in local currencies as far as possible to minimise currency risks. Almost all of the Group's principal businesses are conducted in Hong Kong dollars which is also the functional currency of the respective entities of the Group, with small amounts of bank deposits denominated in foreign currency. Since the impact of foreign exchange exposure is minimal, no hedging against foreign currency exposure has been carried out by the Group for the year. Accordingly, no sensitivity analysis on currency risk was presented.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to convertible bonds included in financial assets at FVTPL (see note 24), fixed-rate accounts receivable from money lending business (see note 26). The management considered that the risk associated within these balances are insignificant.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate accounts receivable from brokerage and financing business such as cash clients and margin clients (see note 26). Bank balances are excluded from the interest rate sensitivity analysis as they are not sensitive to the change in market interest rates.

The Group currently does not have any interest rate hedging policy. It is the Group's policy to keep accounts receivable from brokerage and financing business and short-term bank borrowing at floating rate as to minimise the cash flow interest rate risk.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

市場風險

貨幣風險

本集團之政策為各集團實體均盡可能以當地貨幣經營，以減低貨幣風險。本集團絕大部分之主要業務均以本集團各實體之功能貨幣港元進行，只有少數銀行存款以外幣列值。由於外匯風險之影響屬微不足道，因此本集團於本年度並無為外幣風險進行對沖。因此，並無呈列貨幣風險之敏感度分析。

利率風險

本集團面對計入按公平值列賬及在損益賬處理之財務資產之可換股債券(見附註24)、放債服務定息應收賬款(見附註26)有關的公平值利率風險。管理層認為該等結餘內之相關風險並不重大。

本集團亦面對現金客戶及保證金客戶(見附註26)等浮息應收經紀及融資業務賬款有關的現金流利率風險。利率敏感度分析並不計及銀行結餘，因其對市場利率變動之敏感度不大。

本集團現時並無任何利率對沖政策。本集團之政策為將應收經紀及融資業務賬款及短期銀行借款保持以浮動利率計息藉以將現金流量利率風險減至最低。

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38. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies (continued)***Market risk (continued)*

Interest rate risk (continued)

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of the variable-rate accounts receivable from brokerage and financing business and variable-rate bank borrowings.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments. The analysis is prepared assuming the financial instruments outstanding were outstanding for the whole year. A 10 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis points (2019: 10 basis points) higher/lower and all other variables were held constant, the Group's loss before tax would decrease/increase by approximately HK\$162,000 (2019: HK\$129,000) for the year ended 31 December 2020. This is mainly attributable to the Group's exposure to interest rates on its variable-rate accounts receivable from brokerage and financing business and variable-rate bank borrowings.

38. 金融票據(續)**財務風險管理之宗旨及政策(續)***市場風險(續)*

利率風險(續)

本集團面對之財務負債利率風險於本附註流動資金風險管理一節詳述。本集團之現金流量利率風險主要集中於浮息應收經紀及融資業務賬款及短期銀行借款之利率波動。

敏感度分析

以下敏感度分析乃根據非衍生工具利率風險而釐定。該分析乃假設尚未結算之金融票據乃於整個年度均無結算而編製。內部向主要管理人員匯報利率風險時乃使用上升或下降10個基點，即管理層評估有可能發生之合理利率變動。

倘利率上升／下降10個基點(二零一九年：10個基點)而所有其他不定因素均保持不變，則本集團截至二零二零年十二月三十一日止年度之除稅前虧損會減少／增加約162,000港元(二零一九年：129,000港元)。這主要源自本集團所面對浮息應收經紀及融資業務賬款及短期銀行借款之利率風險。

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Other price risk

The Group is exposed to equity price risk through the Group's investment in listed equity securities and convertible bonds which are classified as financial assets at FVTPL (see note 24) as at 31 December 2020. If the market price of the listed equity securities is 10% higher/lower as at 31 December 2020 (2019: 5% higher/lower), the Group's loss before tax would have decreased/increased by approximately HK\$12,367,000 for the year ended 31 December 2020 (2019: HK\$8,107,000) as a result of the change in fair value of the listed equity securities.

Credit risk

As at 31 December 2020, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The credit risk of our Group mainly arises from accounts receivable, deposits and other receivables, pledged bank deposits and bank balances. The carrying amounts of these balances represent our Group's maximum exposure to credit risk in relation to financial assets.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

市場風險(續)

其他價格風險

於二零二零年十二月三十一日，本集團因其於分類為按公平值列賬及在損益賬處理之財務資產之上市股本證券及可換股債券之投資(見附註24)而承受股本價格風險。倘於二零二零年十二月三十一日上市股本證券之市價上升/下跌10%(二零一九年：上升/下跌5%)而所有其他不定因素均保持不變，則本集團於截至二零二零年十二月三十一日止年度之除稅前虧損會由於上市股本證券之公平值變動而分別減少/增加約12,367,000港元(二零一九年：8,107,000港元)。

信貸風險

於二零二零年十二月三十一日，由於交易對手未能履行責任導致本集團須承受會產生財務損失之最大信貸風險，為產生自綜合財務狀況表所列各已確認財務資產之賬面值。

本集團之信貸風險主要產生自應收賬款、按金及其他應收賬款已抵押銀行存款及銀行結餘。此等結餘之賬面值為本集團就財務資產承受最大之信貸風險。

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38. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies (continued)***Credit risk (continued)*

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts and receivables from margin clients with shortfalls in relation to the business of VC Brokerage, the indirect wholly-owned subsidiary of the Company. In addition, the Group reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate loss allowance are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For money lending business of VC Finance Limited ("VC Finance") and corporate finance business of VC Capital, both are the indirect wholly-owned subsidiaries of the Company, the Group closely evaluates the borrowers' credit rating, financial background and repayment abilities so as to minimise the Group's exposure to credit risk. The assessment is based on a close monitoring and evaluation of the collectability of individual account and on the management's judgement, including the current creditworthiness of the borrowers, collateral value and the past collection history of each individual borrower within the Group. The Group will take necessary action to follow up the overdue loans and ensure that adequate loss allowances are made for individual loans. As at 31 December 2020, the Group recognised a loss allowance of approximately HK\$51,177,000 (2019: HK\$31,433,000) for the loans with ECL.

38. 金融票據(續)**財務風險管理之宗旨及政策(續)***信貸風險(續)*

為了將信貸風險減至最低，本集團管理層已委派專責小組負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進措施收回本公司間接全資附屬公司滙盈證券有關之逾期債務及保證金客戶欠付之應收賬款。此外，本集團會於各報告期末評估各應收賬款之可收回金額，以確保就不可收回金額作出足夠虧損準備。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

就本公司間接全資附屬公司滙盈財務有限公司(「滙盈財務」)之放債業務及滙盈融資之企業融資業務而言，為盡量減低本集團之信貸風險，本集團密切評估借款人之信貸評級、財務背景及還款能力。有關評估乃基於對個別賬項可收回成數之密切監察及評估，以及管理層之判斷(包括借款人現時之信用、各個別借款人之抵押品價值及過往向本集團還款記錄)。本集團將採取必要行動以跟進逾期貸款及確保會就個別貸款作出足夠虧損準備。於二零二零年十二月三十一日，本集團已就有預期信貸虧損之貸款確認約51,177,000港元(二零一九年：31,433,000港元)之虧損準備。

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group has applied the simplified approach in HKFRS 9 for accounts receivable other than money lending and margin clients to measure the loss allowance at lifetime ECL for accounts receivable. The Group determines the ECL collectively by using a provision matrix with reference to past default experience of the accounts receivable other than money lending business and margin clients, adjusted for factors that are specific to the accounts receivable from money lending business and margin client, latest collateral valuation general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. The details of ECL measurement basis are set out in this note.

The accounts receivable from margin clients and money lending services are pledged by listed securities. The maximum exposure to credit risk in respect of the accounts receivable at the end of the reporting period, without taking into account the collateral is disclosed in note 26. The management considers that the credit risk arising from the accounts receivable is significantly mitigated by the listed equity securities held as collateral, with reference to the market value of the listed equity securities at 31 December 2020.

Management considered deposits and other receivables to be low credit risk and thus the impairment provision recognised during the year was limited to 12-month ECL, expect for deposits and other receivables are considered that the credit risk is significantly increased or defaulted will be measure at lifetime ECL.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

信貸風險(續)

本集團就應收賬款(放債及保證金客戶除外)應用香港財務報告準則第9號之簡化方法,以計量應收賬款之整個存續期預期信貸虧損之虧損準備。本集團參考放債業務及保證金客戶以外之應收賬款過往之違約經驗,採用撥備方陣集體釐定預期信貸虧損,並就放債業務及保證金客戶之應收賬款獨有之因素、抵押品最近期估值、整體經濟狀況以及於報告日期對現行及預測狀況發展方向之評估作出調整。預期信貸虧損之計量基準詳情載於本附註。

應收保證金客戶賬款及放債服務之應收賬款乃以上市證券作抵押。於報告期末,就該等應收賬款所承擔之最大信貸風險(並無計及抵押品)於附註26披露。管理層認為,參考上市股本證券於二零二零年十二月三十一日之市值,應收賬款產生之信貸風險已基於持作抵押品之上市股本證券而大幅降低。

管理層認為,按金及其他應收賬款之信貸風險偏低,因此於年內確認之減值撥備僅限於十二個月預期信貸虧損。倘按金及其他應收賬款被視為信貸風險顯著增加或已違約,則以整個存續期預期信貸虧損計量。

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38. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies (continued)***Credit risk (continued)*

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant increase in credit risk on other financial instruments of the borrower

38. 金融票據(續)**財務風險管理之宗旨及政策(續)***信貸風險(續)*

流動資金之信貸風險有限，因交易對手為國際信貸評級機構賦予高信貸評級之銀行。

本集團於初步確認在資產時考慮違約之可能性，及評估於報告期間內信貸風險有否持續顯著增加。於評估信貸風險有否顯著增加時，本集團將報告日期資產發生違約風險與初步確認日期發生違約風險作比較。本集團亦考慮可獲得之合理及支持前瞻性資料。尤其是結合以下指標：

- 內部信貸評級
- 外部信貸評級
- 業務、財務或經濟環境之實際或預期發生重大不利變化，而預期足以導致借款人履行責任之能力產生重大變化
- 借款人經營業績實際或預期發生重大變化
- 支持責任之抵押品價值或第三方擔保或信貸增益之質素發生重大變化
- 借款人其他金融票據之信貸風險發生重大變化

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower

The Group's exposure to credit risk

In order to minimise credit risk, the Group has tasked its credit committee to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the credit department uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

信貸風險(續)

- 借款人之預期表現或行為發生重大變化，包括集團內借款人之付款情況之變化及借款人經營業績之變化

本集團面對之信貸風險

為盡量降低信貸風險，本集團已委派其信貸委員會制訂及維持本集團信貸風險等級，以根據違約風險程度將風險分類。信貸評級資料由獨立評級機構提供(如可得)，否則信貸部門使用其他公開可得財務資料及本集團自有交易記錄對其主要客戶及其他債務人評級。本集團持續監察其風險及其交易對手之信貸評級，並將所達成之交易總值在經核准交易對手間攤分。

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38. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies (continued)***Credit risk (continued)*

The Group's current credit risk grading framework comprises the following categories:

38. 金融票據(續)**財務風險管理之宗旨及政策(續)***信貸風險(續)*

本集團現行信貸風險評級框架包括以下類別：

Category 類別	Description 描述	Basis for recognising ECL 確認預期信貸虧損之依據
Performing 良好	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired (refer to as Stage 1) 違約風險低或自初步確認以來信貸風險並無顯著增加，且無信貸減值之財務資產(為第1階段)	12-month ECL 十二個月預期信貸虧損
Doubtful 懷疑	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2) 自初步確認以來信貸風險顯著增加但並無信貸減值之財務資產(為第2階段)	Lifetime ECL – not credit impaired 整個存續期預期信貸虧損 – 並無信貸減值
Default 違約	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3) 當一項或多項對財務資產估計未來現金流量有不利影響之事件發生時，該資產即被評定為信貸減值(為第3階段)	Lifetime ECL – credit impaired 整個存續期預期信貸虧損 – 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重財務困難，因而本集團收回款項之希望渺茫	Amount is written off 款項已撇銷

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The tables below detail the credit quality of the Group's financial assets as well as the Group's maximum exposure to credit risk by credit risk rating grades.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

信貸風險(續)

下表根據信貸風險評級詳列本集團財務資產之信貸質素及本集團所面對最大之信貸風險。

	External credit rating	Internal credit rating	12-month or lifetime ECL 十二個月或 整個存續期 預期信貸虧損	31 December 2020 二零二零年十二月三十一日			31 December 2019 二零一九年十二月三十一日		
				Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
	外部信貸評級	內部信貸評級	預期信貸虧損	賬面總值 HK\$'000 千港元	虧損準備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元	賬面總值 HK\$'000 千港元	虧損準備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元
Rental and utility deposits* 租金及水電按金*	N/A 不適用	Performing 良好	12-month ECL 十二個月預期信 貸虧損	272	-	272	1,868	-	1,868
Accounts receivable (other than money lending and margin clients)* 應收賬款(放債及 保證金客戶除外)*	N/A 不適用	N/A 不適用	Lifetime ECL (Simplified approach) 整個存續期預期 信貸虧損 (簡化方法)	63,064	(1,031)	62,033	14,568	(450)	14,118
Accounts receivable from money lending and margin clients* 應收放債及保證金客戶之 應收賬款*	N/A 不適用	Performing 良好	12-month ECL 十二個月預期 信貸虧損	73,931	(22)	73,909	113,900	-	113,900
Accounts receivable from money lending and margin clients* 應收放債及保證金客戶之 應收賬款*	N/A 不適用	Doubtful 懷疑	Lifetime ECL - not credit impaired 整個存續期預期 信貸虧損 - 並無信貸 減值	322,623	(24,390)	298,233	81,552	(4,180)	77,372
Accounts receivable from money lending and margin clients* 應收放債及保證金客戶之 應收賬款*	N/A 不適用	Default 懷疑	Lifetime ECL - credit impaired 整個存續期預期 信貸虧損 - 信貸減值	58,868	(50,201)	8,667	67,165	(48,875)	18,290

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

	External credit rating	Internal credit rating	12-month or lifetime ECL 十二個月或整個存續期預期信貸虧損	31 December 2020 二零二零年十二月三十一日			31 December 2019 二零一九年十二月三十一日		
				Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
	外部信貸評級	內部信貸評級	預期信貸虧損	賬面總值 HK\$'000 千港元	虧損準備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元	賬面總值 HK\$'000 千港元	虧損準備 HK\$'000 千港元	賬面淨值 HK\$'000 千港元
Deposits and other receivables* 按金及其他應收賬款*	N/A 不適用	Performing 良好	12-month ECL 十二個月預期 信貸虧損	16,289	-	16,289	15,432	-	15,432
Deposits and other receivables** 按金及其他應收賬款**	N/A 不適用	Doubtful 懷疑	Lifetime ECL - not credit impaired 整個存續期預期 信貸虧損 - 並無信貸 減值	93,600	(3,978)	89,622	-	-	-
Deposits and other receivables# 按金及其他應收賬款#	N/A 不適用	Doubtful 懷疑	Lifetime ECL - credit impaired 整個存續期預期 信貸虧損 - 信貸減值	1,112	(1,016)	96	-	-	-

Note: The Group determines the ECL on:

- * Collectively by using provision matrix with reference to past default experience
- # Individual basis
- ** Include both approaches base on different nature of balances

附註：本集團釐定預期信貸虧損之基準如下：

- * 參考過往違約經驗，採用撥備方陣集體釐定
- # 按個別基準釐定
- ** 按不同結餘之性質結合兩種方法釐定

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

信貸風險(續)

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The carrying amount of the Group's financial assets at FVTPL as disclosed in note 24 represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

The Group's concentration of credit risk by geographical location is mainly in Hong Kong as at 31 December 2020 and 2019. As at 31 December 2020, the Group has concentration of credit risk on the accounts receivable as the aggregate balances with the five largest clients represent approximately 28% (2019: 44%) of total accounts receivable. However, the fair values of the securities collateral held by the Group for these balances are either in excess to the relevant carrying amounts or have no overdue amounts as at the end of each reporting period. Accordingly, the directors of the Company consider that the Group's credit risk is closely monitored. The Group has no other significant concentration of credit risk.

Liquidity risk

Internally generated cash flows is the source of fund to finance the operations of the Group. The Group's liquidity risk management includes diversifying the funding sources. The Group regularly reviews the major funding positions to ensure adequate financial resources are available to meet their respective financial obligations.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

信貸風險(續)

附註24所披露本集團按公平值列賬及在損益賬處理之財務資產之賬面值代表相關資產各自面對之最高信貸風險。本集團並無就任何該等結餘持有任何抵押品。

按地域而言，於二零二零年及二零一九年十二月三十一日，本集團之信貸風險主要集中於香港。於二零二零年十二月三十一日，本集團有應收賬款之集中信貸風險，因與五大客戶之總結餘佔應收賬款總額約28%（二零一九年：44%）。然而，本集團就該等結餘持有之抵押證券之公平值高於相關賬面值或於各報告日期並無逾期款項。因此，本公司董事認為本集團之信貸風險已得到密切監察。本集團並無其他高度集中信貸風險。

流動資金風險

本集團營運所用資金來自內部產生之現金流量。本集團之流動資金風險管理包括分散資金來源。本集團定期檢討各主要資金狀況，以確保各財政資源足以迎合其財務承擔所需。

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity table

The following tables detail the Group's remaining contractual maturity for their non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities with the earliest date on which the Group are required to settle. The tables include both principal and interest cash flows. To the extent that the interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

流動資金風險(續)

流動資金表

下表基於本集團非衍生財務負債之協定還款期詳列該等負債的剩餘合約期限。下表為基於本集團於須予結算之最早日期之財務負債之未貼現現金流量編製。下表包括本金及利息現金流量。在利率屬浮動利率的情況下，未貼現金額乃由報告期末利率曲線衍生。

		Weighted average interest rate (p.a.)	On demand or less than 1 month 於要求時 償還或 一個月以內	3 months			Total undiscounted cash flows	Total carrying amount
				1-3 months	to year	1-5 years		
		加權平均 年利率 %	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一年至五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	賬面總值 HK\$'000 千港元	
At 31 December 2020	於二零二零年 十二月三十一日							
Non-derivative financial liabilities	非衍生財務負債							
Accounts payable	應付賬款		50,702	-	-	-	50,702	
Other payables	其他應付賬款		6,584	1,383	370	-	8,337	
Convertible bonds issued (note 31)	已發行可換股債券(附註31)	2	18,180	-	-	6,811	22,242	
			75,466	1,383	370	6,811	81,281	

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity table (continued)

In addition, the Group's maturity profile of its lease liabilities is as follow:

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

流動資金風險(續)

流動資金表(續)

此外，本集團租賃負債之到期情況如下：

	Weighted average interest rate (p.a.)	On demand or less than 1 month 於要求時 償還或 一個月以內	1-3 months	3 months to year	1-5 years	Total undiscounted cash flows	Total carrying amount		
	加權平均 年利率 %	償還或 一個月以內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一年至五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	賬面總值 HK\$'000 千港元		
Lease liabilities		租賃負債	5,375	-	1,734	4,046	891	6,671	6,375

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38. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity table (continued)

		Weighted average interest rate (p.a.)	On demand or less than				Total undiscounted cash flows	Total carrying amount
			1 month 於要求時	1-3 months	3 months to year	1-5 years		
	加權平均 年利率 %	償還或 一個月以內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一年至五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	賬面總值 HK\$'000 千港元	
At 31 December 2019	於二零一九年 十二月三十一日							
Non-derivative financial liabilities	非衍生財務負債							
Accounts payable	應付賬款		16,231	-	-	-	16,231	
Other payables	其他應付賬款		4,608	1,080	218	-	5,906	
Convertible bonds issued (note 31)	已發行可換股債券(附註31)	2	-	-	1,538	33,360	29,005	
			20,839	1,080	1,756	33,360	57,035	
							51,142	

In addition, the Group's maturity profile of its lease liabilities is as follow:

此外，本集團租賃負債之到期情況如下：

		Weighted average interest rate (p.a.)	On demand or less than				Total undiscounted cash flows	Total carrying amount
			1 month 於要求時	1-3 months	3 months to year	1-5 years		
	加權平均 年利率 %	償還或 一個月以內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月至一年 HK\$'000 千港元	一年至五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	賬面總值 HK\$'000 千港元	
Lease liabilities	租賃負債	5.375	586	1,174	5,281	4,483	11,524	
							11,050	

38. 金融票據(續)

財務風險管理之宗旨及政策(續)

流動資金風險(續)

流動資金表(續)

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38. FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period for recurring and non-recurring measurement, grouped into Levels 1 to 3 based on the degree to which the fair value is observable in accordance to the Group's accounting policy. The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

38. 金融票據(續)

於綜合財務狀況表確認之公平值計量

下表載列於各報告期末公平值計量之金融票據有關經常性及非經常性計量之分析，乃基於根據本集團會計政策該公平值之可觀察程度而劃分入第1至3級。本公司董事認為於綜合財務報表按攤銷成本列賬之財務資產及財務負債之賬面值與其公平值相若。

		31 December 2020 二零二零年十二月三十一日			
		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	按公平值列賬及在 損益賬處理之 財務資產				
Convertible bonds	可換股債券	–	–	8,665	8,665
Listed equity securities	上市股本證券	247,338	–	–	247,338
Call options	認購期權	–	–	4,735	4,735
Financial assets at FVTOCI	按公平值列賬及在 其他全面收入表 處理之財務資產				
Unlisted equity securities	非上市股本證券	–	–	29,517	29,517
Total	總計	247,338	–	42,917	290,255

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38. FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position (continued)

38. 金融票據(續)

於綜合財務狀況表確認之公平值計量(續)

		31 December 2019 二零一九年十二月三十一日			
		Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVTPL	按公平值列賬及 在損益賬處理之 財務資產				
Convertible bonds	可換股債券	—	—	297,087	297,087
Listed equity securities	上市股本證券	162,138	—	—	162,138
Financial assets at FVTOCI	按公平值列賬及在 其他全面收入表 處理之財務資產				
Unlisted equity securities	非上市股本證券	—	—	47,054	47,054
Total	總計	162,138	—	344,141	506,279

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38. FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position (continued)

The valuation techniques and inputs used in the fair value measurements of each financial instrument on a recurring basis are set out below:

38. 金融票據(續)

於綜合財務狀況表確認之公平值計量(續)

各金融票據按經常性基準之公平值計量所用之估值技術及輸入數據載列如下：

Financial instruments	Fair value hierarchy	Fair values as at 31 December		Valuation technique and key inputs	Significant unobservable inputs	Relationship of key inputs and significant unobservable inputs to fair value
金融票據	公平值層級	於十二月三十一日之公平值		估值技術及主要輸入數據	重大不可觀察輸入數據	主要輸入數據及重大不可觀察輸入數據與公平值之關係
		2020	2019			
		二零二零年	二零一九年			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	
Financial assets at FVTPL 按公平值列賬及在損益賬 處理之財務資產						
Convertible bonds Investments	Level 3	8,665	297,087	Binomial model: By reference to the risk free rate of 0.08% (2019: 2.16%) and effective interest rate of 15% (2019: 15%)	2020: Volatility: 54% 2019: Volatility: 42.75% & 84%	The higher the volatility, the higher of the fair value of the CBs
可換股債券投資	第3級			二項式模式： 參考無風險利率0.08% (二零一九年：2.16%) 及實際利率15% (二零一九年：15%)	二零二零年： 波幅54% 二零一九年： 波幅42.75%及84%	波幅越高，可換股債券之公平 值越高
Listed equity securities	Level 1	247,338	162,138	Quoted bid prices in an active market	N/A	N/A
上市股本證券	第1級			活躍市場所報買入價	不適用	不適用

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38. FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position (continued)

38. 金融票據(續)

於綜合財務狀況表確認之公平值計量(續)

Financial instruments	Fair value hierarchy	Fair values as at 31 December		Valuation technique and key inputs	Significant unobservable inputs	Relationship of key inputs and significant unobservable inputs to fair value
金融票據	公平值層級	於十二月三十一日之公平值		估值技術及主要輸入數據	重大不可觀察輸入數據	主要輸入數據及重大不可觀察輸入數據與公平值之關係
		2020	2019			
		二零二零年	二零一九年			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	
Financial assets at FVTOCI						
按公平值列賬及在其他全面收入表處理之財務資產						
Unlisted equity securities	Level 3	29,517	47,054	2020: Market approach 2019: Market approach	2020: Marketability discount of 15.8% 2019: Marketability discount of 15.8%	2020: By reference to price-to-book value ratio of 0.47 2019: By reference to price-to-earnings ratio of 13.82
非上市股本證券	第3級			二零二零年：市場法 二零一九年：市場法	二零二零年： 市場流通性 折扣15.8% 二零一九年： 市場流通性 折扣15.8%	二零二零年： 參考市賬率0.47倍 二零一九年： 參考市盈率13.82倍
Derivative financial assets						
衍生財務資產						
Call options	Level 3	4,735	N/A	Binominal model: By reference to the risk fee rate of 0.103% (2019: N/A)	2020: Volatility of 60% & 60% (2019: N/A)	The higher volatility, the higher of the fair value of the options.
認購期權	第3級		不適用	二項式模式： 參考無風險利率0.103% (二零一九年：不適用)	二零二零年： 波幅60%及60% (二零一九年：不適用)	波幅越高，期權之公平值越高

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38. FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position (continued)

Reconciliation of Level 3 fair value measurements of financial assets on recurring basis are as follows:

38. 金融票據(續)

於綜合財務狀況表確認之公平值計量(續)

按經常性基準以第3級公平值計量之財務資產對賬：

		Financial assets at FVTPL 按公平值列賬及在損益賬處理之財務資產	Financial assets at FVTOCI 按公平值列賬及在其他全面收入表處理之財務資產 Unlisted equity securities 非上市股本證券	Derivative financial assets 衍生財務資產	Total 總計
		Convertible bonds 可換股債券	Unlisted equity securities 非上市股本證券	Call options 認購期權	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As 1 January 2019	於二零一九年一月一日	304,081	–	–	304,081
Purchases	購買	13,167	–	–	13,167
Fair value changes profit or loss	在損益賬確認之公平值變動	(20,161)	–	–	(20,161)
Transfer from level 2 to level 3	由第2級轉撥至第3級	–	47,054	–	47,054
As 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	297,087	47,054	–	344,141
Purchases	購買	10,795	–	–	10,795
Redemption	贖回	(13,358)	–	–	(13,358)
Disposal	出售	(283,729)	–	–	(283,729)
Fair value changes through profit or loss	在損益賬確認之公平值變動	(2,130)	–	4,735	2,605
Fair value loss through other comprehensive income	在其他全面收入表確認之公平值虧損	–	(17,537)	–	(17,537)
At 31 December 2020	於二零二零年十二月三十一日	8,665	29,517	4,735	42,917

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38. FINANCIAL INSTRUMENTS (continued)**Offsetting financial assets and financial liabilities**

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group's consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the Group's consolidated statement of financial position.

Under the agreement of continuous net settlement made between the Group and HKSCC and brokers, the Group has a legally enforceable right to set off the money obligation receivable and payable with HKSCC and brokers on the same settlement date and the Group intends to set off on a net basis.

In addition, the Group has a legally enforceable right to set off the accounts receivable and payable with brokerage clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

38. 金融票據(續)**財務資產及財務負債抵銷**

下表載列之披露資料包括屬於以下情況之財務資產及財務負債：

- 於本集團綜合財務狀況表內抵銷；或
- 受涵蓋同類金融票據並可強制執行之淨額對銷總安排或同類協議所規限，不論其是否於本集團綜合財務狀況表內抵銷。

根據本集團與香港結算及經紀作出之持續淨額結算協議，本集團擁有可依法強制執行之權利，將與香港結算及經紀之間在同一個結算日到期且本集團有意按淨額基準抵銷之應收及應付賬款責任抵銷。

此外，本集團擁有可依法強制執行之權利，將與經紀客戶之間在同一個結算日到期且本集團有意按淨額基準抵銷之應收及應付賬款抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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38. FINANCIAL INSTRUMENTS (continued)

Offsetting financial assets and financial liabilities (continued)

Except for balances which are due to be settled on the same date which are being offset, amounts due from/to brokerage clients that are due to be settled on delivery versus payment basis, amounts due from/to HKSCC, brokers and brokerage clients that are not to be settled on the same date, financial collateral including cash and securities received by the Group, deposit placed with HKSCC and brokers do not meet the criteria for offsetting in the statement of financial position since the right of set-off of the recognised amounts is only enforceable following an event of default.

As at 31 December 2020

38. 金融票據 (續)

財務資產及財務負債抵銷 (續)

除於同一日期到期結算之結餘予以抵銷外，到期按貨銀對付基準結算之應收／應付經紀客戶賬款、並非於同一日結算之應收／應付香港結算、經紀及經紀客戶賬款、本集團收取之財務抵押品（包括現金及證券），以及存放於香港結算及經紀之按金，一概不符合於財務狀況表內抵銷之標準，因抵銷已確認金額之權利僅於違約事件後方可強制執行。

於二零二零年十二月三十一日

	Gross amounts of accounts payable set off in the consolidated statement of financial position 於綜合 財務狀況 表內抵銷之 應收 賬款總額 HK\$'000 千港元	Gross amounts of accounts receivable in the consolidated statement of financial position 於綜合 財務狀況 表內之應收 賬款淨額 HK\$'000 千港元	Net amounts of accounts receivable in the consolidated statement of financial position 於綜合 財務狀況 表內之應收 賬款淨額 HK\$'000 千港元	Related amounts not set off in the consolidated statement of financial position Financial instruments HK\$'000 千港元	Collateral received HK\$'000 千港元	Net amount HK\$'000 千港元
Accounts receivable arising from the ordinary course of business of dealing in securities transactions	255,435	(73,700)	181,735	(14,121)	(134,856)	32,758

Accounts receivable arising from the ordinary course of business of dealing in securities transactions 在日常業務過程中因進行買賣證券交易而產生之應收賬款

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38. FINANCIAL INSTRUMENTS (continued)**Offsetting financial assets and financial liabilities
(continued)**

As at 31 December 2019

38. 金融票據(續)**財務資產及財務負債抵銷(續)**

於二零一九年十二月三十一日

	Gross amounts of accounts payable set off in the consolidated statement of financial position 於綜合 財務狀況 表內抵銷之 應收 賬款總額 HK\$'000 千港元	Net amounts of accounts receivable in the consolidated statement of financial position 於綜合 財務狀況 表內之應收 賬款淨額 HK\$'000 千港元	Related amounts not set off in the consolidated statement of financial position Financial instruments 並無於綜合財務狀況表 內抵銷之相關款額 金融票據 HK\$'000 千港元	Collateral received 已收抵押品 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元		
Accounts receivable arising from the ordinary course of business of dealing in securities transactions	在日常業務過程中 因進行買賣證券交易 而產生之應收賬款	168,344	(33,290)	135,054	(671)	(127,467)	6,916

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38. FINANCIAL INSTRUMENTS (continued)

Offsetting financial assets and financial liabilities (continued)

As at 31 December 2020

38. 金融票據(續)

財務資產及財務負債抵銷(續)

於二零二零年十二月三十一日

	Gross amounts of accounts receivable set off in the consolidated statement of financial position 於綜合 財務狀況 表內抵銷之 應付 賬款總額 HK\$'000 千港元	Net amounts of accounts payable in the consolidated statement of financial position 於綜合 財務狀況 表內之應付 賬款淨額 HK\$'000 千港元	Related amounts not set off in the consolidated statement of financial position Financial instruments 並無於綜合財務狀況表 內抵銷之相關款額 金融票據 HK\$'000 千港元	Collateral pledged 已質押之 抵押品 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元
Accounts payable arising from the ordinary course of business of dealing in securities transactions	在日常業務過程中 因進行買賣證券交易 而產生之應付賬款	122,749 (73,700)	49,049 (27,154)	(1,318)	20,577

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38. FINANCIAL INSTRUMENTS (continued)**Offsetting financial assets and financial liabilities
(continued)**

As at 31 December 2019

38. 金融票據(續)**財務資產及財務負債抵銷(續)**

於二零一九年十二月三十一日

	Gross amounts of accounts receivable set off in the consolidated statement of financial position 於綜合 財務狀況 表內抵銷之 應付 賬款總額 HK\$'000 千港元	Gross amounts of accounts payable 於綜合 財務狀況 表內抵銷之 應收賬款總額 HK\$'000 千港元	Net amounts of accounts payable 於綜合 財務狀況 表內之應付 賬款淨額 HK\$'000 千港元	Related amounts not set off in the consolidated statement of financial position 並無於綜合財務狀況表 內抵銷之相關款額 金融票據 HK\$'000 千港元	Collateral pledged 已質押之 抵押品 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元
Accounts payable arising from the ordinary course of business of dealing in securities transactions	在日常業務過程中 因進行買賣證券交易 而產生之應付賬款		49,521 (33,290)	16,231 (671)	-	15,560

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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39. ACQUISITION OF A SUBSIDIARY

Pursuant to a sales and purchase agreement dated 3 April 2019, the Group acquired 100% equity interest of Experts Management Limited. ("Experts Management") at a cash consideration of approximately HK\$2,310,000 from Mr. Lo Ping Hung, Eric (the "Vendor"), an independent third party of the Group.

The transaction was completed in April 2019.

Experts Management licensed under Insurance Authority on and after 23 September 2019 and Professional Insurance Brokers Association Limited before 23 September 2019, is engaged in provision of insurance brokerage in Hong Kong. The Group has acquired Experts Management so as to expand to this new market segment. The acquisition has been accounted for using acquisition method. The amount of goodwill arising as a result of the acquisition was approximately HK\$2,016,000.

Assets acquired and liabilities recognised
at the date of acquisition are as follows:

Bank balances and cash

39. 收購附屬公司

根據日期為二零一九年四月三日之買賣協議，本集團以現金代價約2,310,000港元向本集團之獨立第三方盧炳雄先生（「賣方」）收購Experts Management Limited（「Experts Management」）之100%股本權益。

有關交易已於二零一九年四月完成。

Experts Management於二零一九年九月二十三日前為香港專業保險經紀協會有限公司及自二零一九年九月二十三日起為保險業監管局所規管之持牌機構，於香港從事保險經紀業務。本集團收購Experts Management以擴展業務至此新市場板塊。有關收購按收購法入賬。因收購而產生之商譽金額約為2,016,000港元。

於收購日期所收購之資產及
所確認之負債如下：

HK\$'000
千港元

銀行結餘及現金

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For the year ended 31 December 2020
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39. ACQUISITION OF A SUBSIDIARY (continued)

39. 收購附屬公司(續)

Goodwill arising on acquisition:	因收購而產生之商譽：	HK\$'000 千港元
Consideration	代價	2,310
Less: net assets acquired	減：所收購資產淨值	(294)
<hr/>		
Goodwill arising on acquisition	因收購而產生之商譽	2,016
<hr/>		
Net cash outflow on acquisition of Experts Management	收購Experts Management所產生之淨現金流出	HK\$'000 千港元
Net cash consideration paid	已付現金代價淨額	2,310
Less: cash and cash equivalent balances acquired	減：所收購之現金及現金等值項目結餘	(294)
<hr/>		
		2,016

Goodwill arose in the acquisition of Experts Management because the cost of the combination included a control premium. The goodwill arising on the acquisition is not expected to be deductible for tax purposes.

收購Experts Management所產生之商譽乃歸因於業務合併之成本中包含控制權溢價。因收購而產生之商譽預期不可作扣稅用途。

No acquisition-related costs had been excluded from the consideration transferred.

所轉讓代價並無排除收購相關成本。

Included in the loss for the year in 2019 was approximately HK\$484,000 attributable to the additional business generated by Experts Management. No revenue for the year of 2019 was generated from Experts Management for the year.

二零一九年之年度虧損中約484,000港元乃歸因於Experts Management額外帶來之業務。Experts Management於二零一九年並無產生任何收益。

Had the acquisition been completed on 1 January 2019, total revenue of the Group for the year would have been the same, and loss for the year would have been HK\$93,392,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2019, nor is it intended to be a projection of future results.

假設收購已於二零一九年一月一日完成，本集團之年內總收益將維持不變，而年度虧損則將為93,392,000港元。有關備考資料僅供說明，並不一定代表有關收購假設於二零一九年一月一日完成時本集團將實際錄得之收益及經營業績，亦無意作為未來業績之預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2020
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40. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in these consolidated financial statements, during the year, the Group entered into the following transactions with related parties:

40. 關聯方交易

除綜合財務報表其他章節所披露者外，年內，本集團曾與關聯方進行以下交易：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Brokerage commission income earned from certain directors of the Company or close family members of or entities controlled by these directors and key management	1,250	88

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management personnel during the year is as follows:

主要管理人員之報酬

年內本公司董事及其他管理層要員之酬金如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short term benefits	6,181	7,764
Share-based payments	2,778	-
Post employment benefits	68	100
Other long term benefits	(112)	30
	8,915	7,894

The remuneration is determined by the Remuneration Committee of the Company having regard to the performance of individuals and market trends.

酬金乃由本公司薪酬委員會考慮到個別人士表現及市場趨勢後釐定。

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For the year ended 31 December 2020
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41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

41. 本公司之財務狀況表

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	(i)	2,668	2,668
Financial assets at FVTPL	按公平值列賬及在損益賬處理之財務資產		8,665	—
Amounts due from a subsidiary	應收附屬公司款項	(ii)	261,300	259,000
			272,633	261,668
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		93,353	10,106
Financial assets at FVTPL	按公平值列賬及在損益賬處理之財務資產		189,455	415,949
Derivative financial assets	衍生財務資產		4,735	—
Amounts due from subsidiaries	應收附屬公司款項	(iii)	831,518	387,381
Bank balances	銀行結餘		4,841	2,658
			1,123,902	816,094
Current liabilities	流動負債			
Accrued liabilities and other payables	應計負債及其他應付賬款		2,667	2,154
Amounts due to subsidiaries	應付附屬公司款項	(iii)	571,788	303,454
Convertible bonds	可換股債券		17,302	—
			591,757	305,608
Net current assets	流動資產淨額		532,145	510,486
Total assets less current liabilities	總資產減流動負債		804,778	772,154
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券		4,711	29,005
Deferred tax liabilities	遞延稅項負債		410	659
			5,121	29,664
Net assets	資產淨值		799,657	742,490
Capital and reserves	資本及儲備			
Share capital	股本		1,673,885	1,579,813
Reserves	儲備		(874,228)	(837,323)
Total equity	權益總額		799,657	742,490

The Company's statement of financial position was approved and authorised for issue by the board of directors on 30 March 2021 and are signed on its behalf by:

本公司之財務狀況表經董事會於二零二一年三月三十日批准授權刊行，並由下列董事代表簽署：

Mr. Fu Yiu Man, Peter
符耀文先生
Director
董事

Mr. Lin Hoi Kwong, Aristo
連海江先生
Director
董事

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For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

- (i) As at 31 December 2020, investments in subsidiaries are carried at cost of approximately HK\$2,668,000 (2019: HK\$2,668,000). No impairment loss was recognised for the year ended 31 December 2020 (2019: nil).
- (ii) The amounts from a subsidiary of approximately HK\$475,300,000 (2019: HK\$473,000,000) are unsecured and interest-free. The directors of the Company do not expect repayments from a subsidiary within next twelve months from the end of the reporting period. An impairment loss of approximately HK\$214,000,000 (2019: HK\$214,000,000) was recognised during the year ended 31 December 2020.
- (iii) The amounts due from subsidiaries included loan and interest of approximately HK\$284,558,000 (2019: HK\$129,806,000), in which a loan of approximately HK\$18,208,000 (2019: HK\$18,208,000) is unsecured, interest-bearing at Hong Kong prime rate plus 1.25% (2019: 1.25%) and repayable on demand and a loan of approximately HK\$266,350,000 (2019: HK\$111,598,000) is unsecured, interest-bearing at Hong Kong prime rate plus 5.75% (2019: plus 5.75%) per annum and repayable within one year as at the end of the reporting date. The remaining amounts due from subsidiaries of approximately HK\$546,960,000 (2019: HK\$257,575,000) are unsecured, interest-free and repayable on demand.

The amounts due to subsidiaries included loan and interest of approximately HK\$315,390,000 (2019: HK\$300,033,000) are unsecured, interest-bearing at Hong Kong prime rate (2019: prime rate) per annum and repayable on demand. The remaining amounts due to subsidiaries of approximately HK\$256,398,000 (2019: HK\$3,421,000) are unsecured, interest free and repayable on demand.

41. 本公司之財務狀況表(續)

- (i) 於二零二零年十二月三十一日，於附屬公司之投資按約2,668,000港元(二零一九年：2,668,000港元)之成本列賬。截至二零二零年十二月三十一日止年度概無確認減值虧損(二零一九年：零港元)。
- (ii) 約475,300,000港元(二零一九年：473,000,000港元)之應收附屬公司款項為無抵押及不計息。本公司董事並不預期附屬公司於報告期末起計十二個月之內還款。截至二零二零年十二月三十一日止年度已確認減值虧損約214,000,000港元(二零一九年：214,000,000港元)。
- (iii) 約284,558,000港元(二零一九年：129,806,000港元)之應收附屬公司款項(包括貸款及利息)中，約18,208,000港元(二零一九年：18,208,000港元)之貸款為無抵押、按港元最優惠利率加1.25厘(二零一九年：1.25厘)計息及須於要求時償還，另外約266,350,000港元(二零一九年：111,598,000港元)之貸款為無抵押、按港元最優惠利率加5.75厘(二零一九年：加5.75厘)之年利率計息，須於報告期末後一年內償還。其餘約546,960,000港元(二零一九年：257,575,000港元)之應收附屬公司款項為無抵押、不計息及須於要求時償還。
- 約315,390,000港元(二零一九年：300,033,000港元)之應付附屬公司款項(包括貸款及利息)為無抵押、按港元最優惠利率(二零一九年：最優惠利率)之年利率計息及須於要求時償還。其餘約256,398,000港元(二零一九年：3,421,000港元)之應付附屬公司款項為無抵押、不計息及須於要求時償還。

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41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

(iv) Movement in the Company's capital and reserves

41. 本公司之財務狀況表及儲備(續)

(iv) 本公司資本及儲備變動

		Share capital	Capital reserve	Convertible bonds reserve	Accumulated losses	Share option reserve	Total
		股本	股本儲備	可換股債券儲備	累計虧損	購股權儲備	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
			(note)				
			(附註)				
At 1 January 2020	於二零二零年一月一日	1,579,813	123,758	17,536	(1,005,991)	27,374	742,490
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	-	-	(44,468)	-	(44,468)
Issue of shares upon conversion of convertible bonds	因可換股債券換股而發行股份	45,664	-	(13,124)	-	-	32,540
Recognition of equity component of convertible bonds	確認可換股債券之權益部分	-	-	15,000	-	-	15,000
Deferred tax liabilities on recognition of equity component of convertible bonds	確認可換股債券之權益部分之遞延稅項負債	-	-	(2,475)	-	-	(2,475)
Release of deferred tax liabilities on conversion of convertible bonds	撥回可換股債券換股之遞延稅項負債	-	-	2,165	-	-	2,165
Reversal of convertible bonds reserve upon disposal of convertible bonds	因出售可換股債券而撥回可換股債券儲備	-	-	(8,626)	7,146	-	(1,480)
Issue of shares by top-up placement and subscription	因以先舊後新方式配售及認購而發行股份	49,200	-	-	-	-	49,200
Transaction costs attributable to issue of shares by placement	因配售而發行股份之交易成本	(988)	-	-	-	-	(988)
Recognition of equity-settled share option expenses	確認以股本支付之購股權開支	-	-	-	-	7,517	7,517
Issue of shares upon exercise of share options	因行使購股權而發行股份	196	-	-	-	(40)	156
At 31 December 2020	於二零二零年十二月三十一日	1,673,885	123,758	10,476	(1,043,313)	34,851	799,657

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41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

(iv) Movement in the Company's capital and reserves
(continued)

41. 本公司之財務狀況表及儲備(續)

(iv) 本公司資本及儲備變動(續)

		Share capital	Capital reserve	Convertible bonds reserve	Accumulated losses	Share option reserve	Total
		股本	股本儲備	可換股債券儲備	累計虧損	購股權儲備	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	於二零一九年一月一日	1,579,813	123,758	17,536	(734,050)	51,631	1,038,688
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	-	-	-	(296,198)	-	(296,198)
Transfer of share option upon lapse of share options	因購股權失效而轉發購股權	-	-	-	24,257	(24,257)	-
At 31 December 2019	於二零一九年十二月三十一日	1,579,813	123,758	17,536	(1,005,991)	27,374	742,490

(continued)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Group's principal subsidiaries as at the end of each reporting period are set out below:

42. 本公司之主要附屬公司詳情

於各報告期末，本集團之主要附屬公司詳情載列如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊 成立地點	Class of shares held 所持股份類別	Paid up issued registered ordinary share capital 繳足已發行 普通股本	Proportion of ownership interest held by the Company 本公司所持擁有權權益比例				Proportion of voting power held by the Company 本公司所持 投票權比例		Principal activities and place of operation 主要業務及經營地點	
				Directly 直接	Indirectly 間接	31 December 十二月三十一日					
				2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年		
				%	%	%	%	%	%		
VC Financial Group Limited 滙盈金融集團有限公司	BVI 英屬處女群島	Ordinary share 普通股	US\$1 1美元	100%	100%	N/A 不適用	N/A 不適用	100%	100%	Investment holding in Hong Kong 於香港從事投資控股	
VC Brokerage Limited 滙盈證券有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$400,000,000 400,000,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of brokerage and securities margin financing services in Hong Kong 於香港提供經紀及證券保證金融資服務	
VC Futures Limited 滙盈期貨有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$30,000,000 30,000,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of futures and options contracts dealing services in Hong Kong 於香港提供期貨及期權合約買賣服務	

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 42. 本公司之主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊 成立地點	Class of shares held 所持股份類別	Paid up issued registered ordinary share capital 繳足已發行 普通股本	Proportion of ownership interest held by the Company 本公司所持擁有權權益比例				Proportion of voting power held by the Company 本公司所持 投票權比例		Principal activities and place of operation 主要業務及經營地點	
				Directly 直接	Indirectly 間接	31 December 十二月三十一日	31 December 十二月三十一日				
				2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年		
				%	%	%	%	%	%		
VC Capital Limited 滙盈融資有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$68,000,000 68,000,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of corporate finance and advisory services in Hong Kong 於香港提供企業融資及顧問服務	
VC Asset Management Limited 滙盈資產管理有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$37,800,000 37,800,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of asset management services to clients in Hong Kong 於香港向客戶提供資產管理服務	
VC Finance Limited 滙盈財務有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$1,000,000 1,000,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Money lending in Hong Kong 於香港放債	
VC Corporate Services Limited 滙盈秘書服務有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$4,790,100 4,790,100港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of corporate services in Hong Kong 於香港提供秘書服務	

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

42. 本公司之主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊 成立地點	Class of shares held 所持股份類別	Paid up issued registered ordinary share capital 繳足已發行 普通股本	Proportion of ownership interest held by the Company 本公司所持擁有權益比例				Proportion of voting power held by the Company 本公司所持 投票權比例		Principal activities and place of operation 主要業務及經營地點
				Directly 直接		Indirectly 間接		31 December 十二月三十一日		
				2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	
				%	%	%	%	%	%	
VC Services Limited 滙盈服務有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$10,000 10,000港元	100%	100%	N/A 不適用	N/A 不適用	100%	100%	Provision of management services to group companies in Hong Kong 於香港向集團公司 提供管理服務
VC Research Limited 滙盈研究有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$500,000 500,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of research services in Hong Kong 於香港提供研究服務
Easy Task Holdings Limited	BVI 英屬處女群島	Ordinary shares 普通股	US\$1 1美元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
Century Race Investments Limited	BVI 英屬處女群島	Ordinary shares 普通股	US\$1 1美元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Investment holding in Hong Kong 於香港從事投資控股

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued) 42. 本公司之主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊 成立地點	Class of shares held 所持股份類別	Paid up issued registered ordinary share capital 繳足已發行 普通股本	Proportion of ownership interest held by the Company 本公司所持擁有權益比例				Proportion of voting power held by the Company 本公司所持 投票權比例		Principal activities and place of operation 主要業務及經營地點
				Directly 直接	Indirectly 間接	31 December 十二月三十一日	2020 二零二零年	2019 二零一九年	2020 二零二零年	
				2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	
				%	%	%	%	%	%	
Experts Management Limited	Hong Kong 香港	Ordinary shares 普通股	HK\$1,390,000 1,390,000港元	N/A 不適用	N/A 不適用	100%	100%	100%	100%	Provision of insurance broker in Hong Kong 於香港提供保險經紀服務
Success Health Global Limited (note a) (附註a)	BVI 英屬處女群島	Ordinary shares 普通股	US\$100 100美元	N/A 不適用	N/A 不適用	51%	N/A 不適用	51%	N/A 不適用	Holding of license for distribution of healthcare products 持有分銷醫療保健產品之許可
Success Health Biotech (US), Inc (note b) (附註b)	USA 美國	Common stocks 普通股	US\$15 15美元	N/A 不適用	N/A 不適用	51%	N/A 不適用	51%	N/A 不適用	Sale of healthcare products 銷售醫療保健產品

Notes:

(a) Being the subsidiary incorporated on 14 July 2020.

(b) Being the subsidiary incorporated on 17 July 2020.

附註：

(a) 其為於二零二零年七月十四日註冊成立之附屬公司。

(b) 其為於二零二零年七月十七日註冊成立之附屬公司。

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries are either inactive or investment holding companies. A summary of these subsidiaries are set out as follows:

42. 本公司之主要附屬公司詳情(續)

上表列出本公司董事認為主要影響本集團業績或資產之本集團附屬公司。本公司董事認為，列出其他附屬公司之詳情將令篇幅過於冗長。

於報告期末，本公司有其他對本集團而言並不重要之附屬公司。該等附屬公司當中大部分均暫無營業或為投資控股公司。該等附屬公司之概要載列如下：

Principal activities 主要業務	Principal place of business 主要經營地點	Number of subsidiaries 附屬公司數目	
		2020 二零二零年	2019 二零一九年
Investment holding 投資控股	Hong Kong 香港	10	9
Investment holding 投資控股	BVI 英屬處女群島	12	12
Investment holding 投資控股	Cayman Islands 開曼群島	2	—
		24	21

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43. EVENT AFTER THE REPORTING PERIOD

On 27 January 2021, the Group has entered into a memorandum of understanding ("MOU") with Golden Ally Lifetech Group Co., Limited ("Golden Ally"), pursuant to which the Group is desirous of investing in the aquaporins water ("AQPs Water") business. VC Capital (China) Limited, an indirect wholly owned subsidiary of the Company shall be granted the right to subscribe 2.1 billion shares, which represents 21% of the entire portfolio of Golden Ally with subscription price to be negotiated and determined by the VC Capital (China) Limited and Golden Ally. Details please refer to announcement dated on 27 January 2021.

44. MAJOR NON-CASH TRANSACTION

During the year ended 31 December 2020, the Group entered into new lease arrangement in respect of property. Right-of-use assets and lease liabilities of HK\$1,948,000 were recognised at the commencement date of the leases.

45. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

43. 報告期後事項

於二零二一年一月二十七日，本集團與 Golden Ally Lifetech Group Co., Limited (「Golden Ally」) 訂立諒解備忘錄，據此，本集團有意投資水通道蛋白水(「水通道蛋白水」)業務。本公司之間接全資附屬公司滙盈資本(中國)有限公司將獲授21億股股份(相當於Golden Ally全部股本組合之21%)之認購權，其認購價將由滙盈資本(中國)有限公司與Golden Ally磋商及釐定。有關詳情，請參閱日期為二零二一年一月二十七日之公佈。

44. 主要之非現金交易

截至二零二零年十二月三十一日止年度，本集團訂立新的物業租賃安排。於租賃開始日期確認使用權資產及租賃負債為1,948,000港元。

45. 比較數字

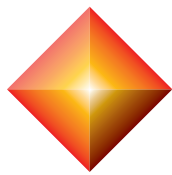
若干比較數字已予重新分類，以符合本年度之呈報方式。

FIVE YEARS' FINANCIAL SUMMARY 五個年度之財務摘要

A summary of the consolidated results and of the consolidated assets and liabilities of the Group of the past five financial years is set out below.

本集團過去五個財政年度之綜合業績以及綜合資產及負債摘要載列如下。

		For the year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
		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
Consolidated results 綜合業績						
Revenue 收益		77,909	49,210	50,474	53,685	56,283
Loss before tax 除稅前虧損		(30,498)	(93,960)	(485,975)	(66,778)	(56,735)
Income tax credit (expenses) 所得稅抵免(開支)		(1,823)	591	(341)	(698)	19
Loss for the year 年度虧損		(32,321)	(93,369)	(486,316)	(67,476)	(56,716)
Other comprehensive expense for the year 年度其他全面開支		(17,537)	(160,030)	-	-	-
Total comprehensive expense for the year 年度全面開支 總額		(49,858)	(253,399)	(486,316)	(67,476)	(56,716)
Loss per share (HK cents) 每股虧損(港仙)						
Basic 基本		(2.36)	(7.59)	(49.36)	(9.48)	(9.39)
Diluted 攤薄		(2.36)	(7.59)	(49.36)	(9.48)	(9.39)
		As at 31 December 於十二月三十一日				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
		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
Consolidated assets and liabilities 綜合資產及負債						
Total assets 總資產		929,259	849,105	1,138,480	846,132	785,840
Total liabilities 總負債		(90,555)	(63,242)	(99,218)	(93,947)	(85,990)
Total equity 總權益		838,704	785,863	1,039,262	752,185	699,850



VC GROUP

滙盈集團

Value Convergence Holdings Limited

滙盈控股有限公司